LUMINA GOLD CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

March 31, 2018

(Unaudited)

TSX-V: LUM

www.luminagold.com

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS

Unaudited

(expressed in U.S. dollars)

	Note	March 31, 2018	December 31, 2017
ASSETS			
Current assets			
Cash	3	$ 9,747,726	$ 14,692,983
Receivables		89,921	79,627
Prepaid expenses		150,033	55,439
Total current assets		9,987,680	14,828,049
Non-current assets			
Environmental deposits		194,174	192,223
Property and equipment	4	2,102,144	1,984,400
Exploration and evaluation assets	5(a)	49,189,010	49,189,010
Total assets		$ 61,473,008	$ 66,193,682
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 1,468,816	$ 1,138,168
Total liabilities		1,468,816	1,138,168
EQUITY			
Share capital	7	95,277,568	95,247,364
Share-based payment reserve		4,950,953	4,767,358
Accumulated deficit		(44,668,965)	(39,493,822)
Equity attributable to owners of the Company		55,559,556	60,520,900
Non-controlling interest	6	4,444,636	4,534,614
Total equity		60,004,192	65,055,514
Total liabilities and equity		$ 61,473,008	$ 66,193,682

Going concern (Note 2(b))
Commitments (Note 16)
Post-reporting date events (Notes 5(a) and 17)

APPROVED BY THE DIRECTORS

"Marshall Koval"
Director

"Donald Shumka"
Director

See Accompanying Notes to the Condensed Consolidated Interim Financial Statements

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

For the three months ended March 31, 2018 and 2017

Unaudited

(expressed in U.S. dollars)

	Note	Three months ended March 31, 2018		Three months ended March 31, 2017
Expenses				
Exploration and evaluation ("E&E") expenditures	5(b), 15	$ 4,460,047		$ 2,277,854
Fees, salaries and other employee benefits	9, 15	343,559		372,196
General and administration ("G&A")	15	185,636		98,150
Professional fees		155,502		216,700
Insurance		8,783		-
		(5,153,527)		(2,964,900)
Other income (expenses)				
Interest income and other		2,606		1,837
Foreign exchange (loss) gain		(114,200)		13,849
		(111,594)		15,686
Net loss and comprehensive loss for the period		$ (5,265,121)		$ (2,949,214)
Loss attributable to:				
Owners of the Company		$ (5,175,143)		$ (2,915,529)
Non-controlling interest	6	(89,978)		(33,685)
		$ (5,265,121)		$ (2,949,214)
Loss per share attributable to owners of the Company – basic and diluted	10	$ (0.02)		$ (0.01)
Weighted average number of shares outstanding – basic and diluted	10	264,036,893		231,707,667

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2018 and 2017

Unaudited

(expressed in U.S. dollars)

	Note	Three months ended March 31, 2018	2017
Operating activities			
Loss for the period		$ (5,265,121)	$ (2,949,214)
Adjustment for non-cash items:			
Depreciation	4	28,456	4,283
Environmental deposit interest accrued		(1,951)	(1,837)
Share-based payment	8(a)	199,201	264,226
Deduct: interest income		(516)	-
Net changes in non-cash working capital items:			
Receivables		(10,294)	(24,234)
Prepaid expenses		(94,594)	(99,990)
Accounts payable and accrued liabilities		298,841	86,646
Net cash utilized in operating activities		(4,845,978)	(2,720,120)
Investing activities			
Expenditures on property and equipment		(114,393)	(37,563)
Interest received		516	-
Net cash utilized in investing activities		(113,877)	(37,563)
Financing activities			
Proceeds from exercise of stock options	7	14,598	-
Net cash provided by financing activities		14,598	-
Decrease in cash		(4,945,257)	(2,757,683)
Cash, beginning of period		14,692,983	12,333,608
Cash, end of period	3	$ 9,747,726	$ 9,575,925

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2018 and 2017

Unaudited

(expressed in U.S. dollars)

		Attributable to owners of the Company						
		Share Capital		Share-based	Accumulated		Non-controlling	
	Note	Number of shares	Amount	Payment Reserve	Deficit	Total	Interest	Total Equity
Balance, December 31, 2016		231,707,667	$ 80,441,112	$ 3,628,481	$ (26,346,635)	$ 57,722,958	$ 4,786,852	$ 62,509,810
Share-based payment	8	-	-	264,226	-	264,226	-	264,226
Comprehensive loss		-	-	-	(2,915,529)	(2,915,529)	(33,685)	(2,949,214)
Balance, March 31, 2017		231,707,667	80,441,112	3,892,707	(29,262,164)	55,071,655	4,753,167	59,824,822
Shares issued, net of issue costs		32,258,064	14,757,068	-	-	14,757,068	-	14,757,068
Exercise of stock options		62,162	49,184	(27,199)	-	21,985	-	21,985
Share-based payment		-	-	901,850	-	901,850	-	901,850
Comprehensive loss		-	-	-	(10,231,658)	(10,231,658)	(218,553)	(10,450,211)
Balance, December 31, 2017		264,027,893	95,247,364	4,767,358	(39,493,822)	60,520,900	4,534,614	65,055,514
Exercise of stock options	7	30,000	30,204	(15,606)	-	14,598	-	14,598
Share-based payment	8	-	-	199,201	-	199,201	-	199,201
Comprehensive loss		-	-	-	(5,175,143)	(5,175,143)	(89,978)	(5,265,121)
Balance, March 31, 2018		264,057,893	$ 95,277,568	$ 4,950,953	$ (44,668,965)	$ 55,559,556	$ 4,444,636	$ 60,004,192

1. NATURE OF OPERATIONS

Lumina Gold Corp. ("Lumina" or the "Company") is a publicly listed company incorporated under the Business Corporation Company Act of British Columbia on March 22, 1988. The Company is listed on the TSX-Venture Exchange, having the symbol LUM.V. Lumina and its wholly-owned subsidiaries (collectively referred to as the "Group") are engaged in the acquisition, exploration and development of mineral resources in Ecuador. The Group is considered to be in the exploration stage as it has not placed any of its mineral properties into production.

