Liberty Gold Corp.

An Exploration Stage Company

Management's Discussion and Analysis
For the year ended December 31, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended December 31, 2018

This Management's Discussion and Analysis, dated as of March 27, 2019, is for the year ended December 31, 2018 (the "**MD&A**"), and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2018 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, 2018, dated March 27, 2019 (the "**AIF**"), available under our company profile on SEDAR at www.sedar.com. 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].

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.sedar.com, 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.

HIGHLIGHTS FROM 2018 AND SUBSEQUENT EVENTS:

- On October 2, 2018 we completed a bought deal financing, including the exercise of the overallotment in full, of C$11.56 million, (the "2018 Fall Bought-Deal")[2].

<u>At Goldstrike we:</u>

- Announced a maiden, independent resource estimate[3]. The Classified Mineral Resource was subsequently revised to reflect a cut-off grade of 0.20 grams per tonne gold ("**g/t Au"**) as a result of economic considerations discussed in the Preliminary Economic Assessment ("**PEA**") and now consists of: an indicated resource of 925,000 ounces of gold at an average grade of 0.50 g/t Au (57,846,000 tonnes); and an inferred resource of 296,000 ounces of gold at an average grade of 0.47 g/t Au (19,603,000 tonnes).
- Completed a PEA[4], providing a strong, base case economic scenario upon which to expand the scope and scale of the project with ongoing drilling. The current PEA mined 915,516 ounces yielding 713,000 recoverable ounces and a 7.5-year mine life. The PEA confirms the potential for a low capital intensity, low operating cost, open-pit, run-of-mine, heap-leach operation, with highly attractive economics. The PEA generates an after-tax Net Present Value at a 5% discount rate ("**$NPV_{5\%}$**") and Internal Rate of Return ("**IRR**") of $129.5 million and 29.4%, respectively, with a 2.3-year payback of initial capital.
- Demonstrated expansion of the mineralization along the shallowly north-dipping Claron Formation unconformity through exploration drilling in the northern Main Deposit (Dip Slope Zone) area. Higher-grade intervals were located along west-northwest-striking faults. Additional gold mineralization was discovered in the southern Main Goldstrike Deposit, Peg Leg area and Western Zone.[5]
- Secured an Amendment to the Plan of Operations ("**PoO**")[6] and received expanded access along the deposit trend, from a fragmented area of approximately 5.11 square kilometres ("**km^2**"), to a contiguous 8.66 km^2 area.

<u>At Black Pine we:</u>

- Completed a two-year data compilation and validation program confirming an oxide gold system of approximately 12 km^2 in area.
- Received approval of a PoO on February 19, 2019 that provides comprehensive access to the 7.3 km^2 core of the estimated 12 km^2 gold system.

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[1] As at December 31, 2018, the value of C$1.00 was approximately $0.73; the daily average OANDA Rate™
[2] See press release dated October 2, 2018.
[3] See press release dated February 8, 2018.
[4] See press release dated July 10, 2018.
[5] See press releases dated January 3, February 6, March 22, October 24, November 5, November 15, and December 10, all in 2018.
[6] See press release dated November 29, 2018.

OUTLOOK

Liberty Gold begins 2019 with a strong treasury enabling us to continue to advance our cornerstone projects of Goldstrike and Black Pine, and demonstrate their potential for meaningful size and positive economics at current gold prices, while working in the mining-friendly locales of Utah and Idaho U.S.A where they are respectively located.

Each of our priority projects of Goldstrike, Black Pine and Kinsley, feature Carlin-style sediment hosted, shallow, oxide gold targets with district scale potential, and are located in the prolific Great Basin; all three projects were run of mine heap leach operations in the 1980s and 1990s.

The 2019 budget for administration and exploration is currently $9.26 million; however, is subject to change depending on results and market conditions. Our anticipated focus for the 2019 exploration programs is as follows:

Goldstrike

In November 2018, the Company received an approved amendment to the PoO that allows us to explore a contiguous 8.66 km^2 area within and around the existing mineral resource. Within this area, we are no longer restricted to operating on site-specific roads and drill pads with fixed locations; allowing us enhanced flexibility for road and pad placement for infill and step-out drilling in and around all of the zones in the current Goldstrike Resource. In particular, the expanded permit will help infill and expand the Dip Slope zone along the northern margin of the deposit, where drill holes on fixed, widely spaced pads do not adequately test the shallowly buried mineralization, and where access to many areas was previously unavailable.

Exploring this expanded area will assist us in targeting areas with previously identified but unclassified oxide gold mineralisation with a goal to identify additional gold ounces that will grow our mineral resource model and maximise the scalability potential of the project.

The initial 2019 exploration program and budget at Goldstrike is $2.29 million and includes a 9,600 m RC drill program focusing on the currently unclassified gold mineralisation in the Dip Slope, and Peg Leg and new areas.

Black Pine

Two years of data compilation and a 2,077 m validation drill program carried out in 2017, have allowed us to confirm a large oxide gold system over a 12 km^2 area. An approved PoO was received from the U.S. Forest Service in February 2019 allowing for comprehensive drilling over 7.3 km^2 of this area. A total of up to 141 acres (0.57 km^2) can be disturbed under the permit, including up to 49 km of new roads and 370 drill pads, subject to a staged annual reclamation plan. The main gold zone encompassing the historic Black Pine Mine is not subject to seasonal closures and can be accessed year-round, weather and road conditions permitting.

We believe that future drilling has the potential to continue to identify and expand upon gold mineralization identified in both historical and recent drilling, both laterally and at depth.

The initial 2019 exploration program and budget at Black Pine is $2.64 million. The goal of the planned 15,950 m RC drill program is to assess the overall gold endowment of the property by testing as many general targets as possible and stepping out on established targets.

Kinsley

The 2019 exploration program budget at Kinsley is $0.59 million, of which Liberty Gold's share is $0.47 million; this includes a 1,150 m drill program that continues to build on the resource published in 2015, by exploring the Western Flank and some exploratory drilling in other areas.

OVERALL PERFORMANCE

Liberty Gold's long term success in the Great Basin has been driven by acquiring projects that were historical heap leach gold mines operating in a US $300 to $350 per oz gold market, 20 to 25 years ago. All of Liberty Gold's significant projects were acquired with extensive historical exploration and mining databases and large land holdings covering broad target areas over a district scale.

Liberty Gold's share of expenditures for the year ended December 31, 2018, as compared to our share of budgeted cash exploration and development expenditures on our property interests are summarized (in 000s) as:

Project	Liberty Gold ownership	Minerals	Year ended December 31, 2018	
			Our share of cash expenditures	Budgeted expenditures[1]
Goldstrike	100%	gold	$ 4,505	$ 4,407
Black Pine	100%	gold	$ 521	$ 500
Kinsley	79%	gold	$ 485	$ 431
Total			$ 5,511	$ 5,338

[1] In May 2018, an amended budget was approved by the Company's Board of Directors. Amounts shown as budgeted expenditures for the entirety of 2018 reflect the amendment.

During the year ended December 31, 2018, we incurred approximately $9.29 million in cash administration and exploration expenditures against a budget over the same period of $9.32 million.

Goldstrike (100% owner and operator)

Goldstrike is a Carlin-style, sediment-hosted gold system located in Washington County, southwest Utah (50 km northwest of St. George), with a stratigraphic and structural setting and gold mineralization similar to other sediment-hosted gold systems in the Great Basin. Historical exploration and mining within the property culminated with the development of the Goldstrike mine, which from 1988 to 1996 produced oxidized disseminated-gold by heap-leach recovery from 12 open-pits. Historical mining records document a total of approximately 210,000 ounces of gold and 198,000 ounces of silver recovered from approximately 6.9 million tons of ore. The database includes historical exploration and mining records, including a large number of shallow drill holes with unmined oxide gold intercepts, and numerous untested gold targets. The property totals 7,261 ha in size and currently includes 856 owned and leased federal lode claims on Bureau of Land Management ("**BLM**") land, 43 leased patented claims and private parcels, and two Utah State leased parcels.

Goldstrike Resource

In February 2018 the Company published a maiden resource estimate (the "**Goldstrike Resource**")[7] based on drilling results to the end of 2017 covering portions of the Main, Dip Slope, Peg Leg and Western zones. The Goldstrike Resource estimate was subsequently restated to reflect a cut-off grade of 0.20 g/t Au (compared to 0.25 g/t Au) as a result of economic considerations discussed in the Preliminary Economic Assessment and now consists of: an indicated resource of 925,000 ounces of gold at an average grade of 0.50 g/t Au (57,846,000 tonnes); and an inferred resource of 296,000 ounces of gold at an average grade of 0.47 g/t Au (19,603,000 tonnes). The effective date for the data used in the resource estimate remains February 8, 2018, and all other parameters remain the same.

