

Libertygold

2023 Annual Report

2023 Annual Report

Management's Discussion and Analysis	1
Independent Auditor's Report	19
Consolidated Financial Statements	24
Notes to the Consolidated Financial Statements	28
Corporate Information	49

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended December 31, 2023

INTRODUCTION

This Management's Discussion and Analysis, dated as of March 28, 2024, is for the year ended December 31, 2023 (the "**MD&A**"), and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023 of Liberty Gold Corp. (in this MD&A, also referred to as "**Liberty Gold**", or the "**Company**", or "**we**", or "**our**", or "**us**"), the related notes thereto (together, the "**Annual Financial Statements**"), and other corporate filings, including our Annual Information Form for the year ended December 31, 2023, dated March 28, 2024 (the "**AIF**"), available under our company profile on SEDAR+ at www.sedarplus.ca. Our reporting currency is the United States dollar ("**\$**", or "**USD**"); dollar figures in this MD&A are expressed in USD unless otherwise stated. Canadian dollars herein are expressed as "**C\$**"¹. In this MD&A gold may be expressed as ("**Au**"), silver may be expressed as ("**Ag**") and copper may be expressed as ("**Cu**").

This MD&A contains forward-looking statements that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by the nature of its business, exploration activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, or those described under the heading "Risk Factors" in our AIF, which can be found on Liberty Gold's SEDAR+ profile at www.sedarplus.ca, and those set forth in this MD&A under the headings "Cautionary Notes Regarding Forward-Looking Statements", "Industry and Economic Factors that May Affect our Business" and "Other Risks and Uncertainties" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

DESCRIPTION OF THE BUSINESS

Liberty Gold is principally engaged in the acquisition, exploration and development of mineral properties, or interests in companies controlling mineral properties, which feature the potential for minimal environmental and social footprint, strong operating margins, meaningful size, and access to existing infrastructure in mining-friendly jurisdictions.

The Company's objective is to become the growth-oriented, oxide gold producer of choice in the Great Basin. Liberty Gold's technical and management teams are currently focused on advancing the Company's main property, the Black Pine property in Idaho. The Company continues to maintain the Goldstrike project in Utah and the TV Tower project ("**TV Tower**") in Türkiye.

¹ At December 31, 2023, the value of C\$1.00 was approximately \$0.74; the daily average rate from Bank of Canada.

2023 AND RECENT HIGHLIGHTS

- On September 15, 2023, closed a non-brokered private placement raising proceeds of \$5.7 million ("**2023 Private Placement**"), anchored by a \$5.0 million strategic investment by Wheaton Precious Metals Corp. ("**Wheaton**")².
- On September 5, 2023, published second annual Environmental, Social and Governance ("**ESG**") report: Developing Gold Deposits in a Responsible and Sustainable Manner³.
- On November 8, 2023, announced the appointment of Cal Everett as Chief Executive Officer and Jon Gilligan as President, effective November 10, 2023⁴.

At the Black Pine project ("**Black Pine**"),

- On February 15, 2024, announced an update to the independent mineral resource that was originally published on February 7 2023⁵ (the "**Updated Resource**"). The new Updated Resource⁶ is reported using a \$1,800 constraining resource pit at a cut-off grade ("**COG**") of 0.20 grams per tonne ("**g/t**") Au and consists of:
 - An indicated resource of 3,206,000 ounces ("**oz**") of oxide gold at an average grade of 0.49 g/t Au and totalling 203.8 million tonnes ("**Mt**"); and
 - An inferred resource of 325,000 oz of oxide gold at an average grade of 0.42 g/t Au and totalling 24.1 Mt.A high-grade subset of the Updated Resource contained within the 0.2 g/t Au resource pit, applying a COG of 0.5 g/t Au and consists of:
 - Indicated resources of 1,765,000 oz Au at an average grade of 1.01 g/t Au and totalling 54.2 Mt; and
 - Inferred resources of 143,000 oz Au at an average grade of 0.91 g/t Au and totalling 4.9 Mt.

On September 11, 2023, announced the purchase of the existing 0.5% Net Smelter Royalty ("**NSR**") at Black Pine from a private company, and the sale of a new 0.5% NSR to an affiliate of Wheaton, including an option to repurchase 50% of the royalty for \$3.6 million at any point in time up to the earlier of commercial production at Black Pine, or January 1, 2030, which would reduce the NSR to 0.25%².

- On September 6, 2023, announced the submission of a Mining Pre-Plan of Operations to US Federal Agencies, and the selection of M3 Engineering & Technology as lead engineer for the pre-feasibility study ("**PFS**")⁷.
- Published reverse circulation ("**RC**") exploration drill results from:

Discovery Zone:

- 3.74 g/t Au over 21.3 meters ("**m**") including 15.85 over 3.0 m in LBP906⁸; and
- 0.77 g/t Au over 65.5 m including 2.47 g/t Au over 10.7 m in LBP932⁹.

CD-Tallman Zone:

- 3.28 g/t Au over 10.7 m and 0.52 g/t Au over 51.8 m in LBP893⁸; and
- 0.86 g/t Au over 25.9 m including 1.80 g/t Au over 6.1 m in LBP920⁹.

Rangefront Zone:

- 2.13 g/t Au over 18.3 m including 10.3 g/t Au over 1.5 m in LBP793¹⁰;
- 1.19 g/t Au over 33.5 m including 3.33 g/t Au over 4.6 m in LBP809¹⁰;
- 0.72 g/t Au over 35.1 m, including 1.83 g/t Au over 6.1 m and 0.89 g/t Au over 22.9 m in LBP861¹³
- 0.86 g/t Au over 25.9 m, including 2.26 g/t Au over 6.1 m in LBP800¹³;
- 0.71 g/t Au over 18.3 m starting from 16.8 m downhole, including 1.45 g/t Au over 6.1 m in LBP872¹³.
- 0.61 g/t Au over 76.2 m, including 2.47 g/t Au over 12.2 m in LBP941¹¹.
- 0.45 g/t Au over 73.2 m, including 1.50 g/t Au over 3.0 m in LBP954¹¹.

² See press release dated September 11, 2023

³ See press release dated September 5, 2023

⁴ See press release dated November 8, 2023

⁵ See press releases dated February 7, 2023 and March 21, 2023 and "Technical Report on the Updated Mineral Resource Estimate at the Black Pine Gold Project, Cassia and Oneida Counties, Idaho, USA", effective January 21, 2023, and signed March 10, 2023, prepared by Ryan Rodney, C.P.G. of SLR Consulting (Canada) Ltd; Gary L. Simmons of GL Simmons Consulting LLC of

Larkspur, Colorado, both independent Qualified Persons under National Instrument 43-101; and Moira Smith Ph.D., P.Geo., of Liberty Gold Corp;

⁶ See press release dated February 15, 2024

⁷ See press release dated September 6, 2023

⁸ See press release dated June 19, 2023

⁹ See press release dated July 24, 2023

¹⁰ See press release dated February 14, 2023.

¹¹ See press release dated September 7, 2023

M Zone:

- 7.07 g/t Au over 18.3 m including 11.92 g/t Au over 10.7 m and including 46.7 g/t Au over 1.5 m in LBP813¹²;
- 2.83 g/t Au over 25.9 m, including 7.88 g/t Au over 3.0 m in LBP849¹³;
- 2.13 g/t Au over 21.3 m, including 8.67 g/t Au over 4.6 m in LBP864¹³;
- 1.17 g/t Au over 47.2 m from 54.9 m including 2.23 g/t Au over 15.2 m in LBP736¹² and
- 0.93 g/t Au over 38.1 m from 86.9 m including 2.35 g/t Au over 6.1 m in LBP823¹²;

Back Range:

- 3.40 g/t Au over 32.0 m, including 6.74g/t Au over 9.1 m LBP945³.
- 1.41 g/t Au over 22.9 m, including 4.28 g/t Au over 6.1 m LBP9436³.
- 1.41 g/t Au over 30.5 m including 1.83 g/t Au over 13.7 m in LBP926⁹.
- 3.10 g/t Au over 27.4 m from 50.3 m including 4.33 g/t Au over 18.3 m in LBP796¹³;
- 1.36 g/t Au over 15.2 m from 120.4 m including 3.79 g/t Au over 3.0 m in LBP774¹²; and
- 0.78 g/t Au over 115.8 m from 15.2 m including 1.29 g/t Au over 25.9 m in LBP782¹².
- Completed 2023 RC exploration drilling program as of December 31, 2023, for a total of 27,461 m drilled. The drill program targeted resource upgrade and expansion over several areas of the deposit, as well as some reconnaissance drilling in new areas along the eastern and southern margins of Rangefront and the northern margin of Back Range.
- Reported weighted average 86.9% gold extraction¹⁴ from 24 Phase 4A metallurgical column leach tests on Rangefront Zone oxide gold mineralization, showing that the Rangefront Zone comprises the most leach-amenable oxide material at Black Pine. Key results include¹⁵:
 - Gold extractions ranging from 54.1% to 95.8%.
 - >80% of leachable gold extracted within 10 days.

Continued column leach testing on 25 Phase 4B drill core (variability) composites distributed across the Black Pine mineralized areas and submitted a further 11 Phase 4C drill core composites from the CD Zone for metallurgical column testing¹⁶.

A large diameter ("PQ") 'geomet' core drill program was completed in mid-October, for a total of 1,300 m in 11 drill holes, to provide variability composites from Back Range, M Zone, Discovery Zone, CD Pit & Rangefront for Phase 5 metallurgical test work.

On July 24, 2023, announced a new discovery area "Rangefront South" located approximately two kilometres to the south of the main Rangefront Zone, with two reportable intercepts of oxide gold: 0.37 g/t Au over 9.1 m, and 0.31 g/t Au over 7.6 m in drill hole LBP931⁹.

At the Goldstrike project ("Goldstrike"), we:

Reported on key metallurgical column leach test results on surface materials including¹⁷:

- Historic Leach Pad Material
 - Weighted average gold extraction from column leach tests:¹⁴
 - Leach Pad 1 (run-of-mine) 62.0%
 - Leach Pad 2 (-4 inch crush/agglomerate) 39.5%
- Backfill (material underlying the Historic Leach Pads):
 - Pad Backfill: High Grade 70.5%
 - Pad Backfill: Low Grade 81.7%
- Waste Rock Material
 - Main Dump 91.2%
 - Hamburg North Dump 71.7%
- Final reports on Phase 3 & Phase 4 metallurgical test work programs were received and recovery models were updated.

¹² See press release dated February 21, 2023.

¹³ See press release dated April 19, 2023.

¹⁴ Weighted average gold extraction is obtained using the following equation: (composite head grade (grams/tonnes) multiplied by extraction (%) for all head grades)/sum of all head grades. Using arithmetic averages tends to over-

represent low grade composites and under-represent high grade composites. The arithmetic extraction average of the 24 column tests is 76%.

¹⁵ See press release dated March 22, 2023.

¹⁶ See press release dated January 25, 2023.

¹⁷ See press release dated June 1, 2023

Retained Loughlin Associates and LRE Water, both experienced water exploration and evaluation consultants in the Great Basin, to design and execute a hydrological evaluation of potential water sources in the region¹⁷. We completed Phase 1 Hydrological desk studies to locate drill sites for a potential future process water supply and commenced initial discussions with regulators on water resource development and related permitting activities.

OUTLOOK

Liberty Gold plans to continue to work to grow and de-risk its high-quality oxide gold projects in the Great Basin, USA.

Black Pine

The key focus for project activities at Black Pine in the first half of 2024 is on permitting and pre-feasibility study work.

Pre-Feasibility Study (“PFS”)

- Geotechnical Engineering
 - Complete PFS-level pit slope stability analysis and mine rock storage facility designs.
 - Complete civils testing on foundations and borrow material for heap leach pad and all structures.
 - Complete fragmentation analysis to determine blast designs and results for run-of-mine material sizing for feed to the heap leach pad.
- Metallurgy
 - A total of 49 variability composites have been designed based on the Phase 5 metallurgical core drilling completed in 2023 and bottle roll test work has begun at the KCA laboratory in Reno on the first 25 of these composites.
 - Complete 3-dimensional modelling of geometallurgical domains with the deposit and assign PFS-level gold recovery equations.
- Mine Planning
 - Strategic Mine planning, detailed pit design, schedule and cost estimate.
- Heap Leach Pad
 - Conduct trade off studies to determine optimal heap sizing and location.
 - Complete heap designs and materials loading sequence, optimize operating parameters and metal recoveries over time.
- Infrastructure
 - Design and cost all related site infrastructure, including but not limited to offices, laboratory, warehouse, maintenance shop, ADR plant, water delivery system, power supply and access roads.
- Closure
 - Complete PFS level closure planning and cost estimate.