The Company's head office and principal business address is Suite 410, 625 Howe Street, Vancouver, British Columbia, V6C 2T6. The Company's registered and records office is located at 1200 – 200 Burrard Street, Vancouver, British Columbia, V7X 1T2.

2. BASIS OF PREPARATION, GOING CONCERN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These condensed consolidated interim financial statements of the Group for the three months ended March 31, 2018 and 2017, have been prepared in accordance with IAS 34 *Interim Financial Reporting.* They do not include all of the information and disclosures required in full annual financial statements and should be read in conjunction with the Group's annual financial statements as at December 31, 2017 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in U.S. dollars, except as specifically noted for Canadian dollar amounts shown as "C$".

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on May 25, 2018.

(b) Going concern

These condensed consolidated interim financial statements have been prepared on the going concern basis which assumes that the Group will be able to realize, in the foreseeable future, its assets and discharge its liabilities in the normal course of business as they come due. The Group has incurred cumulative losses of $44,668,965 as at March 31, 2018 and has reported a net loss attributable to owners of the Company of $5,175,143 for the three months ended March 31, 2018. The ability of the Group to continue as a going concern is dependent upon successfully obtaining additional financing, entering into a joint venture, a merger or other business combination transaction involving a third party, sale of all or a portion of the Group's assets, the outright sale of the Company, the successful development of the Group's mineral property interests or a combination thereof. The Group believes that, based on forecasts and the ability to reduce expenditures if required, along with indications of shareholder support, it will be able to continue as a going concern for the foreseeable future. However, as noted above, the Group will require additional funding in the future. There can be no assurance that management's plans will be successful. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. These condensed consolidated interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Group be unable to continue as a going concern. Such adjustments could be material.

(c) Significant accounting policies

The significant accounting policies that have been applied, on a consistent basis, in the preparation of these condensed consolidated interim financial statements are included in the Group's audited consolidated financial statements for the year ended December 31, 2017. Those accounting policies have been used throughout all periods presented in the condensed consolidated interim financial statements, except as noted below.

IFRS 9 – Financial Instruments

This standard replaces IAS 39, *Financial Instruments: Recognition & Measurement*. IFRS 9 details new requirements for classifying and measuring financial assets. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new "expected credit loss model" for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting. The standard became effective for annual periods beginning on or after January 1, 2018, which is the date the Group adopted IFRS 9.

2. BASIS OF PREPARATION, GOING CONCERN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Significant accounting policies (continued)

IFRS 9 – Financial Instruments (continued)

Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so our accounting policy with respect to financial liabilities is substantially unchanged.

This adoption of this standard did not have a material impact on the measurement of the Group's financial instruments in our condensed consolidated interim financial statements, however additional disclosures have been provided.

The following are new accounting policies for financial instruments under IFRS 9.

Non-derivative financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost: Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Financial liabilities

The Group measures all its financial liabilities as subsequently measured at amortized cost. Financial liabilities are recognized initially at fair value, net of transaction costs incurred and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

The Group completed an assessment of its financial instruments as at January 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Original classification under IAS 39	New Classification under IFRS 9
Cash	Loans and receivables – amortized cost	Amortized cost
Receivables	Loans and receivables – amortized cost	Amortized cost
Environmental deposits	Loans and receivables – amortized cost	Amortized cost
Accounts payable and accrued liabilities	Other liabilities – amortized cost	Amortized cost

2. BASIS OF PREPARATION, GOING CONCERN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Significant accounting policies (continued)

IFRS 9 – Financial Instruments (continued)

Impairment of financial assets at amortized cost

The Group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Group applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's receivables the Group has no material loss allowance at adoption or as at March 31, 2018.

(d) Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements in accordance with IFRS requires management to make certain judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results are likely to differ from these estimates. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses in these condensed consolidated interim financial statements are discussed below.

Judgments

Going concern: The assessment of the Group's ability to continue as a going concern requires significant judgment. The Group considers the factors outlined in Note 2(b) when making its going concern assessment.

Exploration and evaluation assets: The application of the Group's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that such acquisition costs incurred will be recovered through successful exploration and development or sale of the asset under review. Furthermore, the assessment as to whether economically recoverable resources exist is itself an estimation process. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off to profit or loss in the period when the new information becomes available. The carrying value of these assets is detailed at Note 5(a).

Estimates and assumptions

Share-based payments: The Company utilizes the Black-Scholes Option Pricing Model ("Black-Scholes") to estimate the fair value of stock options granted to directors, officers and employees. The use of Black-Scholes requires management to make various estimates and assumptions that impact the value assigned to the stock options including the forecast future volatility of the stock price, the risk-free interest rate, dividend yield and the expected life of the stock options. Any changes in these assumptions could have a material impact on the share-based payment calculation value.

