LUMINA GOLD CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

September 30, 2019

(Unaudited)

TSX-V: LUM

www.luminagold.com

NOTICE OF NO AUDITOR REVIEW

The unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the periods ended September 30, 2019 and 2018 have not been reviewed by the Company's external auditors.

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS

Unaudited

(expressed in U.S. dollars)

	Note	September 30, 2019	December 31, 2018
ASSETS			
Current assets			
Cash	4	$ 3,667,134	$ 14,490,979
Receivables	5	43,734	49,163
Prepaid expenses		108,892	67,156
Total current assets		3,819,760	14,607,298
Non-current assets			
Environmental deposit		31,669	30,328
Property and equipment	6	2,211,328	1,622,462
Exploration and evaluation assets	7(a)	1,701,100	1,701,100
Total assets		$ 7,763,857	$ 17,961,188
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 866,923	$ 550,453
Current portion of lease obligations	6	35,706	-
Total current liabilities		902,629	550,453
Non-current liabilities			
Lease obligations	6	49,351	-
Total liabilities		951,980	550,453
EQUITY			
Share capital	8	79,991,060	76,482,853
Share-based payment reserve		4,778,748	6,005,243
Accumulated deficit		(77,957,931)	(65,077,361)
Total equity		6,811,877	17,410,735
Total liabilities and equity		$ 7,763,857	$ 17,961,188

Going concern (Note 2(b))
Commitments and contingent liabilities (Note 18)
Post-reporting date event (Note 19)

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 and nine months ended September 30, 2019 and 2018

Unaudited

(expressed in U.S. dollars)

	Note	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Expenses					
Exploration and evaluation ("E&E") expenditures	7(b), 16	$ 4,051,329	$ 2,289,864	$ 11,806,335	$ 9,896,699
Fees, salaries and other employee benefits	10, 16	327,058	337,150	1,030,133	996,206
General and administration ("G&A")	16	72,339	147,787	304,985	508,357
Professional fees		17,582	367,835	157,122	1,002,635
Insurance		-	1,528	24,121	30,567
		(4,468,308)	(3,144,164)	(13,322,696)	(12,434,464)
Other income (expenses)					
Loss on spinout of Luminex Resources Corp.	3	-	(12,536,695)	-	(12,536,695)
Interest income and other	17	3,994	1,331,771	39,689	1,518,415
Interest expense		(2,147)	-	(6,645)	-
Foreign exchange (loss) gain		(25,249)	25,740	409,082	(135,431)
		(23,402)	(11,179,184)	442,126	(11,153,711)
Net loss and comprehensive loss for the period		$ (4,491,710)	$ (14,323,348)	$ (12,880,570)	$ (23,588,175)
Loss attributable to:					
Owners of the Company		$ (4,491,710)	$ (12,576,753)	$ (12,880,570)	$ (21,704,623)
Non-controlling interest		-	(1,746,595)	-	(1,883,552)
		$ (4,491,710)	$ (14,323,348)	$ (12,880,570)	$ (23,588,175)
Loss per share attributable to owners of the Company – basic and diluted	11	$ (0.015)	$ (0.05)	$ (0.04)	$ (0.08)
Weighted average number of shares outstanding – basic and diluted	11	310,352,719	271,055,154	309,807,182	266,411,439

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

For the nine months ended September 30, 2019 and 2018

Unaudited

(expressed in U.S. dollars)

	Note	Nine months ended September 30, 2019	2018
Operating activities			
Loss for the period		$ (12,880,570)	$ (23,588,175)
Adjustment for non-cash items:			
Depreciation	6	120,554	91,835
Environmental deposit interest earned		(1,341)	(5,497)
Loss on transfer of spinout assets	3	-	12,536,695
Share-based payment	9(a)	718,960	536,119
Deduct: interest income		(38,342)	(7,387)
Net changes in non-cash working capital items:			
Receivables		5,429	20,310
Prepaid expenses		(41,736)	(53,909)
Accounts payable and accrued liabilities		282,137	30,977
Net cash utilized in operating activities		(11,834,909)	(10,439,032)
Investing activities			
Expenditures on property and equipment		(565,265)	(374,148)
Interest received		38,342	7,387
Net cash utilized in investing activities		(526,923)	(366,761)
Financing activities			
Cash transferred to Luminex Resources Corp.	3	-	(5,374,676)
Shares issued	8	1,562,752	5,384,431
Cost to issue shares	8	-	(150,834)
Payment of lease obligation		(24,765)	-
Net cash provided by (utilized in) financing activities		1,537,987	(141,079)
Decrease in cash		(10,823,845)	(10,946,872)
Cash, beginning of period		14,490,979	14,692,983
Cash, end of period	4	$ 3,667,134	$ 3,746,111

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

For the nine months ended September 30, 2019 and 2018

Unaudited

(expressed in U.S. dollars)

