LUMINA GOLD CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

March 31, 2017

(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 March 31, 2017 and 2016 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	March 31, 2017	December 31, 2016
ASSETS			
Current assets			
Cash	3	$ 9,575,925	$ 12,333,608
Receivables	4	182,371	158,137
Prepaid expenses		152,460	52,470
Total current assets		9,910,756	12,544,215
Non-current assets			
Environmental deposits		185,813	183,976
Property and equipment	6	1,253,865	1,220,585
Exploration and evaluation assets	5, 7(a)	49,189,010	49,189,010
Total assets		$ 60,539,444	$ 63,137,786
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 714,622	$ 627,976
Total liabilities		714,622	627,976
EQUITY			
Share capital	8	80,441,112	80,441,112
Share-based payment reserve		3,892,707	3,628,481
Accumulated deficit		(29,262,164)	(26,346,635)
Equity attributable to owners of the Company		55,071,655	57,722,958
Non-controlling interest	9	4,753,167	4,786,852
Total equity		59,824,822	62,509,810
Total liabilities and equity		$ 60,539,444	$ 63,137,786

Going concern (Note 2(b))
Commitments (Note 18)
Post-reporting date events (Note 19)

APPROVED BY THE DIRECTORS

"Marshall Koval"
Director

"Donald Shumka"
Director

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

For the three months ended March 31, 2017 and 2016

Unaudited

(expressed in U.S. dollars)

	Note		**Three months ended March 31, 2017**		**2016**
Expenses					
Exploration and evaluation ("E&E") expenditures	7(b)	$	2,277,854	$	246,159
Fees, salaries and other employee benefits	11, 17		372,196		149,055
General and administration ("G&A")	17		98,150		33,143
Pre exploration and evaluation expenditures	17		-		49,428
Professional fees			216,700		35,590
Insurance			-		2,368
			(2,964,900)		(515,743)
Other income (expenses)					
Interest income and other			1,837		1,657
Foreign exchange gain			13,849		10,152
			15,686		11,809
Net loss and comprehensive loss for the period		$	(2,949,214)	$	(503,934)
Loss attributable to:					
Owners of the Company		$	(2,915,529)	$	(503,934)
Non-controlling interest	9		(33,685)		-
		$	(2,949,214)	$	(503,934)
Loss per share attributable to owners of the Company – basic and diluted	12	$	(0.01)	$	(0.004)
Weighted average number of shares outstanding – basic and diluted	12		231,707,667		132,989,371

LUMINA GOLD CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2017 and 2016

Unaudited

(expressed in U.S. dollars)

	Note	Three months ended March 31, 2017	2016
Operating activities			
Loss for the period		$ (2,949,214)	$ (503,934)
Adjustment for non-cash items:			
Depreciation	6	4,283	2,376
Environmental deposit interest earned		(1,837)	(1,371)
Share-based payment	10(a)	264,226	108,687
Deduct: interest income		-	(1,657)
Net changes in non-cash working capital items:			
Receivables		(24,234)	(172)
Prepaid expenses		(99,990)	(7,313)
Accounts payable and accrued liabilities		86,646	61,432
Net cash utilized in operating activities		(2,720,120)	(341,952)
Investing activities			
Expenditures on property and equipment		(37,563)	(6,200)
Interest received		-	1,657
Net cash utilized in investing activities		(37,563)	(4,543)
Financing activities			
Shares issued		-	1,955
Net cash provided by financing activities		-	1,955
Decrease in cash		(2,757,683)	(344,540)
Cash, beginning of period		12,333,608	794,605
Cash, end of period	3	$ 9,575,925	$ 450,065

See Accompanying Notes to the Condensed Consolidated Interim Financial Statements

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

For the three months ended March 31, 2017 and 2016

Unaudited

(expressed in U.S. dollars)