Permitting

- Further to the submission of the Pre-Plan of (Mine) Operations in the third quarter 2023, there will be on-going detailed engagement with the federal and state agencies responsible for the mine permitting process.
- This includes discussions on:
 - Permitting schedule and resources
 - Environmental baseline studies & local communities/stakeholder engagement process
 - Requirements for the Mine Plan of Operations document
 - Alternatives analysis
 - Selection of National Environmental Policy Act (“NEPA”) contractor(s)
- It is anticipated that the Mine Plan of Operations for Black Pine would be submitted to the lead agency, US Forest Service in the final quarter of 2024 to formally kick-off the NEPA mine permitting process.
- Much of the gold system at Black Pine remains under-explored or incompletely tested, including areas along the southeastern, eastern and northeastern edge of the property, as well as the gap between the Discovery Zone, Back Range Zone and E Zone. These areas have been included in a modification to the exploration plan of operations, currently under permitting with the US Forestry Service, with an anticipated decision in Q2, 2024. This permit would increase the drill access area by 40% up to a total of 40.3 square kilometres (“km²”) for exploration drilling on six key target areas already identified. It is anticipated that drilling could recommence in the second half of 2024.

Goldstrike

At Goldstrike, we are focused on key de-risking activities, in particular, regulator engagement on process water supply options.

PROPERTIES

Black Pine (100% owner), Idaho, USA

Black Pine is a past-producing open-pit, oxide gold, run-of-mine (“ROM”) heap leach gold mine located in southeastern Cassia County, Idaho. Black Pine was active from 1991 to 1997 when Pegasus Gold produced 435,000 oz of gold and 189,000 oz of silver from five pits.

The property covers a total area of 14,299 acres/5,776 hectares (“ha”) and consists of: 622 unpatented lode claims on Sawtooth National Forest and BLM ground (11,968 acres/4,843 ha), one Idaho State minerals lease (642 acres/260 ha), four private parcels (708 acres/286 ha) and 66.65% controlled private mineral rights (911 acres/387 ha).

Black Pine hosts a large, Carlin-style, sedimentary rock-hosted oxide gold system, the surface footprint of which extends over an approximately 14 km² target area. Liberty Gold acquired the original 345 claims of the Black Pine project in 2016, subject to a 0.5% NSR.

Black Pine Mineral Resource

On February 15, 2024, we announced the Updated Resource. The Updated Resource includes an additional 199 RC and core holes (39,426 m) drilled by Liberty Gold between late 2022 and 2023 and represents an increase in 593,000 indicated gold ounces over the Black Pine Resource¹⁸.

- The Updated Resource is reported using a constraining resource pit at a COG of 0.20 g/t Au and consists of:
- Indicated resources of 3,206,000 oz Au at an average grade of 0.49 g/t Au and totaling 203.8 Mt; and inferred resources of 325,000 oz Au at an average grade of 0.42 g/t Au and totaling 24.1 Mt.
- A high-grade subset of the Updated Resource contained within the 0.2 g/t Au resource pit, applying a COG of 0.5 g/t Au and consists of:
- Indicated resources of 1,765,000 oz Au at an average grade of 1.01 g/t Au and totaling 54.2 Mt; and inferred resources of 143,000 oz Au at an average grade of 0.91 g/t Au and totaling 4.9 Mt.

Table 1: Updated Mineral Resource Estimate By Zone

Zone	Classification	('000) tonnes	g/t Au	('000) oz Au	% Tonnes Ind & Inf	% oz Total Resource
Discovery Zone	Indicated	92,953	0.53	1,598	92	48
	Inferred	7,820	0.42	105	8	
Rangefront Zone	Indicated	78,009	0.44	1,098	93	34
	Inferred	5,761	0.49	91	7	
CDF Zone	Indicated	19,996	0.40	259	87	8
	Inferred	3,019	0.40	39	13	
M Zone	Indicated	4,070	0.72	95	92	3
	Inferred	349	0.36	4	8	
Back Range Zone	Indicated	4,693	0.62	94	90	3
	Inferred	547	0.56	10	10	
E Zone	Indicated	2,604	0.46	39	44	2
	Inferred	3,334	0.33	35	56	
J Zone	Indicated	1,447	0.50	23	31	2
	Inferred	3,256	0.39	41	69	
Total Resource	Indicated	203,771	0.49	3,206	89	91
	Inferred	24,085	0.42	325	11	9

¹⁸ See press release dated February 15, 2024

Notes:

- CIM (2014) definitions were followed for mineral resources.
- Mineral Resources are reported within conceptual open pits estimated at a gold cut-off grade of 0.20 g/t, using a long-term gold price of US\$1,800 per ounce and a variable gold leach recovery model derived from extensive metallurgical studies.
- Bulk density is variable by rock type.
- There are no mineral reserves.
- Mineral resources that are not mineral reserves do not have demonstrated economic viability.
- Rounding as required by reporting guidelines may result in apparent discrepancies between tonnes, grades, and contained gold content.
- The effective date of the Update Resource is February 15, 2024.
- The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
- The Updated Resource was prepared by SLR Consulting (Canada) Ltd., Toronto, Canada ("SLR").

Table 2: Resource Grade Distribution At Successively Higher Cut-Off Grades Within The 0.2 G/T Au Reporting Pit*

Block cut-off grade	Classification	('000) tonnes	g/t Au	('000) oz Au
0.20 g/t	<i>Indicated</i>	203,771	0.49	3,206
	<i>Inferred</i>	24,085	0.42	325
0.22 g/t	Indicated	179,020	0.53	3,040
	Inferred	20,932	0.45	303
0.25 g/t	Indicated	150,029	0.58	2,821
	Inferred	16,725	0.51	271
0.30 g/t	Indicated	115,997	0.68	2,522
	Inferred	12,245	0.59	232
0.50 g/t	Indicated	54,249	1.01	1,765
	Inferred	4,922	0.91	143

*Please refer to the notes accompanying **Table 1**, above, for additional information. The Updated Resource is shown in ***bold and italic*** font.

Table 3: Sensitivity Analysis Using Lower Cut-Off Grades*

Sensitivity Analysis Using Lower Cut-Off Grades					
Cut-off (g/t Au)	Classification	('000) tonnes	g/t Au	('000) oz Au	waste:I+I tonnes ratio
0.20 g/t	<i>Indicated</i>	203,771	0.49	3,206	2.98
	<i>Inferred</i>	24,085	0.42	325	
0.17 g/t	Indicated	260,830	0.43	3,575	2.24
	Inferred	33,035	0.36	388	
0.10 g/t	Indicated	439,524	0.31	4,406	1.03
	Inferred	67,942	0.26	576	

*Please refer to notes accompanying **Table 1**, above. The Updated Resource is shown in ***bold and italic*** font. Tonnes, grade and ounces are expressed within a series of nested pit shells generated at US\$1800/ounce gold whereby only the material above each cut-off grade is processed.

Black Pine Metallurgy

Liberty Gold has completed multiple phases of metallurgical testing at Black Pine including:

- Bulk sample column tests
 - Phase 1A2 (6 x 300 kilogram surface bulk samples): 78.9% weighted average gold extraction, ranging up to 92.8%
- Variability composite column tests (149 composites from PQ drill core)
 - Phase 1B3 (29 composites): 82.9% weighted average gold extraction, ranging up to 94.5%
 - Phase 24 (45 composites): 80.8% weighted average gold extraction, ranging up to 94.8%
 - Phase 3 (15 low-grade composites): 65.2% weighted average gold extraction, ranging up to 80.8%
 - Phase 4A (24 composites): 86.9% weighted average gold extraction, ranging up to 95.8%
 - Phase 4B and 4C (36 composites): 84.2% weighted average gold extraction, ranging up to 94.2%.

Phase 4B and 4C composites and the pending Phase 5 variability test program filled gaps in the Black Pine resource metallurgical database. The Phase 4B and 4C data have updated the metallurgical recovery equations supporting the

deposit-wide gold recovery model. Phase 5A metallurgical test work has commenced with initial results expected back for inclusion in the PFS. Initial work will include variability composites from Back Range, J Zone, M Zone and Tallman.

EXPLORATION EXPENDITURES

During the year ended December 31, 2023 (“**Fiscal 2023**”), the Company incurred \$13.48 million (year ended December 31, 2022 (“**Fiscal 2022**”): \$21.65 million) in exploration expenditures. The following table shows a breakdown of the significant components of the Company’s exploration expenditures for the year ended December 31, 2023, and 2022 at our Black Pine and Goldstrike properties.

	Year ended December 31, 2023		Year ended December 31, 2022	
	Black Pine	Goldstrike	Black Pine	Goldstrike
Drilling and assays	\$4,949,928	\$10,013	\$8,748,800	\$2,446,743
Wages and salaries	\$1,679,923	\$266,002	\$2,269,158	\$901,818
Consulting and professional fees	\$1,532,029	\$157,977	\$652,565	\$625,352
Field support	\$805,597	\$4,371	\$896,154	\$91,519
Metallurgy	\$638,036	\$319,808	\$408,951	\$190,903
Environmental, safety, and community	\$612,117	\$2,248	\$828,239	\$199,742
Road & site prep.	\$597,303	\$39,967	\$1,016,860	\$111,940
Property and water	\$412,750	\$324,868	\$378,210	\$202,665
Other	\$492,619	\$25,985	\$759,336	\$382,931
Total	\$11,720,302	\$1,151,239	\$15,958,273	\$5,153,613

In addition, in the year ended December 31, 2023, the Company capitalised \$0.84 million (year ended December 31, 2022: \$0.30 million) in property acquisition costs at Black Pine on the purchase of additional surface lands in the area.

Other Projects:

Goldstrike (100% owner or controlled, and operator), Utah, USA

Goldstrike is an oxidized, Carlin-style, sedimentary rock-hosted gold system located in Washington County, southwest Utah (50 km northwest of the city of St. George). Goldstrike is a past-producing open pit ROM heap leach operation, which was active from 1988 to 1996 producing approximately 210,000 oz of gold and 198,000 oz of silver during this period. Goldstrike consists of 749 owned unpatented claims (lode and placer), 99 leased unpatented claims, 633 acres of leased patented claims, 160 acres of leased private land, and 926 acres of leased State land, covering a total of 7,194 ha.

TV Tower (72.1% owner and operator)

The 9,065 ha TV Tower gold-silver-copper property is located in northwestern Türkiye. Our interest in TV Tower is held through a 72.1% shareholding in Orta Truva Madencilik Sanayi ve Ticaret Anonim Şirketi (“**Orta Truva**”), the legal entity that holds title to the licences that comprise TV Tower. Teck Madencilik Sanayi Ticaret A.Ş. (“**TMST**”), a subsidiary of Teck Resources Limited (“**Teck**”), holds the remaining 27.9% of Orta Truva.

The Company is currently conducting a strategic sale process at TV Tower, to potentially generate further funds to invest in oxide gold exploration and development in the Great Basin.

Mineral Resources

The Company has delineated mineral resources at each of Black Pine, Goldstrike, and TV Tower. The Company’s other targets on its property interests are at an earlier stage and do not contain any mineral resource estimates as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”). With the exception of those deposits already delineated, the potential quantities and grades disclosed in this MD&A are conceptual in nature, and there has been insufficient exploration to define a mineral resource estimate for other targets disclosed herein. It is uncertain if further exploration will result in these targets being delineated as a mineral resource. Additional information about Goldstrike and Black Pine and our other projects is also summarized in our AIF and the respective technical reports and can be viewed under the Company’s issuer profile on SEDAR+ at www.sedarplus.ca.

SELECTED FINANCIAL INFORMATION

Management is responsible for the financial statements referred to in this MD&A and provides officers' disclosure certifications filed with the Canadian provincial securities commissions.

The Annual Financial Statements, as well as the consolidated financial statements for the years ended December 31, 2022, and December 31, 2021, have been prepared using accounting policies in compliance with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. Management has determined that Liberty Gold Corp. has a C\$ functional currency because it, as the parent entity, raises its financing and incurs head office expenses in Canadian dollars. In order to enhance comparability with our peers and as a better representation of the principal currency used by the mining and mineral exploration industry, the presentation currency of our consolidated financial statements is USD.

The Company operates in one segment – the exploration and development of gold, copper, and other precious and base metals, and in three geographic locations: Canada, the USA, and Türkiye. Information discussed herein reflects the Company as a consolidated entity, consistent with our determination that the segment in which we operate provides the most meaningful information.

Results of Operations

The following financial data (in \$ millions, except per share amounts) are derived from the Annual Financial Statements as well as the consolidated financial statements for the years ended December 31, 2022, and December 31, 2021:

	2023	2022	2021
Total revenues	\$nil	\$nil	\$nil
Net loss for the period and attributable to shareholders	\$(20.19)	\$(21.10)	\$(29.74)
Basic and diluted loss per share and attributable to shareholders	\$(0.06)	\$(0.07)	\$(0.11)

Year ended December 31, 2023, vs. Year ended December 31, 2022

Net losses for Fiscal 2023 of \$20.19 million, were less than the losses of \$21.10 million incurred in Fiscal 2022 mainly due to lower exploration and evaluation expenditures in Fiscal 2023 by \$8.17 million, lower losses in fair value of other financial assets by \$1.97 million, offset by the realization of the net gain on the sale of Kinsley of \$8.99 million in Fiscal 2022 and by an impairment charge on TV Tower of \$1.04 million in Fiscal 2023.

The lower net cash operating outflows in Fiscal 2023 of \$15.80 million as compared to \$24.51 million in Fiscal 2022 is due primarily to fewer meters drilled in the exploration program in the current period.