		Attributable to owners of the Company						Non-controlling Interest	Total Equity
		Share Capital		Share-based	Accumulated				
	Note	Number of shares	Amount	Payment Reserve	Deficit	Total			
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
Distribution of Luminex Resources Corp.	8	-	(38,297,482)	-	-	(38,297,482)		(2,651,062)	(40,948,544)
Shares issued, net of issue costs	8	9,730,000	5,211,279	-	-	5,211,279		-	5,211,279
Exercise of stock options	8	52,000	45,703	(23,385)	-	22,318		-	22,318
Share-based payment	9(a)	-	-	536,119	-	536,119		-	536,119
Comprehensive loss		-	-	-	(21,704,623)	(21,704,623)		(1,883,552)	(23,588,175)
Balance, September 30, 2018		273,809,893	$ 62,206,864	$ 5,280,092	$ (61,198,445)	$ 6,288,511		$ -	$ 6,288,511
Balance, December 31, 2018		309,529,893	$ 76,482,853	$ 6,005,243	$ (65,077,361)	$ 17,410,735		$ -	$ 17,410,735
Exercise of stock options	8	3,740,000	3,508,207	(1,945,455)	-	1,562,752		-	1,562,752
Share-based payment	9(a)	-	-	718,960	-	718,960		-	718,960
Comprehensive loss		-	-	-	(12,880,570)	(12,880,570)		-	(12,880,570)
Balance, September 30, 2019		313,269,893	$ 79,991,060	$ 4,778,748	$ (77,957,931)	$ 6,811,877		$ -	$ 6,811,877

See Accompanying Notes to the Condensed Consolidated Interim Financial Statements

1. NATURE OF OPERATIONS

Lumina Gold Corp. ("Lumina" or the "Company") is a publicly listed company incorporated under the 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 its mineral property 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 and nine months ended September 30, 2019 and 2018, 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, 2018 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 November 26, 2019.

(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 $77,957,931 as at September 30, 2019 and has reported a net loss of $12,880,570 for the nine months ended September 30, 2019. The ability of the Group to continue as a going concern is dependent upon 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, it will be able to continue as a going concern for the foreseeable future. However, the Group will continue to incur losses in the development of its mineral exploration projects and, 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, 2018. Those accounting policies have been used throughout all periods presented in the condensed consolidated interim financial statements, except as noted below.

IFRS 16 – Leases

On January 13, 2016, the IASB published a new standard, IFRS 16, eliminating the dual accounting model for lessees, which distinguished 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 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.

The Group has applied IFRS 16 using the modified retrospective approach from January 1, 2019 and has elected to record the transition date right-of-use assets at amounts equal to the present value of the minimum lease payments, on a lease by lease basis. The Group elected not to recognize right-of-use assets and liabilities for short-term leases that have a term of 12 months or less and leases of low-value assets. Lease payments associated with these leases are recognized as an expense in the consolidated statement of comprehensive loss.

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

(c) Significant accounting policies (continued)

IFRS 16 – Leases (continued)

The following are the new accounting policies for right-of-use assets under IFRS 16.

Lease definition:

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. An identified asset may be implicitly or explicitly specified in a contract, but must be physically distinct, and must not have the ability for substitution by a lessor. The Group has the right to control an identified asset if it obtains substantially all of its economic benefits and either pre-determines or directs how and for what purpose the asset is used.

Measure of right-of-use ("ROU") assets and lease obligations:

At lease commencement, the Group recognizes a ROU asset and a lease obligation. The ROU asset is initially measured at cost, which comprises the initial amount of the lease obligation adjusted for any lease payments made at, or before, the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The ROU asset is subsequently amortized on a straight-line basis over the shorter of the term of the lease, or the useful life of the asset determined on the same basis as the Group's property and equipment. The ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease obligation.

The lease obligation is initially measured at the present value of lease payments remaining at the lease commencement date, discounted using the Group's incremental borrowing rate. Lease payments included in the measurement of the lease obligation, when applicable, may comprise fixed payments, variable payments that depend on an index or rate, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase, extension or termination option that the Group is reasonably certain to exercise.

The lease obligation is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease obligation is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset.

Recognition exemptions:

The Group has elected not to recognize ROU assets and lease obligations for short-term leases that have a lease term of twelve months or less or for leases of low-value assets. Payments associated with these leases are recognized as an operating expense on a straight-line basis over the lease term within costs and expenses on the consolidated statement of comprehensive loss.

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

(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 7(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.

ROU assets and lease obligations:

The application of IFRS 16 requires the Group to make certain judgments, estimates and assumptions that affect the valuation of ROU assets and the related lease obligations. These include determining agreements in the scope of IFRS 16, determining the contract term and the interest rate used for discounting of future cash flows. The lease term determined by the Group is comprised of the non-cancellable period of lease agreements and periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option. The present value of the lease payment is determined using a discount rate representing the rate that would be applicable to the Group in the relevant jurisdiction of the lease agreement at the time the lease agreement commences or is modified.

(e) Standards issued but not yet effective

The Group has not early adopted any amendment, standard or interpretation that has been issued by the IASB but that is not yet effective.

3. PLAN OF ARRANGEMENT

On July 9, 2018, the Company announced that its board of directors had unanimously approved a strategic reorganization of its business (the "Arrangement") whereby all of Lumina's concessions and properties, with the exception of the Cangrejos Project, would be spun out to Lumina shareholders through a newly incorporated company, Luminex Resources Corp. ("Luminex"). The reorganization was effected by way of a plan of arrangement under the *Business Corporations Act* (British Columbia), and was approved by the Supreme Court of British Columbia and by the affirmative vote of 99.9% of Lumina's shareholders in attendance at a shareholders' meeting held on August 21, 2018. The effective date of the Arrangement was August 31, 2018. Lumina's shareholders received common shares of Luminex by way of a share exchange, pursuant to which each existing common share of Lumina was exchanged for one "new" common share of Lumina and 0.15 of a common share of Luminex. Optionholders of Lumina received replacement options of Lumina and options of Luminex which are proportionate to, and reflective of, the terms of their existing options.