		Attributable to owners of the Company						
		Share Capital						
	Note	Number of shares	Amount	Share-based Payment Reserve	Accumulated Deficit	Total	Non-controlling Interest	Total Equity
Balance, January 1, 2016		132,986,715	$ 23,302,481	$ 2,189,115	$ (22,446,383)	$ 3,045,213	$ -	$ 3,045,213
Exercise of stock options	8(a)	8,334	3,745	(1,790)	-	1,955	-	1,955
Share-based payment	10(a)	-	-	108,687	-	108,687	-	108,687
Comprehensive loss		-	-	-	(503,934)	(503,934)	-	(503,934)
Balance, March 31, 2016		132,995,049	23,306,226	2,296,012	(22,950,317)	2,651,921	-	2,651,921
Acquisition of EGX	5	70,094,523	42,335,818	623,615	-	42,959,433	4,803,121	47,762,554
Shares issued, net of issue costs		28,571,428	14,761,787	-	-	14,761,787	-	14,761,787
Exercise of stock options		46,667	37,281	(19,186)	-	18,095	-	18,095
Share-based payment		-	-	728,040	-	728,040	-	728,040
Comprehensive loss		-	-	-	(3,396,318)	(3,396,318)	(16,269)	(3,412,587)
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	10(a)	-	-	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

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. On November 1, 2016, the Company completed the acquisition of Ecuador Gold and Copper Corp. ("EGX") which holds the Condor Project in Ecuador (see Note 5).

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 for the three months ended March 31, 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, 2016 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 24, 2017.

(b) Going concern

These condensed consolidated interim financial statements have been prepared on the going concern basis which assumes that the Company 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 Company has incurred cumulative losses of $29,262,164 as at March 31, 2017 and has reported a net loss of $2,949,214 for the three months ended March 31, 2017. The ability of the Company 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 Company's assets, the outright sale of the Company, the successful development of the Company's mineral property interests or a combination thereof.

The Company 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 Company 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 Company'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 Company 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, 2016. Those accounting policies have been used throughout all periods presented in the condensed consolidated interim financial statements. There were no new accounting standards effective January 1, 2017 that had an impact on the Company's financial statements.

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

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

<u>Exploration and evaluation assets</u>: 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

<u>Share-based payments</u>: 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.

<u>Deferred tax assets</u>: 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.

(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 15 – Revenue from Contracts with Customers: The IASB issued IFRS 15 in May 2014. The new standard provides a comprehensive framework for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with early adoption permitted. Management is currently evaluating the impact the final standard is expected to have on the Group's consolidated financial statements. This is not expected to be significant as the Company is currently not generating operating revenues.

IFRS 9 – Financial Instruments: The IASB published the final version of IFRS 9 in July 2014. The final standard brings together the classification, measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 includes a loss impairment model, amends the classification and measurement model for financial assets and provides additional guidance on how to apply the business model and contractual characteristics test. This final version of IFRS 9 supersedes all previous versions of IFRS 9 and is effective for annual periods commencing on or after January 1, 2018, with early adoption permitted. Management is currently evaluating the impact the final standard is expected to have on the Group's consolidated financial statements.

(expressed in U.S. dollars)

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

(e) Standards issued but not yet effective (continued)

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 Company is assessing the impact of adopting this standard on its consolidated financial statements.

3. CASH

The Group's cash, by currency, at March 31, 2017 and December 31, 2016 was as follows:

		March 31, 2017		December 31, 2016
Cash at bank and in hand – Canadian dollars	$	882,194	$	1,303,382
Cash at bank and in hand – U.S. dollars		8,693,731		11,030,226
Total cash	$	9,575,925	$	12,333,608

4. RECEIVABLES

		March 31, 2017		December 31, 2016
Goods and Services Tax / Harmonized Sales Tax	$	125,742	$	103,935
Other		56,629		54,202
Total receivables	$	182,371	$	158,137

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.