Goldstrike PEA

A PEA at Goldstrike was published on July 10, 2018[8] providing a strong, base-case economic scenario upon which to expand the scope and scale of the project with ongoing drilling. The PEA confirms the potential for a modest capital intensity, low operating cost, open-pit, run-of-mine, heap-leach operation, with a 7.5 year mine life and highly attractive economics.

The PEA was prepared by SRK Consulting (Canada) Inc., of Vancouver, British Columbia, Golder Associates Inc. of Reno, Nevada, Kappes Cassiday and Associates of Reno, Nevada, Advantage Geoservices of Osoyoos, British Columbia and GL Simmons Consulting LLC of Larkspur, Colorado.

The PEA is preliminary in nature and includes inferred mineral resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as

[7] See the "Independent Technical Report and Resource Estimate for the Goldstrike Project, Washington County, Utah, USA" effective February 8, 2018 and signed March 21, 2018 authored by Independent Qualified Persons David Rowe, CPG, of SRK Consulting (Canada) Inc., James N. Gray, P.Geo, of Advantage Geoservices and Gary Simmons, MMSA of GL Simmons Consulting LLC, and is in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects. The report is available under the Company's profile at www.sedar.com and is also available on the Company's website at www.libertygold.ca.
8 See the "Preliminary Economic Assessment and Independent Technical Report for the Goldstrike Project, Washington County, Utah USA", effective February 8, 2018 and dated July 16, 2018 co-authored by Independent Qualified Persons Bob McCarthy, P.Eng. Valerie Sawyer, SME, David Rowe, CPG and Neil Winkelmann, FAusIMM of SRK Consulting (Canada) Inc.; Gary Simmons, MMSA of GL Simmons Consulting, LLC; James N. Gray, P.Geo. of Advantage Geoservices Ltd; George Lightwood, SME, Russell Browne, P.E. and Michael Bidart, P.E. of Golder Associates Inc.

mineral reserves. There is no certainty that PEA results will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Important project metrics are presented in the following tables:

Assumptions	
Gold Price	$1,300/oz
Production Profile	
Total Tonnes of Mineralized Material Mined and Processed	59.3 million tonnes
Total Tonnes Waste Mined	70.6 million tonnes
Head Grade	0.48 grams per tonne ("**g/t**")
Mine Life	7.5 years
Tonnes per Day Mineralized Material Mined	22,500 tonnes per day
Strip Ratio (Waste: Mineralized Material)	1.2:1
Average Gold Recovery	78%
Total Gold Ounces Mined	915,516 troy ounces ("**oz**")
Total Gold Ounces Recovered	713,000 oz
Average Annual Gold Production	95,000 oz
Peak Annual Gold Production	117,855 oz
Unit Operating Costs	
Life of Mine ("**LOM**") Average Cash Cost[1]	$642/oz
LOM Average Adjusted Cash Cost[2]	$675/oz
LOM Cash Cost plus All-in Sustaining Cost ("**AISC**")[3]	$793/oz
Project Economics	
Royalties (estimate; royalties differ slightly by location and gold price)	2.50%
Pre-tax $NPV_{5\%}$ / After-Tax $NPV_{5\%}$	$176.2 million/$129.5 million
Pre-tax IRR/ After-Tax IRR	34.8%/29.4%
Undiscounted Operating Pre-Tax Cash Flow/After-Tax Cash Flow	$259.3 million/$195.5 million
After-Tax Payback Period	2.3 years

[1]Includes mining cost, mine-level G&A, leaching and refining cost; [2]Includes the above plus royalties; [3]Includes the above plus sustaining and closure costs

Capital Requirements	Initial	LOM
Mining Capital	$23.50 million	$61.30 million
Total Infrastructure Capital	$31.40 million	$35.10 million
Total Processing Capital	$48.30 million	$68.40 million
Closure Costs	-	$20.00 million
Owners Costs	$10.00 million	$10.00 million
Total Capital Costs	**$113.20** million	**$194.80** million

The PEA Study utilizes open pit mining with mine planning based on economic pit shells generated by mine planning software. Mine production is planned at 22,500 tonnes per day or 8.2 million tonnes per year of leach feed (mineralized) material. With an average waste to leach feed material strip ratio of 1.2 to 1, the average mining rate is approximately 50,000 tonnes per day of leach feed and waste material. The open pit mining at Goldstrike was designed utilizing an owner-operated, conventional mine fleet of front end loaders and trucks.

Parameter	Units	LOM[4]	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Total Leach Material	Mt[1]	59.3	6.9	8.2	8.2	8.2	8.2	8.2	8.2	3.1	0.0
Gold Grade	g/t	0.48	0.60	0.57	0.45	0.43	0.46	0.48	0.44	0.35	0.00
Contained Gold	oz	915,516	132,899	151,769	120,079	114,051	120,316	125,926	115,976	34,499	0
Total Waste	Mt	70.5	8.0	11.4	11.5	13.0	12.0	11.5	2.5	0.7	0.0
Total Material Moved	Mt	129.9	14.9	19.7	19.7	21.2	20.2	19.7	10.7	3.8	0.0
Gold Produced	oz	713,004	87,876	117,855	97,463	88,650	92,447	97,234	90,742	36,427	4,309

[1]Million tonnes [4]Numbers may not add due to rounding

PEA Sensitivities

The PEA examines the effect on $NPV_{5\%}$ of up to a 40% increase or decrease in capital and operating expenditures. $NPV_{5\%}$ is strongly influenced by the price of gold. The following tables show the effect of gold price on the IRR and NPV. The base case is shaded grey.

Post-tax IRR in %		Gold Price/oz				
		$900	$1,100	$1,300	$1,500	$1,700
Operating Cost	-40.0%	19.5%	32.9%	44.5%	55.2%	64.9%
	-20.0%	9.2%	24.6%	37.3%	48.5%	58.9%
	0.0%	-3.7%	15.2%	**29.4%**	41.5%	52.4%
	20.0%	N/A	3.8%	20.7%	34.0%	45.6%
	40.0%	N/A	-13.3%	10.5%	25.8%	38.3%

NPV in $millions		Discount Rate				
		0.0%	5.0%	6.0%	7.0%	8.0%
Gold Prices	-20.0%	$56.8	$23.5	$18.3	$13.4	$8.9
	-10.0%	$126.2	$76.7	$68.8	$61.5	$54.7
	0.0%	$195.5	**$129.5**	$119.0	$109.3	$100.2
	10.0%	$264.7	$182.2	$169.1	$156.9	$145.5
	20.0%	$333.9	$235.0	$219.2	$204.5	$190.7

Project Enhancement Opportunities

The PEA demonstrates the potential economic viability of the Goldstrike Project. The PEA also outlines a number of opportunities for Project Enhancement.

- **Potential additions to the bedrock resource base**: drilling is ongoing at Goldstrike, and a large number of areas, both within and peripheral to the current resource and in satellite targets, are undrilled, insufficiently drilled or are currently undergoing drill testing.
- **Potential additions to the resource through testing of surficial areas**: Historic heap leach pads, stockpiles and waste dumps are currently undergoing drill testing. While these areas were considered sub-economic in the late 1990s, they may prove to be of greater interest today. Much of this material, currently classified as waste, falls within the limits of the PEA pits and is currently classified as waste rock.
- **Potential upgrade of inferred mineral resources to measured and indicated mineral resources**: Infill drilling for this purpose is ongoing.
- **Silver credits**: The Goldstrike Mine operated from 1988 through 1994 and, based on historical records from operators Tenneco Minerals Co. and USMX Inc., produced 209,000 oz of gold and 197,000 oz of silver, or approximately 0.95 oz of silver for every oz of gold recovered. Based on this, silver assays from approximately 550 Liberty Gold drill holes, and Liberty Gold metallurgical testing carried out to date, the Company believes there is potential for significant silver revenues from a future operation at Goldstrike. Liberty Gold intends to pursue a silver resource study to quantify a silver resource, as well as a review of metallurgical test data to estimate silver recoveries that could be expected at the Goldstrike Project.

- **Optimization of the mine plan**: The PEA represents the first step toward addressing the viability of a mining operation at Goldstrike. Further work may identify opportunities for cost-saving, such as waste haul optimization and improved pit sequencing through pit phasing. Contract mining or a leased mine fleet will also be assessed.
- **Further metallurgical test work**: Metallurgical test work is currently underway in areas not previously tested. This work may lead to changes in the recovery curves used for this study, and more advanced studies may identify other ways to enhance recovery.

Exploration

On April 26, 2018 we commenced RC drill program for a planned 14,900 m by December 31, 2018; due to lower than anticipated costs, we were able to complete a total of 24,716 m of drilling in 200 RC and 15 diamond core holes. Areas of focus included areas of historic mining activities, including heap leach pads, back filled areas and stockpiles, most of which lie within the footprint of the PEA pit; while these are currently classified as waste, they may be re-classified going forward. Assay results are pending for 16 holes and will be released as they are received. Results of the 2018 RC drill program are not incorporated into the PEA.

