



# LIBERIO

## COPPER

**LIBERIO COPPER CORPORATION**

**Unaudited condensed interim consolidated financial statements**

**For the three and six months ended June 30, 2018**

**NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

**Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.**

**LIBERO COPPER CORPORATION****Condensed interim consolidated statements of financial position***(unaudited - expressed in Canadian dollars)*

<b>As at</b>	<b>Notes</b>	<b>June 30, 2018</b>	<b>December 31, 2017</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 423,212	\$ 525,376
Amounts receivable		2,563	1,642
Prepaid expenses		23,419	29,168
		<u>449,194</u>	<u>556,186</u>
<b>Non-current assets</b>			
Mineral properties	3	1,082,547	182,633
<b>Total assets</b>		<u>\$ 1,531,741</u>	<u>\$ 738,819</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 74,587	\$ 31,813
<b>Total liabilities</b>		<u>74,587</u>	<u>31,813</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	4	6,862,804	6,030,804
Contributed surplus		368,235	357,818
Deficit		(5,773,885)	(5,681,616)
<b>Total shareholders' equity</b>		<u>1,457,154</u>	<u>707,006</u>
<b>Total liabilities and shareholders' equity</b>		<u>\$ 1,531,741</u>	<u>\$ 738,819</u>

On behalf of the Board of Directors:

(signed) "Jeffrey Mason"  
Director

(signed) "Ian Slater"  
Director

*The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.*

**LIBERO COPPER CORPORATION****Condensed interim consolidated statements of loss and comprehensive loss***(unaudited - expressed in Canadian dollars)*

	Notes	Three months ended June 30,		Six months ended June 30,	
		2018	2017	2018	2017
<b>Expenses</b>					
Professional fees		\$ 22,514	\$ 6,996	\$ 27,905	\$ 10,542
Filing fees		6,100	11,250	21,947	21,602
General and administration		8,096	31,813	19,056	41,607
Exploration expenses	3	11,939	153,090	17,660	231,463
Share-based payments	4(c)	7,889	7,509	10,417	20,226
Projects evaluation		-	-	-	21,061
		<u>56,538</u>	<u>210,658</u>	<u>96,985</u>	<u>346,501</u>
<b>Other (income) loss</b>					
Foreign exchange (gain) loss		(5,176)	1,760	(4,716)	1,128
Interest and other income		-	(62)	-	(124)
<b>Net loss and comprehensive loss for the period</b>		<u>\$ 51,362</u>	<u>\$ 212,356</u>	<u>\$ 92,269</u>	<u>\$ 347,505</u>
Basic and diluted loss per share		\$ 0.001	\$ 0.005	\$ 0.002	\$ 0.008
Weighted average number of common shares outstanding		46,018,535	44,090,376	45,109,301	41,494,481

*The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.*

**LIBERO COPPER CORPORATION**
**Condensed interim consolidated statements of changes in equity**
*(unaudited - expressed in Canadian dollars)*

	Notes	Number of shares	Share capital	Contributed surplus	Deficit	Total
<b>Balance, December 31, 2016</b>		<b>35,108,714</b>	<b>\$ 5,388,295</b>	<b>\$ 479,549</b>	<b>\$ (5,186,229)</b>	<b>\$ 681,615</b>
Warrants exercised		9,000,000	630,243	(180,243)	-	450,000
Share options exercised		81,250	12,266	(4,141)	-	8,125
Share-based payments		-	-	20,226	-	20,226
Total comprehensive loss		-	-	-	(347,505)	(347,505)
<b>Balance, June 30, 2017</b>		<b>44,189,964</b>	<b>\$ 6,030,804</b>	<b>\$ 315,391</b>	<b>\$ (5,533,734)</b>	<b>\$ 812,461</b>
<b>Balance, December 31, 2017</b>		<b>44,189,964</b>	<b>\$ 6,030,804</b>	<b>\$ 357,818</b>	<b>\$ (5,681,616)</b>	<b>\$ 707,006</b>
Shares issued for mineral property acquisition	3	10,400,000	832,000	-	-	832,000
Share-based payments	4(c)	-	-	10,417	-	10,417
Total comprehensive loss		-	-	-	(92,269)	(92,269)
<b>Balance, June 30, 2018</b>		<b>54,589,964</b>	<b>\$ 6,862,804</b>	<b>\$ 368,235</b>	<b>\$ (5,773,885)</b>	<b>\$ 1,457,154</b>

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

**LIBERO COPPER CORPORATION**  
**Condensed interim consolidated statements of cash flows**  
*(unaudited - expressed in Canadian dollars)*