The carrying value of the net assets transferred to Luminex pursuant to the Arrangement consisted of the following:

Assets:		
Cash	$	5,374,676
Receivables		36,361
Prepaid expenses		30,819
Environmental deposit		168,098
Property and equipment		902,492
Exploration and evaluation asset		47,487,910
Total assets		54,000,356
Liabilities / Equity		
Accounts payable and accrued liabilities		(515,117)
Non-controlling interest		(2,651,062)
Carrying value of net assets		50,834,177
Fair value of net assets distributed		38,297,482
Loss on transfer of spinout assets	$	12,536,695

In accordance with IFRIC 17, *Distribution of Non-cash Assets to Owners*, the Company recognized the distribution of net assets to Luminex shareholders at fair value with the difference between that value and the carrying amount of the net assets recognized in the consolidated statement of comprehensive loss.

The Arrangement resulted in a reduction of share capital in the amount of $38,297,482, being the fair value of the net assets distributed. The fair value of the net assets distributed was determined utilizing comparable market transactions to value the Condor Project and a replacement cost approach as an indicator of the value of exploration and evaluation assets where mineral resources have yet to be determined. The loss on distribution includes an adjustment to reduce the carrying value of the Condor Project by $17.8 million.

4. CASH

The Group's cash, by currency, at September 30, 2019 and December 31, 2018 was as follows:

		September 30, 2019		December 31, 2018
Cash at bank and in hand denominated in Canadian dollars	$	2,693,598	$	12,124,664
Cash at bank and in hand denominated in U.S. dollars		973,536		2,366,315
	$	3,667,134	$	14,490,979

(expressed in U.S. dollars)

5. RECEIVABLES

		September 30, 2019		December 31, 2018
Refundable goods and services tax	$	15,007	$	32,311
Other		28,727		16,852
Total receivables	$	43,734	$	49,163

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. The Group anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. The Group's receivables are all considered current and are not past due. The Group does not hold any collateral related to these assets.

6. PROPERTY AND EQUIPMENT

		Land(1)		Right-of-use assets		Property & Equipment		Total
Cost								
December 31, 2018	$	588,518	$	-	$	1,112,506	$	1,701,024
Additions		125,000		109,822		474,598		709,420
September 30, 2019	$	713,518	$	109,822	$	1,587,104	$	2,410,444
Accumulated Depreciation								
December 31, 2018	$	-	$	-	$	78,562	$	78,562
Depreciation for the period		-		27,456		93,098		120,554
September 30, 2019	$	-	$	27,456	$	171,660	$	199,116
Net book value								
December 31, 2018	$	588,518	$	-	$	1,033,944	$	1,622,462
September 30, 2019	$	713,518	$	82,366	$	1,415,444	$	2,211,328

(1)The Company has purchased various small local farm lands in the area of its mineral property 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.

ROU assets:

On adoption of IFRS 16, the Group recognized ROU assets in relation to leases for office space and warehouses in Ecuador which had previously been classified as operating leases under the principles of IAS 17. The ROU assets were recognized based on the amount equal to the lease liability. Upon transition to IFRS 16, the Group recognized ROU assets and lease obligations of $109,822.

Lease obligations:

Minimum lease payments in respect of lease obligations and the effect of discounting are as follows:

		September 30, 2019
Undiscounted minimum lease payments		
Within one year	$	41,879
Between one and five years		52,349
Total undiscounted lease obligations		94,228
Less future interest charges		(9,171)
Total discounted lease obligations		85,057
Less: current portion of lease obligations		(35,706)
Non-current portion of lease obligations	$	49,351

The weighted average rate applied to the lease liabilities was approximately 9%.

7. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

(a) Exploration and evaluation assets

The Group holds the following mineral exploration project and concession areas in Ecuador:

Cangrejos:

The Group has ten contiguous mineral concessions (December 31, 2018 – six) located near Machala in southwest Ecuador, collectively known as the "Cangrejos Project" and representing a land area of 6,373 hectares. The Group has been through a process to subdivide its mineral concessions prior to then seeking to amalgamate the core concessions that comprise the Cangrejos Project.

Yawi:

The Group was awarded the Yawi concession area (1,494 hectares) in February 2017. In May 2019, the Group received notice from the Government of Ecuador that the Company's renouncement of Yawi had been accepted. The renouncement process was formally completed on June 21, 2019.

Other concessions:

Prior to August 31, 2018, the Group also held the following projects and concession areas which were transferred pursuant to the Arrangement with Luminex (see Note 3). Results of operations for these concessions are included in the Group's consolidated statements of comprehensive loss up until the date the Arrangement completed on August 31, 2018. The projects and concessions that were transferred to Luminex included the Condor Project (which also included the Escondida and Santa Elena concessions with effect from January 1, 2018), Pegasus, Tres Picachos, La Canela, Orquideas, Palma Real, Cascas, Quimi and Tarqui.