For the year ended December 31, 2018, expenditures, including non-cash items, at Goldstrike totalled $4.84 million (year ended December 31, 2017: $6.55 million), including: drilling and assaying ($2.48 million), wages and salaries ($0.83 million), costs associated with the PEA ($0.34 million) and other expenditures ($1.19 million). Total cash expenditures at Goldstrike of $4.51 million are higher than the $4.41 million budgeted for the year ended December 31, 2018, due to higher drilling, assaying and contract labour costs, offset by lower than budgeted environmental surveys, and resource estimation expenditures.

Non-GAAP Measures and Other Financial Measures

This MD&A presents certain financial performance measures, including AISC, cash cost and total cash cost that are not recognized measures under International Financial Reporting Standards ("**IFRS**"). This data may not be comparable to data presented by other issuers. The Company believes that these generally accepted industry measures are realistic indicators of operating performance and are useful in allowing comparisons between periods. Non-GAAP financial performance measures should be considered together with other data prepared in accordance with IFRS. This MD&A contains non-GAAP financial performance measure information for a project under development incorporating information that will vary over time as the project is developed and mined. It is therefore not practicable to reconcile these forward-looking non-GAAP financial performance measures.

Black Pine (100% owner and operator)

The Black Pine property is a past-producing, heap leach gold mine located in southeastern Idaho, between Utah State Highway 30 and Interstate Highway 84. The property includes 400 federal lode claims, covering 3,170 ha with drill-tested oxide gold occurrences throughout. It hosts a large, Carlin-style, sediment-hosted gold system, the surface footprint of which extends over an approximately 12 km^2 target area.

The Company recovered a large historical digital database subsequent to its purchase that includes drill data for 1,874 holes (191,500 m of drilling), as well as-mined topography, blast hole and other mining data, and 4,950 rock and soil samples. The drill hole data set includes collar and survey data, fire assay gold, acid-soluble gold and silver, rock type and alteration, and includes a large number of drill holes with unmined gold intercepts. In 2018 we completed a two-year data compilation and verification project including a preliminary 3D model.

A validation drill program for 2,077 m in 13 holes was completed in 2017 that drilled from five locations within the target area. The results succeeded in validating historical results and demonstrated exceptional exploration upside both laterally and beneath the limit of shallow historical drilling. Evidence of this includes the highest grade by thickness in an unmined intercept on the property in our second hole, which returned 0.58 g/t Au over 39.6 m and 1.10 g/t Au over 15.2 m and 77.7 m grading 1.49 g/t gold. This drill hole encountered mineralization below the limit of historic drilling and is emblematic of the discovery potential at Black Pine.

The Company received approval of a new PoO in February 2019. The PoO will allow the Company to explore the 7.3 km^2 core of the gold system. A total of up to 141 acres (0.57 km^2) can be disturbed under the permit, including up to 49 km of new roads and 370 drill pads, subject to a staged annual reclamation plan. The main gold zone encompassing the historic Black Pine Mine is not subject to seasonal closures and can be accessed year-round, weather and road conditions permitting.

Activities at Black Pine during the year ended December 31, 2018 included permitting-related surveys, water rights research, surface mapping and sampling, with expenditures, including non-cash items, totalling $0.65 million (year ended December 31, 2017: $0.68 million). Total cash expenditures of $0.52 million were in line with the $0.50 million budgeted for the year ended December 31, 2018.

Kinsley (79.1% owner and operator)

Kinsley is a Carlin-style, past-producing mine located south of Newmont Mining's Long Canyon deposit in northeast Nevada. Comprised of 513 claims on BLM land, and five leased patents totalling 4,187 hectares, Kinsley has a stratigraphic, structural, and mineralization style similar to other sediment-hosted gold systems in the eastern Great Basin. Liberty Gold's interest in Kinsley is approximately 79.1%. Intor Resources Corporation ("**Intor**") holds the remaining 20.9% interest and funded its pro-rata share of expenditures to date.

An initial resource estimate on the property, effective October 15, 2015 and dated December 16, 2015, defines a high-grade zone at the Western Flank, along with a near-surface oxide zone in the vicinity of the historic mine. The Western Flank deposit remains open for extension to the east and west.

Preliminary metallurgical testing of sulphide material from the Western Flank gold deposit, hosted in the Secret Canyon Shale, suggests that a marketable gold concentrate, grading up to 312 g/t gold, could be produced via flotation. Recoveries of up to 95% are achieved when combined with leaching of the tails. Initial metallurgical results from sulphide portions of the Dunderberg Shale (the primary host rock in the historical mining operation at Kinsley) yielded up to 83% gold recovery, producing concentrate grades of up to 52.3 g/t gold.

For the year ended December 31, 2018, expenditures, including non-cash items, at Kinsley totalled $0.61 million (year ended December 31, 2017, $0.56 million), including Intor's 20.9% share. Expenditures are primarily related to a recently-completed 6-hole, 2,250 m RC drill program focusing on the Western Flank's eastern extension and the Secret Canyon Shale horizon. Total cash expenditures at Kinsley of $0.49 million were higher than the $0.43 million budgeted for the year ended December 31, 2018 as a result of higher than expected costs for the RC drill program.

TV Tower (60% owner and operator)

The 9,065 hectare TV Tower gold-silver-copper property is located in northwestern Turkey in a regional industrialized zone that includes base metal mines, large open pit coal mines, a major power plant, ceramics factories, and deep water ports.

Our interest in TV Tower is held through a 60% shareholding in Orta Truva Madencilik Sanayi ve Ticaret Anonim Şirketi ("**Orta Truva**"), the legal entity that holds title to the licenses that comprise the property. Teck Madencilik Sanayi Ticaret A.Ş. ("**TMST**"), a subsidiary of Teck Resources Limited ("**Teck**"), is our joint venture partner at TV Tower and holds the remaining 40% of Orta Truva. Each partner is funding its pro-rata share of exploration and development programs.

To date, we have identified a contiguous area greater than 50 km^2 of epithermal and porphyry-related alteration across this gold-silver-copper district, including a large silver-gold resource at the project's KCD deposit and three closely-situated copper-gold porphyries. The principal focus of the Company at TV Tower has been on i) the Kayalı-Karaayı zone at the southern end of the tenure, host to a largely contiguous, oxidized epithermal gold system stretching over 4 km east to west, and the Valley and Hilltop copper-gold porphyries, and ii) the KCD gold-silver deposit in the north. There remain multiple untested targets across the rest of the tenure. The Company received approved drilling permits in December 2016 providing the ability to drill test several identified high-conviction targets, and to carry out resource definition drilling on the property.

The 2018 budget at TV Tower was $0.89 million (our share: $0.53 million), and includes field exploration activities, permitting and tenure management costs, and community and social relations activities. For the year ended December 31, 2018, our share of expenditures, including non-cash items, totalled $0.40 million (December 31, 2017: $0.56 million). Liberty maintains funding for its Turkish properties in U.S. dollars and converts to Turkish Lira on an as-needed basis; the recent decline in the exchange rate has led to savings against expected expenditures.

Halilağa (40% owner, non-operator)

The Halilağa property is located 15 km southeast of the Valley and Hilltop porphyries at TV Tower. The 8,866 hectare Halilağa property has road access and electrical grid power. Labour, supply centres and industrial service providers are available in the region. The deposit is located in favourable terrain and is characterized by high copper and gold grades at surface with little-to-no overburden. The Company's interest in Halilağa is held through a 40% shareholding in Truva Bakır Maden İşletmeleri A.Ş. ("**Truva Bakır**"). TMST is project operator and holds the remaining 60% of this Turkish entity.

A revised preliminary economic assessment (the "**Revised Halilağa PEA**") was released in January 2015. Within the preliminary parameters of a PEA, the Revised Halilağa PEA illustrates a robust, low strip, technically simple and scalable open-pit mine, utilizing conventional milling and flotation methods. The project requires modest up-front capital, demonstrates a rapid payback of initial capital, has low cash costs, and generates a strong after-tax IRR and cash flow. The illustrative project, as outlined in the Revised Halilağa PEA, is relatively insensitive to changes in commodity pricing and exchange rates, requires modest pre-production capital expenditure, and yields a payback period (after-tax) of 1.3 years. Although preliminary in nature and derived from broadly factored assumptions including $1,200/oz gold, $2.90/lb copper, a 0.44 rate of exchange to the Turkish Lira, and a discount rate of 7%, the conceptual project in the Revised Halilağa PEA was designed to demonstrate the optimal development scenario for the deposit in the context of today's capital market conditions. Advancing Halilağa toward feasibility would require additional metallurgical testing, geotechnical drilling and resource definition drilling. We have developed a high-level program and illustrative budget that we expect would satisfy the requirements to make a feasibility decision and continue to discuss opportunities for the project with third-parties.

For the year ended December 31, 2018, our share of cash expenditures incurred at Halilağa was $0.22 million (year ended December 31, 2017: $0.17 million), against a total budget of $0.27 million for the same period. Expenditures reflect costs associated with permitting and tenure, ongoing community and social relations activities, certain field and desktop analyses and legal costs relating to the matter described in this MD&A.