5. ACQUISITION OF ECUADOR GOLD AND COPPER CORP.

On November 1, 2016, Lumina completed a plan of arrangement (the "Arrangement") under the *Business Corporations Act* (British Columbia) whereby Lumina acquired all of the issued and outstanding shares of EGX. Under the Arrangement, each former EGX shareholder received approximately 1.0433 common shares of Lumina for each EGX share held. A total of 70,094,523 Lumina common shares were issued. All outstanding EGX stock options were cancelled and former EGX optionholders were issued replacement Lumina stock options on substantially similar terms to their previously held EGX options. A total of 1,538,787 Lumina stock options with exercise prices ranging from $0.47 to $1.44 per common share (and expiry dates ranging from August 17, 2017 to April 20, 2021) were issued. All outstanding warrants to acquire EGX shares were cancelled pursuant to the Arrangement. Consideration amounted to $43,384,181, consisting of shares issued, the fair value of stock options and the cost of acquisition, as disclosed in the table below.

(expressed in U.S. dollars)

5. ACQUISITION OF ECUADOR GOLD AND COPPER CORP. (continued)

The acquisition of EGX was accounted for as an asset purchase. The consideration paid was allocated to the financial liabilities assumed and assets acquired based on their estimated fair values at the date of acquisition as follows:

	Note		Assets / (Liabilities) Acquired
Cash		$	377,010
Receivables			143,655
Prepaid expenses			9,690
Environmental deposit			154,203
Exploration and evaluation asset	7(a)		47,487,910
Property, plant and equipment			637,644
Accounts payable and accrued liabilities			(622,810)
Non-controlling interest			(4,803,121)
Net assets acquired		$	43,384,181
Consideration paid in shares	8	$	42,335,818
Consideration paid in replacement stock options			623,615
Acquisition costs			424,748
Total consideration		$	43,384,181

6. PROPERTY AND EQUIPMENT

		Land[1]		Property & Equipment		Motor Vehicles		Total
Cost								
January 1, 2017	$	862,403	$	388,111	$	90,512	$	1,341,026
Additions		-		37,563		-		37,563
March 31, 2017	$	862,403	$	425,674	$	90,512	$	1,378,589
Accumulated Depreciation								
January 1, 2017	$	-	$	34,347	$	86,094	$	120,441
Depreciation for the period		-		4,283		-		4,283
March 31, 2017	$	-	$	38,630	$	86,094	$	124,724
Net book value								
December 31, 2016	$	862,403	$	353,764	$	4,418	$	1,220,585
March 31, 2017	$	862,403	$	387,044	$	4,418	$	1,253,865

[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 equipment and motor vehicles utilized in E&E activities is expensed to E&E costs.

(expressed in U.S. dollars)

7. 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 titles located near Machala in southwest Ecuador, collectively known as the "Cangrejos Project" and representing a land area of 6,374 hectares.

Condor: Following the acquisition of EGX on November 1, 2016, the Company acquired the Condor Project (see Note 5) which consists of seven concessions, totaling 8,269 hectares, located in the Zamora-Chinchipe Province in southeast Ecuador.

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.

Tres Picachos / La Canela / Orquideas: 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.

Yawi: 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.

Escondida: The Group was awarded the Escondida concession area (1,204 hectares) in January 2017. This concession fills a gap inside the Condor Project concession blocks.

Optioned Concessions: The Group also obtained certain concessions under an option with Proyectmin S.A., a related party, whereby the Group will fund the required work commitments on the concessions and after two years, the concessions will be transferred to the Group. 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 2 concession areas totaling 9,998 hectares located approximately 25 kilometres southwest of the Condor Project; and
iii. Santa Elena, obtained in December 2016, and consisting of 628 hectares located near the Condor Project.

To maintain its mineral concessions the Company is required to meet certain spending requirements as communicated to the Government of Ecuador. Further details are provided in Note 18.