Initially, the Group obtained the Palma Real, Cascas, Santa Elena, Quimi and Tarqui concessions under an option with Proyectmin S.A. ("Proyectmin"), a related party. On April 18, 2018, the Group acquired Proyectmin for an amount of $35,000 which eliminated the need for the option and brought the ownership of the areas directly under control of the Group. Proyectmin and its concessions were transferred to Luminex as part of the Arrangement.

First Quantum Minerals Ltd. ("FQM") Earn-in Agreement:

On June 20, 2018, Lumina signed a formal earn-in agreement (the "Earn-in Agreement") with FQM relating to the Orquideas and Cascas concessions (the "Properties"). The Earn-in Agreement was assigned to Luminex under the terms of the Arrangement (see Note 3). Pursuant to the terms of the Earn-in Agreement, Lumina received $100,000 upon signing, which was recorded as other income (Note 17). FQM and Lumina also entered into a services agreement (the "Services Agreement") whereby Lumina would act as the manager of the works programs to be conducted under direction of FQM. This Services Agreement was also assigned to Luminex under the terms of the Arrangement. As manager, Lumina was entitled to charge an overhead and recovery fee of 10% of the expenditures incurred on the Properties (see Note 17). Up to August 31, 2018, FQM reimbursed the Group for expenditures incurred on the Properties, totaling $1,147,182, as detailed in the tables in Note 7(b), described as "cost recovery."

Anglo American plc ("Anglo American") Earn-in Agreement:

On September 24, 2018, Luminex signed a formal earn-in and joint venture agreement with Anglo American ("the "Anglo Agreement") relating to the Pegasus Project that was transferred to Luminex as part of the Arrangement. Under the terms of the Anglo Agreement, Lumina received a fee of $1.3 million (recorded as other income – Note 17), a recovery fee for certain legal costs of $10,436 (recorded as a reduction to professional fees) and $286,976 relating to reimbursement of costs incurred by Lumina on the Pegasus Project prior to signing the Anglo Agreement and transfer of Pegasus to Luminex pursuant to the Arrangement (recorded as a cost recovery in the tables in Note 7(b)).

Annual expenditures / Acquisition cost and carrying value:

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 18.

The carrying value of the Group's Cangrejos Project at September 30, 2019 is $1,701,100 (December 31, 2018 - $1,701,100).

(expressed in U.S. dollars)

7. 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 September 30, 2019 and 2018 are as follows:

	Three months ended September 30, 2019			Three months ended September 30, 2018											
	Cangrejos	Yawi	**TOTAL**	Cangrejos	Cascas[5]	Condor[4][5]	La Canela[5]	Orquideas[5]	Palma Real[5]	Pegasus[5]	Quimi[5]	Tarqui[5]	Tres Picachos[5]	Yawi	**TOTAL**
Assays / Sampling	$ 256,444	$ -	**$ 256,444**	$ 120,526	$ -	$ 9,934	$ -	$ 6,287	$ -	$ 11,366	$ -	$ 11,880	$ 192	$ -	**$ 160,185**
Camp	223,234	-	**223,234**	81,758	188	98,049	6,346	39,242	-	3,503	971	12,730	6,960	224	**249,971**
Camp access and improvements	69,795	-	**69,795**	662	-	32,444	2,367	654	-	-	-	-	-	-	**36,127**
Drilling	1,733,729	-	**1,733,729**	739,328	-	-	-	-	-	-	-	-	-	-	**739,328**
Engineering	464,930	-	**464,930**	75,223	-	-	-	-	-	-	-	-	-	-	**75,223**
Environmental, Health & Safety	110,957	-	**110,957**	49,788	-	13,344	3,528	601	-	607	-	2,432	959	-	**71,259**
Field office	252,654	-	**252,654**	110,692	-	36,531	1,572	12,009	-	17,238	-	7,839	2,617	370	**188,868**
Geological consulting	144,677	-	**144,677**	126,541	-	63,060	-	20,006	-	-	-	3,768	2,885	-	**216,260**
Geological and field staff	74,839	-	**74,839**	90,279	-	37,269	23,975	19,029	-	7,997	-	66,561	10,526	-	**255,636**
Legal fees	24,044	90	**24,134**	8,371	617	2,432	424	4,447	-	9,232	-	289	530	655	**26,997**
Metallurgical	96,701	-	**96,701**	6,435	-	-	-	-	-	-	-	-	-	-	**6,435**
Mineral rights	9,449	-	**9,449**	22,105	-	-	-	-	-	810	-	-	-	-	**22,915**
Project management[1]	184,915	-	**184,915**	198,355	3,213	33,504	2,884	8,064	-	15,081	-	5,910	3,062	2,636	**272,709**
Reports	38,145	-	**38,145**	3,439	-	-	-	23,823	-	-	-	-	-	-	**27,262**
Social and community[1]	139,772	-	**139,772**	96,897	4,123	35,146	179	20,482	-	573	3,321	15,272	179	-	**176,172**
Share-based payment (Note 9(a))	78,657	-	**78,657**	32,507	-	16,519	-	-	-	-	-	-	-	-	**49,026**
Transportation and accommodation	148,297	-	**148,297**	77,882	512	43,657	7,353	17,636	-	1,305	273	11,307	5,370	-	**165,295**
Costs incurred during the period	4,051,239	90	**4,051,329**	1,840,788	8,653	421,889	48,628	172,280	-	67,712	4,565	137,988	33,280	3,885	**2,739,668**
Cost recovery[6]	-	-	**-**	-	(7,046)	-	-	(155,782)	-	(286,976)	-	-	-	-	**(449,804)**
Net costs incurred (recovered) during the period	$ 4,051,239	$ 90	**$ 4,051,329**	$ 1,840,788	$ 1,607	$ 421,889	$ 48,628	$ 16,498	$ -	$ (219,264)	$ 4,565	$ 137,988	$ 33,280	$ 3,885	**$ 2,289,864**
Cumulative E&E incurred, beginning of period[2] [3]	$ 31,289,275	$ 77,452	**$ 31,366,727**	$ 19,320,024	$ 119,194	$ 5,367,301	$ 127,569	$ 314,911	$ 604,701	$ 2,371,837	$ 132,129	$ 322,003	$ 265,124	$ 53,492	**$28,998,285**
E&E incurred (recovered) during the period	4,051,239	90	**4,051,329**	1,840,788	1,607	421,889	48,628	16,498	-	(219,264)	4,565	137,988	33,280	3,885	**2,289,864**
Cumulative E&E incurred, end of period	$ 35,340,514	$ 77,542	**$ 35,418,056**	$ 21,160,812	$ 120,801	$ 5,789,190	$ 176,197	$ 331,409	$ 604,701	$ 2,152,573	$ 136,694	$ 459,991	$ 298,404	$ 57,377	**$31,288,149**

