



Liberty Gold Corp.

A Gold Exploration & Development Company

Condensed Interim Consolidated Financial Statements

Six months ended June 30, 2024

(Expressed in US Dollars-unaudited)

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

	As at June 30, 2024	As at December 31, 2023
	\$	\$
Assets		
<i>Current assets</i>		
Cash and cash equivalents	13,171,827	8,985,824
Short term investments	94,825	96,353
Receivables and prepayments (Note 5)	411,461	316,593
Assets classified as held for sale (Note 6)	13,035,679	-
Total current assets	26,713,792	9,398,770
<i>Non-current assets</i>		
Other financial assets (Note 7)	576,968	966,663
Deposits	488,740	575,800
Sales taxes receivable (Note 6)	-	256,829
Plant and equipment	393,822	531,254
Exploration and evaluation assets (Note 8a)	10,989,036	23,608,490
Total non-current assets	12,448,566	25,939,036
Total assets	39,162,358	35,337,806
Liabilities and Shareholders' Equity		
<i>Current liabilities</i>		
Accounts payable and accrued liabilities (Note 9)	1,229,317	785,897
Decommissioning liabilities (Note 9)	988,100	837,800
Lease liabilities	40,036	126,601
Liabilities directly associated with assets classified as held for sale (Note 6)	3,177,153	-
Total current liabilities	5,434,606	1,750,298
<i>Non-current liabilities</i>		
Deferred tax liabilities (Note 6)	-	3,154,864
Other liabilities	35,072	24,872
Total non-current liabilities	35,072	3,179,736
<i>Shareholders' equity</i>		
Share capital (Note 10)	261,908,486	252,757,917
Contributed surplus (Note 10)	32,774,114	31,419,724
Accumulated other comprehensive loss	(10,459,949)	(10,134,318)
Accumulated deficit	(253,164,494)	(246,406,943)
Total shareholders' equity	31,058,157	27,636,380
Non controlling interest (Note 11)	2,634,523	2,771,392
Total liabilities and shareholders' equity	39,162,358	35,337,806

The notes on pages 5 to 15 are an integral part of these condensed interim consolidated financial statements.

The board has delegated the authority to approve these condensed interim consolidated financial statements to the audit committee. These condensed interim consolidated financial statements were approved by the audit committee on August 12, 2024.