Deferred tax assets: The assessment of the probability of future taxable income against which deferred tax assets can be utilized is based on the Group's future planned activities, supported by budgets that have been approved by the Board of Directors. Management also considers the tax rules of the various jurisdictions in which the Group operates. Should there not be a forecast of taxable income that indicates the probable utilization of a deferred tax asset or any portion thereof, the Group does not recognize the deferred tax asset.

2. BASIS OF PREPARATION, GOING CONCERN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of authorization of these condensed consolidated interim financial statements are disclosed below. Management anticipates that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's consolidated financial statements.

IFRS 16 – Leases: On January 13, 2016, the IASB published a new standard, IFRS 16, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lease becomes an on-balance sheet liability that attracts interest, together with a new right-of-use asset. In addition, lessees will recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Group is assessing the impact of adopting this standard on its consolidated financial statements.

3. CASH

The Group's cash, by currency, at March 31, 2018 and December 31, 2017 was as follows:

		March 31, 2018		December 31, 2017
Cash at bank and in hand denominated in Canadian dollars	$	4,090,449	$	4,490,943
Cash at bank and in hand denominated in U.S. dollars		5,657,277		10,202,040
Cash	$	9,747,726	$	14,692,983

4. PROPERTY AND EQUIPMENT

		Land[1]		Property & Equipment		Total
Cost						
December 31, 2017	$	1,141,550	$	926,542	$	2,068,092
Additions		-		146,200		146,200
March 31, 2018	$	1,141,550	$	1,072,742	$	2,214,292
Accumulated Depreciation						
December 31, 2017	$	-	$	83,692	$	83,692
Depreciation for the period		-		28,456		28,456
March 31, 2018	$	-	$	112,148	$	112,148
Net book value						
December 31, 2017	$	1,141,550	$	842,850	$	1,984,400
March 31, 2018	$	1,141,550	$	960,594	$	2,102,144

[1] The Company has purchased various small local farm lands in the area of its mineral properties that are of strategic value representing important surface rights over which it has mineral rights and access.

Depreciation expense relating to property and equipment utilized in E&E activities is expensed to E&E and is included in field office costs.

(expressed in U.S. dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

(a) Exploration and evaluation assets

The Group has various mineral exploration project and concession areas in Ecuador as follows:

Cangrejos: The Group has six separate mineral concessions located near Machala in southwest Ecuador, collectively known as the "Cangrejos Project" and representing a land area of 6,374 hectares.

Condor: The Group has nine concessions located in the Zamora-Chinchipe Province in southeast Ecuador, collectively known as the "Condor Project" and totaling 10,101 hectares. Effective January 1, 2018, the Group is including the Escondida (1,204 hectares awarded in January 2017) and Santa Elena (628 hectares obtained in December 2016) concession areas in the Condor Project.

Pegasus: In November 2016, the Group, pursuant to a public tender process in Ecuador, was awarded the Pegasus A1-7 and Pegasus B8-14 concessions. These concessions are an early-stage gold project comprising 66,525 hectares and are located approximately 150 kilometres southwest of Quito. In June 2017, the Group was awarded an additional concession of 835 hectares, known as "Luz," which is adjacent to the Pegasus A concessions.

Tres Picachos / La Canela / Orquideas / Yawi: In December 2016, the Group was awarded the following concessions: Tres Picachos (4,828 hectares) and La Canela (3,187 hectares) which are located approximately 100 kilometres southwest of the Condor Project and Orquideas (4,743 hectares) which is located in proximity to the Condor Project. The Group was awarded the Yawi concession area (1,494 hectares) in February 2017. This concession is located approximately 50 kilometres south of the Condor Project.

Optioned Concessions: The Group also obtained certain concessions under an option with Proyectmin S.A. ("Proyectmin"), a related party. The optioned concessions acquired include:

i. Palma Real, obtained in November 2016, and located in Northern Ecuador, consisting of four concession areas totaling 19,775 hectares;
ii. Cascas, obtained in January 2017, consisting of two concession areas totaling 9,998 hectares located approximately 25 kilometres southwest of the Condor Project;
iii. Santa Elena, as described under "Condor" above;
iv. Quimi, obtained in May 2017, consisting of two concession areas totaling 2,732 hectares located on trend with the Condor Project; and
v. Tarqui, obtained in May 2017, consisting of two concession areas totaling 4,817 hectares located on trend with the Condor Project.

On April 18, 2018, the Group acquired Proyectmin for an amount of $35,000 which eliminates the need for the option and brings the ownership of the areas directly under control of the Group.

To maintain its mineral concessions the Group is required to meet certain spending requirements as communicated to the Government of Ecuador. Further details are provided in Note 16.

Acquisition costs and carrying value of the Group's Concessions are as follows:

	Cangrejos	Condor	Total
Cost			
December 31, 2017 and March 31, 2018	$ 2,241,100	$ 47,487,910	$ 49,729,010
Cumulative impairment			
December 31, 2017 and March 31, 2018	$ 540,000	$ -	$ 540,000
Net book value			
December 31, 2017	$ 1,701,100	$ 47,487,910	$ 49,189,010
March 31, 2018	$ 1,701,100	$ 47,487,910	$ 49,189,010

Costs associated with applications for the Group's concessions acquired via the public tender process in Ecuador were expensed as pre exploration and evaluation expenditures as they were prior to ownership of the concession and there was no certainty, upon application, that a concession would be awarded.

