

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Reporting Issuer

Luna Gold Corp. (“**Luna**” or the “**Company**”)
543 Granville Street, Suite 800
Vancouver, BC V6C 1X8

Item 2. Date of Material Change

March 20, 2015

Item 3. News Release

A news release announcing the material change was disseminated on March 20, 2015 through Marketwired and a copy was subsequently filed on SEDAR.

Item 4. Summary of Material Changes

On March 20, 2015, Luna announced that the Company has signed a Letter of Intent with Sandstorm Gold Ltd. (“Sandstorm”) (NYSE MKT: SAND, TSX: SSL) outlining restructuring of its gold stream and debt facility agreement (the “Proposed Restructuring”). Sandstorm currently holds a 17% gold stream (the “Gold Stream”) on Luna’s Aurizona project in Brazil (the “Aurizona Project”) and has a debt facility outstanding to Luna with a principal amount of US\$20 million (the “Debt Facility”).

Item 5. Full Description of Material Change

Vancouver, British Columbia — March 20, 2015 Luna Gold Corp. (TSX-LGC, LMA-LGC, OTCQX-LGCUF, “Luna” or the “Company”) announced today that the Company has signed a Letter of Intent with Sandstorm Gold Ltd. (“Sandstorm”) (NYSE MKT: SAND, TSX: SSL) outlining restructuring of its gold stream and debt facility agreement (the “Proposed Restructuring”). Sandstorm currently holds a 17% gold stream (the “Gold Stream”) on Luna’s Aurizona project in Brazil (the “Aurizona Project”) and has a debt facility outstanding to Luna with a principal amount of US\$20 million (the “Debt Facility”).

The Proposed Restructuring is subject to a number of conditions, including (i) a concurrent equity raise with gross proceeds to Luna of at least CA\$20 million, (ii) regulatory approvals such as the approval of the Toronto Stock Exchange, (iii) the approval of Luna’s shareholders, and (iv) the negotiation and execution of definitive agreements for the Proposed Restructuring. Until the conditions are satisfied there can be no assurances that the Proposed Restructuring will be completed. The Company is seeking equity investors as part of its ongoing review of strategic alternatives, but as of this date has no agreement with any investor for

an equity investment that meets Sandstorm's terms. Subject to the execution of definitive agreements, the Company anticipates completion of the Proposed Restructuring on or around June 30, 2015, assuming the conditions can be met.

Restructuring Terms

Gold Stream Restructuring

Under the terms of the Proposed Restructuring, the Gold Stream would be terminated and replaced by two net smelter return royalties ("NSR") (the "Aurizona Project NSR" and the "Greenfields NSR") and a convertible debenture. The Aurizona Project NSR would cover the entire Aurizona project, including the current 43-101 compliant Resources, and all adjacent exploration upside that would be processed through the Aurizona mill net of third party refining costs. The Aurizona Project NSR would be a sliding scale royalty based on the price of gold as follows:

- 3% if the price of gold is less than or equal to US\$1,500 per ounce;
- 4% if the price of gold is between US\$1,500 per ounce and US\$2,000 per ounce; and
- 5% if the price of gold is greater than US\$2,000 per ounce.

The Greenfields NSR would cover the 190,073 hectares of exploration ground held by Luna and would be a 2% NSR. Luna would have the right to purchase one-half of the Greenfields NSR for US\$10 million at any time prior to commercial production.

Sandstorm would hold a right of first refusal on any future streams or royalties on the Aurizona Project and Greenfields.

Under the Proposed Restructuring, Sandstorm would also receive a US\$30 million debenture bearing interest at a rate of 5% per annum (the "Debenture"). The Debenture would be payable in three equal annual tranches of US\$10 million plus accrued interest beginning January 1, 2018. Luna would have the right to convert principal and interest owing under the Debenture into common shares of Luna, so long as Sandstorm does not own more than 20% of the outstanding common shares of Luna.

Sandstorm US\$20 million Debt Facility Agreement

Under the existing Sandstorm Debt Facility amendment, the maturity date of the Debt Facility would be extended from June 30, 2017 to June 30, 2021, the interest rate would be revised to 5% per annum, payable in cash on the maturity date, and Luna would be subject to a default rate of interest equal to 10% per annum.

Luna Gold's President and CEO Marc Leduc commented, "The proposed restructuring of the Sandstorm steaming agreement is a key component to moving Luna toward viability. The Company assets are, and remain, sound and pursuing this restructuring is a first step toward moving in a direction in which all parties can benefit."

About Luna Gold Corp.

Luna is a gold production and exploration company engaged in the operation, discovery, and development of gold projects in Brazil.

Marc Leduc, P. Eng., the President and CEO of the Company, is a “qualified person” as such term is defined in NI 43-101 and has reviewed and approved the scientific and technical information included in this press release.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

Duane Lo
Chief Financial Officer
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Item 9. Date of Report

This material change report is dated March 20, 2015.