<b>For the period ended</b>	<b>Note</b>	<b>June 30, 2018</b>	<b>June 30, 2017</b>
<b>OPERATING ACTIVITIES</b>			
Net loss for the period		\$ (92,269)	\$ (347,505)
<i>Adjustments for items not involving cash:</i>			
Share-based payments	4(c)	10,417	20,226
<i>Net changes in non-cash working capital items:</i>			
Amounts receivable		(454)	1,751
Prepaid expenses		5,749	(57,799)
Accounts payable and accrued liabilities		(5,950)	52,366
<b>Net cash outflows for operating activities</b>		<b>(82,507)</b>	<b>(330,961)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from issuance of common shares on exercise of warrants		-	450,000
Proceeds from issuance of common shares on exercise of share options		-	8,125
<b>Net cash inflows from financing activities</b>		<b>-</b>	<b>458,125</b>
<b>INVESTING ACTIVITIES</b>			
Transaction costs for acquisition of mineral property, net of cash acquired	3	(19,657)	(54,396)
<b>Net cash outflows for investing activities</b>		<b>(19,657)</b>	<b>(54,396)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(102,164)</b>	<b>72,768</b>
Cash and cash equivalents, beginning of the period		525,376	670,385
<b>Cash and cash equivalents, end of the period</b>		<b>\$ 423,212</b>	<b>\$ 743,153</b>

*The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.*

## LIBERO COPPER CORPORATION

### Notes to the unaudited condensed interim consolidated financial statements

(expressed in Canadian dollars, unless otherwise stated)

#### 1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Libero Copper Corporation (“Libero” or the “Company”) was incorporated under the Business Corporations Act (British Columbia) on June 5, 2008. The Company changed its name from Libero Mining Corporation to Libero Copper Corporation on November 1, 2017.

The address and domicile of the Company’s registered office and its principal place of business is Suite 2348 - 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 2X8. The Company is engaged in the acquisition and exploration of mineral properties.

The Company is in the process of exploring and evaluating its mineral property assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves, and upon future production or proceeds from the disposition thereof.

#### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The unaudited condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting, and, accordingly, they do not contain all information and disclosures required for complete financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). Therefore, they should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2017, which have been prepared in accordance with IFRS.

The unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, and are presented in Canadian dollars, and follow the same accounting policies and methods of application as the most recent annual financial statements, except for those policies disclosed in Note 2 of the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2018.

The unaudited condensed interim consolidated financial statements of the Company for the three and six months ended June 30, 2018 were authorized for issue by the Audit Committee of the Board of Directors on August 28, 2018.

#### 3. MINERAL PROPERTIES

Mineral properties consist of all direct costs, including option payments, incurred by the Company to acquire its mineral properties. Mineral properties changed during the six months ended June 30, 2018, as follows:

	Mocoa	Tomichi	Total
Balance, December 31, 2017	\$ -	\$ 182,633	\$ 182,633
Acquisition	899,914	-	899,914
Balance, June 30, 2018	\$ 899,914	\$ 182,633	\$ 1,082,547

## LIBERO COPPER CORPORATION

### Notes to the unaudited condensed interim consolidated financial statements

(expressed in Canadian dollars, unless otherwise stated)

#### 3. MINERAL PROPERTIES (CONTINUED)

##### Mocoa Porphyry Copper-Molybdenum Deposit

On June 15, 2018, the Company closed a transaction with B2 Gold Corp. ("B2Gold") to acquire Mocoa Ventures Ltd. which holds 100% of the Mocoa porphyry copper-molybdenum deposit in Colombia ("Mocoa"), in return for the issuance of 10,400,000 common shares of the Company and a 2% net smelter return royalty.

For accounting purposes, the transaction has been treated as an asset acquisition.

Purchase consideration paid:

Fair value of 10,400,000 common shares of Libero issued to B2 Gold at a price of \$0.08 per share, plus related transaction costs	<u>\$ 896,104</u>
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The purchase consideration has been allocated as follows:

Mineral properties	\$ 899,914
Working capital deficiency	<u>(3,810)</u>
Net assets acquired	<u>\$ 896,104</u>

##### Tomichi Porphyry Copper-Molybdenum Deposit

In December 2016, the Company entered into an option agreement to purchase the Tomichi porphyry copper-molybdenum deposit ("Tomichi") in Colorado, and incurred a total of \$182,633 of acquisition costs as at June 30, 2018. The Company has a five-year option until December 16, 2021 to acquire 100% of Tomichi for an exercise price of US \$4 million (the "Exercise Price"). The Company must make the following option payments in order to maintain rights under the Option Agreement:

- US\$7,500 on December 16, 2016 (*paid*);
- US\$40,000 on January 16, 2017 (*paid*);
- US\$60,000 on December 16, 2017 (*paid*);
- US\$80,000 on December 16, 2018;
- US\$125,000 on December 16, 2019; and
- US\$150,000 on December 16, 2020.