"Wendy Louie", Director

"Rob Pease", Director

LIBERTY GOLD CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in United States Dollars- unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Operating expenses				
Exploration and evaluation expenditures (Note 8b)	(2,236,876)	(3,440,086)	(3,636,833)	(6,654,894)
Stock based compensation (Note 10c)	(289,312)	(440,421)	(1,178,740)	(1,354,070)
Wages and benefits	(364,707)	(465,590)	(771,155)	(958,918)
Office and general	(337,915)	(363,185)	(544,280)	(639,703)
Professional fees	(70,465)	(121,938)	(176,557)	(232,118)
Investor relations, promotion and advertising	(68,133)	(98,149)	(167,857)	(150,498)
Depreciation	(34,307)	(49,800)	(75,751)	(97,735)
Listing and filing fees	(9,969)	(35,482)	(62,406)	(93,072)
Loss from operations	(3,411,684)	(5,014,651)	(6,613,579)	(10,181,008)
Other income (expense)				
Finance income	46,610	160,435	95,806	299,748
Foreign exchange gains (losses)	(55,529)	(61,762)	92,017	54,691
Other income	4,611	177,710	21,442	186,633
Net (losses) on other financial assets at fair value through profit and loss (Note 7)	(155,075)	(336,667)	(230,170)	(129,438)
	(159,383)	(60,284)	(20,905)	411,634
Net loss before tax	(3,571,067)	(5,074,935)	(6,634,484)	(9,769,374)
Income tax expense	-	-	-	-
Net loss for the period from continuing operations	(3,571,067)	(5,074,935)	(6,634,484)	(9,769,374)
Net loss from discontinued operations (Note 6,11)	(150,413)	(285,535)	(324,839)	(502,054)
Net loss for the period	(3,721,480)	(5,360,470)	(6,959,323)	(10,271,428)
Net loss attributable to:				
Shareholders	(3,683,471)	(5,271,097)	(6,871,157)	(10,114,285)
Non-controlling interests (Note 11)	(38,009)	(89,373)	(88,166)	(157,143)
	(3,721,480)	(5,360,470)	(6,959,323)	(10,271,428)
Other comprehensive income (loss)				
Items that may be reclassified subsequently to net income				
Exchange gains (losses) on translations	(26,723)	248,997	(325,631)	156,486
Other comprehensive income (loss) for the year, net of tax	(26,723)	248,997	(325,631)	156,486
Total net loss and comprehensive loss for the period	(3,748,203)	(5,111,473)	(7,284,954)	(10,114,942)
Net loss attributable to:				
Shareholders	(3,710,194)	(5,022,100)	(7,196,788)	(9,957,799)
Non-controlling interests	(38,009)	(89,373)	(88,166)	(157,143)
Total loss and comprehensive loss for the period	(3,748,203)	(5,111,473)	(7,284,954)	(10,114,942)
Net loss and comprehensive loss attributable to shareholders arising from:				
Continuing Operations	(3,597,790)	(4,825,938)	(6,960,115)	(9,612,888)
Discontinued Operations	(112,404)	(196,162)	(236,673)	(344,911)
Total loss and comprehensive loss for the period	(3,710,194)	(5,022,100)	(7,196,788)	(9,957,799)
Net loss per share				
Basic and diluted net loss per share for loss from continuing operations	\$ (0.01)	\$ (0.02)	\$ (0.02)	\$ (0.03)
Basic and diluted net loss per share	\$ (0.01)	\$ (0.02)	\$ (0.02)	\$ (0.03)
Basic and diluted weighted average number of Common Shares	362,562,377	319,203,050	353,780,774	319,186,522

The notes on pages 5 to 15 are an integral part of these condensed interim consolidated financial statements.

LIBERTY GOLD CORP.

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in United States Dollars- unaudited)

	Number of Common Shares	Share capital	Contributed surplus	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' equity	Non-controlling interest	Total equity
	#	\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2022	319,112,522	245,152,730	30,788,723	(10,509,625)	(226,482,507)	38,949,321	3,649,540	42,598,861
Share issue costs	-	(46,177)	-	-	-	(46,177)	-	(46,177)
RSU exercises (Note 10b)	90,528	62,846	(62,846)	-	-	-	-	-
Stock based compensation (Note 10b)	-	-	1,680,885	-	-	1,680,885	-	1,680,885
Cumulative translation adjustment	-	-	-	156,486	-	156,486	-	156,486
Net loss for the period	-	-	-	-	(10,114,285)	(10,114,285)	(157,143)	(10,271,428)
Balance as at June 30, 2023	319,203,050	245,169,399	32,406,762	(10,353,139)	(236,596,792)	30,626,230	3,492,397	34,118,627
Balance as at December 31, 2023	344,954,866	252,757,917	31,419,724	(10,134,318)	(246,406,943)	27,636,380	2,771,392	30,407,772
Private placement financing (Note 10b)	35,715,362	9,181,327	-	-	-	9,181,327	-	9,181,327
Share issue costs	-	(90,190)	-	-	-	(90,190)	-	(90,190)
RSU exercises (Note 10c)	146,667	59,432	(59,432)	-	-	-	-	-
Stock based compensation (Note 10c)	-	-	1,413,822	-	-	1,413,822	-	1,413,822
Contributions by non-controlling interest	-	-	-	-	-	-	69,273	69,273
Cumulative translation adjustment	-	-	-	(330,001)	-	(330,001)	-	(330,001)
Acquisition of additional interest in Orta Truva (Note 11)	-	-	-	4,370	113,606	117,976	(117,976)	-
Net loss for the period	-	-	-	-	(6,871,157)	(6,871,157)	(88,166)	(6,959,323)
Balance as at June 30, 2024	380,816,895	261,908,486	32,774,114	(10,459,949)	(253,164,494)	31,058,157	2,634,523	33,692,680

The notes on pages 5 to 15 are an integral part of these condensed interim consolidated financial statements.