(expressed in U.S. dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(b) Exploration and evaluation expenditures

The Group's exploration and evaluation expenditures on its projects for the three months ended March 31, 2018 and 2017 are as follows:

	Three months ended March 31, 2018											
	Cangrejos[2]	Cascas	Condor[3][4]	La Canela	Orquideas	Palma Real	Pegasus	Quimi	Tarqui	Tres Picachos	Yawi	**TOTAL**
Mineral rights	$ 65,559	$ 96,591	$ 83,561	$ 30,819	$ 47,526	$ 191,050	$ 652,195	$ 26,656	$ 47,284	$ 46,878	$ 14,481	**$ 1,302,600**
Legal fees	32,709	3,317	6,247	-	11,802	6,562	9,627	2,202	9,396	1,623	-	**83,485**
Assays / Sampling	10,795	-	56,998	-	10,602	-	11,402	-	15,586	392	-	**105,775**
Camp	109,354	-	191,269	-	59,755	-	6,763	622	4,079	3,681	-	**375,523**
Camp access and improvements	15,039	-	41,845	-	-	-	-	-	-	1,290	-	**58,174**
Drilling	293,051	-	98,249	-	-	-	-	-	-	-	-	**391,300**
Engineering	97,446	-	-	-	-	-	-	-	-	-	-	**97,446**
Environmental, Health & Safety	53,470	-	35,808	907	29,202	-	372	-	241	-	907	**120,907**
Field office	101,695	-	88,093	664	24,747	-	23,629	3,525	9,806	3,936	310	**256,405**
Geological consulting	160,357	-	166,576	-	1,209	-	6,772	-	1,172	-	-	**336,086**
Geological and field staff	119,967	-	60,137	-	27,723	-	113,337	17,505	36,132	16,075	-	**390,876**
Metallurgical	64,855	-	-	-	-	-	-	-	-	-	-	**64,855**
Project management[1]	262,112	-	67,905	-	11,781	-	16,223	6,264	7,912	852	-	**373,049**
Reports	26,751	-	-	-	6,282	-	-	-	-	-	-	**33,033**
Social and community[1]	64,025	1,547	59,291	-	11,314	-	-	860	8,186	-	-	**145,223**
Share-based payment (Note 8(a))	23,978	-	23,978	-	-	-	-	-	-	-	-	**47,956**
Transportation and accommodation	94,693	267	113,297	-	42,248	-	13,759	1,731	8,289	3,070	-	**277,354**
Costs incurred during the period	$ 1,595,856	$ 101,722	$ 1,093,254	$ 32,390	$ 284,191	$ 197,612	$ 854,079	$ 59,365	$ 148,083	$ 77,797	$ 15,698	**$ 4,460,047**
Cumulative E&E incurred, beginning of period[2] [3]	$ 15,095,425	$ 132,535	$ 3,639,195	$ 76,733	$ 455,139	$ 402,327	$ 1,285,193	$ 64,752	$ 78,281	$ 129,437	$ 32,433	**$ 21,391,450**
E&E incurred during the period	1,595,856	101,722	1,093,254	32,390	284,191	197,612	854,079	59,365	148,083	77,797	15,698	**4,460,047**
Cumulative E&E incurred, end of period	$ 16,691,281	$ 234,257	$ 4,732,449	$ 109,123	$ 739,330	$ 599,939	$ 2,139,272	$ 124,117	$ 226,364	$ 207,234	$ 48,131	**$ 25,851,497**

[1] Project management and social and community costs include payments made to key management personnel (see Note 15).
[2] E&E expenditures have been disclosed on a cumulative basis since January 1, 2004 for the Cangrejos Project.
[3] Costs for the Condor Project incurred since acquisition of Ecuador Gold and Copper Corp. ("EGX") on November 1, 2016.
[4] Costs for Escondida and Santa Elena, which are included in the Condor Project since January 1, 2018, totalled $26,001 for the three months ended March 31, 2018. Cumulative E&E spend on the two areas as at the beginning of the period was $124,299.

(expressed in U.S. dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(b) Exploration and evaluation expenditures (continued)