[1] Project management and social and community costs include payments made to key management personnel (see Note 16).
[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 were included in the Condor Project since January 1, 2018, totalled $5,348 for the three months ended September 30, 2018. Cumulative E&E spend on the two areas as at the beginning of the period was $156,843.
[5] Project distributed to Luminex as part of the Arrangement (see Note 3). Costs reported to August 31, 2018.
[6] Cost recovery represents reimbursement of expenditures by FQM and Anglo American (see Note 7(a)).

(expressed in U.S. dollars)

7. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(b) Exploration and evaluation expenditures (continued)

The Group's exploration and evaluation expenditures on its projects for the nine months ended September 30, 2019 and 2018 are as follows:

	Nine months ended September 30, 2019			Nine months ended September 30, 2018											
	Cangrejos	Yawi	**TOTAL**	Cangrejos	Cascas[5]	Condor[4][5]	La Canela[5]	Orquideas[5]	Palma Real[5]	Pegasus[5]	Quimi[5]	Tarqui[5]	Tres Picachos[5]	Yawi	**TOTAL**
Assays / Sampling	$ 561,815	$ -	**$ 561,815**	$ 222,245	$ -	$ 85,202	$ 626	$ 46,720	$ -	$ 40,036	$ -	$ 41,041	$ 18,923	$ -	**$ 454,793**
Camp	623,669	-	**623,669**	308,705	188	412,294	7,500	187,486	-	21,807	1,593	25,712	21,141	224	**986,650**
Camp access and improvements	211,887	-	**211,887**	44,719	-	77,244	2,367	1,962	-	-	-	-	2,072	-	**128,364**
Drilling	5,533,689	-	**5,533,689**	1,850,046	-	113,903	-	-	-	-	-	-	-	-	**1,963,949**
Engineering	823,049	-	**823,049**	490,463	-	-	-	-	-	-	-	-	-	-	**490,463**
Environmental, Health & Safety	344,274	1,384	**345,658**	152,291	-	79,783	5,228	34,254	3,600	13,578	-	2,935	3,747	2,591	**298,007**
Field office	608,129	-	**608,129**	326,548	-	183,707	3,539	58,474	81	74,127	4,288	23,548	11,113	1,177	**686,602**
Geological consulting	414,538	-	**414,538**	400,243	-	345,082	-	111,616	-	9,354	-	4,940	5,439	-	**876,674**
Geological and field staff	258,260	-	**258,260**	276,014	-	149,549	32,931	103,079	-	222,082	17,505	153,696	26,601	-	**981,457**
Legal fees	92,940	775	**93,715**	85,273	7,066	15,972	2,419	25,393	7,482	27,579	2,714	11,000	3,098	2,369	**190,365**
Metallurgical	327,909	-	**327,909**	158,708	-	-	-	-	-	-	-	-	-	-	**158,708**
Mineral rights	104,387	15,220	**119,607**	103,455	96,591	93,333	30,819	47,526	191,050	659,238	26,656	47,284	46,878	14,481	**1,357,311**
Project management[1]	465,837	-	**465,837**	892,806	6,586	165,177	4,571	29,839	161	51,501	11,763	21,934	6,116	4,102	**1,194,556**
Reports	388,177	-	**388,177**	144,695	-	-	-	84,618	-	1,960	-	-	-	-	**231,273**
Social and community[1]	363,729	-	**363,729**	253,715	11,108	128,802	253	36,419	-	573	5,078	26,888	2,156	-	**464,992**
Share-based payment (Note 9(a))	233,396	-	**233,396**	80,731	-	64,742	-	-	-	-	-	-	-	-	**145,473**
Transportation and accommodation	433,271	-	**433,271**	274,730	1,074	235,205	9,211	121,719	-	32,521	2,345	22,732	21,683	-	**721,220**
Costs incurred during the period	11,788,956	17,379	**11,806,335**	6,065,387	122,613	2,149,995	99,464	889,105	202,374	1,154,356	71,942	381,710	168,967	24,944	**11,330,857**
Cost recovery[6]	-	-	**-**	-	(134,347)	-	-	(1,012,835)	-	(286,976)	-	-	-	-	**(1,434,158)**
Net costs incurred (recovered) during the period	$ 11,788,956	$ 17,379	**$ 11,806,335**	$ 6,065,387	$ (11,734)	$ 2,149,995	$ 99,464	$ (123,730)	$ 202,374	$ 867,380	$ 71,942	$ 381,710	$ 168,967	$ 24,944	**$ 9,896,699**
Cumulative E&E incurred, beginning of period[2] [3]	$ 23,551,558	$ 60,163	**$ 23,611,721**	$ 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	11,788,956	17,379	**11,806,335**	6,065,387	(11,734)	2,149,995	99,464	(123,730)	202,374	867,380	71,942	381,710	168,967	24,944	**9,896,699**
Cumulative E&E incurred, end of period	$ 35,340,514	$ 77,542	**$ 35,418,056**	$ 21,160,812	$ 120,801	$ 5,789,190	$ 176,197	$ 331,409	$ 604,701	$ 2,152,573	$ 136,694	$ 459,991	$ 298,404	$ 57,377	**$31,288,149**