LIBERTY GOLD CORP.

Condensed Interim Consolidated Statement of Cash Flows
(Expressed in United States Dollars- unaudited)

	Six months ended June 30,	
	2024	2023
	\$	\$
Cash flows from operating activities		
Loss for the period	(6,959,323)	(10,271,428)
Adjusted for:		
Stock based compensation (Note 10c)	1,413,820	1,680,885
Depreciation	141,990	182,694
Change in fair value, and gains on disposal of financial assets (Note 7)	230,170	129,438
Other non-cash items on the statement of loss	(17,962)	21,908
Foreign exchange not related to cash	48,468	301,092
Movements in working capital:		
Accounts receivable and prepayments	(162,241)	(360,747)
Accounts payable and other liabilities	621,599	320,259
Net cash outflow due to operating activities	<u>(4,683,479)</u>	<u>(7,995,899)</u>
Cash flows from financing activities		
Gross proceeds from private placement financing	9,181,327	-
Share issue costs	(90,190)	(46,177)
Capital contributions from NCI	69,273	-
Principal payments on lease liabilities	(77,791)	(157,818)
Interest payments on lease liabilities	(3,534)	(11,670)
Net cash inflow (outflow) from financing activities	<u>9,079,085</u>	<u>(215,665)</u>
Cash flows from investing activities		
Proceeds from sale of other financial assets (Note 7)	128,219	317,176
Acquisition of exploration and evaluation assets (Note 8a)	-	(840,235)
Purchase of capital equipment	(16,754)	(81,378)
Disposal of capital equipment	34,381	-
Net cash inflow (outflow) due to investing activities	<u>145,846</u>	<u>(604,437)</u>
Effect of foreign exchange rates on cash and cash equivalents	<u>(310,865)</u>	<u>(93,795)</u>
Net increase (decrease) in cash and cash equivalents	4,230,587	(8,909,796)
Cash and cash equivalents at beginning of the period	8,985,824	19,718,060
Cash and cash equivalents at end of the period	<u>13,216,411</u>	<u>10,808,264</u>
Included in Cash and cash equivalents	13,171,827	10,808,264
Included in Assets classified as held for sale(Note 6)	44,584	-
Total Cash and cash equivalents at end of the period	<u>13,216,411</u>	<u>10,808,264</u>

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

1. GENERAL INFORMATION

Liberty Gold Corp. ("Liberty Gold" or the "Company") is incorporated and domiciled in Canada, and its registered office is at Suite 1900 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

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

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

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

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements (the "Interim Financial Statements") have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), applicable to the preparation of interim financial statements, including International Accounting Standard 34 - Interim Financial Reporting. The Interim Financial Statements should be read in conjunction with the Company's annual consolidated financial statements ("Annual Financial Statements") for the year ended December 31, 2023, which have been prepared in accordance with IFRS.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These Interim Financial Statements have been prepared using accounting policies consistent with those used in the Annual Financial Statements, in addition to the following:

a) Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to financial assets, or deferred tax assets, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held for sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held for sale, intangible assets and plant and equipment are no longer amortised or depreciated.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

b) IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements that will replace IAS 1 - Presentation of Financial Statements. The new standard aims to improve the quality of financial reporting by: (i)

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Six months ended June 30, 2024

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

requiring defined subtotals in the statement of profit or loss; (ii) requiring disclosure about management defined performance measures; and (iii) adding new principles for aggregation and disaggregation of information. The new standard will be effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted.

4. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

Actual results may differ from these estimates. In preparing these Interim Financial Statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Financial Statements, in addition to the following:

Judgments

- i) *Assets held for sale classification:* Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. The Company applies judgment in determining whether certain non-current assets meet the highly probable criteria at the reporting date. To assess whether a sale will be completed within one year from the date of classification, we have assessed a variety of considerations, including the receipt of required regulatory approvals.