*The Company has delineated mineral resources at each of Goldstrike, Kinsley (Western Flank), TV Tower (Küçükdağ) ("**KCD**") and Halilağa (Kestane). The Company's Black Pine project and other targets on its property interests are early 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 our other projects is also summarized in our AIF and the respective NI 43-101 Technical Reports, and can be viewed under the Company's issuer profile on SEDAR at www.sedar.com.*

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 Audit Committee of the Company's Board of Directors (the "**Board**") approved the Annual Financial Statements and MD&A.

The Annual Financial Statements and the consolidated financial statements for the years ended December 31, 2017 and December 31, 2016 have been prepared using accounting policies in compliance with IFRS, as issued by the International Accounting Standards Board ("**IASB**"), taking into account certain exceptions as detailed under the section '*Change in accounting policy and restatement of comparatives*', for which comparative information has been restated.

Financial Instruments

Effective January 1, 2018, the Company adopted the new IFRS pronouncement IFRS 9 – *Financial Instruments* ("**IFRS 9**"). The effect of adoption of IFRS 9 is outlined in Note 5 to our Annual Financial Statements.

Impairment of Financial Assets

IFRS 9 requires a revised impairment methodology for financial assets measured at amortized cost and fair value through other comprehensive income. The identified impairment losses were not significant or material and therefore no loss allowances were recognized at January 1, 2018, or during the year ended December 31, 2018.

Other Accounting Pronouncements

Leases

IFRS 16, Leases ("**IFRS 16**") is effective for periods on or after January 1, 2019 and provides a single lessee accounting model. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions available for short-term leases (lease term of 12 months or less) and leases of low-value items. Upon adoption, the Company expects to recognize additional right-of-use assets and lease liabilities as the majority of leases described in the MD&A under the section Contractual Obligations are in scope for IFRS 16. The nature of expenses will change as the Company will recognize a depreciation expense on the additional right-of-use assets, and interest expense on the lease liabilities. Advance Royalty Payments described in the MD&A under Contractual Obligations, are out of scope for IFRS 16.

As of December 31, 2018, our review and assessment of IFRS 16 and the effect on our financial statements is nearing completion. We are in the process of finalizing our calculation and review of the lease balances in accordance with IFRS 16. We are also finalizing our processes and internal controls around lease identification and subsequent accounting, for arrangements entered into moving forward. We will apply IFRS 16 to the annual reporting period beginning on January 1, 2019 using a modified retrospective approach on transition. Therefore, the cumulative effect of adopting IFRS 16 will be recognized as an adjustment to the opening balance of retained earnings at January 1, 2019, with no restatement of comparative information.

Presentation

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 for gold, copper, and other precious and base metals, and in three geographic locations: Canada, the USA, and Turkey. 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 our consolidated financial statements for the years ended December 31, 2018, 2017 and 2016 respectively:

	2018	**2017**	**2016**
Total revenues	$nil	$nil	$nil
Net loss for the year and attributable to shareholders	$11.17	$12.71	$11.16
Basic and diluted loss per share and attributable to shareholders	$0.06	$0.08	$0.09

Year ended December 31, 2018 vs. year ended December 31, 2017

Losses from operations for the year ended December 31, 2018 of $11.17 million were lower than the $12.71 million in losses incurred in the comparative period, due primarily to decreased exploration and evaluation expenditures, professional fees, and investor relations, offset by higher stock based compensation expenditures. The largest contributors to the loss during the year ended December 31, 2018 are exploration expenditures, wages and benefits, office and general and non-cash stock based compensation costs which combined comprise $10.24 million of the overall loss; these same four categories are the largest contributors to the loss for the year ended December 31, 2017 (combined $11.73 million).

Net cash operating outflows were $9.78 million in the year ended December 31, 2018, compared to $11.12 million in the comparative year, mainly due to lower exploration expenditures in the current period.

Cash expenditures of $9.29 million for the year ended December 31, 2018, were approximately in line with the budgeted total of $9.32 million.

Exploration and evaluation expenditures

Exploration and evaluation expenditures during the year ended December 31, 2018 totalled $6.91 million and $8.79 million during the comparative period in 2017. The decrease primarily reflects expenditures at our

Goldstrike and Black Pine properties of $4.84 million and $0.65 million respectively, and reflect decreased drilling activity in 2018 relative to the same period in 2017, during which time $6.55 million and $0.68 million, respectively, was spent.

Wages and benefits

Certain office and general expenditures incurred in Canada and wages and benefits relating to certain Canadian personnel are incurred on a cost-recovery basis through an administration and technical services agreement (the "**Oxygen Agreement**") with Oxygen Capital Corporation ("**Oxygen**"), a related party (see also in this MD&A, "Related Party Transactions").

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 this heading in our statement of loss reflect only those costs not attributable to exploration and evaluation expenditures and totalled $0.98 million in the year ended December 31, 2018 (2017: $1.23 million).

Un-allocated wages and benefits for the year ended December 31, 2018 totalled $1.31 million, which were slightly higher than the comparative period at $1.21 million, due to lower allocation to project related salaries and severance payments due to personnel changes in Vancouver and Turkey.

Office and General

Office and general expenditures for the year ended December 31, 2018 of $1.12 million are higher than the 2017 comparative period ($1.08 million), due primarily to an increase in office rent and travel, transfer agent fees, system support expenditures and software, offset by consulting costs in 2017 which were not incurred in 2018.

Stock-based compensation

The expense reflects (i) the relative value of grants of employee stock options ("**Options**") to purchase common shares of the Corporation ("**Common Shares**"), Restricted Share Units ("**RSUs**") and Deferred Share Units ("**DSUs**") during the year ended December 31, 2017, and (ii) the diminishing impact of Options granted in prior periods 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 the year ended December 31, 2018, totaled $0.90 million (December 31, 2017: $0.65 million). The total expense is higher than in the comparative period due to two stock option grants in 2018 (150,000 and 2,472,500 in June and December 2018, respectively), as compared to one stock option grant in 2017 (1,653,000 in December 2017). Also attributable to an increase in RSUs granted in 2018 as compared to 2017, and the vesting of Options issued in prior years. This is partially offset by a lower fair value on issue for the 2018 grants. These amounts do not include values recorded as part of exploration expenditures ($0.46 million in the year ended December 31, 2018 and $0.28 million in the year ended December 31, 2017).

In determining the fair market value of stock-based compensation granted to employees and non-employees, management makes significant assumptions and estimates. These assumptions and estimates have an effect on the stock-based compensation expense recognized and on the contributed surplus balance on our statements of financial position. Management has made estimates of the life of the Options, the expected volatility, and the expected dividend yields that could materially affect the fair market value of this type of security. Estimates were chosen after reviewing the historical life of the Options and analyzing share price history to determine volatility.

Investor relations, promotion and advertising

In the year ended December 31, 2018, $0.38 million in investor relations, promotion and advertising expenditures were made compared to $0.54 million in the comparative period in 2017, with the difference a reflection of the cost of the Company's re-branding and re-naming in 2017.

Other income and expenses

In the year ended December 31, 2018, the Company recorded other expenses (net) of $0.19 million compared to $0.52 million in the year ended December 31, 2017.

The main contributor to the change over the comparative period was a decrease in foreign exchange losses to $0.11 million in the year ended December 31, 2018, as compared to $0.34 million in the year ended December 31, 2017. Also contributing to the difference is the change in fair value of the Company's other financial assets of $0.03 million in the year ended December 31, 2018 as compared to $0.24 million in the comparative period. The change was also due to the Logan Resources Inc. ("**Logan**") election to earn 51% interest in the Company's

Brik, Easter, Antelope and Viper properties ("the **Selected Properties**") under the Option Agreement during the comparative year ended. As a result of the additional earn-in, the Company derecognized Logan's 51% interest in the carrying amounts of the Selected Properties, resulting in an increase in other expenses of $0.04 million in the year ended December 31, 2017. These increases were offset by the net loss recognized on the sale of the Company's financial assets of $0.02 million as compared to a net gain of $0.13 million in the comparative period.

Other comprehensive loss

The net balance of other comprehensive loss consists of the impact of exchange gains and losses from the translation of our operations with a non-USD functional currency. During the year ended December 31, 2017, in accordance with IAS 39 – *Financial Instruments: Recognition and Measurement,* other comprehensive loss also consisted of fair value gains and losses on unimpaired available-for-sale ("**AFS**") financial assets and fair value gains on impaired AFS financial assets, as well as amounts reclassified into net loss from other comprehensive loss upon impairment or sale of our AFS financial assets. Net fair value losses recognised in other comprehensive loss were $Nil for the year ended December 31, 2018, as a result of the transition to IFRS 9 – *Financial Instruments* on January 1, 2018, as compared to a gain of $0.11 million in the 2017 comparative period.