(1) Project management and social and community costs include payments made to key management personnel (see Note 16).
(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.
(4) Costs for Escondida and Santa Elena, which were included in the Condor Project since January 1, 2018, totalled $37,892 for the nine months ended September 30, 2018. Cumulative E&E spend on the two areas as at the beginning of the period was $124,299.
(5) Project distributed to Luminex as part of the Arrangement (see Note 3). Costs reported to August 31, 2018.
(6) Cost recovery represents reimbursement of expenditures by FQM and Anglo American (see Note 7(a)).

(expressed in U.S. dollars)

8. SHARE CAPITAL

Authorized: Unlimited common shares, without par value.

Issued and fully paid:	Number of Common Shares		Amount
Balance, December 31, 2017	264,027,893	$	95,247,364
Shares issued on exercise of stock options (a)	20,000		20,191
Shares issued on exercise of stock options (b)	10,000		10,013
Shares issued on exercise of stock options (c)	10,000		10,019
Shares issued, net of issue costs (d)	9,730,000		5,211,279
Shares issued on exercise of stock options (e)	12,000		5,480
Fair value of net assets distributed (Note 3)	-		(38,297,482)
Balance, September 30, 2018	273,809,893	$	62,206,864
Balance, December 31, 2018	309,529,893	$	76,482,853
Shares issued on exercise of stock options (f)	3,740,000		3,508,207
Balance, September 30, 2019	313,269,893	$	79,991,060

(a) 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.

(b) 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.

(c) In April 2018, 10,000 stock options were exercised at an exercise price of $0.48 (C$0.62) per common share for total proceeds of $4,817. 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.

(d) In July 2018, the Company closed a non-brokered private placement of 9,730,000 common shares for proceeds of $5,211,279, net of issue costs of $150,834, which includes finder's fees of up to 4% of the proceeds from certain subscribers.

(e) In August 2018, 12,000 stock options were exercised at an exercise price of $0.24 (C$0.285) per common share for total proceeds of $2,903. 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 $2,577.

(f) In September 2019, 3,740,000 stock options were exercised at an average exercise price of $0.42 (C$0.55) per common share for total proceeds of $1,562,752. 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 $1,945,455.

9. 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.

(expressed in U.S. dollars)

9. SHARE-BASED PAYMENTS (continued)

(a) Stock option plan (continued)

During the nine months ended September 30, 2019, the Company granted no stock options (nine months ended September 30, 2018 – none). Pursuant to the Company's accounting policy for share-based payments, the fair value of options vesting during the three and nine months ended September 30, 2019, in the amount of $234,126 and $718,960 (three and nine months ended September 30, 2018 - $159,470 and $536,119) has been recorded in the consolidated statement of comprehensive loss. Of this amount, $155,469 and $485,564 (2018 periods - $110,444 and $390,646) has been included in fees, salaries and other employee benefits (Note 10) and $78,657 and $233,396 (2018 periods - $49,026 and $145,473) has been expensed to exploration and evaluation expenditures (Note 7(b)).

(b) Outstanding stock options

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

	Three months ended September 30, 2019			2018		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of period	15,993,654	C$	0.55	11,096,276	C$	0.62*
Exercised	(3,740,000)	C$	0.55	(12,000)	C$	0.315*
Expired	-	C$	-	(205,622)	C$	0.78*
Outstanding, end of period	12,253,654	C$	0.55	10,878,654	C$	0.55

* Exercise price prior to effect of Arrangement.

	Nine months ended September 30, 2019			2018		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of period	15,993,654	C$	0.55	11,184,610	C$	0.62*
Exercised	(3,740,000)	C$	0.55	(52,000)	C$	0.62*
Expired	-	C$	-	(253,956)	C$	0.78
Outstanding, end of period	12,253,654	C$	0.55	10,878,654	C$	0.55

* Exercise price prior to effect of Arrangement.