5. RECEIVABLES AND PREPAYMENTS

	June 30, 2024	December 31, 2023
Sales taxes receivable	\$ 28,083	\$ 21,398
Other receivables	20,886	40,261
Prepayments	362,492	254,934
	\$ 411,461	\$ 316,593

Receivables and prepayments associated with assets held for sale are described in Note 6.

6. ASSETS HELD FOR SALE AND DISCONTINUED OPERATION

<u>As at June 30, 2024</u>	<u>Orta Truva</u>
Assets classified as held for sale	\$ 13,035,679
Liabilities directly associated with assets classified as held for sale	\$ (3,177,153)

Assets and liabilities of Orta Truva disposal group

On April 17, 2024, the Company signed a definitive agreement for the sale of its interest in the TV Tower Project in Türkiye ("TV Tower") to a foreign mining company via its interest in Orta Truva Madencilik Şanayi ve Ticaret A.Ş. ("Orta Truva") for a total of \$11.5 million (the "TV Tower Sale Agreement"). During the period ending June 30, 2024 the Company increased its interest in Orta Truva to 73.7%; pursuant to the terms of the TV Tower Sale Agreement, the Company will receive \$8.5 million in total consideration in three stages over a 2-year period as follows commensurate with its proportional interest in Orta Truva:

- \$3.7 million on the closing date,
- \$2.2 million on the 1st anniversary of the closing date, and
- \$2.6 million on the 2nd anniversary of the closing date.

LIBERTY GOLD CORP.**(A Gold Exploration & Development Company)****Notes to the Condensed Interim Consolidated Financial Statements**

Six months ended June 30, 2024

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6. ASSETS HELD FOR SALE AND DISCONTINUED OPERATION (continued)

Closing of the transaction is subject to customary conditions including the approval of the Turkish Ministry of Energy and Natural Resources for the share sale.

During the period ended June 30, 2024 the Company reclassified the assets and liabilities of Orta Truva as held for sale on the balance sheet. Immediately before the initial classification of the Orta Truva assets and liabilities as held for sale, the Company assessed the fair value and determined the fair value less costs to sell exceeded the carrying amount and accordingly, no impairment was recorded. As at June 30, 2024, the Company reperformed this assessment and determined there was no impairment at this date.

The Orta Truva disposal group met the definition of a discontinued operation and has been presented as such in the statement of profit and loss and other comprehensive income. The comparative statement of profit and loss and other comprehensive income have been re-presented to show the discontinued operation separately from continuing operations. The financial performance and cash flow information presented are for the three and six months ended June 30, 2024 and June 30, 2023 are set out below.

(a) Results of discontinued operation

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Expenses	\$ (131,283)	\$ (178,297)	\$ (278,599)	\$ (384,094)
Exchange differences on translation discontinued operations	(19,130)	(107,238)	(46,240)	(117,960)
Loss from discontinued operations	\$ (150,413)	\$ (285,535)	\$ (324,839)	\$ (502,054)
Basic and diluted loss per share from discontinued operations	0.00	0.00	0.00	0.00

(b) Cash flows from (used in) discontinued operations

	Six months ended June 30,	
	2024	2023
Net cash flow from		
Operating activities	\$ (459,951)	\$ (462,728)
Financing activities	497,538	464,234
Investing activities	-	-
Net increase (decrease) in cash	\$ 37,587	\$ 1,506
Cash at the beginning of the period	6,998	35,433
Cash at the end of the period	\$ 44,585	\$ 36,939

(c) Summarised Balance Sheet

At June 30, 2024, the following assets and liabilities were reclassified as held for sale in relation to the discontinued operation:

Cash and cash equivalents	\$ 44,584
Receivables and prepayments	268,023
Exploration and evaluation assets	12,619,454
Deposits	103,618

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(A Gold Exploration & Development Company)
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Six months ended June 30, 2024
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6. ASSETS HELD FOR SALE AND DISCONTINUED OPERATION (continued)

Assets held for sale	\$ 13,035,679
Accounts payable and accrued liabilities	(6,238)
Other liabilities	(3,170,915)
Liabilities held for sale	\$ (3,177,153)

Included in other liabilities as at June 30, 2024 is a deferred tax liability of \$3,154,864, arising from foreign exchange differences in the tax basis of the TV Tower mineral property held by Orta Truva (December 31, 2023: \$3,154,864).