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

	Cangrejos	Condor	Total
Cost			
January 1 and March 31, 2017	$ 2,241,100	$ 47,487,910	$ 49,729,010
Cumulative impairment			
January 1 and March 31, 2017	$ 540,000	$ -	$ 540,000
Net book value			
December 31, 2016	$ 1,701,100	$ 47,487,910	$ 49,189,010
March 31, 2017	$ 1,701,100	$ 47,487,910	$ 49,189,010

(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 March 31, 2017 and 2016 are as follows:

	Three months ended March 31, 2017												Three months ended March 31, 2016
	Cangrejos	Condor	Pegasus	Palma Real[4]	Cascas[4]	Tres Picachos	Orquideas	La Canela	Yawi	Escondida	Santa Elena[4]	**TOTAL**	TOTAL (all Cangrejos)
Mineral rights	$ 51,389	$ 52,252	$639,227	$195,665	$ 95,211	$ 47,595	$ 45,591	$31,800	$ 12,778	$ 12,320	$ 2,666	**$ 1,186,494**	$ 44,608
Legal fees	50,178	21,091	25,853	4,167	455	601	2,198	639	942	227	446	**106,797**	11,468
Assays / Sampling	2,272	97	2,996	77	-	-	3,644	-	-	-	-	**9,086**	-
Camp	34,177	33,103	26,569	4,183	-	75	3,175	252	-	-	2,385	**103,919**	14,752
Camp access and improvements	3,396	-	-	-	-	-	-	-	-	-	-	**3,396**	1,769
Drilling	-	3,083	-	-	-	-	-	-	-	-	-	**3,083**	-
Environmental	6,311	-	123	51	-	-	-	-	-	-	-	**6,485**	1,373
Field office	46,256	167,042	24,578	3,996	510	918	4,870	1,005	178	257	767	**250,377**	31,942
Geological consulting	50,741	27,367	-	-	-	-	-	-	-	-	-	**78,108**	-
Geological staff	112,644	58,053	57,396	8,160	-	3,016	11,432	3,017	-	-	133	**253,851**	41,061
Project management[1]	44,700	29,700	23,027	766	98	1,541	2,239	1,093	410	377	149	**104,100**	32,535
Reports	7,010	-	-	-	-	-	-	-	-	-	-	**7,010**	-
Social and community[1]	10,104	18,241	7,769	259	-	520	756	369	138	127	-	**38,283**	29,275
Share-based payment (Note 10(a))	26,937	16,344	-	-	-	-	-	-	-	-	-	**43,281**	33,773
Transportation and accommodation	35,990	32,890	7,447	1,052	59	247	5,349	421	-	-	129	**83,584**	3,603
Costs incurred during the period	$ 482,105	$459,263	$814,985	$218,376	$ 96,333	$ 54,513	$ 79,254	$38,596	$ 14,446	$ 13,308	$ 6,675	**$ 2,277,854**	$ 246,159
Cumulative E&E incurred, beginning of period[2] [3]	$ 10,224,545	$259,491	$ 86,403	$ 26,202	$ -	$ 1,776	$ 1,776	$ -	$ -	$ -	$ 267	**$ 10,600,460**	$ 8,952,067
E&E incurred during the period	482,105	459,263	814,985	218,376	96,333	54,513	79,254	38,596	14,446	13,308	6,675	**2,277,854**	246,159
Cumulative E&E incurred, end of period	$ 10,706,650	$718,754	$901,388	$244,578	$ 96,333	$ 56,289	$ 81,030	$ 38,596	$ 14,446	$ 13,308	$ 6,942	**$ 12,878,314**	$ 9,198,226

[1] Project management and social and community costs include payments made to key management personnel (see Note 17).
[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 (see Note 5).
[4] Concessions acquired via option agreement with Proyectmin S.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, January 1, 2016	132,986,715	$	23,302,481
Shares issued on exercise of stock options (a)	8,334		3,745
Shares issued on exercise of stock options (b)	8,334		3,797
Shares issued on exercise of stock options (c)	30,000		29,709
Shares issued on acquisition of EGX (d)	70,094,523		42,335,818
Shares issued on exercise of stock options (e)	8,333		3,775
Shares issued, net of issue costs (f)	28,571,428		14,761,787
Balance, December 31, 2016 and March 31, 2017	231,707,667	$	80,441,112

(a) In March 2016, 8,334 stock options were exercised at an exercise price of $0.23 (C$0.315) per common share for total proceeds of $1,955. 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 $1,790.