	Three months ended March 31, 2017											
	Cangrejos	Cascas	Condor	Escondida	La Canela	Orquideas	Palma Real	Pegasus	Santa Elena	Tres Picachos	Yawi	**TOTAL**
Mineral rights	$ 51,389	$ 95,211	$ 52,252	$ 12,320	$ 31,800	$ 45,591	$ 195,665	$ 639,227	$ 2,666	$ 47,595	$ 12,778	**$ 1,186,494**
Legal fees	50,178	455	21,091	227	639	2,198	4,167	25,853	446	601	942	**106,797**
Assays / Sampling	2,272	-	97	-	-	3,644	77	2,996	-	-	-	**9,086**
Camp	34,177	-	33,103	-	252	3,175	4,183	26,569	2,385	75	-	**103,919**
Camp access and improvements	3,396	-	-	-	-	-	-	-	-	-	-	**3,396**
Drilling	-	-	3,083	-	-	-	-	-	-	-	-	**3,083**
Environmental, Health & Safety	6,311	-	-	-	-	-	51	123	-	-	-	**6,485**
Field office	46,256	510	167,042	257	1,005	4,870	3,996	24,578	767	918	178	**250,377**
Geological consulting	50,741	-	27,367	-	-	-	-	-	-	-	-	**78,108**
Geological staff	112,644	-	58,053	-	3,017	11,432	8,160	57,396	133	3,016	-	**253,851**
Project management(1)	44,700	98	29,700	377	1,093	2,239	766	23,027	149	1,541	410	**104,100**
Reports	7,010	-	-	-	-	-	-	-	-	-	-	**7,010**
Social and community(1)	10,104	-	18,241	127	369	756	259	7,769	-	520	138	**38,283**
Share-based payment (Note 8(a))	26,937	-	16,344	-	-	-	-	-	-	-	-	**43,281**
Transportation and accommodation	35,990	59	32,890	-	421	5,349	1,052	7,447	129	247	-	**83,584**
Costs incurred during the period	$ 482,105	$ 96,333	$ 459,263	$ 13,308	$ 38,596	$ 79,254	$ 218,376	$ 814,985	$ 6,675	$ 54,513	$ 14,446	**$ 2,277,854**
Cumulative E&E incurred, beginning of period(2) (3)	$ 10,224,545	$ -	$ 259,491	$ -	$ -	$ 1,776	$ 26,202	$ 86,403	$ 267	$ 1,776	$ -	**$ 10,600,460**
E&E incurred during the period	482,105	96,333	459,263	13,308	38,596	79,254	218,376	814,985	6,675	54,513	14,446	**2,277,854**
Cumulative E&E incurred, end of period	$ 10,706,650	$ 96,333	$ 718,754	$ 13,308	$ 38,596	$ 81,030	$ 244,578	$ 901,388	$ 6,942	$ 56,289	$ 14,446	**$ 12,878,314**

(1) Project management and social and community costs include payments made to key management personnel (see Note 15).
(2) E&E expenditures have been disclosed on a cumulative basis since January 1, 2004 for the Cangrejos Project.
(3) Costs for the Condor Project incurred since acquisition of EGX on November 1, 2016.

(expressed in U.S. dollars)

6. NON-CONTROLLING INTEREST ("NCI")

The following table summarizes information related to the Group's non-controlling interest which has a 10% interest in Condormining Corporation S.A. (see Note 15), which in turn holds Bestminers S.A. and Condormine S.A.:

	March 31, 2018	March 31, 2017
Current assets	$ 160,014	$ 545,848
Non-current assets	25,282,093	22,423,366
Current liabilities	(223,203)	(140,956)
Net assets	25,218,904	22,828,258
NCI percentage	10%	10%
Net assets of individual entities attributable to the NCI	2,521,890	2,282,826
Adjustments on consolidation of individual entities subject to NCI	1,922,746	2,470,341
Net assets attributable to the NCI	$ 4,444,636	$ 4,753,167

	For the three months ended March 31, 2018	March 31, 2017
Net loss and comprehensive loss	$ 899,780	$ 336,850
NCI percentage	10%	10%
Net loss and comprehensive loss attributable to NCI	$ 89,978	$ 33,685

The entities subject to a NCI incurred the following cash expenditures during the three months ended March 31, 2018: (i) $1,023,673 on operating activities (three months ended March 31, 2017 - $315,316); and (ii) $3,920 on investing activities (three months ended March 31, 2017 - $6,418).

7. SHARE CAPITAL

Authorized: Unlimited common shares, without par value.

Issued and fully paid:	Number of Common Shares		Amount
Balance, December 31, 2016	231,707,667	$	80,441,112
Shares issued on exercise of stock options (a)	52,162		44,587
Shares issued, net of issue costs (b)	32,258,064		14,757,068
Shares issued on exercise of stock options (c)	10,000		4,597
Balance, December 31, 2017	264,027,893		95,247,364
Shares issued on exercise of stock options (d)	20,000		20,191
Shares issued on exercise of stock options (e)	10,000		10,013
Balance, March 31, 2018	264,057,893	$	95,277,568

(a) In July 2017, 52,162 stock options were exercised at an exercise price of $0.37 (C$0.47) per common share for total proceeds of $19,536. The previously recognized share-based payment expense relating to these stock options was reclassified from share option reserve to share capital in the amount of $25,051.

(b) In November 2017, the Company closed a non-brokered private placement of 32,258,064 common shares for proceeds of $14,757,068, net of issue costs of $803,501, which includes finder's fees of up to 6% of the proceeds from certain subscribers.

(c) In December 2017, 10,000 stock options were exercised at an exercise price of $0.24 (C$0.315) per common share for total proceeds of $2,449. The previously recognized share-based payment expense relating to these stock options was reclassified from share option reserve to share capital in the amount of $2,148.

(d) In February 2018, 20,000 stock options were exercised at an exercise price of $0.49 (C$0.62) per common share for total proceeds of $9,787. The previously recognized share-based payment expense relating to these stock options was reclassified from share option reserve to share capital in the amount of $10,404.

(e) In March 2018, 10,000 stock options were exercised at an exercise price of $0.48 (C$0.62) per common share for total proceeds of $4,811. The previously recognized share-based payment expense relating to these stock options was reclassified from share option reserve to share capital in the amount of $5,202.

(expressed in U.S. dollars)

8. SHARE-BASED PAYMENTS

(a) Stock option plan

The Company has a stock option plan (the "Plan") whereby the Company may grant options to directors, officers, employees and consultants of the Company. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the total number of issued and outstanding shares on the date options are granted. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Options are exercisable over periods of up to five years as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX Venture Exchange. The Plan contains no vesting requirements but permits the Board to specify a vesting schedule in its discretion.