Exploration and evaluation expenditures

Exploration and evaluation expenditures for Fiscal 2023 were \$13.48 million compared to \$21.65 million in Fiscal 2022, due to lower drilling and assaying expenditures at Black Pine of \$4.95 million (Fiscal 2022: \$8.75 million) and Goldstrike of \$0.01 million (Fiscal 2022: \$2.45 million). The decrease reflects a smaller overall exploration program at both Black Pine and Goldstrike compared to activity levels in Fiscal 2022.

Impairment

As a result of impairment indicators including external market information, it was determined that an impairment test should be undertaken for TV Tower. It was determined that the carrying value of TV Tower exceeded its recoverable amount. Accordingly, an impairment loss of \$1.04 million was recognized in the statement of loss and comprehensive loss in the year ended December 31, 2023.

Stock-based compensation

In general, the expense reflects the grant date fair value of grants of employee stock options ("Options") to purchase common shares of the Company ("Common Shares"), restricted share units ("RSUs") and deferred share units ("DSUs") as they vest. Stock-based compensation expense should be expected to vary from period to period depending on several factors, including whether Options, RSUs or DSUs are granted in a period, and the timing of vesting or cancellation of such equity instruments.

Stock-based compensation expense for Fiscal 2023 was \$1.84 million compared to \$2.25 million in Fiscal 2022. The total expense in Fiscal 2023 was lower than the total expense in Fiscal 2022 due to the grant of 1,914,870 Options to Directors of the Company in Fiscal 2022 which vested immediately, partially offset by 600,000 Options to new Directors of the Company in Fiscal 2023 which also vested immediately.

Wages and benefits

Non-exploration wages and benefits in Fiscal 2023 were \$1.88 million compared to \$2.42 million Fiscal 2022. The decrease is primarily due to a reduction of headcount and cash bonus in Fiscal 2023.

A significant portion of our remuneration costs are included in exploration expenditures based on the nature of the work undertaken in the period. Wages and benefits included under the heading of exploration expenditures totaled \$1.44 million in Fiscal 2023, compared to \$2.44 million in the comparative 2022 period.

Depreciation

Depreciation in Fiscal 2023 decreased by \$0.16 million as compared to Fiscal 2022 due to the change in depreciation policy in the comparative 2022 period from declining balance to straight line.

Other income and expenses

In Fiscal 2023, the Company recorded other expense (net) of \$0.08 million compared to other income (net) of \$7.94 million in Fiscal 2022; the difference is primarily due to the net gain on sale recognized on the sale of Kinsley in the comparative period.

Other comprehensive loss

Net other comprehensive loss consists of the impact of exchange gains and losses from the translation of our operations with a non-USD functional currency.

The Canadian dollar appreciated 2.40% relative to the value of the USD during Fiscal 2023 (Fiscal 2022: depreciated 6.25%). As a result, for Fiscal 2023, foreign exchange gains of \$0.38 million were recognized compared to foreign exchange losses of \$2.38 million in Fiscal 2022.

Financial Position

The following financial data (in \$ millions) are derived from our Annual Financial Statements as well as the consolidated financial statements for the years ended December 31, 2022, and December 31, 2021:

	December 31, 2023	December 31, 2022	December 31, 2021
Total assets	\$35.34	\$47.95	\$53.33
Current liabilities	\$1.75	\$2.54	\$9.89
Non-current financial liabilities	\$0.02	\$0.08	\$0.44
Cash dividends declared	\$nil	\$nil	\$nil

Total assets

The \$12.35 million decrease in total assets as at December 31, 2023, compared to December 31, 2022, is primarily due to cash operating expenditures including exploration and evaluation, wages and benefits, and office and general expenditures totaling \$15.80 million in aggregate as well as the impairment on TV Tower of \$1.04 million, offset by the proceeds of the 2023 Private Placement.

Current liabilities

Current liabilities at December 31, 2023 of \$1.75 million, were lower than at December 31, 2022, of \$2.54 million, due to the timing of expenditures from the active drill programs at Black Pine and Goldstrike, and the reduction of current lease liabilities. This was partially offset by an increase of decommissioning liabilities.

Non-current financial liabilities

Non-current financial liabilities mainly consist of lease liabilities that are reduced as lease termination dates approach.

Shareholders' equity

Pursuant to the 2023 Private Placement, the Company issued 22,927,937 Common Shares at C\$0.34 per share. During Fiscal 2023, 1,831,793 RSUs and 882,614 DSUs were converted into Common Shares on vesting. During Fiscal 2023, 3,255,000 Options were granted 600,000 of which vested immediately. Refer also to discussion in this MD&A under heading, "Outstanding Share Data". The Company has not declared any dividends since incorporation and does not expect this will change in the near future.

SUMMARY OF QUARTERLY RESULTS

The following information (in thousands of \$, except per share amounts) is prepared on a consistent basis with IFRS applicable to interim financial reporting including IAS 34, and is derived from, and should be read in conjunction with, our Annual Financial Statements, our consolidated financial statements for the year ended December 31, 2022, and the interim condensed consolidated financial statements for each of the quarters in 2023 and 2022.

Condensed interim consolidated statements of loss and comprehensive loss:

(In 000's of dollars except per share amounts)	Dec 31 2023	Sep 30 2023	Jun 30 2023	Mar 31 2023	Dec 31 2022	Sep 30 2022	Jun 30 2022	Mar 31 2022
Net income (loss) attributable to the shareholders:	\$	\$	\$	\$	\$	\$	\$	\$
Net loss for the period	(4,648)	(5,429)	(5,271)	(4,843)	(6,569)	(6,347)	(161)	(8,024)
Exchange differences on translating foreign operations	274	(55)	249	(93)	321	(1,980)	(1,073)	350
Basic and diluted loss per share	0.00	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00	(0.03)

The net losses for each quarter are driven mostly by exploration expenses, general and administrative costs at head office and site (including wages and salaries, promotion and investor relations, office costs, professional fees and regulatory fees, and non-cash stock-based compensation). Factors that can cause fluctuations in the Company's quarterly results include the timing, nature and extent of exploration activities, finance expenses, grant and vesting of Options, RSUs and DSUs, and issuance of shares.

In the second quarter of 2022, a net gain of \$8.99 million was recorded on the sale of Kinsley which offset that quarter's expenditures.

The fourth quarter of 2023 showed lower losses than in the previous quarter primarily due to lower exploration and evaluation expenditures of \$2.03 million in the fourth quarter of 2023 as compared to exploration and evaluation expenditures of \$4.42 million in the third quarter of 2023. Partially offset by the impairment charge of \$1.04 million on TV Tower.

RELATED PARTY TRANSACTIONS

Administration and Technical Services Agreement - Oxygen Capital Corporation

Certain office and general expenditures incurred in Canada and wages and benefits relating to certain Canadian personnel were incurred on a cost-recovery basis through an administration and technical services agreement (the "**Oxygen Agreement**") with Oxygen Capital Corporation ("**Oxygen**"). Oxygen is a private company owned by former Directors of the Company and enables the member companies to synergize the use of resources such as administrative services and staff with no markup. Effective June 14, 2023, Oxygen is no longer a related party.

Transactions with Oxygen for the period January 1, 2023, to June 14, 2023, totalled \$0.18 million. The 10-year lease the Company sublet from Oxygen (the "**Lease**"), ended on September 30, 2023. The Oxygen Agreement was terminated effective September 30, 2023.

Compensation of key management personnel

Key management includes members of the Company's board of directors (the "**Board**"), the Chief Executive Officer, the President and Chief Operating Officer, VP Exploration, Chief Financial Officer & Corporate Secretary, SVP Corporate Development, and the Turkish Country Manager.

The aggregate total compensation recognised in the financial statements, is shown below (in millions):

	Year ended December 31,	
	2023	2022
Salaries, bonuses, and other short-term employee benefits	\$1.62	\$1.96
Share-based payments	\$1.88	\$2.10
Total	\$3.50	\$4.06

LIQUIDITY AND CAPITAL RESOURCES

As at the date of this MD&A, the Company has approximately \$7.01 million available in cash, cash equivalents, and short-term investments. With no debt, the Company's working capital balance as at the date of this MD&A is approximately \$6.04 million. We have not declared any dividends and management does not expect this will change in the near future.

The Company had a net loss of \$20.81 million for the year ended December 31, 2023 (year ended December 31, 2022: \$21.33 million) and at December 31, 2023, had accumulated losses of \$246.41 million (December 31, 2022: \$226.48 million) since inception. The properties in which the Company currently has an interest are in the exploration and development stage. The Company has no revenue-producing operations and earns only minimal income through investment income on treasury, the proceeds from property option agreements, or as a result of the disposal of an exploration asset. The Company's ability to continue as a going concern is dependent on its ability to raise sufficient funds through equity capital or borrowings to meet its expenditures and obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future. Failure to obtain additional funding on a timely basis may cause the Company to postpone exploration and/or evaluation plans or substantially reduce its operations. Circumstances that could impair the Company's ability to raise additional funds, or ability to undertake transactions, are discussed in our AIF dated March 28, 2024, under the heading "Risk Factors", as well as the "Business Risks and Uncertainties" section below. There is no assurance that we will be able to raise the necessary funds in the future. In particular, the Company's access to capital and its liquidity is impacted by global macroeconomic trends, fluctuating commodity prices and general investor sentiment for the mining and metals industry. There are no known restrictions on the ability of our subsidiaries to transfer or return funds to the parent company. The consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2022 Bought Deal

The successful closing of the 2022 Bought Deal for gross proceeds of C\$30 million, provided additional capital to continue to advance our planned exploration programs at Black Pine and Goldstrike. Expenditures against the preliminary budgets are disclosed in the table below:

Activity or Nature of Expenditure	Approximate Use of Net Proceeds	Actual use of proceeds as at December 31, 2023
Exploration of Black Pine	\$9.70	\$12.43
Development of Black Pine	\$2.68	\$3.44
Exploration of Goldstrike	\$2.60	\$0.28
Development of Goldstrike	\$3.62	\$1.26
Working Capital	\$3.54	\$4.73
Total	\$22.14	\$22.14

Some funds initially allocated to Goldstrike exploration and development were re-allocated to Black Pine exploration and development in order to prioritise and progress our exploration and development goals at Black Pine.

CONTRACTUAL OBLIGATIONS

Mineral Properties and Capital Expenditures

We have obligations in connection with certain of our mineral property interests that require cash payments to be made to the government or underlying land or mineral interest owners. Although most of our property obligations are eliminated should we choose to no longer invest funds exploring the particular property, we have certain notable obligations:

TV Tower

Pursuant to the respective operating agreements and elections by members to participate or not in funding the annual program and budget, the Company must incur its pro rata share of the approved budgets for TV Tower. Total approved budget for 2024 for TV Tower is \$0.75 million, TMST has elected not to participate in the 2024 program and budget and the Company will contribute 100% of funding for the year. TMST's interests in TV Tower will be diluted commensurate with the Company's contribution to TV Tower.

Leases

Total future minimum lease payments, for agreements outside the scope of IFRS 16 – Leases, as at December 31, 2023, are nil.

Surety Bonds

The Company has an agreement with a third-party for its \$3.27 million bond requirements in the United States for surety bonds of the same amount. The bonds are held in favour of the BLM and the USFS as financial support for environmental reclamation and exploration permitting. The surety bonds are secured by a \$0.49 million deposit (as at the date of this MD&A) and are subject to fees competitively determined in the marketplace. The obligations associated with these instruments are generally related to performance requirements that the Company addresses through its ongoing operations. As specific requirements are met, the BLM and USFS as beneficiaries of the different instruments will return the instrument to the issuing entity. As these instruments are associated with ongoing and active exploration properties, they will remain outstanding until the earlier of the date that the Company has discharged its remediation obligations or determines to self-fund the underlying bonding obligations.

Investments

At the effective date of this MD&A, the market value of our portfolio of investment holdings from recent divestitures discussed in this document, comprising equity securities in exploration companies, is \$0.71 million.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements other than those discussed under "Surety Bonds".

LEGAL MATTERS

Liberty Gold is not currently and has not at any time during our most recently completed financial quarter, been a party to, nor has any of its property interests been the subject of, any material legal proceedings or regulatory actions.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses. Estimates and judgments are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Factors that could affect these estimates are discussed in our AIF, under the heading, "Risk Factors". Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Further information on management's judgments, estimates and assumptions and how they impact the various accounting policies are described below and also in the relevant notes in the Annual Financial Statements.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements.

- (i) *Functional currency:* The functional currency for the parent entity, and each of its subsidiaries and associates, is the currency of the primary economic environment in which the entity operates. The US and Turkish subsidiaries of the parent entity have a US dollar functional currency, while the parent entity itself, and its remaining subsidiaries, have a Canadian dollar functional currency.

Determination of functional currency involves certain judgments to determine the primary economic environment and the parent entity reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

- (ii) *Review of asset carrying values and impairment assessment:* In accordance with the Company's accounting policy, each asset is evaluated every reporting period to determine whether there are any indications of impairment. If any

such indication exists, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the higher of value in use and fair value less costs to sell. The most significant assets assessed for impairment include the carrying value of the Company's exploration and evaluation assets. Management makes significant judgments in assessing whether certain factors would be considered an indicator of impairment, which includes the rights to explore in the specific area, the planned substantive expenditure on further exploration for and evaluation of mineral resources and whether sufficient data exists to indicate that extracting the resources will not be technically feasible or commercially viable.