(b) In September 2016, 8,334 stock options were exercised at an exercise price of $0.24 (C$0.315) per common share for total proceeds of $2,007. 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 $1,790.

(c) In September 2016, 30,000 stock options were exercised at an exercise price of $0.47 (C$0.62) per common share for total proceeds of $14,103. 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 $15,606.

(d) On November 1, 2016, the Company issued 70,094,523 common shares pursuant to the Arrangement to acquire EGX (see Note 5). The value of the shares issued, based on the closing price on the TSXV immediately prior to the acquisition completing was $42,335,818.

(e) In December 2016, 8,333 stock options were exercised at an exercise price of $0.24 (C$0.315) per common share for total proceeds of $1,985. 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 $1,790.

(f) In December 2016, the Company closed a non-brokered private placement of 28,571,428 common shares for proceeds of $14,761,787, net of issue costs of $464,553, which includes finder's fees of 4% of the proceeds from certain subscribers.

9. 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 17), which in turn holds Bestminers S.A. and Condormine S.A.:

		March 31, 2017
Current assets	$	545,848
Non-current assets		22,423,366
Current liabilities		(140,956)
Net assets		22,828,258
NCI percentage		10%
Net assets of individual entities attributable to the NCI		2,282,826
Adjustments on consolidation of individual entities subject to NCI		2,470,341
Net assets attributable to the NCI	$	4,753,167
Net loss and comprehensive loss	$	336,850
NCI percentage		10%
Net loss and comprehensive loss attributable to NCI	$	33,685

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

(expressed in U.S. dollars)

10. 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 period ended March 31, 2017, the Company granted 500,000 stock options (period ended March 31, 2016 – Nil) 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 options granted 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, 2017, in the amount of $264,226 (2016 - $108,687) has been recorded in the consolidated statement of comprehensive loss. Of this amount, $220,945 has been included in fees, salaries and other employee benefits (Note 11) (2016 - $74,914) and $43,281 has been expensed to exploration and evaluation expenditures (Note 7(b)) (2016 - $33,773).

(b) Outstanding stock options

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

	Three months ended March 31,					
	2017			2016		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of period	8,884,120	C$	0.61	5,387,000	C$	0.54
Granted	500,000	C$	0.90	-	C$	-
Exercised	-	C$	-	(8,334)	C$	0.315
Expired	-	C$	-	(36,666)	C$	0.48
Outstanding, end of period	9,384,120	C$	0.63	5,342,000	C$	0.54

No stock options were exercised during the three months ended March 31, 2017 (three months ended March 31, 2016 – 8,334 options exercised with a weighted average share price at the date of exercise of $0.30).

(expressed in U.S. dollars)

10. SHARE-BASED PAYMENTS (continued)

(b) Outstanding stock options (continued)

For each reporting period, the Company had outstanding stock options, including weighted average remaining contractual life, as follows:

March 31, 2017					
Options Outstanding				Options Exercisable	
Number of Options	Expiry Date	Weighted average life (years)	Exercise Price	Number of Options	Exercise Price
125,188	August 17, 2017	0.38	C$1.44	125,188	C$1.44
187,783	September 25, 2018	1.49	C$0.96	187,783	C$0.96
3,840,000	September 12, 2019	2.45	C$0.62	3,840,000	C$0.62
1,405,333	December 4, 2020	3.68	C$0.315	931,336	C$0.315
1,225,816	April 20, 2021	4.06	C$0.47	1,225,816	C$0.47
1,900,000	December 30, 2021	4.75	C$0.80	633,344	C$0.80
200,000	December 30, 2021	4.75	C$0.80	-	C$0.80
500,000	March 6, 2022	4.93	C$0.90	166,667	C$0.90
9,384,120		3.45	C$0.63	7,110,134	C$0.60