The weighted average share price at the date of exercise for share options exercised in the nine months ended September 30, 2019 was $0.47 (nine months ended September 30, 2018 - $0.61). At September 30, 2019, 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
1,375,000	December 4, 2020	1.18	C$ 0.28	1,375,000	C$ 0.28
1,173,654	April 20, 2021	1.56	C$ 0.42	1,173,654	C$ 0.42
1,940,000	December 30, 2021	2.25	C$ 0.71	1,940,000	C$ 0.71
500,000	March 6, 2022	2.43	C$ 0.80	500,000	C$ 0.80
2,090,000	December 7, 2022	3.19	C$ 0.58	1,401,674	C$ 0.58
5,175,000	December 4, 2023	4.18	C$ 0.56	1,714,590	C$ 0.56
12,253,654		3.05	C$ 0.55	8,104,918	C$ 0.55

(expressed in U.S. dollars)

10. FEES, SALARIES AND OTHER EMPLOYEE BENEFITS

	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Fees and salaries	$ 168,660	$ 226,706	$ 541,640	$ 605,560
Other benefits	2,929	-	2,929	-
Share-based payments (Note 9(a))	155,469	110,444	485,564	390,646
Fees, salaries and other employee benefits	$ 327,058	$ 337,150	$ 1,030,133	$ 996,206

11. 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 September 30,	
	2019	2018
Net loss attributed to owners of the Company	$ 4,491,710	$ 12,576,753
Weighted average number of common shares outstanding (basic and diluted)	310,352,719	271,055,154
Loss per share – basic and diluted	$ 0.015	$ 0.05

	Nine months ended September 30,	
	2019	2018
Net loss attributed to owners of the Company	$ 12,880,570	$ 21,704,623
Weighted average number of common shares outstanding (basic and diluted)	309,807,182	266,411,439
Loss per share – basic and diluted	$ 0.04	$ 0.08

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 9) were anti-dilutive for the three and nine months ended September 30, 2019 and 2018.

12. 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. 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.

(expressed in U.S. dollars)

13. FINANCIAL INSTRUMENTS

(a) Categories of financial assets and financial liabilities

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

	Note	Category	September 30, 2019	December 31, 2018
Cash	4	Amortized cost	$ 3,667,134	$ 14,490,979
Receivables	5	Amortized cost	28,727	16,852
Environmental deposit		Amortized cost	31,669	30,328
Accounts payable and accrued liabilities		Amortized cost	866,923	550,453

The recorded amounts for cash, receivables, environmental deposit 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.

14. 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 deposit are exposed to credit risk, representing maximum exposure of $3,727,530 (December 31, 2018 - $14,538,159). 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 September 30, 2019, the Group's cash was held at two financial institutions (December 31, 2018 – two financial institutions).

(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 September 30, 2019, the Group's current liabilities consisted of trade and other payables of $866,923 which are due primarily within three months from the period end. The Group's cash of $3,667,134 at September 30, 2019, 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 September 30, 2019, 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 $37,000 in the Group's interest income on an annual basis.

14. FINANCIAL INSTRUMENT RISKS (continued)

(c) Market Risks (continued)

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.

The table 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 September 30, 2019.

Financial Instrument Type		U.S. Dollar	Currency		+/- 1% Fluctuation	
Cash	$	2,693,598	CAD dollar	$	26,936	(26,936)
Accounts payable and accrued liabilities		(30,082)	CAD dollar		(301)	301
Total	$	2,663,516		$	26,635	(26,635)

Other Price Risk - The Group did not hold any financial instruments that had direct exposure to other price risks at September 30, 2019.

15. 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.

16. GROUP INFORMATION AND RELATED PARTY TRANSACTIONS

Information about subsidiaries

The consolidated financial statements include the following material subsidiaries:

	Country of Incorporation	% Equity interest at September 30, 2019	December 31, 2018
Odin Mining del Ecuador S.A.	Ecuador	100	100
Condormining Corporation S.A.*	Ecuador	-	-

* Transferred to Luminex as part of the Arrangement on August 31, 2018.

Related party expenses and balances

The Group incurred the following expenses with related parties:

Company	Nature of transactions		Three months ended September 30, 2019		2018
Miedzi Copper Corp. ("Miedzi")	E&E (geological)	$	19,883	$	15,372
Miedzi	G&A		12,814		27,253
Miedzi	Fees		41,726		101,852
Mozow Copper Sp. z o. o. ("Mozow")	E&E (field office)		-		847
Hathaway Consulting Ltd.	Fees		23,872		30,492
Into the Blue Management Inc.	Fees		23,112		-
Koval Management Inc.	Fees		44,149		38,336
La Mar Consulting Inc.	E&E (social and community)		38,550		50,166
Luminex Services Ecuador LS-EC S.A. ("Luminex Services")	E&E (geological; social and community; and field office)		102,763		-
Lyle E Braaten Law Corp.	Fees		15,917		20,331
		$	322,786	$	284,649

(expressed in U.S. dollars)

16. GROUP INFORMATION AND RELATED PARTY TRANSACTIONS (continued)

Related party expenses and balances (continued)

Company	Nature of transactions	Nine months ended September 30, 2019	2018
Miedzi	E&E (geological)	$ 93,222	$ 58,748
Miedzi	G&A	38,348	90,262
Miedzi	Fees	160,112	250,932
Mozow	E&E (field office)	-	2,244
Hathaway Consulting Ltd.	Fees	71,125	105,664
Into the Blue Management Inc.	Fees	38,243	-
Koval Management Inc.	Fees	131,347	125,596
La Mar Consulting Inc.	E&E (social and community)	115,650	112,056
Luminex Services	E&E (geological; social and community; and field office)	259,117	-
Lyle E Braaten Law Corp.	Fees	47,398	41,781
Proyectmin S.A.[1]	E&E (field office)	-	3,173
Zen Capital & Mergers Ltd.	Fees	-	2,291
		$ 954,562	$ 792,747

[1] As disclosed in Note 7(a), Proyectmin was acquired on April 18, 2018. As a wholly-owned subsidiary of the Group it was no longer considered a related party as intercompany transactions and balances are eliminated on consolidation. On August 31, 2018, Proyectmin was transferred as part of the Arrangement with Luminex so is considered a related party for transactions occurring from that date forward.