The Canadian dollar depreciated 7.8% relative to the value of the USD in the period between January 1, 2018 and December 31, 2018 (during the same period of the comparative year it appreciated 7.0%). As a result, for the year ended December 31, 2018, foreign exchange losses on translations of $1.17 million were recognized (December 31, 2017: foreign exchange gains of $0.59 million). The impact from exchange differences will vary period to period depending on the rate of exchange.

Year ended December 31, 2017 vs. year ended December 31, 2016

Losses from operations for the year ended December 31, 2017 of $12.71 million were higher than the $11.40 million in losses incurred in the comparative period, due primarily to additional exploration and investor relations, promotion and advertising expenditures, offset by decreases in wages and benefits, stock based compensation, professional fees and office and general costs. The largest contributors to the loss during the year ended December 31, 2017 are exploration and evaluation expenditures, wages and benefits, office and general and non-cash stock based compensation costs which combined comprise $11.73 million of the overall loss; these same four categories are the largest contributors to the loss for the year ended December 31, 2016 (combined $10.54 million).

There was an additional $0.09 million contribution to the loss during the year ended December 31, 2017 due to the recognition of accumulated losses in other comprehensive income, in the statement of loss, on impairment of certain of our available for sale AFS investments.

As a result of Logan's election to earn a 51% interest in the Selected Properties under the Option Agreement during the year ended December 31, 2017, a loss of $0.04 million was also recognized with a corresponding decrease in exploration and evaluation assets to reflect the de-recognition for Logan's ownership interest in the Selected Properties.

Net cash operating outflows were $11.12 million in the year ended December 31, 2017, compared to $9.21 million in the comparative year, mainly due to higher exploration expenditures in 2017.

Actual cash expenditures of $11.43 million for the year ended December 31, 2017, were $0.55 million less than budgeted (a total of $11.98 million) primarily due to RC drilling and assaying costs at Goldstrike which were $0.75 million less than anticipated, offset by RC drilling and assaying costs of $0.24 million associated with Black Pine's November 2017 drill program.

Exploration and evaluation expenditures

Exploration and evaluation expenditures during the year ended December 31, 2017 totalled $8.79 million compared to $6.56 million during the comparative period in 2016. The increase primarily reflects expenditures at our Goldstrike and Black Pine properties of $6.55 million and $0.68 million, respectively, as a result of our increased drilling activity in 2017 relative to the same period in 2016, during which time $4.44 million and $0.15 million, respectively, was spent.

Wages and benefits

Primarily as a result of bonuses and severance payments paid during the period ended December 31, 2016 which were not paid in the year ended December 31, 2017, wages and benefits decreased by $0.58 million to $1.21 million (December 31, 2016: $1.79 million).

A significant portion of our remuneration costs are included in exploration expenditures based on the nature of work undertaken in that period. Wages and benefits included under this heading in our statement of loss reflect only those costs not attributable to exploration and evaluation expenditures and totalled $1.51 million in the year ended December 31, 2017 (2016: $1.31 million).

Office and General

Office and general expenditures for the year ended December 31, 2017 of $1.08 million are lower than the 2016 comparative period ($1.17 million), due primarily to a decrease in directors' fees, insurance, rent, travel, recruitment costs and lower administrative expenditures at our office in Turkey; the decrease was partially offset by consulting fees that were not incurred in 2016.

Investor relations, promotion and advertising

In the year ended December 31, 2017, $0.54 million in investor relations, promotion and advertising expenditures were made compared to $0.27 million in the comparative period in 2016, reflecting the cost of the Company's re-branding and re-naming.

Stock-based compensation

Stock-based compensation expense for the year ended December 31, 2017, totaled $0.65 million (December 31, 2016: $1.01 million). The total expense is lower than in the comparative period due to two significant stock based compensation grants in 2016 (4,482,500 and 4,393,750 in March and December 2016, respectively) as compared to one significant grant in 2017 (1,653,000 in December 2017) and a lower fair value on issue for the 2017 grant, offset by an increase in RSUs granted in 2017, as well as the vesting of Options issued in prior years. These amounts do not include values recorded as part of exploration and evaluation expenditures ($0.28 million in the year ended December 31, 2017 and $0.20 million in the year ended December 31, 2016).

Other income and expenses

In the year ended December 31, 2017 the Company recorded other expenses (net) of $0.52 million as compared to $0.12 million in the year ended December 31, 2016.

The main contributor to the change over the comparative period was the recognition of other expenses of $0.01 million during the year ended December 31, 2017, compared to other income of $0.41 million in the same period in 2016. The decrease in other income during the 2017 fiscal year is primarily attributable to the receipt of a tax abatement credit of $0.06 million in Turkey, and cash consideration of $0.33 million associated with the Logan Option Agreement during the year ended December 31, 2016, which were not received in 2017. The net gain recognized on sales of certain of our AFS investments also contributed to the difference, as it decreased from $0.24 million for the year ended December 31, 2016 to $0.13 million for the year ended December 31, 2017. These increases in other expenses were offset by a decrease in foreign exchange losses to $0.34 million in the year ended December 31, 2017, compared to $0.54 million in the year ended December 31, 2016.

Other comprehensive loss

The net balance of other comprehensive loss consists of the impact of exchange gains and losses from the translation of our foreign operations with a non-USD functional currency, fair value gains and losses on our unimpaired AFS financial assets and fair value gains on our impaired AFS financial assets, as well as amounts reclassified into net loss from other comprehensive loss upon impairment or sale of our AFS financial assets. Net fair value gains were $0.11 million for the year ended December 31, 2017, as compared to gains of $0.26 million in the comparative period in 2016.

The Canadian dollar appreciated 7.0% relative to the value of the USD in the period between January 1, 2017 and December 31, 2017 (during the same period of the comparative year it appreciated 4.0%). As a result, for the year ended December 31, 2017, the impact of foreign exchange was gains of $0.59 million (December 31, 2016: $0.37 million). The impact from exchange differences will vary period to period depending on the rate of exchange.

Financial Position

The following financial data (in $ millions) are derived from our consolidated financial statements as at December 31, 2018, December 31, 2017 and December 31, 2016:

	December 31, 2018	December 31, 2017	December 31, 2016
Total assets	$35.08	$30.01	$40.88
Non-current financial liabilities	$0.15	$0.16	$0.08
Cash dividends declared	$nil	$nil	$nil

Total assets

The $5.07 million increase in total assets as at December 31, 2018 compared to December 31, 2017 reflects the net receipt of $7.85 million from the 2018 Bought-Deal financing (as defined below) and $8.07 million from the 2018 Fall Bought-Deal (as defined below), offset by cash expenditures including exploration and evaluation expenditures, wages and benefits, office and general, stock-based compensation, and investor relations costs of $10.62 million in aggregate, as well as funding to associates of $0.22 million. The reduction in assets as at December 31, 2017 compared to December 31, 2016 was due to exploration and evaluation expenditures, there were no financings during the 2017 fiscal year.

Non-current financial liabilities

At December 31, 2018, and December 31, 2017, our non-current liabilities include (i) estimates for reclamation work to be performed on exploration properties, and (ii) liabilities recorded in recognition of a statutory obligation in Turkey to accrue for lump-sum termination payments for employees when their employment is terminated due to retirement or for reasons other than resignation or misconduct. The decrease in non-current liabilities in 2018 over 2017 is due primarily to a decreased severance accrual in Turkey as at December 31, 2018, following personnel changes which occurred in 2018. As at December 31, 2018, a deferred tax liability of $1.39 million was recognised in Orta Truva (December 31, 2017: $0.55 million), arising from foreign exchange on the tax basis of our assets held in Turkey. This is not classified as a financial liability.

Shareholders' equity

On October 2, 2018 the Company closed the 2018 Fall Bought-Deal with a syndicate of underwriters (the "**Fall Underwriters**") whereby the Fall Underwriters purchased, on a bought-deal basis, 25,125,000 units of the Company (the "**Fall Units**") at a price of C$0.40 per Fall Unit for gross proceeds to the Company of C$10,050,000. The Fall Underwriters also exercised the over-allotment option in full and purchased an additional 3,768,750 Fall Units for additional gross proceeds to the Company of C$1,507,500. Each Fall Unit consisted of one Common Share and one Common Share purchase warrant (each, a "**Fall Warrant**"). Each Fall Warrant entitles the holder to acquire one Common Share at a price of C$0.60 at any time prior to October 2, 2021.

The Fall Units were valued using the residual method whereby the fair value of the warrant was determined to be C$0.112 using the Black-Scholes valuation method and the following inputs: Share price at issue C$0.375, exercise price C$0.60, risk free rate 2.32%, annualized volatility 63% and a 3 year expected life. Volatility was determined using the Company's share price volatility over the 3 years prior to issuance.