Included in Receivables and prepayments is sales taxes receivable of \$249,833 (December 31, 2023: \$256,829).

Orta Truva is included within the Türkiye geographical disclosures in Note 13.

No gains or losses were recognised in other comprehensive income in relation to the discontinued operation as at June 30, 2024, or June 30, 2023.

7. OTHER FINANCIAL ASSETS

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

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

- *Level 1:* Unadjusted quoted prices in active markets for identical assets or liabilities;
- *Level 2:* Inputs other than quoted prices that are observable for the asset or liability directly or indirectly and;
- *Level 3:* Inputs that are not based on observable market data.

	June 30, 2024	December 31, 2023
CopAur Minerals Inc.	\$ 341,995	\$ 739,506
Torrent Gold Inc.	87,968	92,621
Fremont Gold Ltd.	108,680	106,207
Other	38,325	28,328
Total Level 1 equity securities	\$ 576,968	\$ 966,663

During the three and six months period ending June 30, 2024, the Company recognized a net loss on other financial assets of \$155,075 and \$230,170, respectively (three months ended June 30, 2023: \$336,667; six month ended June 30, 2023: gain of \$129,438). Gross proceeds from the sale of equity securities in the six months ending June 30, 2024 were \$128,219.

LIBERTY GOLD CORP.**(A Gold Exploration & Development Company)****Notes to the Condensed Interim Consolidated Financial Statements**

Six months ended June 30, 2024

(Expressed in United States Dollars, unless otherwise noted - unaudited)

8. EXPLORATION AND EVALUATION ASSETS

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

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

	Black Pine	Goldstrike	Total USA	TV Tower	Total
December 31, 2022	\$ 1,661,816	\$ 8,486,985	\$ 10,148,801	\$ 13,660,256	\$ 23,809,057
Additions	840,235	-	840,235	-	840,235
Impairment charge	-	-	-	(1,040,802)	(1,040,802)
December 31, 2023	\$ 2,502,051	\$ 8,486,985	\$ 10,989,036	\$ 12,619,454	\$ 23,608,490
Transfer to Held for Sale	-	-	-	(12,619,454)	(12,619,454)
June 30, 2024	\$ 2,502,051	\$ 8,486,985	\$ 10,989,036	\$ -	\$ 10,989,036

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

	Black Pine	Goldstrike	Total
Drilling and assays	\$ 2,729,441	\$ 9,062	\$ 2,738,503
Wages and salaries	900,139	144,348	1,044,487
Road & site prep.	512,607	220,190	732,797
Field support	464,829	34,602	499,431
Environmental, safety, and community	318,263	88,905	407,168
Consulting and professional fees	317,891	4,246	322,137
Metallurgy	309,452	-	309,452
Property and water	129,120	81,424	210,544
Other	382,058	8,317	390,375
June 30, 2023	\$ 6,063,800	\$ 591,094	\$ 6,654,894
Consulting and professional fees	\$ 1,122,360	\$ 32,813	\$ 1,155,173
Wages & Salaries	1,020,056	25,713	1,045,769
Property and water	200,096	132,585	332,681
Drilling & Assaying	266,915	1,782	268,697
Road & site prep.	86,593	130,317	216,910
Environmental, safety and community	186,372	10,478	196,850
Metallurgy	145,827	-	145,827
Field support	60,150	-	60,150
Other	211,276	3,500	214,776
June 30, 2024	\$ 3,299,645	\$ 337,188	\$ 3,636,833

Wages and salaries include stock-based compensation.