Exploration and evaluation assets and expenditures: The application of the Company's accounting policy for exploration and evaluation assets and expenditures requires judgment to determine whether future economic benefits are probable, from either future development or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- (i) *Exploration and evaluation assets:* In addition to applying judgment to determine whether it is probable that future economic benefits will arise from the Company's exploration and evaluation assets, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company has to apply a number of estimates and assumptions.

The publication of a resource pursuant to NI 43-101, is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred). The estimates directly impact when the Company defers its exploration and evaluation assets. Any such estimates and assumptions may change as new information becomes available. If information becomes available suggesting the recovery of acquisition costs is unlikely, the relevant capitalised amount is written off in the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

We are exposed to varying degrees to a variety of financial instrument related risks. The Board provides oversight of our risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. We manage our capital in order to meet short term business requirements, through preparation and management of detailed budgets, taking into account cash flows from operations, expected capital expenditures and our holdings of cash and cash equivalents. We may from time to time have to issue additional Common Shares to ensure there is sufficient capital to meet our long-term objectives. Our financial liabilities of trade payables and accrued liabilities are payable within a 30-day period and are expected to be funded from the available balance of cash and short-term investments.

Market Risk

The significant market risk to which we are exposed is foreign exchange risk. The results of our operations are exposed to currency fluctuations. To date, other than through transactions on our mineral properties, we have raised funds entirely in C\$. The majority of our mineral property expenditures are incurred in USD. The fluctuation of the C\$ in relation to the USD and Turkish Lira ("TL") will have an impact on Liberty Gold's financial results.

Further, although only a portion of our expenditures, including general and administrative costs are incurred in Canadian dollars, we record our assets located in Canada in C\$. As our operating results and financial position are reported in the consolidated financial statements in USD, there may also be an impact to the value of Liberty Gold's assets, liabilities, and shareholders' equity as a result of the fluctuation of the C\$ compared to the USD.

A 10% increase or decrease in the exchange rate of the USD relative to the C\$ would result in a \$0.64 million increase or decrease respectively in the Company's cash and short-term investment balance as at December 31, 2023. Although our exposure relating to operating activity in Türkiye from fluctuations of the TL remains minimal given the nature, type, and currency of expenditure (USD), recent volatility in that currency relative to the USD has increased the potential for an impact on the Company's cash and short-term investment balances. We have not entered into any derivative contracts to manage foreign exchange risk at this time.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's exposure to credit risk is limited to the carrying value of the cash and cash equivalents, short-term investments, and accounts receivable on the consolidated statement of financial position.

The Company manages exposure to credit risk primarily through maintaining its cash and short-term investments with high credit quality banking institutions in Canada, the USA and Türkiye. The majority of funds are held in Canadian chartered banks and are not covered by separate deposit insurance. Credit risk is mitigated on these financial instruments in accordance with the Company's investment policy.

Interest Rate Risk

We are subject to interest rate risk with respect to our investments in cash and cash equivalents. Our current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders by diversifying investments with a number of different highly rated financial institutions. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned.

Fair Value Estimation

For the majority of the Company's financial assets and liabilities, the carrying value approximates their estimated fair value due to their short-term nature.

OUTSTANDING SHARE DATA

	As at December 31, 2023	As at the date of this MD&A
Common Shares issued and outstanding:	344,954,866	345,101,533
Number of Options:		
Outstanding	18,610,441	17,605,441
Exercisable	13,052,118	12,378,782
Number of RSUs:		
Outstanding	8,280,316	8,133,649
Convertible	1,513,511	1,366,844
Number of DSUs outstanding:	2,080,396	4,741,100

PROPOSED TRANSACTIONS

As is typical of the mineral exploration and development industry, we are continually reviewing potential merger, acquisition, investment, divestiture and joint venture transactions and opportunities that could enhance shareholder value. We are also continually reviewing and discussing opportunities with third parties regarding the sale of non-strategic properties in our portfolio. There is no guarantee that any contemplated transaction will be concluded.

With the exception of continuing discussions with Teck and various third parties to unlock the value and potential of our remaining Turkish business, there are no proposed asset or business acquisitions or dispositions before the Board for consideration. While we remain focused on our plans to continue exploration and development on our material property, should we enter into agreements in the future on new properties, we may be required to make cash payments and complete work expenditure commitments under those agreements.

INDUSTRY AND ECONOMIC FACTORS THAT MAY AFFECT OUR BUSINESS

Economic and industry risk factors that may affect our business, in particular those that could affect our liquidity and capital resources, are as described under the heading “Risk Factors” in our AIF, available on the Company’s SEDAR+ profile at www.sedarplus.ca. In particular, there are currently significant uncertainties in capital markets impacting the availability of equity financing for the purposes of mineral exploration and development. There are also significant uncertainties relating to the global economy, economy, political uncertainties including the anticipated Turkish presidential election, and increasing geopolitical risk, including the current conflicts between Russia and Ukraine, and Israel and Palestine, increased volatility in the prices of gold, copper, other precious and base metals and other minerals, as well as increasing volatility in the foreign currency exchange markets which impact our business and may impact our ability to remain a going concern.

In addition, while the ongoing volatility in the price of gold and copper and continued uncertainties in capital markets do not have a direct impact on the Company’s ability to carry out exploration, the Company may be impacted should it become more difficult to gain access to capital (e.g., debt or equity financing for the purposes of mineral exploration and development) when and if needed and may need to modify or curtail its exploration and development programs. Difficulty in accessing capital on favourable terms may limit the Company’s ability to develop and/or further explore the mineral properties in which we have an interest and may limit our ability to meet capital calls with respect to our associates.

The specific risks noted in our AIF and others in particular relating to permitting for operations, may limit the Company’s ability to develop and/or further explore its mineral property interests and may limit the ability of the Company to satisfy expenditure requirements on our material projects.

In addition, rising global political tensions due to recent events in eastern Europe, could lead to supply chain issues and increased costs which may have an adverse impact on the Company’s ability to maintain its planned exploration and development programs.

OTHER RISKS AND UNCERTAINTIES

The Company’s operations are subject to a number of risks and other uncertainties, including risks related to the Company’s foreign operations, government, environmental and other regulations and operating costs. Occurrence of various factors and uncertainties of risk cannot be accurately predicted and could cause actual results to differ significantly from our current expectations and result in a material adverse effect on the Company’s operations, liquidity, or ultimate profitability. A comprehensive discussion of these risks and uncertainties are set out in our AIF. The reader is directed to carefully review this discussion for a proper understanding of these risks and uncertainties.

CONTROLS AND PROCEDURES

Internal Controls over Financial Reporting

Management is responsible for the design of Liberty Gold’s internal controls over financial reporting (“**ICFR**”) as required by National Instrument 52-109–*Certification of Disclosure in Issuers’ Annual and Interim Filings*. ICFR is intended to provide reasonable assurance regarding the preparation and presentation of material financial information for external purposes in accordance with applicable generally accepted accounting principles. Internal control systems, no matter how well designed, have inherent limitations.

Liberty Gold’s officers certify the design of Liberty Gold’s ICFR using the Internal Control – Integrated Framework (2013) issued by The Committee for Sponsoring Organizations of the Treadway Commission. Based on a review of its internal control procedures at the end of the period covered by this MD&A, Liberty Gold’s Chief Executive Officer and Chief Financial Officer, based on their evaluation as of December 31, 2023, have determined that the Company’s internal controls over financial reporting have been effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Disclosure Controls and Procedures

Disclosure controls and processes have been designed to ensure that information required to be disclosed by Liberty Gold is compiled and reported to management as appropriate to allow timely decisions regarding required disclosure. Liberty Gold's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation as of December 31, 2023, that the disclosure controls and procedures are effective in providing reasonable assurance that material information related to Liberty Gold is made known to them by employees and third-party consultants working for Liberty Gold and its subsidiaries.

While Liberty Gold's Chief Executive Officer and Chief Financial Officer believe that our disclosure controls and processes will provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and processes will prevent all errors and frauds. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

SUBSEQUENT EVENTS NOT OTHERWISE DESCRIBED HEREIN

With the exception of activities described in this MD&A, there were no further subsequent events.

ADDITIONAL INFORMATION

For further information regarding Liberty Gold, refer to Liberty Gold's AIF and other continuous disclosure filings with the Canadian securities regulatory authorities available under Liberty Gold's company profile on SEDAR+ at www.sedarplus.ca.

APPROVAL

The Audit Committee of the Board has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it of us and will be posted to our website at www.Libertygold.ca.

(signed) "Calvin Everett"

Calvin Everett

Chief Executive Officer

March 28, 2024

(signed) "Joanna Bailey"

Joanna Bailey

Chief Financial Officer and Corporate Secretary

SCIENTIFIC AND TECHNICAL DISCLOSURE

The written disclosure of technical information in the MD&A has been approved by Peter Shabestari., P.Geo., Liberty Gold Vice-President Exploration, and a Qualified Person ("QP") for the purposes of NI 43-101. Mr. Shabestari reviewed and validated that the scientific or technical information contained in this MD&A is consistent with that provided by the QPs responsible for the NI 43-101 technical reports for the respective projects and has verified the technical data disclosed in this document relating to those projects in which the Company holds an interest. Mr. Shabestari has consented to the inclusion of the Technical Information (as defined below) in the form and context in which it appears in this MD&A. Mr. Shabestari has verified that the historic data herein, including the results of drilling, sampling, and assaying by previous operators, is reliable. Historic data largely predate the introduction of NI 43-101 and modern quality assurance and quality control protocols and therefore there are limitations on the level of verification that can be achieved.

Unless otherwise indicated, Liberty Gold has prepared the technical information in this MD&A ("**Technical Information**") based on information contained in the following technical report:

"Technical Report on the Updated Mineral Resource Estimate at the Black Pine Gold Project, Cassia and Oneida Counties, Idaho, USA", effective January 21, 2023, and signed March 10, 2023, prepared by Ryan Rodney, C.P.G of SLR International Corporation of Denver, Colorado; Gary L. Simmons of GL Simmons Consulting LLC of Larkspur, Colorado, both independent QPs under NI 43-101; and Moira Smith Ph.D., P.Geo., of Liberty Gold Corp;

and news releases (collectively the "**Disclosure Documents**", each prepared by or under the supervision of a QP) available under the Company's profile on SEDAR+ at www.sedarplus.ca. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents. Readers are encouraged to review the full

text of the Disclosure Documents qualifying the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Mineral resource estimates are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined may differ from that which is indicated by drilling results, and the difference may be material.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A, contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws, including statements or information concerning, future financial or operating performance of Liberty Gold and its business, operations, properties and condition; planned de-risking activities at Liberty Gold’s mineral properties; the potential quantity, recoverability and/or grade of minerals; the potential size of a mineralized zone or potential expansion of mineralization; proposed exploration and development of Liberty Gold’s exploration property interests; the results of mineral resource estimates and timing of preliminary economic assessments (“PEAs”) or pre-feasibility studies; and the Company’s anticipated expenditures.

Forward-looking statements and forward-looking information is often, but not always, identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “will”, “projects”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including among other things, assumptions about future prices of gold, copper, silver, and other metal prices, changes in the worldwide price of other commodities such as coal, fuel and electricity, fluctuations in resource prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time; future issuances of Common Shares and warrants; obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, timing of the publication of any resources, accuracy of any mineral resources or PEAs; the timing and likelihood of deployment of additional drill rigs to our projects, proposed additional metallurgical testing, the timing and amount of estimated future production, illustrative costs of production and mine life of the various mineral projects of Liberty Gold, successful resolution of disputes (if any) and anticipated costs and expenditures, the interpretation and actual results of historical production at certain of our exploration properties, as well as specific historic data associated with and drill results from those properties, and the reliance on technical information provided by our joint venture partners or other third-parties; the timing and amount of estimated capital, operating and exploration expenditures, costs and timing of the development of new deposits and of future exploration, acquisition and development activities, estimated exploration budgets and timing of expenditures and community relations activities; satisfaction of expenditure obligations under any agreements to which the Company is a party, government regulation of mining operations, environmental risks and reclamation expenses, title disputes, the ability to maintain or convert the underlying licences for TV Tower in accordance with the requirements of applicable mining laws in Türkiye; government regulation of exploration and mining operations, and the application thereof in accordance with the rule of law; the timing and possible outcome of regulatory and permitting matters; successful resolution of any challenges to any environmental impact assessments that might arise in the future, the impact of archaeological, cultural or environmental studies within the property areas, anticipated costs and expenditures and our ability to achieve our goals. While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information. 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.

Statements relating to mineral reserves and resources are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral reserves and resources described exist in the quantities predicted or estimated and may be profitably produced in the future. Estimated values of future net revenue do not represent fair market value. There is no certainty that it will be commercially viable to produce any portion of the resources.

Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or forward-looking

information. Such risk factors include, among others: general business, economic, competitive, political, regulatory and social uncertainties, including those relating to internal political or military unrest and due to pandemics; fluctuations in and the future price of gold, copper, silver and other metal prices; disruptions or changes in the credit or securities markets and market fluctuations in prices for Liberty Gold's securities; the timely receipt of regulatory approvals; potential dilution of Common Share voting power or earnings per share as a result of the exercise of Options, RSUs, DSUs, or warrants, future financings or future acquisitions financed by the issuance of equity; discrepancies between actual and estimated mineral reserves and resources; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, military coups or attempts thereof, insurrection or acts of war or terrorism, including the current conflict between Russia and Ukraine; expropriation of property without fair compensation; adverse determination or rulings by governmental authorities; adverse actions by governmental authorities; changes in policy relating to the extractive industries or in the personnel administering them; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; Liberty Gold's ability to renew existing licences and permits or obtain required licences and permits; changes in government legislation and regulation including pursuant to the Canadian Extractive Sector Transparency Measures Act (Canada); requirements for future funding to satisfy contractual obligations and additional capital needs generally; uncertainties associated with minority interests and joint venture operations; risks arising from having the majority of the Company's operations occur in foreign jurisdictions, those associated with the Company's indemnified liabilities and the potential for increased infrastructure and/or operating costs or reclamation costs; the risks involved in the exploration, development and mining business generally; and the factors discussed in the section entitled "Risk Factors" in the AIF. Although we have attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and we disclaim any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information.

Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. 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, except as required by applicable law. Readers should not place undue reliance on forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.

Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources

The information in this MD&A, including any information incorporated by reference, and disclosure documents of Liberty Gold that are filed with Canadian securities regulatory authorities concerning mineral properties have been prepared in accordance with the requirements of securities laws in effect in Canada, which differ from the requirements of United States securities laws.

Without limiting the foregoing, these documents use the terms "measured resources", "indicated resources", "inferred resources" and "probable mineral reserves". These terms are Canadian mining terms as defined in, and required to be disclosed in accordance with, NI 43-101, which references the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "**CIM**") – CIM Definition Standards on Mineral Resources and Reserves ("**CIM Definition Standards**"), adopted by the CIM Council, as amended. However, these standards differ significantly from the mineral property disclosure requirements of the United States Securities and Exchange Commission (the "**SEC**") in Regulation S-K Subpart 1300 (the "**SEC Modernization Rules**") under the United States Securities Act of 1934, as amended. The Company does not file reports with the SEC and is not required to provide disclosure on its mineral properties under the SEC Modernization Rules and will continue to provide disclosure under NI 43-101 and the CIM Definition Standards.



Independent auditor's report

To the Shareholders of Liberty Gold Corp.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Liberty Gold Corp. and its subsidiaries (together, the Company) as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in 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, comprising material accounting policy information and other explanatory information.

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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were

PricewaterhouseCoopers LLP
PwC Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T.: +1 604 806 7000, F.: +1 604 806 7806, Fax to mail: ca_vancouver_main_fax@pwc.com

PwC* refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of the Black Pine and Goldstrike exploration and evaluation assets <i>Refer to note 3 – Summary of material accounting policies, note 4 – Significant accounting judgments and estimates and note 9 – Exploration and evaluation assets to the consolidated financial statements.</i> The Company's carrying value of the Black Pine and Goldstrike exploration and evaluation assets (the E&E assets) was \$11.0 million at December 31, 2023. Management assesses every reporting period to determine whether there are any indications of impairment relating to the E&E assets. If any such indication exists, then a formal estimate of recoverable amount is performed. Management makes significant judgments in assessing whether certain factors would be considered an indicator of impairment, which include the rights to explore in the specific area, the planned substantive expenditure on further exploration for and evaluation of mineral resources and whether sufficient data exists to indicate that extracting the resources will not be technically feasible or commercially viable, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. We considered this a key audit matter due to the significance of the E&E assets and the significant judgments made by management in assessing whether any indicators of impairment exist, which resulted in a high degree of auditor subjectivity in performing procedures to evaluate management's assessment.	Our approach to addressing the matter included the following procedures, among others: • Evaluated the reasonableness of management's assessment of whether any indicators of impairment exist related to the Black Pine and Goldstrike exploration and evaluation assets, which included the following: – Obtained, for a sample of mining titles, by reference to government registries, evidence to support (i) the rights to explore the area, and (ii) title expiration dates. – Read the board of directors' minutes and obtained budget approvals to evidence continued and planned substantive exploration and evaluation of mineral resources expenditure. – Assessed whether extracting the mineral resources will not be technically feasible or commercially viable, or if other facts and circumstances suggest that the carrying amount exceeds the recoverable amount, based on evidence obtained in other areas of the audit.



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.



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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or



regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Leonard Wadsworth.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
March 28, 2024

LIBERTY GOLD CORP.
Consolidated Statements of Financial Position
(Expressed in United States Dollars)

	As at December 31, 2023	As at December 31, 2022
	\$	\$
Assets		
<i>Current assets</i>		
Cash and cash equivalents	8,985,824	19,718,060
Short term investments	96,353	95,288
Receivables and prepayments (Note 5)	316,593	397,980
Total current assets	9,398,770	20,211,328
<i>Non-current assets</i>		
Other financial assets (Note 6)	966,663	2,244,491
Deposits (Note 7)	575,800	709,416
Sales taxes receivable (Note 5)	256,829	303,247
Plant and equipment (Note 8)	531,254	676,198
Exploration and evaluation assets (Note 9a)	23,608,490	23,809,057
Total non-current assets	25,939,036	27,742,409
Total assets	35,337,806	47,953,737
Liabilities and Shareholders' Equity		
<i>Current liabilities</i>		
Accounts payable and accrued liabilities (Note 10)	785,897	1,476,658
Decommissioning liabilities (Note 10)	837,800	787,800
Lease liabilities	126,601	278,411
Total current liabilities	1,750,298	2,542,869
<i>Non-current liabilities</i>		
Lease liabilities	-	51,899
Deferred tax liabilities (Note 11)	3,154,864	2,732,051
Other liabilities	24,872	28,057
Total non-current liabilities	3,179,736	2,812,007
<i>Shareholders' equity</i>		
Share capital (Note 12)	252,757,917	245,152,730
Contributed surplus (Note 12)	31,419,724	30,788,723
Accumulated other comprehensive loss	(10,134,318)	(10,509,625)
Accumulated deficit	(246,406,943)	(226,482,507)
Total shareholders' equity	27,636,380	38,949,321
Non controlling interest (Note 13)	2,771,392	3,649,540
Total liabilities and shareholders' equity	35,337,806	47,953,737

The notes on pages 28 to 48 are an integral part of these consolidated financial statements.
These financial statements were approved by the board and authorised for issue on March 28, 2024.

"Wendy Louie", Director

"Rob Pease", Director

LIBERTY GOLD CORP.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in United States Dollars)

	Year ended December 31,	
	2023	2022
	\$	\$
Operating expenses		
Exploration and evaluation expenditures (Note 9b)	(13,481,701)	(21,645,987)
Wages and benefits	(1,877,485)	(2,415,439)
Stock based compensation (Note 12c)	(1,844,191)	(2,246,533)
Office and general	(1,194,389)	(1,499,310)
Impairment - TV Tower (Note 9ai)	(1,040,802)	-
Professional fees	(379,266)	(595,210)
Investor relations, promotion and advertising	(252,197)	(339,114)
Depreciation	(195,454)	(353,345)
Listing and filing fees	(118,308)	(112,862)
Loss from operations	(20,383,793)	(29,207,800)
Other income (expense)		
Finance income	513,141	253,804
Other income	213,569	22,806
Net gain on sale of other financial assets (Note 6)	82,265	-
Foreign exchange gains (losses)	(246,945)	870,736
Change in fair value of other financial assets (Note 6)	(562,802)	(2,532,117)
Consideration received on purchase-option agreements (Note 9bii)	-	82,959
Finance income on the Halilağa Transaction	-	246,641
Net gain on sale of Kinsley	-	8,994,518
	(772)	7,939,347
Net loss before tax	(20,384,565)	(21,268,453)
Income tax expense	(422,813)	(59,388)
Net loss for the year	(20,807,378)	(21,327,841)
Net loss attributable to:		
Shareholders	(20,191,119)	(21,100,511)
Non-controlling interests (Note 13)	(616,259)	(227,330)
	(20,807,378)	(21,327,841)
Other comprehensive income (loss)		
Items that may be reclassified subsequently to net income		
Exchange gains (losses) on translations	375,307	(2,382,230)
Other comprehensive income (loss) for the year, net of tax	375,307	(2,382,230)
Total net loss and comprehensive loss for the year	(20,432,071)	(23,710,071)
Net loss attributable to:		
Shareholders	(19,815,812)	(23,482,741)
Non-controlling interests	(616,259)	(227,330)
Total loss and comprehensive loss for the year	(20,432,071)	(23,710,071)
Net loss per share		
Basic and diluted net loss per share	\$ (0.06)	\$ (0.07)
Basic and diluted weighted average number of Common Shares	326,340,110	310,470,019

The notes on pages 28 to 48 are an integral part of these consolidated financial statements.

LIBERTY GOLD CORP.
Consolidated Statements of Changes in Equity
(Expressed in United States Dollars)

	Number of Common Shares	Share capital	Contributed surplus	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' equity	Non-controlling interest	Total equity
	#	\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2021	287,969,915	220,661,413	29,169,179	(8,127,395)	(208,903,286)	32,799,911	7,527,021	40,326,932
Bought-deal financing (Note 12b)	27,273,000	23,798,429	-	-	-	23,798,429	-	23,798,429
Private placement financing (Note 12b)	759,494	217,723	-	-	-	217,723	-	217,723
Share issue costs (Note 12b)	-	(1,560,987)	-	-	-	(1,560,987)	-	(1,560,987)
Option and RSU exercises (Note 12c)	3,110,113	2,036,152	(1,532,515)	-	-	503,637	-	503,637
Stock based compensation (Note 12c)	-	-	3,152,059	-	-	3,152,059	-	3,152,059
Cumulative translation adjustment	-	-	-	(2,437,274)	-	(2,437,274)	-	(2,437,274)
Derecognition of NCI on sale of Kinsley	-	-	-	-	3,091,716	3,091,716	(3,165,533)	(73,817)
Acquisition of additional interest in Orta Truva (Note 13)	-	-	-	55,044	429,574	484,618	(484,618)	-
Net loss for the year	-	-	-	-	(21,100,511)	(21,100,511)	(227,330)	(21,327,841)
Balance as at December 31, 2022	319,112,522	245,152,730	30,788,723	(10,509,625)	(226,482,507)	38,949,321	3,649,540	42,598,861
Private placement financing (Note 12b)	22,927,937	5,763,345	-	-	-	5,763,345	-	5,763,345
Share issuance on the repurchase of the Black Pine NSR (Note 12b)	200,000	39,183	-	-	-	39,183	-	39,183
Share issue costs (Note 12b)	-	(96,083)	-	-	-	(96,083)	-	(96,083)
RSU and DSU exercises (Note 12c)	2,714,407	1,898,742	(1,898,742)	-	-	-	-	-
Stock based compensation (Note 12c)	-	-	2,529,743	-	-	2,529,743	-	2,529,743
Contributions by non-controlling interest (Note 13)	-	-	-	-	-	-	50,000	50,000
Cumulative translation adjustment	-	-	-	330,101	-	330,101	-	330,101
Acquisition of additional interest in Orta Truva (Note 13)	-	-	-	45,206	266,683	311,889	(311,889)	-
Net loss for the year	-	-	-	-	(20,191,119)	(20,191,119)	(616,259)	(20,807,378)
Balance as at December 31, 2023	344,954,866	252,757,917	31,419,724	(10,134,318)	(246,406,943)	27,636,380	2,771,392	30,407,772

The notes on pages 28 to 48 are an integral part of these consolidated financial statements.

LIBERTY GOLD CORP.

Consolidated Statement of Cash Flows
(Expressed in United States Dollars)

	Year ended December 31,	
	2023	2022
	\$	\$
Cash flows from operating activities		
Loss for the period	(20,807,378)	(21,327,841)
Adjusted for:		
Stock based compensation (Note 12c)	2,529,743	3,152,059
Depreciation	364,628	539,417
Finance income on the Halilağa Transaction	-	(246,641)
Consideration received on purchase-option agreements	-	(82,959)
Change in fair value, and gains on disposal of financial assets (Note 6)	480,537	2,532,117
Deferred tax expense (Note 11)	422,813	59,388
Net gain on sale of interest in Kinsley	-	(8,994,518)
Net loss on sale of Black Pine NSR	7,344	-
Impairment - TV Tower (Note 9ai)	1,040,802	-
Other non-cash items on the statement of loss	18,480	43,286
Foreign exchange not related to cash	651,350	109,794
Movements in working capital:		
Accounts receivable and prepayments	97,801	73,118
Accounts payable and other liabilities	(609,837)	(362,782)
Net cash outflow due to operating activities	(15,803,717)	(24,505,562)
Cash flows from financing activities		
Gross proceeds from private placement financing, bought-deal financing (Note 12b)	5,763,345	24,016,152
Contributions from non-controlling interest (Note 13)	50,000	-
Share issue costs (Note 12b)	(96,083)	(1,560,987)
Cash received from exercise of share based payments and warrants	-	503,637
Principal payments on lease liabilities	(310,375)	(306,666)
Interest payments on lease liabilities	(19,653)	(42,008)
Net cash inflow from financing activities	5,387,234	22,610,128
Cash flows from investing activities		
Proceeds from sale of Black Pine NSR	3,610,000	-
Selling costs from sale of Black Pine NSR	(60,000)	-
Purchase of Black Pine NSR	(3,500,000)	-
Proceeds from sale of other financial assets (Note 6)	819,215	-
Acquisition of exploration and evaluation assets (Note 9a)	(840,235)	(298,150)
Purchase of property and equipment (Note 8)	(109,495)	(101,957)
Consideration received on purchase-option agreements	-	1,250,000
Staged payments on sale of Halilağa	-	6,000,000
Increase to surety bond collateral	-	(52,117)
Net cash inflow (outflow) due to investing activities	(80,515)	6,797,776
Effect of foreign exchange rates on cash and cash equivalents	(235,238)	(2,342,005)
Net increase (decrease) in cash and cash equivalents	(10,732,236)	2,560,337
Cash and cash equivalents at beginning of the year	19,718,060	17,157,723
Cash and cash equivalents at end of the year	8,985,824	19,718,060

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. GENERAL INFORMATION

Liberty Gold Corp. ("Liberty Gold" or the "Company") is incorporated and domiciled in Canada, and its registered office is at Suite 610 – 815 West Hastings Street, Vancouver, British Columbia, V6C 1B4.