The resulting allocation of the warrant fair value to the consideration received was Warrants: $2.52 million (C$3.24 million) and Common Shares: $6.49 million (C$8.32 million). Transaction costs of $0.95 million have been recognised in equity during the year ended December 31, 2018 relating to the Fall Bought-Deal.,

On January 26, 2018 the Company closed a bought-deal private placement (the "**2018 Bought-Deal**") with a syndicate of underwriters (the "**Underwriters**") whereby the Underwriters purchased, on a bought-deal basis, 24,938,426 units of the Company ("**Bought-Deal Unit**") consisting of one Common Share and one half Common Share purchase warrant (each whole Common Share purchase warrant, a "**Bought-Deal Warrant**"), at a price of C$0.42 per Bought-Deal Unit for gross proceeds to the Company of $8.50 million (C$10.47 million). Each Bought-Deal Warrant will entitle the holder to acquire one Common Share at a price of C$0.65 until January 26, 2021.

The Bought-Deal Units were valued using the residual method whereby the fair value of the warrant was determined to be C$0.142 using the Black-Scholes valuation method and the following inputs: Share price at issue C$0.44, exercise price C$0.65, risk free rate 1.95%, annualized volatility 64% and a 3 year expected life. Volatility was determined using the Company's share price volatility over the 3 years prior to issuance.

The resulting allocation of the warrant fair value to the consideration received was Warrants: $1.44 million (C$1.77 million) and Common Shares: $7.06 million (C$8.70 million). Transaction costs of $0.65 million have been recognised in equity during the year ended December 31, 2018 relating to the 2018 Bought-Deal.

On December 20, 2017, the Company entered into an Agreement with Golden Dragon Capital LLC ("**Golden Dragon**") to terminate the January 1, 2013 (the "**Termination Agreement**") and subsequently amended Mining Lease and Option to Purchase associated with the Company's Drum property. Pursuant to the Termination Agreement, the Company made a final royalty payment of $0.08 million on December 21, 2017 and issued 400,000 Common Shares to Golden Dragon on January 8, 2018 with a fair value of C$0.45 per Common Share, totalling $0.14 million (C$0.18 million).

In the year ended December 31, 2018 the Company granted 1,665,000 RSUs and 475,000 DSUs, with a fair value of C$0.32 per unit. In the same period a total of 76,667 RSUs were forfeited or cancelled, and 384,886 were exercised.

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 and the interim condensed consolidated financial statements for each of the past eight quarters.

Condensed consolidated statements of loss and comprehensive income (loss)[9]:

(In 000's of dollars except per share amounts)	Dec 31 2018	Sep 30 2018	Jun 30 2018	Mar 31 2018	Dec 31 2017	Sep 30 2017	Jun 30 2017	Mar 31 2017
Loss attributable to the shareholders:	$	$	$	$	$	$	$	$
Loss for the period	(2,023)	(3,488)	(3,246)	(2,411)	(3,639)	(3,505)	(3,131)	(2,434)
Exchange differences on translating foreign operations	(702)	21	(109)	(381)	(62)	336	195	121
Net value gain (loss) on financial assets and amounts reclassified into net loss on impairment or sale	-	-	-	-	(12)	2	3	2
Basic and diluted loss per share	(0.01)	(0.02)	(0.02)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)

Exploration expenditures of $1.23 million, stock based compensation of $0.49 million and wages and benefits of $0.32 million were the largest contributors to the loss during the three months ended December 31, 2018. Stock based compensation contributed to the loss as a result of the December grant of Options, DSUs and RSUs, 2,140,000 of which vested immediately. These increases to the loss were offset by lower exploration and evaluation expenditures as a result of the Goldstrike drilling program moving towards completion in December 2018, and $0.06 million decrease in wages and benefits as a result of a one-time severance payment following personnel changes in the three months ended September 30, 2018.

The three month period ended September 30, 2018 showed higher losses than in the previous quarter primarily due to an increase in wages and benefits and professional fees expenditures of $0.07 million and $0.03 million respectively, due to a one-time severance payment following personnel changes and increased legal expenditures. A $0.02 million loss on the sale of other financial assets and a $0.24 million increase to the income tax expense over the prior quarter also contributed to the loss; this was offset by a $0.03 million foreign exchange gain, $0.01 million decrease in stock based compensation and a decrease of $0.03 million in investor relations, promotion and advertising expenditures.

The quarter ended June 30, 2018 showed higher losses than in the previous quarter primarily due to increased exploration and evaluation expenditures of $0.86 million as a result of the RC drill program at

[9] The Company has revised the table for its previously reported unaudited condensed consolidated interim financial statements to correct amounts included in loss attributed to shareholders that should have been included in loss attributable to non-controlling interests. The changes had no impact on the total loss for the period.

Kinsley which began on April 3, 2018 and was completed on May 19, 2018, completion of the core drill program at Goldstrike on April 26, 2018, and commencement of the Goldstrike RC drill program on April 26, 2018, with two drills operating on the property from mid-May to June 2018. A $0.10 million increase in foreign exchange losses also contributed to the loss for the quarter, offset by a $0.12 million decrease in stock based compensation expense following the vesting of 775,000 Options, DSUs and RSUs at March 31, 2018, in comparison to one grant of 150,000 Options to a consultant during the three months ended June 30, 2018.

During the three months ended March 31, 2018, exploration expenditures of $1.31 million, office and general costs of $0.31 million, wages and benefits of $0.31 million and stock based compensation expense of $0.22 million were the largest contributors to the loss. In comparison to the previous quarter, the loss has decreased by $1.08 million, primarily as the result of fewer exploration and evaluation expenditures following the completion of the Goldstrike and Black Pine drill programs in December of 2017 and the delayed timing of the Goldstrike RC drill program in the current period, lower stock based compensation expense due to the December grant of Options, DSUs and RSUs, 775,000 of which vested immediately in comparison to no grants during the three months ended March 31, 2018, as well as a decrease in foreign exchange losses.

Exploration expenditures of $2.45 million, wages and benefits of $0.30 million and office and general costs of $0.26 million and stock based compensation expense of $0.34 million, were the largest contributors to the loss during the three months ended December 31, 2017. In comparison to the previous quarter, stock based compensation expense was also one of the largest contributors to the loss as a result of the December grant of Options, DSUs and RSUs, 775,000 of which vested immediately, along with a $0.13 million increase in income tax expense. These increases to the loss were offset by lower exploration and evaluation expenditures as a result of fewer drills operating at Goldstrike as the drilling program moved towards completion in December 2017, and a $0.11 million decrease in investor relations, promotion and advertising costs following completion of the final phase of the Company's rebranding and renaming during the three months ended September 30, 2017.

The quarter ended September 30, 2017, showed higher losses over the previous quarter due primarily to the increased drilling activity at our Goldstrike property following the addition of the third drill in June. Contributions to the loss included a $0.39 million increase in exploration and evaluation expenditures and a loss in fair value of AFS investments of $0.27 million. A decrease in the income tax recovery of $0.19 million was the third largest contributor to the loss, reflecting foreign currency fluctuations on our assets in Turkey. These increases were offset by lower office and general expenditures of $0.09 million and foreign exchange losses of $0.06 million during the three month period, than in the previous quarter.

In the three months ended June 30, 2017, losses were greater than in the previous quarter primarily due to a $0.94 million increase in exploration and evaluation expenditures as a result of new permits at TV Tower, fair value losses of $0.16 million and an impairment of $0.09 million, relating to certain of our AFS investments and mark to market losses recognized on our other AFS investments respectively. Other significant contributions to the loss in the three months ended June 30, 2017, were wages and benefits of $0.28 million, office and general of $0.32 million.

The largest contributors to the loss for the three months ended March 31, 2017, were exploration and evaluation expenditures of $1.36 million, wages and benefits of $0.33 million, and office and general of $0.26 million. These expenditures were all lower than in the previous period by $0.73 million collectively, due to greater drilling activity and bonuses paid in the three months ended December 31, 2016.

FOURTH QUARTER

During the three months ended December 31, 2018, there were net cash inflows of $5.70 million primarily attributable to financing activities and the gross proceeds from the 2018 Fall Bought-Deal of $9.02 million (C$11.56 million). These cash inflows were offset by share issue costs attributable to the 2018 Fall Bought-Deal of $0.95 million and cash outflows of $2.29 million from operating activities reflecting exploration and evaluation expenditures, stock-based compensation, wages and benefits and office and general.

RELATED PARTY TRANSACTIONS

Administration and Technical Services Agreement - Oxygen Capital Corporation

In 2012 the Company entered into an administration and technical services agreement with Oxygen, a related party. Oxygen is a private company currently owned by three directors of the Company (Dr. O'Dea, and Messrs. McInnes and Tetzlaff). Pursuant to the Oxygen Agreement, Oxygen provides the Company, on a cost-recovery basis, the following services, which are invoiced and settled on a monthly basis:

- administrative services and staff on an as-needed basis, and
- access to, and the use of assets located in, office space leased by Oxygen.