During the three months ended March 31, 2018, the Company granted no stock options (three months ended March 31, 2017 – 500,000 to an officer at a weighted average exercise price of C$0.90 and expiry date of March 6, 2022). The weighted average fair value of the options granted in the three months ended March 31, 2017 was estimated at $0.60 per option at the grant date using Black-Scholes. The vesting schedule of the 500,000 of the options was ⅓ on the grant date, ⅓ one year after the grant date and ⅓ two years after the grant date. The fair value used to calculate the compensation expense related to the stock options granted is estimated using Black-Scholes with the following assumptions:

	Three months ended March 31, 2017
Risk-free interest rate	1.04%
Expected dividend yield	-
Expected stock price volatility	143%
Expected option life in years	5
Expected rate of forfeiture	0 – 5%

The share price and exercise price used in determining share-based payment amounts are equal to the closing share price and exercise price on the day that stock options are granted, in accordance with the Plan. Option pricing models such as Black-Scholes require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options. Volatility is determined based upon historical volatility of the Company's common shares, generally for a period equal to the expected life of the stock options.

Pursuant to the Company's accounting policy for share-based payments, the fair value of options vesting during the three months ended March 31, 2018, in the amount of $199,201 (2017 - $264,226) has been recorded in the consolidated statement of comprehensive loss. Of this amount, $151,245 (2017 - $220,945) has been included in fees, salaries and other employee benefits (Note 9) and $47,956 (2017 - $43,281) has been expensed to exploration and evaluation expenditures (Note 5(b)).

(b) Outstanding stock options

Stock options and weighted average exercise prices are as follows for the reporting periods presented:

	Three months ended March 31, 2018			2017		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of period	11,184,610	C$	0.62	8,884,120	C$	0.61
Granted	-	C$	-	500,000	C$	0.90
Exercised	(30,000)	C$	0.62	-	C$	-
Outstanding, end of period	11,154,610	C$	0.62	9,384,120	C$	0.63

(expressed in U.S. dollars)

8. SHARE-BASED PAYMENTS (continued)

(b) Outstanding stock options (continued)

The weighted average share price at the date of exercise for share options exercised in the three months ended March 31, 2018 was $0.62 (2017 – no options exercised). At March 31, 2018, the Company had outstanding stock options, including weighted average remaining contractual life, as follows:

Options Outstanding				Options Exercisable	
Number of Options	Expiry Date	Weighted average life (years)	Exercise Price	Number of Options	Exercise Price
13,334	April 24, 2018 (Note 17)	0.07	C$ 0.80	13,334	C$ 0.80
16,667	April 30, 2018 (Note 17)	0.08	C$ 0.80	16,667	C$ 0.80
10,000	June 30, 2018	0.25	C$ 0.62	10,000	C$ 0.62
8,334	June 30, 2018	0.25	C$ 0.80	8,334	C$ 0.80
135,621	September 25, 2018	0.49	C$ 0.96	135,621	C$ 0.96
3,800,000	September 12, 2019	1.45	C$ 0.62	3,800,000	C$ 0.62
1,387,000	December 4, 2020	2.68	C$ 0.315	1,387,000	C$ 0.315
1,173,654	April 20, 2021	3.06	C$ 0.47	1,173,654	C$ 0.47
1,780,000	December 30, 2021	3.75	C$ 0.80	1,186,672	C$ 0.80
200,000	December 30, 2021	3.75	C$ 0.80	100,000	C$ 0.80
500,000	March 6, 2022	3.93	C$ 0.90	333,334	C$ 0.90
2,030,000	December 7, 2022	4.69	C$ 0.66	676,676	C$ 0.66
100,000	December 7, 2022	4.69	C$ 0.66	-	C$ 0.66
11,154,610		2.89	C$ 0.62	8,841,292	C$ 0.60

9. FEES, SALARIES AND OTHER EMPLOYEE BENEFITS

	Three months ended March 31, 2018	2017
Fees and salaries	$ 192,314	$ 151,251
Share-based payments (Note 8(a))	151,245	220,945
Fees, salaries and other employee benefits	$ 343,559	$ 372,196

10. LOSS PER SHARE

The calculation of basic and diluted loss per common share attributable to owners of the Company is based on the following data:

	Three months ended March 31, 2018	2017
Net loss attributed to owners of the Company	$ 5,175,143	$ 2,915,529
Weighted average number of common shares outstanding (basic and diluted)	264,036,893	231,707,667
Loss per share – basic and diluted	$ 0.02	$ 0.01

Basic loss per share is computed by dividing the net loss attributed to owners of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as stock options, in the weighted average number of common shares outstanding during the period, if dilutive.

All of the stock options currently issued (see Note 8) were anti-dilutive for the three months ended March 31, 2018 and 2017.

(expressed in U.S. dollars)

11. CAPITAL RISK MANAGEMENT

It is the Company's objective when managing capital to safeguard its ability to continue as a going concern in order that it may continue to explore and develop its mineral properties and continue its operations for the benefit of its shareholders. The Company's objectives when managing capital are to:

(a) continue the exploration and development of its mineral properties;
(b) support any expansion plans; and
(c) maintain a capital structure which optimizes the cost of capital at acceptable risk.