The Company was incorporated as "7703627 Canada Inc." under the Canada Business Corporations Act ("CBCA") on November 18, 2010. Articles of amendment were filed on November 29, 2010, to change the name of the Corporation to "Pilot Gold Inc." Articles of amendment were subsequently filed on May 9, 2017, to change the name of the Company to Liberty Gold Corp.

Liberty Gold is an exploration and development stage business engaged in the acquisition and exploration of mineral properties located primarily in the United States of America and Türkiye.

The Company has not yet determined whether its properties contain mineral reserves that are economically recoverable. The continued operations of the Company and the recoverability of the amounts capitalized for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of such properties and upon future profitable production or proceeds from the disposition of the properties.

2. BASIS OF PRESENTATION

These consolidated financial statements, including comparative figures, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies used in the preparation of these consolidated financial statements are set out below.

(a) Basis of consolidation

The financial statements of Liberty Gold consolidate the accounts of Liberty Gold Corp. and its subsidiaries. Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

Subsidiaries are all entities (including structured entities) over which the Company has control. Liberty Gold controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

The principal subsidiaries of Liberty Gold and their geographic locations at December 31, 2023, were as follows:

Name of subsidiary	Principal activity	Location	Proportion of ownership interest and voting power held
Pilot Gold USA Inc.	Mineral exploration	United States	100%
Agola Madencilik Limited Şirketi ("Agola")	Mineral exploration	Türkiye	100%
Orta Truva Madencilik Şanayi ve Ticaret A.Ş. ("Orta Truva")	Mineral exploration	Türkiye	72.1%
Cadillac Mining Corporation ("Cadillac")	Mineral exploration	Canada	100%
Pilot Goldstrike Inc.	Mineral exploration	United States	100%

(b) Foreign currencies

Items included in the financial statements of each subsidiary and associate in the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date, giving rise to foreign exchange gains and losses in the consolidated statement of loss.

Liberty Gold raises its financing and incurs head office expenditures in Canadian dollars ("C\$"), giving rise to a Canadian dollar functional currency. In order to enhance comparability with our peers and as a better representation of the principal currency used by the mining and mineral exploration industry, the presentation currency of these consolidated financial statements is in United States dollars. Any assets and liabilities of the Company held in foreign currencies are expressed in United States dollars using exchange rates prevailing at the end of the reporting period.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period; in this case, the exchange rates at the dates of the transactions are used. Equity transactions are translated using the exchange rate at the date of the transaction. Exchange differences arising from assets and liabilities held in foreign currencies, are recognised in other comprehensive loss as cumulative translation adjustments.

When an entity disposes of its entire interest in a foreign operation, or loses control, joint control, or significant influence over a foreign operation, the foreign currency gains or losses accumulated in other comprehensive loss related to the foreign operation are recognized in profit or loss.

(c) Exploration and evaluation assets and expenditures

Exploration and evaluation expenditures with the exception of acquisition costs, are charged to profit or loss in the period in which they are incurred. Acquisition costs are capitalized to exploration and evaluation assets and classified as non-current. Costs related to the acquisition of mineral properties are capitalized on a property-by-property basis until such a time as the property is placed in production, sold, abandoned or determined to be impaired. Option payments received on mineral property interests optioned to third parties are credited against previous capitalized acquisition costs for that mineral property interest. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the period received. Once it is probable that future economic benefits will flow to us, exploration and evaluation assets attributable to that area of interest (each a "Project") are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment. The following criteria are used to assess the economic recoverability and probability of future economic benefits:

- (i) *Viability*: a Proven and/or Probable Mineral Reserve has been established that demonstrates a positive financial return; and
- (ii) *Authorizations*: necessary permits, access to critical resources and environmental programs exist or are reasonably obtainable.

Although we have taken steps to verify title to mineral properties in which we have an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee our title. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects.

Acquired mineral and water rights are determined to be intangible assets, held within exploration and evaluation assets. As with plant and equipment, intangible assets are carried at cost less accumulated depreciation (if the asset has a finite useful life) and accumulated impairment losses. If the asset has an indefinite useful life, it is not amortized, however the assets are still tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(d) Plant and equipment

Plant and equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. Cost consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent costs are included in the asset's carrying amount or recognised 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. Repairs and maintenance costs are charged to the consolidated statement of loss during the period in which they are incurred.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Useful lives are determined by Management on an asset-by-asset basis upon initial recognition. The major categories of plant and equipment noted below are depreciated straight-line over their estimated useful life:

Category	Estimated useful life
Field equipment	5 to 10 years
Equipment	3 years
Computer software	2 years
Furniture and fixtures	5 years
Buildings, building improvements, and land improvements	5 to 30 years

Depreciation expense of assets used in exploration is capitalized to deferred exploration expenditures. Management reviews the estimated useful lives, residual values and depreciation methods of the Company's plant and equipment at the end of each financial year and when events and circumstances indicate that such a review should be made. Changes to estimated useful lives, residual values or depreciation methods resulting from such review are accounted for prospectively.

Depreciation expense of right-of-use assets are depreciated using the straight-line method from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of plant and equipment.

Expenditures incurred to replace a component of an item of plant and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized, if the recognition criteria are satisfied.

(e) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

For contracts that contain a lease, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain the asset. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of plant and equipment. The right-of-use asset is assessed for impairment losses, should a trigger be identified and adjusted for impairment if required.

The lease liability is subsequently measured at amortized cost using the effective interest method. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit.

We have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term.

(f) Impairment of long-lived assets

Plant and equipment and exploration and evaluation assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment is assessed on an asset-by-asset and Project-by-Project basis. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Provisions and constructive obligations

Provisions, including environmental restoration, restructuring costs and legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Constructive obligations are obligations that derive from the Company's actions where:

- (i) An established pattern of past practice, published policies or a sufficiently specific current statement, whereby the Company has indicated to other parties that it will accept certain responsibilities; and
- (ii) As a result, the Company has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Where the time value of money is material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(h) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the consolidated statement of loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated 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 settled. 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, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by Liberty Gold and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current.

(i) Earnings or loss per share

Earnings or loss per share is calculated by dividing the net earnings (loss) available to common shareholders by the weighted average number of common shares of the Company ("Common Shares") outstanding during the reporting period. The calculation of diluted earnings per share assumes that outstanding stock options to purchase Common Shares ("Options"), restricted share units ("RSUs"), and deferred share units ("DSUs") are exercised and the proceeds are used to repurchase Common Shares at the average market price of the shares for the period. The effect is to increase the number of shares used to calculate diluted earnings per share relative to basic earnings per share and is only recognized when the effect is dilutive.

(j) Financial Instruments

Financial assets and liabilities are recognized when Liberty Gold becomes a party to the contractual provisions of the instrument.

(i) Cash

Cash and cash equivalents comprise cash on hand, and deposits in banks that are readily convertible into a known amount of cash, or with an initial maturity of 90 days or fewer. Cash and cash equivalents are classified as subsequently measured at amortized cost.

(ii) Short Term Investments

Short term investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Liberty Gold's management has the positive intention and ability to hold to maturity. Short term investments are classified as subsequently measured at amortized cost.

(iii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Liberty Gold's loans and receivables are comprised of 'Receivables' and 'Deposits' and are classified respectively as appropriate in current or non-current assets according to their nature.

Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost. Trade receivables are recorded net of lifetime expected credit losses.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(iv) Other Financial Assets

Other financial assets consist of investments in marketable equity securities of publicly traded entities which are classified as subsequently measured at fair value through profit or loss. Investment transactions are recognized on the trade date with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the balance sheet date. Changes in fair value are recognized in the consolidated statement of loss.

(v) Accounts Payable, Accrued and Other Liabilities

Accounts payable, other liabilities and accrued liabilities are initially recognized at the amount required to be paid less, when material, a discount to reduce the payables to fair value. Subsequently, accounts payable are measured at amortized cost. Financial liabilities are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

(vi) Expected Credit Losses

Liberty Gold applies the IFRS 9 – Financial Instruments simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

(k) Share-Based Payments

- (i) Options:* An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value of Option grants is measured at the date of grant using the Black-Scholes option-pricing model (“Black-Scholes”) and the compensation amount, equal to the Option's fair value, is recognized over the period that the employees earn the Options.

The vesting periods of the Options granted range from vesting immediately to vesting over a three-year period. Each tranche is recognised on a straight-line basis over the vesting period.

Liberty Gold recognizes an expense or addition to exploration and evaluation assets for options granted under the Liberty Gold Stock Option Plan (2023) (the “Option Plan”), arising from stock Options granted to employees using the fair value method with a corresponding increase in equity. The amount recognized as an expense or added to exploration and evaluation assets, is adjusted to reflect the number of Options expected to vest.

- (ii) DSUs and RSUs:* Measured at fair value on the grant date. Equity settled DSUs and RSUs are recognized in equity. The expense is recognized over the vesting period, with a corresponding charge as an expense or capitalized to exploration and evaluation assets.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses. Estimates and judgments are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Further information on management's judgments, estimates and assumptions and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements.

- (i) *Functional currency:* The functional currency for the parent entity, and each of its subsidiaries, is the currency of the primary economic environment in which the entity operates. The US and Turkish subsidiaries of the parent entity, have a US dollar functional currency, while the parent entity itself, and its remaining subsidiaries, have a Canadian dollar functional currency.

Determination of functional currency involves certain judgments to determine the primary economic environment and the parent entity reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

- (ii) *Review of asset carrying values and impairment assessment:* In accordance with the Company's accounting policy, each asset is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the higher of value in use and fair value less costs to sell. The most significant assets assessed for impairment include the carrying value of its exploration and evaluation assets. Management makes significant judgments in assessing whether certain factors would be considered an indicator of impairment, which includes the rights to explore in the specific area, the planned substantive expenditure on further exploration for and evaluation of mineral resources and whether sufficient data exists to indicate that extracting the resources will not be technically feasible or commercially viable.
- (iii) *Exploration and evaluation assets and expenditures:* The application of the Company's accounting policy for exploration and evaluation assets and expenditures requires judgment to determine whether future economic benefits are probable, from either future development or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- (i) *Exploration and evaluation assets and expenditures:* In addition to applying judgment to determine whether it is probable that future economic benefits will arise from the Company's exploration and evaluation assets and expenditures, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company has to apply a number of estimates and assumptions.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

The publication of a resource pursuant to National Instrument 43-101, Standards of Disclosure for Mineral Projects, is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred). The estimates are directly impacted when the Company defers its exploration and evaluation expenditures. Any such estimates and assumptions may change as new information becomes available. If information becomes available suggesting the recovery of acquisition costs is unlikely, the relevant capitalized amount is written off in the consolidated statement of loss and other comprehensive loss in the period when the new information becomes available.

The Company provides for such differences, where known, based on management's best estimate of the probable outcome of these matters.

5. RECEIVABLES AND PREPAYMENTS

	As at December 31,	
	2023	2022
Sales taxes receivable	\$ 21,398	\$ 27,432
Other receivables	40,261	110,173
Prepayments	254,934	260,375
	\$ 316,593	\$ 397,980

An additional \$256,829 in sales taxes receivable is classified as non-current and is expected to be recoverable when production begins at, or upon the sale of, TV Tower (December 31, 2022: \$303,247).

6. OTHER FINANCIAL ASSETS

From time to time, the Company may make strategic investments in other private or publicly traded entities. These investments are treated as long-term investments and may take the form of common shares or share purchase warrants.

Inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement are summarized in the three level hierarchies below:

- *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 directly or indirectly and;
- *Level 3:* Inputs that are not based on observable market data.