LIBERTY GOLD CORP.**(A Gold Exploration & Development Company)****Notes to the Condensed Interim Consolidated Financial Statements**

Six months ended June 30, 2024

(Expressed in United States Dollars, unless otherwise noted - unaudited)

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2024	December 31, 2023
Trade payables	\$ 569,163	\$ 389,345
Decommissioning liability - current	988,100	837,800
Accrued liabilities	646,398	380,453
Other payables	13,756	16,099
	\$ 2,217,417	\$ 1,623,697

Trade payables and accrued liabilities are non-interest bearing and are normally settled on 30-day terms.

A decommissioning liability of \$988,100 has been recognised as at June 30, 2024 (December 31, 2023: \$837,800). During the six month period ending June 30, 2024, the current decommissioning liability relating to the Company's Goldstrike project was increased by \$150,300 (six month period ending June 30, 2023: increase by \$155,000).

10. SHARE CAPITAL AND CONTRIBUTED SURPLUS*(a) Authorized*

Unlimited Common Shares with no par value.

(b) Private Placement

On May 17, 2024 the Company completed a non-brokered private placement (the "Private Placement"). Under the Private Placement, the Company sold 35,715,362 units of the Company (the "Units") at an issue price of C\$0.35 per Unit. Each Unit consists of one common share of Liberty Gold (each, a "Common Share") and 1/2 of a common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one common share of Liberty Gold at a price of C\$0.45 for a period of 24 months following completion of the Private Placement.

The Units were valued using the residual method whereby the fair value of the shares was determined to be the share price at issue of C\$0.41.

The resulting allocation of the warrant fair value to the consideration received was Common Shares: \$9,181,327 (C\$12,500,377) and Warrants: \$nil (C\$nil). Transaction costs of \$90,189 have been recognised in equity during the six months ended June 30, 2024.

(c) Stock-based compensation

For the three and six month period ended June 30, 2024, the Company recognized a total of \$442,109 and \$1,413,820, respectively, of stock-based compensation expense to the statement of loss (three months ended June 30, 2023: \$605,326; six months ended June 30, 2023: \$1,680,885) of which \$152,797 and \$235,080, respectively, is attributed to exploration and evaluation expenditures (three months ended June 30, 2023: \$164,905; six months ended June 30, 2023: \$326,815).

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Notes to the Condensed Interim Consolidated Financial Statements
Six months ended June 30, 2024
(Expressed in United States Dollars, unless otherwise noted - unaudited)

10. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

i) *Stock Options ("Options")*

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

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

	Options	Weighted Average Exercise Price
	#	C\$
Balance, December 31, 2023	18,610,441	0.91
Options granted	25,000	0.41
Options forfeited	(1,005,000)	0.92
Balance, June 30, 2024	17,630,441	0.91

In the six months period ending June 30, 2024, the Company granted a total of 25,000 options. Per the Option Plan, these options vest over a three-year period.

At June 30, 2024, Liberty Gold had incentive options issued to directors, officers, employees and key consultants to the Company outstanding as follows:

Range of prices	Number of Options outstanding	Weighted average remaining contractual life	Weighted average exercise price	Number of Options exercisable	Weighted average exercise price of Options exercisable
	#	(in years)	C\$	#	C\$
C\$0.01 to C\$0.50	3,335,000	4.27	0.33	433,334	0.43
C\$0.51 to C\$0.99	10,332,391	1.93	0.84	8,182,398	0.87
C\$1.00 to C\$1.99	3,788,050	1.51	1.56	3,588,050	1.58
C\$2.00 to C\$2.99	175,000	1.02	2.18	175,000	2.18
	17,630,441	2.28	0.91	12,378,782	1.08

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

ii) *Restricted Share Units ("RSUs")*

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

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10. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

Transactions relating to RSUs are summarised as follows:

	RSUs
	#
Balance, December 31, 2023	8,280,316
RSUs exercised	(146,667)
Balance, June 30, 2024	8,133,649

Expiry Date	Number of RSUs outstanding #	Weighted average remaining contractual life (in years)	Number of RSUs vested #
December 31, 2024	1,555,171	0.50	1,048,509
December 31, 2024	1,394,999	1.50	318,335
December 31, 2025	5,183,479	2.50	-
	8,133,649	1.57	1,366,844

iii) Deferred Share Units ("DSUs")

