

TRANSFERRING COVERAGE

Lumina Pushing Along with Permits and Project De-Risking at Cangrejos, a Very Large Development Stage Gold/Copper Project

Investment Brief: With this report we are transferring coverage to Kerry Smith, with a Buy rating and a \$1.75 target price. Lumina Gold Corp. is a Vancouver based precious and base metals development company focused on their 100%-owned Cangrejos Gold-Copper Project in Ecuador. Lumina completed a PFS in April 2023 on the Cangrejos Gold-Copper Project, and the project demonstrated strong economics, with an after-tax IRR of 17.2% and an after-tax NPV_{5%} of US\$2.24B, assuming US\$1,650/oz gold and US\$3.75/lb copper. Next steps to de-risk this project include finalization of an Investment Protection Agreement with the Government of Ecuador (expected in late 2024), completion of a Feasibility Study (Q2/2025) and permitting by late 2025 or H1/26.

KEY HIGHLIGHTS

- ◆ **Cangrejos has Good Infrastructure...** The project is located at low elevation and within 40 km of a port, allowing for much simpler construction and operations logistics. Ecuador also has abundant low-cost hydroelectricity, although power rationing has been prevalent recently due to drought conditions. The project has lots of water, good road access and good local support from the nearby communities. About 105 km of drilling has been completed to define the deposit, with a reserve grade of 0.55 g/t gold and 0.10% copper. This lower grade profile is offset by a very low strip ratio of 1.26:1, which delivers good project economics for this 26-year mine life project. The mine will produce gold doré and a gold-copper concentrate (average concentrate grade of 22% copper and 121 g/t gold), with overall recoveries of 85% for gold and 79% for copper. Two adjacent pits will be mined to a maximum depth of 600 metres depth, with ore crushed in the primary crusher near these two pits, and an aerial conveyor transporting ore to the mill, located ~2.5 km from the crusher. Mill tailings will be stored in a dry stack tailings facility, with waste rock placed beside the pits.
- ◆ **... and is Big and Long-Life** – The Cangrejos Gold-Copper Project is in southwestern Ecuador, 223 km from Guayaquil and 30 km southeast of the provincial capital of Machala. It is the largest primary gold deposit in Ecuador, hosting an Indicated resource (inclusive of mineral reserves) of 16.8 million ounces of gold and 2.2 billion pounds of copper, and an additional Inferred resource of 3.7 million ounces of gold and 500 million pounds of copper, at US\$1,500 / oz Au and US\$3.00/lb Cu. The Cangrejos Project would be a long life, low-cost mine, with production averaging 371 Koz of gold and 41 Mlbs of copper per year over an initial 26-year mine life from the open pit while cash costs and AISC are expected to average US\$602/oz and US\$671/oz net of copper, respectively, based on the 2023 Pre-Feasibility Study. The project had an after-tax IRR of 17.2% and an after-tax NPV_{5%} of US\$2.24 billion at US\$1,650/oz gold price and US\$3.75/lb copper price. The Company is currently completing a full Feasibility Study (FS) and is working to obtain construction permits, which are both expected to be finalized in 2025. Project financing and construction would take three years, and we expect the Company will be sold to a larger producer, given the capex and scale of this project. Recent acquisitions of development stage projects have ranged from 0.3x to up to 0.8x NAV for Osisko Mining, and we expect any acquisition of an asset of this scale in Ecuador would likely occur nearer the bottom of this range.

RECOMMENDED ACTION

We recommend investors accumulate shares at current levels

- ◆ **Lumina Gold Corp.** has been actively working with the Ecuadorian Government to advance their long-life, lost-cost Cangrejos Au-Cu project and is currently working to complete terms for the investment protection agreement by Q4/2024 and a FS by H2/2025.