	As at December 31	
	2023	2022
CopAur Minerals Inc.	\$ 739,506	\$ 1,691,744
Fremont Gold Ltd.	92,621	116,288
Torrent Gold Inc. (formerly Raindrop Ventures Inc.)	106,207	-
Other	28,328	226,615
Total Level 1 equity securities	\$ 966,663	\$ 2,034,647
Torrent Gold Inc. (formerly Raindrop Ventures Inc.)	-	209,844
Total Level 2 equity securities	\$ -	\$ 209,844
Total Level 1 and Level 2 equity securities	\$ 966,663	\$ 2,244,491

6. OTHER FINANCIAL ASSETS (continued)

In the year ending December 31, 2023, the Company transferred the fair value of the 2,006,703 common shares of Torrent ("Torrent Shares") held from Level 2 to Level 1, at the date that the resumption of trading of Torrent Shares occurred on the Canadian Securities Exchange.

During the year ending December 31, 2023, the Company recognized a net gain of \$82,265, from the sale of equity securities. Gross proceeds from the sale of equity securities in the year ending December 31, 2023 were \$819,215 (year ending December 31, 2022: \$nil).

The Company recognised losses of \$562,802 in the consolidated statement of loss for the year ending December 31, 2023 on the change in fair value of other financial assets relating to the equity securities held (year ending December 31, 2022: \$2,532,117).

7. DEPOSITS

On August 1, 2012, Liberty Gold entered into a technical and administrative services agreement (the "Oxygen Agreement") with Oxygen Capital Corp. ("Oxygen") whereby Oxygen provides management, administrative and accounting services to the Company at cost.

The Oxygen Agreement was terminated effective September 30, 2023. In the year ending December 31, 2023, Oxygen returned the advance held of \$100,792. The advance was held by Oxygen on behalf of the Company, that on termination of the Oxygen Agreement would be applied against the final three months of services (December 31, 2022: \$145,990).

The Company holds a surety bonding arrangement with a third-party (the "Surety") in order to satisfy bonding requirements in the states of Idaho and Utah. The total collateralized balance as at December 31, 2023 is \$488,740 (December 31, 2022: \$488,740). An additional \$87,060 is held with the Turkish General Directorate of Mining Affairs (at December 31, 2022: \$74,686), in order to meet bonding requirements on the TV Tower property.

8. PLANT AND EQUIPMENT

	Owned assets (a)	Right-of-use assets (b)	Total
Net book value as at December 31, 2022	\$ 446,513	\$ 229,685	\$ 676,198
Net book value as at December 31, 2023	\$ 412,973	\$ 118,281	\$ 531,254

LIBERTY GOLD CORP.
(A Gold Exploration & Development Company)
Notes to the Consolidated Financial Statements
Year ended December 31, 2023
(Expressed in United States Dollars, unless otherwise noted)

8. PLANT AND EQUIPMENT (continued)

(a) Owned assets

Cost:	Field equipment	Equipment	Computer software	Furniture and fixtures	Leasehold improvements	Total
Balance as at December 31, 2022	\$ 299,473	\$ 686,794	\$ 278,042	\$ 260,348	\$ 625,165	\$ 2,149,820
Additions	50,805	29,443	28,389	858	-	109,495
Foreign currency translation	1,455	5,360	501	3,499	-	10,815
Balance as at December 31, 2023	\$ 351,733	\$ 721,597	\$ 306,930	\$ 264,705	\$ 625,165	\$ 2,270,130

Accumulated Depreciation:						
Balance as at December 31, 2022	\$ 157,988	\$ 617,840	\$ 276,905	\$ 253,769	\$ 396,805	\$ 1,703,307
Depreciation charge	34,904	33,136	7,639	1,548	64,485	141,713
Foreign currency translation	1,223	4,988	2,426	3,499	-	12,136
Balance as at December 31, 2023	\$ 194,117	\$ 655,964	\$ 286,971	\$ 258,816	\$ 461,290	\$ 1,857,157

Net Book Value:						
As at December 31, 2022	\$ 141,485	\$ 68,954	\$ 1,136	\$ 6,578	\$ 228,360	\$ 446,513
As at December 31, 2023	\$ 157,618	\$ 65,633	\$ 19,960	\$ 5,888	\$ 163,875	\$ 412,973

Equipment consists of automobiles, automotive equipment, and computer hardware. There were no disposals of plant and equipment in the year ended December 31, 2023.

(b) Right-of-use (leased) assets

The Company has entered into lease contracts for premises in Canada, the United States and Türkiye. The lease terms are between two and four years; each lease is renewable at the end of the lease period at market rates. Lease agreements do not impose any covenants, but lease assets may not be used as security for borrowing purposes. Office premises and other operating leases in Canada were paid to Oxygen, pursuant to the Oxygen Agreement. The Oxygen Agreement was terminated effective September 30, 2023.

Right of use assets are made up of office premises in the Company's three geographic segments and automobiles and leased trailers in the United States. Contingent rental expenditures of \$65,610 consisting of operating costs have been charged to the consolidated statement of loss for the year ended December 31, 2023 (year ended December 31, 2022: \$91,734).

LIBERTY GOLD CORP.
(A Gold Exploration & Development Company)
Notes to the Consolidated Financial Statements
Year ended December 31, 2023
(Expressed in United States Dollars, unless otherwise noted)

8. PLANT AND EQUIPMENT (continued)

Carrying value:	Offices	Automobiles	Other	Total
Balance as at December 31, 2022	\$ 125,101	\$ 76,706	\$ 27,878	\$ 229,685
Additions	121,474	-	-	121,474
Depreciation charge	(152,118)	(49,454)	(21,343)	(222,915)
Termination of lease contract	-	(9,523)	-	(9,523)
Foreign currency translation	(440)	-	-	(440)
Balance as at December 31, 2023	\$ 94,017	\$ 17,729	\$ 6,535	\$ 118,281

9. EXPLORATION AND EVALUATION ASSETS

Currently none of the Company's properties have any known body of commercial ore or any established economic deposit; all are in the exploration stage.

(a) Details of the Company's property acquisition costs capitalized to exploration and evaluation assets are as follows:

	Black Pine	Goldstrike	Kinsley	Total USA	TV Tower	Total
December 31, 2021	\$ 1,363,666	\$ 8,486,985	\$ 575,838	\$ 10,426,489	\$ 13,660,256	\$ 24,086,745
Additions	298,150	-	-	298,150	-	298,150
Disposals	-	-	(575,838)	(575,838)	-	(575,838)
December 31, 2022	\$ 1,661,816	\$ 8,486,985	\$ -	\$ 10,148,801	\$ 13,660,256	\$ 23,809,057
Additions	840,235	-	-	840,235	-	840,235
Disposals	-	-	-	-	-	-
Impairment charge	-	-	-	-	(1,040,802)	(1,040,802)
December 31, 2023	\$ 2,502,051	\$ 8,486,985	\$ -	\$ 10,989,036	\$ 12,619,454	\$ 23,608,490

i) *Impairment – TV Tower*

As a result of impairment indicators including external market information, it was determined that an impairment test should be undertaken for the TV Tower property. It was determined that the carrying value of TV Tower exceeded its recoverable amount. Accordingly, an impairment loss of \$1,040,802 was recognized in the statement of loss and comprehensive loss in the year ending December 31, 2023. The recoverable amount used in the determination of impairment charges is TV Tower's fair value less cost of disposal which is categorized as level 3 fair value estimate. The recoverable amount was estimated using comparative enterprise values and recent market information.

ii) *Black Pine Royalty Transaction*

On September 15, 2023, the Company acquired the existing 0.5% Net Smelter Royalty ("NSR") from a private company on certain claims at Black Pine by delivering \$3,500,000 in cash consideration and 200,000 Common Shares, with a market price of C\$0.265 for a fair value of \$39,183 (C\$53,000). Concurrently, the Company granted a new 0.5% NSR to an affiliate of Wheaton Precious Metals, covering all claims comprising Black Pine. The Company received \$3,600,000 on the sale of the NSR and \$10,000 for the right of first refusal for total cash consideration of \$3,610,000. The Company was granted an option to repurchase 50% of the NSR for \$3,600,000 at any point in time up to the earlier of commercial production at Black Pine or January 1, 2030.

LIBERTY GOLD CORP.
(A Gold Exploration & Development Company)
Notes to the Consolidated Financial Statements
Year ended December 31, 2023
(Expressed in United States Dollars, unless otherwise noted)

9. EXPLORATION AND EVALUATION ASSETS (continued)

(b) Details of the Company's exploration and evaluation expenditures, which have been expensed in the consolidated statement of loss are as follows:

	Black Pine	Goldstrike	Total USA	TV Tower	Other Exploration	Total
Drilling and assays	\$ 8,748,800	\$ 2,446,743	\$ 11,195,543	\$ -	\$ -	\$ 11,195,543
Wages and salaries	2,269,158	901,818	3,170,976	175,823	3,296	3,350,095
Road & site prep.	1,016,860	111,940	1,128,800	-	-	1,128,800
Field support	896,154	91,519	987,673	-	-	987,673
Environmental, safety, and community	828,239	199,742	1,027,981	-	-	1,027,981
Consulting and professional fees	652,565	625,352	1,277,917	-	-	1,277,917
Metallurgy	408,951	190,903	599,854	-	-	599,854
Property and water	378,210	202,665	580,875	-	-	580,875
Other	759,336	382,931	1,142,267	354,982	-	1,497,249
December 31, 2022	\$ 15,958,273	\$ 5,153,613	\$ 21,111,886	\$ 530,805	\$ 3,296	\$ 21,645,987
Drilling and assays	\$ 4,949,928	\$ 10,013	\$ 4,959,941	\$ -	\$ -	\$ 4,959,941
Wages and salaries	1,679,923	266,002	1,945,925	183,311	-	2,129,236
Consulting and professional fees	1,532,029	157,977	1,690,006	-	-	1,690,006
Metallurgy	638,036	319,808	957,844	-	-	957,844
Field support	805,597	4,371	809,968	-	-	809,968
Property and water	412,750	324,868	737,618	-	-	737,618
Road & site prep.	597,303	39,967	637,270	-	-	637,270
Environmental, safety, and community	612,117	2,248	614,365	-	-	614,365
Other	492,619	25,985	518,604	426,849	-	945,453
December 31, 2023	\$ 11,720,302	\$ 1,151,239	\$ 12,871,541	\$ 610,160	\$ -	\$ 13,481,701

Wages and salaries include stock-based compensation (See Note 12c).

LIBERTY GOLD CORP.
(A Gold Exploration & Development Company)
Notes to the Consolidated Financial Statements
Year ended December 31, 2023
(Expressed in United States Dollars, unless otherwise noted)

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	Year ended December 31,	
	2023	2022
Trade payables	\$ 389,345	\$ 744,009
Decommissioning liability - current	837,800	787,800
Accrued liabilities	380,453	692,722
Other payables	16,099	39,927
	\$ 1,623,697	\$ 2,264,458

Accounts payable and accrued liabilities are non-interest bearing and are normally settled on 30-day terms.

During the year ended December 31, 2023, the current decommissioning liability relating to the Company's Black Pine and Goldstrike properties was increased by \$50,000 (year ended December 31, 2022: increase by \$95,000) and \$nil (year ended December 31, 2022: increase by \$nil), respectively.

11. INCOME TAXES

The recovery of income taxes differs from the amount that would have resulted from applying combined Canadian federal and provincial statutory tax rates for 2023 of 27.00% (2022: 27.00%).

	Year ended December 31,	
	2023	2022
Loss before taxes	\$ (20,384,565)	\$ (21,268,453)
Statutory tax rate	27.00%	27.00%
Expected income tax expense (recovery)	(5,503,833)	(5,742,482)
Permanent differences	1,557,715	1,398,610
Sale of KG LLC	-	(1,855,697)
Change in deferred income tax rates	683,013	-
Benefit not recognized and other	3,685,918	6,258,957
Income tax expense	\$ 422,813	\$ 59,388

A deferred tax liability of \$3,154,864 has been recorded as at December 31, 2023 (December 31, 2022: \$2,732,051) arising from foreign exchange differences in the tax basis of the TV Tower mineral property held by Orta Truva.

The following are temporary differences the net benefits of which have not been recognized:

	Year ended December 31,	
	2023	2022
Operating losses carried forward	\$ 110,816,550	\$ 98,729,796
Equipment	326,022	248,094
Mineral properties	49,737,197	48,438,268
Investments and other	9,976,526	9,618,520
Total temporary differences	\$ 170,856,294	\$ 157,034,678

11. INCOME TAXES (continued)

The Company has non-capital losses which may be applied to reduce future taxable income. These losses expire between 2024 and 2043. For losses incurred in the United States in 2018 and subsequent years, the losses carry forward indefinitely with some usage restrictions:

	Canada	US	Türkiye	Total
December 31, 2023	\$39,230,723	\$71,139,412	\$446,415	\$110,816,550

There are no current income taxes owed by the Company as at December 31, 2023.

12. SHARE CAPITAL AND CONTRIBUTED SURPLUS

(a) Authorized

Unlimited Common Shares with no par value.

(b) Issued

- (i) On September 15, 2023, the Company closed a non-brokered private placement whereby the Company issued 22,927,937 Common Shares at C\$0.34 per share, for gross proceeds of \$5,763,345 (C\$7,795,500). Transaction costs of \$96,083 were recognized in equity during the year ended December 31, 2023.
- (ii) On September 15, 2023, the Company also issued 200,000 Common Shares as part of the acquisition costs for the repurchase of the 0.5% NSR (Note 7(b)). The market price at the date of issue was C\$0.265 for a total value of \$39,183 (C\$53,000).