December 31, 2016					
Options Outstanding				Options Exercisable	
Number of Options	Expiry Date	Weighted average life (years)	Exercise Price	Number of Options	Exercise Price
125,188	August 17, 2017	0.63	C$1.44	125,188	C$1.44
187,783	September 25, 2018	1.73	C$0.96	187,783	C$0.96
3,840,000	September 12, 2019	2.70	C$0.62	3,840,000	C$0.62
1,405,333	December 4, 2020	3.93	C$0.315	931,336	C$0.315
1,225,816	April 20, 2021	4.30	C$0.47	1,225,816	C$0.47
1,900,000	December 30, 2021	5.00	C$0.80	633,344	C$0.80
200,000	December 30, 2021	5.00	C$0.80	-	C$0.80
8,884,120		3.61	C$0.61	6,943,467	C$0.59

11. FEES, SALARIES AND OTHER EMPLOYEE BENEFITS

	Three months ended March 31, 2017	2016
Fees, salaries	$ 151,251	$ 74,141
Share-based payments (Note 10(a))	220,945	74,914
Fees, salaries and other employee benefits	$ 372,196	$ 149,055

12. 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, 2017	2016
Net loss attributed to owners of the Company	$ 2,915,529	$ 503,934
Weighted average number of common shares outstanding (basic and diluted)	231,707,667	132,989,371
Loss per share – basic and diluted	$ 0.01	$ 0.004

(expressed in U.S. dollars)

12. LOSS PER SHARE (continued)

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 10) were anti-dilutive for the three months ended March 31, 2017 and 2016.

13. 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.

14. FINANCIAL INSTRUMENTS

(a) Categories of financial assets and financial liabilities

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

	Category		March 31, 2017		December 31, 2016
Cash	Loans and receivables	$	9,575,925	$	12,333,608
Receivables	Loans and receivables		56,629		54,202
Environmental deposits	Loans and receivables		185,813		183,976
Accounts payable and accrued liabilities	Other financial liabilities		714,622		627,976

The recorded amounts for cash, receivables, environmental deposits and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. Income earned on the Group's cash 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. The fair value of the Group's cash and cash equivalents, receivables and accounts payable and accrued liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

14. FINANCIAL INSTRUMENTS (continued)

(b) Fair Value Measurements (continued)

The fair value of financial instruments that are measured subsequent to initial recognition at their fair value, is measured within a 'fair value hierarchy' which has the following levels:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
(ii) Level 2: valuation techniques using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
(iii) Level 3: valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company did not have any financial instruments that were measured at Level 2 or 3 valuation techniques.

15. 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 and receivables are exposed to credit risk, representing maximum exposure of $9,632,554 (December 31, 2016 - $12,387,810). 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 this asset with high-credit quality financial institutions. At March 31, 2017, the Group's cash was held at five financial institutions (December 31, 2016 – five 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 March 31, 2017, the Group's current liabilities consisted of trade and other payables of $714,622 which are due primarily within three months from the period end. The Group's cash of $9,575,925 at March 31, 2017, were sufficient to pay for the current liabilities.

At December 31, 2016, the Group's current liabilities consisted of trade and other payables of $627,976 which are due primarily within three months from the period end. The Group's cash of $12,333,608 at December 31, 2016, were 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 net exposure as at March 31, 2017 and December 31, 2016, 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, $96,000 and $123,400 respectively, in the Group's interest income on an annual basis.

15. 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.