Option payments made to maintain the option are not credited against the Exercise Price. However, at any time the option may be exercised early by paying the Exercise Price with no further option payments required.

##### Exploration expenses

During the three and six months ended June 30, 2018, the Company recorded, in the condensed interim consolidated statements of comprehensive loss, exploration expenses of \$11,939 and \$17,660 (2017: \$153,090 and \$231,463), respectively, and which entirely related to the Tomichi project.



**LIBERO COPPER CORPORATION****Notes to the unaudited condensed interim consolidated financial statements***(expressed in Canadian dollars, unless otherwise stated)***4. SHARE CAPITAL****a) Authorized share capital**

Unlimited number of common shares without par value.

**b) Warrants**

During the six months ended June 30, 2018, there was no change with regards to the Company's warrants. Information regarding warrants outstanding at June 30, 2018 is as follows:

Expiry date	Warrants outstanding	Weighted average exercise price	Weighted average remaining life (years)
March 1, 2021	2,550,000	\$ 0.10	2.67
April 8, 2021	1,700,000	\$ 0.10	2.78
	<b>4,250,000</b>	<b>\$ 0.10</b>	<b>2.71</b>

**c) Share Purchase Options**

Information regarding share purchase options outstanding at June 30, 2018 is as follows:

	Options outstanding	Weighted average exercise price
<b>Outstanding, December 31, 2017</b>	<b>4,075,000</b>	<b>\$ 0.10</b>
Granted	100,000	\$ 0.10
Expired	(962,500)	\$ 0.10
Forfeiture	(25,000)	\$ 0.10
<b>Outstanding, June 30, 2018</b>	<b>3,187,500</b>	<b>\$ 0.10</b>

Expiry date	Options outstanding	Options exercisable	Exercise price	Weighted average remaining life (years)
November 6, 2018	1,037,500	1,037,500	\$ 0.10	0.35
March 16, 2021	1,150,000	1,150,000	\$ 0.10	2.71
May 19, 2021	200,000	200,000	\$ 0.10	2.89
December 15, 2022	800,000	587,500	\$ 0.10	4.46
	<b>3,187,500</b>	<b>2,975,000</b>	<b>\$ 0.10</b>	<b>2.39</b>

During the six months ended June 30, 2018, 100,000 share purchase options were granted with an exercise price of \$0.10. The fair value of the options granted was estimated using the Black-Scholes options pricing model with the following assumptions:

Risk free interest rate	1.97%
Expected volatility	141.19%
Expected life (years)	4.69
Expected dividends (yield)	0%
<b>Fair value per option</b>	<b>\$0.07</b>

## LIBERO COPPER CORPORATION

### Notes to the unaudited condensed interim consolidated financial statements

(expressed in Canadian dollars, unless otherwise stated)

#### 4. SHARE CAPITAL

Share-based payments expense related to share purchase options for the three and six months ended June 30, 2018, was \$7,889 and \$10,417, respectively (2017: \$7,509 and \$20,226, respectively), and has been recorded in the condensed interim consolidated statements of comprehensive loss.

#### 5. RELATED PARTY TRANSACTIONS

The following table provides the total amount of transactions, which have been entered into by the Company with related parties during the six months ended June 30, 2018 and 2017:

	Six months ended	
	30-Jun-18	30-Jun-17
<b>Purchases during the period</b>		
Costs recharged from a company controlled by director Ian Slater	\$ 6,000	\$ 6,000
Legal fees to Farris, Vaughan, Wills & Murphy LLP, in which one of the directors, Jay Sujir, is a partner	\$ 2,016	\$ 2,437

As of June 30, 2018, a balance of \$20,000 in accrued liabilities was owed to Farris, Vaughan, Wills & Murphy LLP for legal services rendered in connection to the acquisition of Mocoa (December 31, 2017 - \$Nil). There was no cash compensation paid to directors or officers of the Company during the six months ended June 30, 2018 and 2017. The share-based payment expense related to members of executive management for the six months ended June 30, 2018 was \$2,016 (2017: \$963). There were no other forms of compensation paid to management during the six months ended June 30, 2018 and 2017.

Related party transactions are measured at the amounts agreed upon by the parties.

#### 6. FINANCIAL INSTRUMENTS

The Company has designated its cash and cash equivalents as a financial asset at amortized cost and accounts payable and accrued liabilities as financial liabilities at amortized cost.

##### Fair value

Management assessed that the fair values of cash and cash equivalents, and accounts payable and accrued liabilities approximate their carrying amounts, largely due to the short-term maturities of these instruments. The Company currently has no financial instruments measured at fair value.