(c) Stock-based compensation

For the year ended December 31, 2023, the Company charged a total of \$2,529,743 of stock-based compensation expense to the consolidated statement of loss (year ended December 31, 2022: \$3,152,059) of which \$685,552 is attributed to exploration and evaluation expenditures (year ended December 31, 2022: \$905,526).

(i) Stock Options

The Liberty Gold Stock Option Plan was approved on June 14, 2023. Under the terms of the Option Plan, the Board may, from time to time, grant to employees, officers and directors of, or consultants to the Company, non-assignable Options in such numbers and for such terms as may be determined by the Board.

The number of Common Shares which may be issued pursuant to Options previously granted and those granted under the Option Plan will be a maximum of 10% of the issued and outstanding Common Shares at the time of the grant; the number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued and outstanding Common Shares.

Options granted to date under Option Plan, are exercisable over a period of five years. In accordance with the Option Plan, the exercise price of each Option shall under no circumstances be lower than the closing market price of the Company's stock on the trading day immediately before the date of grant. Options granted to Directors vest immediately, the remaining options vest in thirds at the end of each year from the date of grant. Any consideration paid by the optionee on the exercise of options is recorded to share capital.

12. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

Option transactions and the number of options outstanding are summarized as follows:

	Options	Weighted Average Exercise Price
	#	C\$
Balance, January 1, 2022	16,826,448	0.98
Options granted	6,309,870	0.63
Options expired	(645,000)	0.47
Options forfeited	(2,033,344)	1.10
Options exercised	(1,311,666)	0.49
Balance, December 31, 2022	19,146,308	0.90
Options granted	3,255,000	0.36
Options expired	(1,869,200)	0.32
Options forfeited	(1,921,667)	0.44
Balance, December 31, 2023	18,610,441	0.91

At December 31, 2023, Liberty Gold had Options issued to directors, officers, employees and key consultants to the Company outstanding as follows:

Range of prices	Number of Options outstanding	Weighted average remaining contractual life	Weighted average exercise price	Number of Options exercisable	Weighted average exercise price of Options exercisable
	#	(in years)	C\$	#	C\$
C\$0.01 to C\$0.50	3,310,000	4.77	0.33	433,334	0.43
C\$0.51 to C\$0.99	11,182,391	2.47	0.84	8,710,734	0.86
C\$1.00 to C\$1.99	3,943,050	2.01	1.57	3,733,050	1.58
C\$2.00 to C\$2.99	175,000	1.52	2.18	175,000	2.18
	18,610,441	2.77	0.91	13,052,118	0.95

For the purposes of estimating the fair value of Options using Black-Scholes, certain assumptions are made such as the expected dividend yield, volatility of the market price of the Company's shares, risk-free interest rates and expected average life of the options.

The weighted average fair value of Options granted during the year ended December 31, 2023 determined using Black-Scholes was C\$0.19 per option. The weighted average significant inputs into the model included a share price of C\$0.36 at the grant date, an exercise price of C\$0.36, a volatility of 68%, a dividend yield of 0%, an expected Option life of 3.83 years and an annual risk-free interest rate of 3.57%. A weighted average 10.16% forfeiture rate was applied to the option expense.

(ii) Restricted Share Units

RSUs granted under the Liberty Gold RSU Plan to employees and service providers of the Company vest in thirds at the end of each year from the date of grant, with the exception of a portion of those granted which vest immediately or after 12 months.

LIBERTY GOLD CORP.
(A Gold Exploration & Development Company)
Notes to the Consolidated Financial Statements
Year ended December 31, 2023
(Expressed in United States Dollars, unless otherwise noted)

12. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

Transactions relating to RSUs are summarised as follows:

	RSUs
	#
Balance, January 1, 2022	4,502,745
RSUs granted	2,810,000
RSUs exercised	(1,284,744)
RSUs forfeited	(284,165)
Balance, December 31, 2022	5,743,836
RSUs granted	5,183,479
RSUs exercised	(1,831,793)
RSUs forfeited	(765,205)
RSUs expired	(50,001)
Balance, December 31, 2023	8,280,316

Expiry Date	Number of RSUs outstanding	Weighted average remaining contractual life	Number of RSUs vested
	#	(in years)	#
December 31, 2024	1,568,504	1.00	1,061,842
December 31, 2025	1,528,333	2.00	451,669
December 31, 2026	5,183,479	3.00	-
	8,280,316	2.44	1,513,511

(iii) *Deferred Share Units*

DSUs granted under the Liberty Gold DSU Plan to Directors of the Company, have no expiration date and are redeemable upon termination of service.

Transactions relating to DSUs are summarised as follows:

	DSUs
	#
Balance, January 1, 2022	2,238,934
DSUs granted	85,423
DSUs exercised	(513,703)
Balance, December 31, 2022	1,810,654
DSUs granted	1,152,356
DSUs exercised	(882,614)
Balance, December 31, 2023	2,080,396

13. NON-CONTROLLING INTEREST

Liberty Gold owns a 72.1% (2022: 68.7%) controlling interest of the TV Tower property through a 72.1% ownership stake in Orta Truva. The remaining 27.9% interest is held by TMST. The value of the non-controlling interest in Orta Truva increased by \$50,000 (2022: \$nil) during the year ended December 31, 2023, upon receipt of funding from the non-controlling interest holder, TMST. The Company's controlling interest in Orta Truva increased by 3.4% in the year ended December 31, 2023.

Summary financial information Orta Truva is as set out below and is shown before intercompany eliminations and includes the purchase price adjustment from the acquisition of a controlling interest in Orta Truva on March 12, 2015. The loss in Orta Truva relates to exploration and evaluation expenditures, impairment, foreign exchange and the deferred tax expense (Note 9).

(a) Summarised Balance Sheet

	December 31, 2023	December 31, 2022
Current		
Assets	\$ 26,741	\$ 72,083
Liabilities	(139,130)	(88,645)
Total current net assets (liabilities)	\$ (112,389)	\$ (16,562)
Non-current		
Assets	\$ 13,235,466	\$ 14,310,309
Deferred tax liabilities	(3,154,864)	(2,732,051)
Total non-current net assets	\$ 10,080,602	\$ 11,578,258
Net assets	\$ 9,968,213	\$ 11,561,696

(b) Summarised Statement of Loss

	Year ended December 31, 2023	Year ended December 31, 2022
Statement of Loss	\$ 2,208,815	\$ 726,294
Other comprehensive Loss	-	-
Loss and other comprehensive Loss	\$ 2,208,815	\$ 726,294

(c) Summarised cash flows

	Year ended December 31, 2023	Year ended December 31, 2022
Net cash flow from:		
operating activities	\$ (643,767)	\$ (666,974)
financing activities	615,332	679,859
investing activities	-	-
Net increase (decrease) in cash	\$ (28,435)	\$ 12,885
Cash at the beginning of the year	35,433	22,548
Cash at the end of the year	\$ 6,998	\$ 35,433

14. CAPITAL DISCLOSURES

Liberty Gold considers the items included in the consolidated statement of shareholders' equity as capital. Management of the Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

Liberty Gold's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

15. FINANCIAL RISK MANAGEMENT

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of documented treasury policies, counterparty limits, and controlling and reporting structures.

The type of risk exposure and the way in which such exposure is managed is provided below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's exposure to credit risk is limited to the carrying value of the cash and cash equivalents, short-term investments, and accounts receivable on the consolidated statement of financial position. The Company held cash of \$8,180,240 and cash equivalents of \$805,584 at 31 December 2023 (2022: cash of \$13,803,039 and cash equivalents of \$5,915,021).

The Company manages exposure to credit risk primarily through maintaining its cash and short-term investments with high credit quality banking institutions in Canada, the USA and Türkiye. The majority of funds are held in Canadian chartered banks and are not covered by separate deposit insurance. Credit risk is mitigated on these financial instruments in accordance with the Company's investment policy.

Fair Value Estimation

For the majority of the Company's financial assets and liabilities, the carrying value approximates their estimated fair value due to their short-term nature.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its capital in order to meet short term business requirements, after taking into account cash flows from operations, expected capital expenditures and the Company's holdings of cash and cash equivalents. The Company's financial liabilities of accounts payable and accrued liabilities are payable within a 30 day period and are expected to be funded from the cash held.

Interest Rate Risk

We are subject to interest rate risk with respect to our investments in cash and cash equivalents and short term investments. Our current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned.

15. FINANCIAL RISK MANAGEMENT (continued)

Market Risk

The significant market risk to which the Company is exposed is foreign exchange risk.

Foreign Exchange Risk

The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. The majority of the Company's mineral property expenditures, including the cash calls from the Company's 27.9% partner at Orta Truva are incurred in United States dollars. Certain mineral property expenditures are also incurred in Turkish Lira. The fluctuation of the Canadian dollar and the Turkish Lira in relation to the United States dollar will consequently have an impact upon the financial results of the Company.

Further, although only a portion of the Company's expenditures, primarily general and administrative costs are incurred in Canadian dollars, the Company records its assets located in Vancouver in Canadian dollars. As the operating results and financial position of the Company are reported in United States dollars in Liberty Gold's consolidated financial statements, there may also be an impact to the reported value of the Company's assets, liabilities, and shareholders' equity as a result of the fluctuation of the CAD in relation to the United States dollar. A 10% increase or decrease in the exchange rate of the US dollar against the Canadian dollar would result in a \$637,640 increase or decrease respectively (December 31, 2022: \$874,775), in the Company's cash and short-term investment balance. The Company has not entered into any derivative contracts to manage foreign exchange risk at this time.

16. COMMITMENTS

Leases

Upon adoption of IFRS 16 – Leases, the Company recognized a right-of-use asset and a lease liability at the lease commencement date for certain contracts. Total future minimum lease payments, for agreements outside the scope of IFRS 16, as at December 31, 2023 are nil.

The Company is also responsible for its share of property taxes and operating costs on office premises leases in Canada, Türkiye and the United States.

17. SEGMENT INFORMATION

The Company's operations are in one segment, the exploration for gold, copper and other precious and base metals. Consistent with December 31, 2022, Liberty Gold has three geographic locations at December 31, 2023: Canada, the United States and Türkiye. The total assets attributable to the geographic locations relate primarily to the exploration and evaluation assets held by the Company which have been disclosed in Note 9.

The net loss is distributed by geographic segment per the table below:

	Year ended December 31,	
	2023	2022
Canada	\$ (4,742,052)	\$ (7,654,163)
USA	(13,948,676)	(12,963,276)
Türkiye	(2,116,950)	(710,402)
	\$ (20,807,378)	\$ (21,327,841)

17. SEGMENT INFORMATION (continued)

Plant and equipment are distributed by geographic segment per the table below:

	Year ended December 31,	
	2023	2022
Canada	\$ 106,553	\$ 111,427
USA	383,424	549,183
Türkiye	41,277	15,588
	\$ 531,254	\$ 676,198

The Company is in the exploration and development stage and accordingly, has no reportable segment revenues.

18. RELATED PARTY TRANSACTIONS

In addition to the following, the Company's related parties include its subsidiaries, over which it exercises significant influence.

Oxygen Capital Corp

Oxygen is a private company owned by three former directors of the Company. Oxygen provided access to administrative and finance personnel, office rental, the use of assets including Information Technology infrastructure and other administrative functions on an as-needed basis. Oxygen did not charge a fee to the Company, allocating all expenses at cost. Effective June 14, 2023, Oxygen is no longer a related party.

The Master Services Agreement with between the Company and Oxygen was terminated effective September 30, 2023.

Transactions with Oxygen for the period January 1, 2023, to June 14, 2023, total \$182,517 in expenditures, reflected in the Company's condensed interim consolidated statement of loss and comprehensive income (loss) (year ended December 31, 2022: \$628,934).

Compensation of key management personnel

Key management includes members of the Board, Chief Executive Officer, the President and Chief Operating Officer, VP Exploration & Geoscience, Chief Financial Officer & Corporate Secretary, SVP Corporate Development, and the Turkish Country Manager.

The aggregate total compensation paid, or payable to key management for employee services directly or via Oxygen is shown below:

	Year ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	\$ 1,621,486	\$ 1,962,557
Share-based payments	1,879,330	2,098,776
Total	\$ 3,500,816	\$ 4,061,333

CORPORATE INFORMATION

Corporate Head Office – Vancouver

610-815 West Hastings Street
Vancouver, British Columbia
Canada V6C 2B4

TEL 604-632-4677
FAX 604-632-4678

Website: www.libertygold.ca
Email: info@libertygold.ca

Exploration Office - US

943 W Overland Rd, 1st Floor
Meridian, Idaho, 83642, USA

Exploration Office -Turkey

Nilgün Sokak 14/15
Çankaya, Ankara
06680 Turkey

Directors

Robert Pease (Chair)
Calvin Everett
Barbara Womersley
Greg Etter
Lisa Wade
Wendy Louie

Registrar and Transfer Agents

Computershare Investor Services
3rd Floor, 510 Burrard Street,
Vancouver, British Columbia
Canada V6C 3B9