The Company considers its equity, which includes common shares, share-based payment reserve and accumulated deficit as capital. The Company intends to spend existing working capital by carrying out its planned acquisition, exploration and development activities on mineral properties and continuing to pay administrative costs.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. In order to maintain or adjust the capital structure the Company may issue new common shares. In order to facilitate analysis and management of its capital requirements, the Company prepares and updates annual budgets (as needed) to ensure that its acquisition and exploration operations can continue to progress. Budgets, once finalized, are approved by the Board of Directors. There have not been any changes to the Company's capital management objective, policies and processes compared to the prior year. The Company is not subject to any externally imposed capital requirements.

12. FINANCIAL INSTRUMENTS

(a) Categories of financial assets and financial liabilities

The Group's financial assets and financial liabilities are categorized as follows:

	Note	Category		March 31, 2018		December 31, 2017
Cash	3	Amortized cost	$	9,747,726	$	14,692,983
Receivables		Amortized cost		67,539		30,125
Environmental deposits		Amortized cost		194,174		192,223
Accounts payable and accrued liabilities		Amortized cost		1,468,816		1,138,168

The recorded amounts for cash, receivables, environmental deposits and accounts payable and accrued liabilities approximate their fair value due to the short-term maturities of these instruments and/or the market interest rate being earned or charged thereon. Income earned on the Group's cash and cash equivalents has been disclosed in the consolidated statements of comprehensive loss under the caption "interest income and other."

(b) Fair Value Measurements

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions.

13. FINANCIAL INSTRUMENT RISKS

The Group is exposed to various risks in relation to financial instruments. The main types of risk are credit risk, liquidity risk and market risk. These risks arise from the normal course of the Group's operations and all transactions undertaken are to support the Group's ability to continue as a going concern. The risks associated with financial instruments and the policies on mitigation of such risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(a) Credit Risk

The Group considers that its cash, receivables and environmental deposits are exposed to credit risk, representing maximum exposure of $10,009,439 (December 31, 2017 - $14,915,331). Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group's exposure to credit risk on its cash is minimized by maintaining these assets with high-credit quality financial institutions. At March 31, 2018, the Group's cash and cash equivalents were held at four financial institutions (December 31, 2017 – four financial institutions).

13. FINANCIAL INSTRUMENT RISKS (continued)

(b) Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they become due. The Group manages liquidity risk by ensuring that it has sufficient cash available to meet its obligations. These requirements are met through a combination of cash on hand, disposition of assets, accessing capital markets and loans.

At March 31, 2018, the Group's current liabilities consisted of trade and other payables of $1,468,816 which are due primarily within three months from the period end. The Group's cash of $9,747,726 at March 31, 2018, was sufficient to pay for the current liabilities.

(c) Market Risks

The significant market risk exposures to which the Group is exposed are interest rate risk, currency risk and price risk.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows and fair values of the Group will fluctuate because of changes in market interest rates. Based on the Group's cash as at March 31, 2018 and December 31, 2017, and assuming that all other variables remained constant, a 1% increase or decrease in interest rates would result in an increase or decrease of approximately, $97,000 and $147,000 respectively, in the Group's interest income on an annual basis.

Currency Risk

The functional currency of the Company and its subsidiaries is the U.S. dollar. The carrying amounts of financial assets and financial liabilities denominated in currencies other than the U.S. dollar are subject to fluctuations in the underlying foreign currency exchange rates. Gains and losses on such items are included as a component of net loss for the period.

The Group is exposed to currency risks arising from fluctuations in foreign exchange rates primarily among the U.S. dollar and Canadian dollar and the degree of volatility of these rates. While the Group incurs the majority of its expenditures in U.S. dollars, corporate G&A expenses are primarily paid in Canadian dollars. The Group does not use derivative instruments to reduce its exposure to foreign exchange and currency risks. The Group's exposure to foreign currency risks on cash balances held in foreign currencies is not expected to be significant.

Each of the tables below shows the impact that a 1% fluctuation in foreign currency rates compared to the U.S. dollar would have on the Group's consolidated loss, comprehensive loss and equity based upon the assets held at each date disclosed.

The foreign exchange risk exposure of the Group's cash and accounts payable and accrued liabilities, as at March 31, 2018 is as follows:

Financial Instrument Type		U.S. Dollar	Currency		+/- 1% Fluctuation	
Cash	$	4,090,449	CAD dollar	$	40,904	(40,904)
Accounts payable and accrued liabilities		(237,845)	CAD dollar		(2,378)	2,378
Total	$	3,852,604		$	38,526	(38,526)

Other Price Risk

The Group did not hold any financial instruments that had direct exposure to other price risks at March 31, 2018 and December 31, 2017.

14. SEGMENTED DISCLOSURE

The Company is organized into business units based on the location of its mineral properties and has one reportable operating segment, being that of the acquisition, exploration and evaluation of mineral properties in Ecuador. Reporting to the chief decision makers is carried out on a consolidated basis.