Liberty Gold shares a head office with other private and public companies each of which has an arrangement with Oxygen. Oxygen allocates the costs of personnel (plus applicable benefits), assets and infrastructure to the various companies based upon the estimated pro-rated use by personnel on Company activities. Oxygen exists to consolidate employees and office infrastructure in one entity so that costs may be more efficiently allocated. Oxygen does not mark-up costs or charge a fee to the Company.

Employees of Oxygen providing services to the Company do so pursuant to a secondment agreement, and take direction from the President & Chief Executive Officer and Chief Financial Officer of the Company. The Chief Financial Officer is an employee of Oxygen, whose salary and applicable benefits are paid by the Company under the same terms as other Oxygen personnel.

Transactions with Oxygen during the year ended December 31, 2018 totalled $0.68 million, and are reflected in the Annual Financial Statements. As at December 31, 2018, the Company held a payable to Oxygen of $0.11 million (paid subsequent to period end) and a deposit of $0.12 million with Oxygen for use against the final three months of service upon termination of the arrangement.

Compensation of key management personnel

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

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

	Year ended December 31,	
	2018	**2017**
Salaries, bonuses and other short-term employee benefits	$0.98	$1.04
Share-based payments	$0.76	$0.56
Total	**$1.74**	**$1.60**

LIQUIDITY AND CAPITAL RESOURCES

The properties in which we currently have an interest are in the exploration and development stage. We have no revenue-producing operations, and earn only minimal income through investment income on treasury, and management fees from joint venture projects at which we are the operator, the proceeds from property option agreements, or as a result of the disposal of an exploration asset. Accordingly, we are dependent on external financing, including the proceeds of future equity issuances or debt financing, to fund our activities. Circumstances that could impair our ability to raise additional funds, or our ability to undertake transactions, are discussed in our AIF under the heading "*Risk Factors.*" There is no assurance that we will be able to raise the necessary funds through capital raisings in the future. In particular, the Company's access to capital and its liquidity will be 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 in Canada.

As at the date of this MD&A, including cash contributed by our partners at Kinsley and TV Tower for use in accordance with preliminary budgets at each property, the Company has approximately $6.76 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 $6.68 million. With the funding received from the 2018 Bought-Deal and the 2018 Fall Bought-Deal, the Company has sufficient funds to meet its exploration expenditure commitments. We have not issued any dividends and management does not expect this will change in the near future.

On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned exploration, development, permitting activities, and committed administrative costs, to ensure that adequate levels of working capital are maintained. We believe that this approach, given the relative size of Liberty Gold, is reasonable. Management believes that available funds are sufficient for current planned operations, assuming no other factors change and with appropriate liquidity management.

2018 Bought-Deal

The successful closing of the 2018 Bought-Deal provided capital to advance our planned exploration programs at Goldstrike, Black Pine and our other mineral property interests. Our past history of raising sufficient capital to carry out our plans, gives management confidence in our ability to raise additional funds when needed. The net proceeds raised of approximately $7.85 million, (C$9.67 million) along with $1.20 million of net treasury at the beginning of 2018 was sufficient to fund planned expenditures for fiscal 2018 as per the budgets disclosed in the table below and under the section entitled "Outlook". Our objectives and expenditures to December 31, 2018 have been consistent with budgeted amounts; the timing of the start of the drill program at Goldstrike, and the studies performed at Black Pine, which while affected the timing of expenditures, did not impact overall planned expenditures or objectives. The budget for Goldstrike included the publication of both the initial resource and the PEA, published in February 2018 and July 2018 respectively, in line with our objectives.

Project	**Original 2018 planned expenditures**	**Updated 2018 budgeted expenditures**	**Actual use of proceeds in 2018**
Goldstrike	**$ 4,123**	$ 4,407	$ 4,505
Black Pine	**$ 233**	$ 500	$ 521
Kinsley	**$ 421**	$ 431	$ 485
Turkish properties	**$ 903**	$ 808	$ 618
Working Capital	**$ 3,342**	$ 3,187	$ 3,164
Total	**$ 9,022**	$ 9,333	$ 9,293

2018 Fall Bought-Deal

The additional $8.07 million net capital as a result of closing of the 2018 Fall Bought-Deal enables us to continue to advance key projects and maintain our other property interests well into 2019. The approximate use of proceeds from the 2018 Fall Bought-Deal, with reference to the balance of cash and short term investments at the time, is outlined in the Company's short form prospectus dated September 26, 2018, and reproduced below (in millions of $):

Activity or Nature of Expenditure	**Approximate Use of Net Proceeds**	**Actual use of proceeds**
Exploration and Development of Goldstrike	$4.1	$0.2
Exploration and Development of Kinsley	$1.6	$0.0
Exploration and Development of Black Pine	$0.4	$0.1
Working Capital	$2.0	$0.7
Total	**$8.1**	**$1.0**

During the 2019 budget process, a strategic decision was made to redirect $2.2 million of funds allocated to the Goldstrike and Kinsley projects to Black Pine, due to the receipt of the new PoO allowing us to explore and develop project potential.

Contractual obligations

Mineral Properties and Capital Expenditures

We have obligations in connection with certain of our mineral property interests that require either:

i) cash payments to be made to the government or underlying land or mineral interest owners; or

ii) minimum expenditure requirements in order to maintain our rights to such mineral interests.

Although most of our property obligations (including minimum annual expenditure requirements at Kinsley and on certain parcels of land at Goldstrike) are eliminated should we choose to no longer invest funds exploring the particular property, we have certain notable obligations:

Kinsley and TV Tower

Pursuant to the respective operating agreements and elections by members to participate in funding the 2018 Program and Budget for each project, the Company must incur its pro rata share of the approved budgets for Kinsley and TV Tower; approved budgets for fiscal 2019 are $0.47 million and $0.36 million, respectively.

Advance Royalty Payments & Minimum Annual Exploration Expenditures

In accordance with certain underlying lease agreements, we are required to maintain the associated lease agreements in good standing and make advance royalty payments ("**ARPs**") to the underlying property owners of the Kinsley project as well as minimum annual exploration expenditures:

	Kinsley[b]	
Year	ARP[a]	Minimum Expenditure commitments
2019	$150,000	$500,000
2020 and beyond	$200,000	$500,000

[a]Payable to Nevada Sunrise, LLC ("**NSL**"), a private company, unrelated to Intor.

[b]Our share of required expenditures is 79.1% of the total shown.

The aggregate advance ARPs will subsequently be credited against future Net Smelter Royalty payments payable from production at the respective property.

The Company has met, and continues to incur all such minimum expenditure commitments at the date of this MD&A.

Although the annual payments are commitments to the Company as long as we continue to hold these properties, pursuant to the underlying lease agreements, the Company has the right to terminate the lease by giving thirty days advance notice and returning the Company's interest in the property to the underlying property holder.

Prior period disclosures included ARPs associated with the Antelope property. The leases for the Antelope property, and therefore associated ARPs, were terminated on October 5, 2018.

In August 2016, the lease agreement providing access to the Drum property was amended to include a commitment to spend $0.75 million on that property by December 31, 2017, and for each year thereafter, though only the first minimum expenditure requirement was a commitment. Pursuant to the Termination Agreement, the Company made the final royalty payment of $0.08 million on December 21, 2017 and issued 400,000 Common Shares to Golden Dragon on January 8, 2018 with a fair value of C$0.45 per Common Share, totalling $0.14 million.

Leases

The Company has entered into operating leases for premises in the United States and Turkey. The lease terms are between two and four years; each lease is renewable at the end of the lease period at the market rate. Office premises and other operating leases in Canada are paid to Oxygen, pursuant to the Oxygen Agreement. These amounts, as pertaining to non-cancellable leases, are included in the table below. The aggregate lease expenditure related to Liberty Gold's office premises charged to the statement of loss for the year ended December 31, 2018 is $0.11 million (see also in this MD&A, "**Related Party Transactions**").

Total future minimum lease payments, under non-cancellable operating leases as at December 31, 2018 are:

Year	
2019	$ 0.29 million
2020	0.29 million
2021	0.21 million
2022	0.17 million
2023+	0.10 million
	$ 1.06 million

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

Indemnifications

As described in our AIF, Liberty Gold is party to certain agreements giving rise to certain indemnifications for losses suffered or incurred by the counterparty to such agreements. There have been no claims or notices in regard to any such indemnifications. Liberty Gold remained liable under certain of these indemnifications until April 6, 2017; however, those indemnifications in respect of claims for taxes remain in place until 60 days after the end of the relevant statutory limitation period.

Surety Bonds

In November 2016, the Company entered into an agreement with a third-party to replace $0.95 million of its existing bonding deposits in the United States with surety bonds of the same amount. The bonds are held in favour of the BLM and the United States Forestry Service (the "**USFS**") as financial support for environmental reclamation and exploration permitting. The surety bonds are secured by a $0.24 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, comprising securities in exploration companies, is $0.24 million.