Miedzi is considered a company related by way of directors and shareholders in common. Mozow is a wholly owned subsidiary of Miedzi. Hathaway Consulting Ltd., Into the Blue Management Inc., 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. Luminex Services is a wholly-owned subsidiary of Luminex and provides personnel services to Odin Mining del Ecuador S.A. Related party transactions are recognized at the amounts agreed between the parties. Outstanding balances are unsecured and settlement occurs in cash. At September 30, 2019, the following amounts were included in accounts payable: (i) $5,647 owing to La Mar Consulting Inc.; (ii) $26,271 owing to Miedzi; and (iii) $14,708 owing to Luminex Services. At December 31, 2018, there were no amounts owing to related parties.

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 September 30, 2019	2018	Nine months ended September 30, 2019	2018
Short-term benefits (i)	$ 289,912	$ 238,422	$ 573,068	$ 701,379
Share-based payments (ii)	-	-	-	-
Total remuneration	$ 289,912	$ 238,422	$ 573,068	$ 701,379

(i) Short-term benefits include fees and salaries, including where those costs have been allocated to E&E expenditures (see Note 7(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 9(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 September 30, 2019 and 2018.

17. INTEREST INCOME AND OTHER

Interest income and other consists of the following components for the periods reported:

	Three months ended September 30, 2019	2018	Nine months ended September 30, 2019	2018
FQM Signing Bonus (Note 7(a))	$ -	$ -	$ -	$ 100,000
FQM Services Agreement fee (Note 7(a))	-	26,981	-	105,417
Anglo American fee (Note 7(a))	-	1,300,000	-	1,300,000
Interest - bank / environmental deposits	3,994	4,790	39,684	12,858
Other	-	-	5	140
	$ 3,994	$ 1,331,771	$ 39,689	$ 1,518,415

(expressed in U.S. dollars)

18. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

As at September 30, 2019, the Group has entered into agreements that are not recognized as ROU assets and that include rental agreements, infrastructure improvements and contracted studies that require minimum payments in the aggregate as follows:

Within one year	$	62,000
After one year but not more than five years		14,000
	$	76,000

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 7(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. This spending commitment is required to be applied by the Government of Ecuador in situations where a company seeks to reduce the area that was obtained under the tender process. The only concession currently held that was obtained by tender is Cangrejos 20.

(b) When applying for new concessions via the public tender process in Ecuador, the Group presented its investment offers for each concession. The investment offer represents the total amount that is required to be spent to maintain possession of the concession area at the end of the four-year investment period required by the Government of Ecuador. Current interpretations of the law in Ecuador are that all costs related to the project (direct and indirect and incurred in Ecuador or overseas) are able to be utilized against the four-year commitment. Should a concession holder resign from a concession prior to the end of the 4-year anniversary, the concession is relinquished without requiring the 4-year spend total to be reached.

(c) Concessions in Ecuador 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. Should a company resign from a concession during the following year, there is no minimum commitment applicable except that the company shall pay for the portion of annual concession fees to the date that the relinquishment is completed.

For the year ended December 31, 2019, the Group’s committed annual expenditures on the concessions that comprise the Cangrejos Project, as submitted to the Government of Ecuador in accordance with item (c) above, amount to $418,000. As disclosed in Note 7(b), the Group has incurred expenditures in excess of this amount as at September 30, 2019.

For the Cangrejos 20 concession which was obtained under the public tender process in Ecuador, the Group committed to spend $9,170,000 by December 15, 2020 (the 4-year anniversary of the concession’s grant date). The Group has already incurred sufficient expenditures to satisfy this spending commitment.

Contingent liabilities

At September 30, 2019, the Group has a contingent liability of up to $1,230,000 (December 31, 2018 - $1,230,000) relating to the transfer of mineral concessions to Luminex prior to the Arrangement. The contingent liability relates to deposits paid by Luminex to the Group to allow for the transfer of legal title of certain mineral concessions from the Group to Luminex and would become repayable to Luminex in the event legal title is not successfully transferred.

On November 5, 2018, Lumina entered into an agency agreement with Miedzi Copper Corp. and Luminex to facilitate transactions between the entities and provide clarity around ongoing G&A costs in the case of withdrawal from the agency agreement, including provisions for rent of premises and personnel costs. At September 30, 2019, and assuming withdrawal from the agency agreement at that date, Lumina’s obligation to Miedzi would be approximately $485,000.

19. POST-REPORTING DATE EVENT

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 on October 11, 2019, the Company granted 7,205,000 stock options to acquire common shares at an exercise price of C$0.54 per common share. The vesting schedule for the options is ⅓ on the grant date, ⅓ one year after the grant date and ⅓ two years after the grant date.