(expressed in U.S. dollars)

15. GROUP INFORMATION AND RELATED PARTY TRANSACTIONS

Information about subsidiaries

The consolidated financial statements include the following material subsidiaries:

		% Equity interest at	
	Country of Incorporation	March 31, 2018	December 31, 2017
Odin Mining del Ecuador S.A.	Ecuador	100	100
Condormining Corporation S.A.	Ecuador	90	90

Related party expenses and balances

The Group incurred the following expenses with related parties:

		Three months ended March 31,	
Company	Nature of transactions	2018	2017
Miedzi Copper Corp.	E&E (geological)	$ 21,049	$ 9,349
Miedzi Copper Corp.	G&A	29,816	15,095
Miedzi Copper Corp.	Fees	76,596	50,703
Mozow Copper Sp. z o. o.	E&E (field office)	732	-
Hathaway Consulting Ltd.	Fees	38,261	35,026
Koval Management Inc.	Fees	44,102	41,061
La Mar Consulting Inc.	E&E (social and community)	30,945	30,063
Lyle E Braaten Law Corp.	Fees	10,918	9,994
Proyectmin S.A.	E&E (field office)	3,173	42,251
Zen Capital & Mergers Ltd.	Fees	1,163	1,122
		$ 256,755	$ 234,664

Miedzi Copper Corp. ("Miedzi") is considered a company related by way of directors and shareholders in common. Mozow Copper Sp. z o. o. ("Mozow") is a wholly owned subsidiary of Miedzi. Hathaway Consulting Ltd., Koval Management Inc., La Mar Consulting Inc., Lyle E Braaten Law Corp., Proyectmin S.A. and Zen Capital & Mergers Ltd. are related by way of being owned by directors or officers of the Company. Related party transactions are recognized at the amounts agreed between the parties. Outstanding balances are unsecured and settlement occurs in cash. At March 31, 2018, the following amounts were included in accounts payable: (i) $59,404 owing to Miedzi (December 31, 2017 - $Nil); (ii) $1,221 owing to Zen Capital & Mergers Ltd. (December 31, 2017 - $Nil); (iii) $732 owing to Mozow (December 31, 2017 - $675); and (iv) $Nil owing to Proyectmin S.A. (December 31, 2017 - $1,883).

Key management personnel compensation

Key management of the Group are the directors and officers of Lumina and their remuneration includes the following:

	Three months ended March 31,	
	2018	2017
Short-term benefits (i)	$ 233,704	$ 204,291
Share-based payments (ii)	-	299,548
Total remuneration	$ 233,704	$ 503,839

(i) Short-term benefits include fees and salaries, including where those costs have been allocated to E&E expenditures (see Note 5(b)).
(ii) Share-based payments are the fair value of options granted (vested and unvested) to key management personnel as at the grant date (see Note 8(a)), including where those amounts have been allocated to E&E expenditures.
(iii) Key management personnel were not paid post-employment benefits, termination benefits, or long-term benefits during the periods ended March 31, 2018 and 2017.

(expressed in U.S. dollars)

16. COMMITMENTS

As at March 31, 2018, the Group has entered into agreements that include rental of office space and infrastructure improvements for various project areas that require minimum payments in the aggregate as follows:

Within one year	$	165,000
After one year but not more than five years		11,000
More than five years		-
	$	176,000

In addition, the Group is obligated to fulfil certain investment obligations on its mineral concessions in Ecuador pursuant to the following rules:

(a) New concessions granted to the Group as part of the public tender process (see Note 5(a)) require minimum expenditures per year (commencing on the registration date of the concession with the Government of Ecuador) of $5 per hectare for each of Years 1 and 2 and $10 per hectare for each of Years 3 and 4.

Should the Group determine that it no longer wishes to maintain a concession that was granted under the public tender process it is only required to have spent up to the required per hectare amount up until the date of the letter of resignation from the concession. The Group's commitment for concessions under the public tender process, based on the concessions held at March 31, 2018, is as follows:

Year ended December 31, 2018*	$	619,000
Year ended December 31, 2019		1,175,000
Year ended December 31, 2020		1,193,000
Year ended December 31, 2021		1,288,000
	$	4,275,000

(b) When applying for new concessions via the public tender process in Ecuador, the Group, either directly or under option agreement, presented its investment offers for each concession. The investment offer represents the total amount that is required to be spent in order to maintain possession of the concession area at the end of the four-year investment period required by the Government of Ecuador. Accordingly, should the Group wish to retain possession of all the concession areas it holds as at March 31, 2018, the Group's commitment is as follows:

Year ended December 31, 2018*	$	619,000
Year ended December 31, 2019		1,175,000
By dates ranging from December 15, 2020 – July 24, 2021 (the 4-year anniversary dates of concessions granted)		26,535,000
	$	28,329,000

These amounts would include any expenditures as noted in (a) above.

(c) Concessions in Ecuador that were not acquired via the public tender process (i.e. the Cangrejos and Condor Projects) require the Group to submit an annual expenditure plan to the Government of Ecuador outlining the minimum amount of committed expenditures for the upcoming year. The total obligation of the Group for these concession areas for the year ending December 31, 2018 is approximately $1.2 million.

* Amounts in the tables above for the year ended December 31, 2018 have not been adjusted for expenditures in the three months ended March 31, 2018. As disclosed in Note 5(b), the Group has incurred E&E expenditures (excluding share-based payment) of approximately $4.4 million during the three months ended March 31, 2018. Final expenditure amounts are reported to the Government of Ecuador following the end of the fiscal year and may vary per project from the disclosures in the Group's consolidated financial statements due to in-country allocation of field office expenses.

17. POST-REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorization of the consolidated financial statements except that:

(a) On April 25, 2018, 10,000 stock options with an exercise price of C$0.62 per common share were exercised.
(b) In April 2018, 30,001 stock options with an exercise price of C$0.80 per common share expired.