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 cash equivalents and accounts payable and accrued liabilities, as at March 31, 2017 is as follows:

Financial Instrument Type		U.S. Dollar	Currency		+/- 1% Fluctuation	
Cash	$	882,194	CAD dollar	$	8,822	(8,822)
Accounts payable and accrued liabilities		(69,860)	CAD dollar		(699)	699
Total	$	812,334		$	8,123	(8,123)

The foreign exchange risk exposure of the Group's cash and cash equivalents and accounts payable and accrued liabilities, as at December 31, 2016 is as follows:

Financial Instrument Type		U.S. Dollar	Currency		+/- 1% Fluctuation	
Cash	$	1,303,382	CAD dollar	$	13,034	(13,034)
Accounts payable and accrued liabilities		(121,903)	CAD dollar		(1,219)	1,219
Total	$	1,181,479		$	11,815	(11,815)

Other Price Risk

The Group did not hold any financial instruments that had direct exposure to other price risks at March 31, 2017 and December 31, 2016.

16. 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)

17. GROUP INFORMATION AND RELATED PARTY TRANSACTIONS

Information about subsidiaries

These condensed consolidated interim financial statements include the following material subsidiaries:

		% equity interest at	
	Country of Incorporation	March 31, 2017	December 31, 2016
Odin Mining del Ecuador S.A	Ecuador	100	100
Condormining Corporation S.A.*	Ecuador	90	90

* Condormining Corporation S.A. was acquired on November 1, 2016 as part of the acquisition of EGX (see Note 5).

Related party expenses and balances

The Company incurred the following expenses with related parties:

		Three months ended March 31,	
Company	Nature of transactions	2017	2016
Miedzi Copper Corp.	Pre exploration and evaluation	$ -	$ 653
Miedzi Copper Corp.	E&E (geological)	9,349	1,669
Miedzi Copper Corp.	G&A	15,095	7,895
Miedzi Copper Corp.	Fees	50,703	31,274
Hathaway Consulting Ltd.	Fees	35,026	16,112
Koval Management LLC	Fees	-	16,485
Koval Management Inc.	Fees	41,061	-
La Mar Consulting Inc.	E&E (social and community)	30,063	29,275
Lyle E Braaten Law Corp.	Fees	9,994	7,356
Proyectmin S.A.	E&E (field office)	42,251	-
Proyectmin S.A.	Pre exploration and evaluation	-	6,431
Zen Capital & Mergers Ltd.	Fees	1,122	1,132
		$ 234,664	$ 118,282

Miedzi Copper Corp. is considered a company related by way of directors and shareholders in common. Hathaway Consulting Ltd, Koval Management LLC, 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, 2017, $15,506 owing to Proyectmin S.A. was included in accounts payable (December 31, 2016 - $15,511).

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,	
	2017	2016
Short-term benefits (i)	$ 204,291	$ 116,867
Share-based payments (ii)	299,548	-
Total remuneration	$ 503,839	$ 116,867

(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 10(a)).
(iii) Key management personnel were not paid post-employment benefits, termination benefits, or long-term benefits during the periods ended March 31, 2017 and 2016.

(expressed in U.S. dollars)

18. COMMITMENTS

The Group has entered into agreements for the rental of office space that require minimum payments in the aggregate as follows:

	March 31, 2017	December 31, 2016
Within one year	$ 20,200	$ 25,000
After one year but not more than five years	6,400	9,000
More than five years	-	-
	$ 26,600	$ 34,000

Following the granting of new concession areas to the Group, as disclosed in Note 7(a), the Company is obligated to fulfil its investment offers to the government which were presented as part of the bid process. For the new concessions awarded to the Group, either directly or under option agreement, and held at March 31, 2017, the total investment commitment for the first year of the concessions amounts to $5,704,318. In addition, the Group is committed to spend an additional $1,145,350 during 2017 to maintain its mineral concession licenses for the Cangrejos (excluding Cangrejos 20) and Condor Projects. Should the Company renew its mineral concession licenses beyond 2017 further minimum investments will be required.

19. 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) In April 2017, 63,332 stock options with an exercise price of C$0.80 per common share were forfeited.

b) In April 2017, the Group was awarded an additional four concession areas, totalling 7,549 hectares. The first year investment commitment on these concessions amounts to $466,033 which is in addition to the commitment in Note 18 (above).