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

Transactions relating to DSUs are summarised as follows:

	DSUs
	#
Balance, December 31, 2023	2,080,396
DSUs granted	2,739,425
Balance, June 30, 2024	4,819,821

iv) Warrants

Warrant transactions, the number of Warrants outstanding and the remaining contractual lives of Warrants outstanding as at June 30, 2024 are summarized as follows:

	Warrants	Weighted average exercise price	Weighted average remaining contractual life (in years)
	#	C\$	
Balance, December 31, 2023	-	-	-
Warrants issued (Note 10b)	17,857,681	0.45	1.89
Balance, June 30, 2024	17,857,681	0.45	1.89

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11. NON-CONTROLLING INTEREST

Liberty Gold owns a 73.7% controlling interest of the TV Tower property through a 73.7% ownership stake in Orta Truva. The remaining 26.3% interest is held by Teck Madencilik Sanayi Ticaret A.Ş. a subsidiary of Teck Resources Limited. The value of the non-controlling interest in Orta Truva increased by \$69,273.

Summary financial information Orta Truva is as set out below and is shown before intercompany eliminations, adjustments for held for sale accounting (Note 6) and includes the purchase price adjustment from the acquisition of a controlling interest in Orta Truva on March 12, 2015. The loss in Orta Truva relates to exploration and evaluation expenditures and foreign exchange.

(a) Summarised Balance Sheet

	June 30, 2024	December 31, 2023
Current		
Assets	\$ 62,774	\$ 26,741
Liabilities	(22,289)	(139,130)
Total Current Net assets (liabilities)	\$ 40,485	\$ (112,389)
Non-Current		
Assets	12,972,905	\$ 13,235,466
Deferred tax liabilities	(3,154,864)	(3,154,864)
Total Non-current net assets	\$ 9,818,041	\$ 10,080,602
Net Assets	\$ 9,858,526	\$ 9,968,213

(b) Summarised Statement of Loss

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Statement of Loss	\$ (150,413)	\$ (285,535)	\$ (324,839)	\$ (502,054)
Other comprehensive Loss	-	-	-	-
Loss and other comprehensive Loss	\$ (150,413)	\$ (285,535)	\$ (324,839)	\$ (502,054)

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11. NON-CONTROLLING INTEREST (continued)

(c) Summarised Cash Flows

	Six months ended June 30,	
	2024	2023
Net cash flow from		
Operating activities	\$ (459,951)	\$ (462,728)
Financing activities	497,538	464,234
Investing activities	-	-
Net increase in cash	\$ 37,587	\$ 1,506
Cash at the beginning of the period	6,998	35,433
Cash at the end of the period	\$ 44,585	\$ 36,939

12. SEGMENT INFORMATION

The Company's operations are in one segment, the exploration for gold, copper and other precious and base metals. Consistent with December 31, 2023, Liberty Gold has three geographic locations at June 30, 2024: Canada, the United States and Türkiye. The total assets attributable to the geographic locations relate primarily to the exploration and evaluation assets held by the Company which have been disclosed in Note 8a.

The net income (loss) is distributed by geographic locations per the table below:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Canada	\$ (1,065,108)	\$ (1,192,576)	\$ (3,030,097)	\$ (2,508,697)
USA	(2,336,316)	(3,865,248)	(3,457,759)	(7,329,786)
Türkiye	(314,955)	(302,646)	(466,366)	(432,945)
	\$ (3,716,379)	\$ (5,360,470)	\$ (6,954,222)	\$ (10,271,428)

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

	June 30, 2024	December 31, 2023
Canada	\$ 53,287	\$ 106,553
USA	309,719	383,424
Türkiye	30,816	41,277
	\$ 393,822	\$ 531,254

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

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13. RELATED PARTY TRANSACTIONS

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

Compensation of key management personnel

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

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

	Six months ended June 30,	
	2024	2023
Salaries and other short-term employee benefits	\$ 814,659	\$ 923,937
Share-based payments	1,016,438	1,383,997
Total	\$ 1,831,097	\$ 2,307,934