Off Balance Sheet Arrangements

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

LEGAL MATTERS

Environmental Impact Assessments - Halilağa and TV Tower (update)

In June 2017, an appeal was made to the Turkish Council of State (the "**Danıştay**", or "**Supreme Court**") against the May 2017 Çanakkale Administrative Court (the "**Çanakkale Court**") decision to approve the validity of previously received and approved Environmental Impact Assessment (“**EIA**”) reports for Halilağa and TV Tower filed with the Turkish Ministry of Environment and Urbanism. In November 2017, the Danıştay rejected this latest appeal and declared that no further appeals against the validity of these EIAs could be made.

Two additional challenges to the Ministry’s approval of new EIAs elsewhere on the TV Tower property were raised in Q4 2016. The nature of the claim was similar to that of the previous EIA challenges. In April 2018 the Çanakkale Court has deemed both EIAs to be valid; an appeal decision at the Supreme Court by opposition groups was overruled in December 2018, with no further appeals permitted.

With the exception of these defeated EIA-related challenges, Liberty Gold is not currently, and has not at any time during our most recently completed financial year, 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 value of the Company's investment interests in associates and the carrying value of its exploration and evaluation assets. Indications of impairments for these assets include judgement on whether exploration and exploration rights will continue to be funded and if the projects are 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 exploitation 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.

Investment in associates: Recoverability of the carrying amount of Liberty Gold's interest in associates is dependent on successful development and commercial exploitation, or alternatively, sale of the respective assets. Changes in any of the assumptions used in the impairment assessment could materially affect the result of this analysis.

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.

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 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 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.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As discussed under the section entitled 'Changes in Accounting Policy and New Accounting Pronouncements' the Company has adopted IFRS 9 effective January 1, 2018. The financial instrument classifications under this new standard are outlined in Note 3 to our Annual Financial Statements.

Risks Associated With Financial Instruments

We are exposed in 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 90-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, we have raised funds entirely in C$. The majority of our mineral property expenditures, including cash calls from our partner on Halilağa are incurred in USD. The fluctuation of the C$ 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 $.

A 1% increase or decrease in the exchange rate of the USD relative to the C$ would result in a $0.07 million increase or decrease respectively in the Company's cash and short-term investment balance as at December 31, 2018. Although our exposure relating to operating activity in Turkey 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. A significant strengthening in the value of the TL compared to the USD could adversely impact the economics associated with Halilağa.

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. Liberty Gold's credit risk is primarily attributable to its liquid financial assets. We limit exposure to credit risk and liquid financial assets through maintaining its cash and short term investments with high credit quality banking institutions in Canada, the USA and Turkey. 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.

OUTSTANDING SHARE DATA

There were 206,189,175 Common Shares and 53,380,463 Warrants issued and outstanding as at December 31, 2018, and 207,175,498 Common Shares and 53,380,463 Warrants issued and outstanding as at the date of this MD&A.

As at December 31, 2018, there were 13,078,750 Options outstanding issued to directors, officers, employees, and key consultants of the Company, of which 8,489,667 are exercisable. As at the date of this MD&A there are 12,113,750 Options outstanding issued to directors, officers, employees, and key consultants of the Company, of which 8,284,667 are exercisable

As at December 31, 2018, there were 3,416,500 RSUs outstanding issued pursuant to the Company's RSU plan, of which 2,755,000 had vested and were payable. As at the date of this MD&A there were 2,476,917 RSUs outstanding, of which 1,844,584 had vested and were payable.

As at December 31, 2018 and as at the date of this MD&A there were 1,683,000 DSUs outstanding issued pursuant to the Company's DSU plan.

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 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 properties, 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.sedar.com. 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, political uncertainties and increasing geopolitical risk, 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.

More specifically, 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.

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.

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 ("**NI 52-109**").* 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, management has 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. There were no changes to the internal controls over financial reporting that occurred during the year ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

However, 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, 2018, 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. There have been no significant changes in our disclosure controls and procedures during the year ended December 31, 2018.

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.sedar.com.

APPROVAL

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) "Cal Everett"
Cal Everett
President and Chief Executive Officer
March 27, 2019

(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 Moira Smith, Ph.D., P.Geo., Liberty Gold Vice-President Exploration and Geoscience, and a Qualified Person ("**QP**") for the purposes of NI 43-101. Dr. Smith 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. Dr. Smith has consented to the inclusion of the Technical Information in the form and context in which it appears in this MD&A. Dr. Smith 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 QA-QC 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 reports:

- *"Technical Report of the Black Pine Gold Project, Cassia County, Idaho, USA"* effective July 23, 2018 and signed September 7, 2018, prepared by prepared by Michael M. Gustin, CPG, of Mine Development Associates of Reno, Nevada, Moira T. Smith, Ph.D., P.Geo., Vice President, Exploration and Geoscience, Liberty Gold and William A. Lepore, M.Sc., P.Geo., Senior Project Geologist, Liberty Gold. Mr. Gustin is independent of Liberty Gold Corp and all its subsidiaries.
- "*Preliminary Economic Assessment and Independent Technical Report for the Goldstrike Project, Washington County, Utah USA*", effective February 8, 2018 and dated July 16, 2018 co-authored by Independent Qualified Persons Bob McCarthy, P.Eng. Valerie Sawyer, SME, David Rowe, CPG and Neil Winkelmann, FAusIMM of SRK Consulting (Canada) Inc.; Gary Simmons, MMSA of GL Simmons Consulting, LLC; James N. Gray, P.Geo. of Advantage Geoservices Ltd; George Lightwood, SME, Russell Browne, P.E. and Michael Bidart, P.E. of Golder Associates Inc.
- *"Updated Technical Report and Estimated Mineral Resources for the Kinsley Project, Elko and White Pine* Counties*, Nevada, USA",* effective October 15, 2015, and dated December 16, 2015 as prepared by Michael M. Gustin, CPG, Moira Smith, Ph.D., P.Geo., and Gary Simmons, B.Sc. MMSA;
- "*Independent Technical Report for the TV Tower Exploration Property, Çanakkale, Western Turkey*", effective January 21, 2014, and dated February 20, 2014, as prepared by Casey M. Hetman, P.Geo. with SRK Consulting (Canada) Inc., James N. Gray, P. Geo. of Advantage Geoservices Ltd., and Gary Simmons, BSc, Metallurgical Engineering, of G L Simmons Consulting, LLC; and
- "*Revised Preliminary Economic Assessment Technical Report for the Halilağa Project, Turkey*", effective December 20, 2014 and dated February 16, 2015, as prepared by Gordon Doerksen, P. Eng., Dino Libertyto, P.Eng. and Stacy Freudigmann, P.Eng. of JDS Energy and Mining Inc.; Greg Abrahams, P.Geo and Maritz Rykaart, P.Eng. of SRK; Gary Simmons of GL Simmons Consulting LLC.; Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd.; and James Gray, P.Geo. of Advantage Geoservices Ltd.

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.sedar.com. 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. Furthermore, readers are cautioned that the Goldstrike PEA and Revised Halilağa PEA are preliminary in nature and include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that either the Goldstrike PEA or the Revised Halilağa PEA will be realized. Further studies, including engineering and economics, are required (typically as a Pre-Feasibility Study) with regards to infrastructure and operational methodologies. Additional disclosure and cautionary notes relating to the Revised Halilağa PEA are summarized in the AIF.

As to Halilağa, all drill samples and analytical data were collected under the supervision of TMST, using industry standard QA-QC protocols. Dr. Smith is responsible for compiling the technical information contained in this MD&A but she has not verified all the assay data generated by TMST as project operator at Halilağa, and has not necessarily had access to individual assay certificates. However, the grades and widths reported here agree with the Company's past results on the projects and TMST has given her no reason to doubt their authenticity. Dr. Smith has visited Halilağa regularly and during those visits is given complete freedom to review drill core and technical data on site, and to discuss the ongoing program and results at Halilağa with TMST staff. She is satisfied that TMST is meeting industry standards for all levels of exploration work being carried out at Halilağa.

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; 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 and the Corporation'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; anticipated use of proceeds from the 2018 Fall Bought-Deal; 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, 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; Liberty Gold's ability to fully fund cash-calls made by its joint venture partner for ongoing expenditure at Halilağa; 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 Halilağa and TV Tower in accordance with the requirements of applicable mining laws in Turkey; 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 EIAs 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 factors include, among others: general business, economic, competitive, political, regulatory and social uncertainties, including those relating to internal political or military unrest; 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; judgement of management when exercising discretion in their use of proceeds from the 2018 Bought-Deal and 2018 Fall Bought-Deal; 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; 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; 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

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration; however, there is no certainty that these inferred mineral resources will be converted into mineral reserves, once economic considerations are applied. The mineral resource estimates referenced in this MD&A use the terms "**Indicated Mineral Resources**" and "**Inferred Mineral Resources**". While these terms are defined in and required by Canadian regulations (under NI 43-101), these terms are not recognized by the U.S. Securities and Exchange Commission ("**SEC**"). "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. Liberty Gold is not an SEC registered company.