CATALYSTS

1. **H2 2024** – Exploitation Investment Protection Agreement Terms
2. **H1 2025** – Complementary Investment Protection Agreement
3. **Q2 2025** – Completion of Feasibility Study

PROJECTED RETURN

208%

RISK FACTOR

Very High

SCENARIO ANALYSIS

Downside Scenario	Current Price	Price Target
\$0.45	\$0.57	\$1.75
↓ 21%		↑ 208%

KEY STATISTICS AND METRICS

52-Week High/Low	\$0.63/\$0.32
YTD Performance	50%
Dividend Yield	0%
Shares O/S (basic)	416M
Shares O/S (F/F)	452M
Market Capitalization	\$237M
Cash	\$15M
Long-term Debt	\$0M
Enterprise Value	\$283M
Daily Volume (3 mon avg.)	65,120
Currency	C\$ unless noted

HAYWOOD ESTIMATES

	2024E	2025E	2025E
Revenue (\$ 000s)	0	0	0
Op. Cash Flow (\$ 000s)	-3	-3	-3
CFPS (\$)	-0.01	-0.01	-0.01
FCF (\$ 000s)	-3	-3	-3
Capex (\$ 000s)	0	0	0

VALUATION

Our \$1.75 target is based on a fully diluted, after-tax basis considering a 0.50x multiple to our corporate net asset value NAV_{5%} of \$3.45 per share.

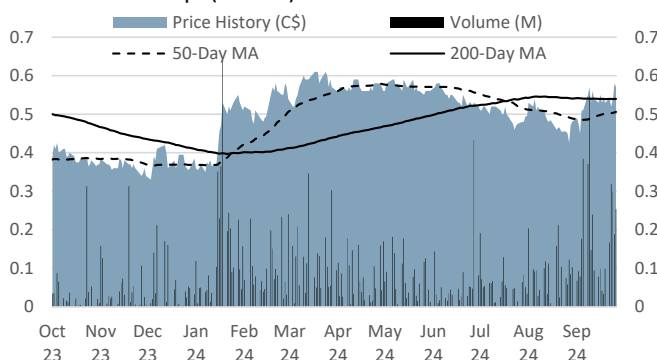
Lumina Gold Corp. trades at a P/NAV of 0.15x NAV, versus peers at 0.45x NAV.

INVESTMENT THESIS

- ◆ **The Cangrejos Project is the sole project within Lumina Gold** – The Cangrejos Gold-Copper Project is located in southwest Ecuador, and hosts 2P Reserves of 659 million tonnes grading 0.55 g/t gold and 0.10% copper, containing 11.6 million ounces of gold and 1.42 billion pounds of copper. Indicated resources total 1,080 Mt grading 0.48 g/t gold and 0.09% copper, and Inferred resources include 296 Mt grading 0.39 g/t gold and 0.07% copper.
- ◆ **Long-Life, Low-Cost Asset** – We are modelling copper-gold production for Lumina Gold at their flagship Cangrejos asset from open-pit mining operations starting in 2030 at 22 ktpd and ramping to 80 ktpd by 2037 to deliver a LOM average annual production of 361koz of Au and 41Mlbs of Cu. at an AISC of US\$903/oz Au. We integrate the expansion phase of the operation (to 80 ktpd) with additional capex of US\$588 million to be spent starting in 2031 through to 2036. We model initial capex of US\$1,411 million.

SCENARIO ANALYSIS

Lumina Gold Corp. (LUM-V)



Source: Capital IQ, and Haywood Securities

TARGET PRICE

Our **\$1.75 target price** is based on a 0.50x NAV multiple.

DOWNSIDE CASE

Our **downside case** utilizes a discount to our long-term metal price assumptions. At US\$1,850/oz gold, US\$4.15/lb copper, and using a discounted 0.20x NAV multiple, our target price drops to \$0.45 per share.

Our downside scenario price is a theoretical case based on notional valuation metrics and market assumptions. The downside price is solely intended for demonstrative purposes and is not to be regarded as a reflection of all market possibilities. It is not a guarantee that this company's share price will not drop below this price level and hence should not be taken as such.

KEY RISKS

- **Gold and Copper Prices:** LUM's future cash flow generating potential and market value are expected to be highly correlated with gold and copper prices. Commodity prices are uncertain and sometimes volatile. A sustained or significant deterioration in the gold and copper price will negatively impact the value of LUM shares.
- **Political:** Ecuador is a jurisdiction that historically has experienced elevated geopolitical risk. Ecuador ranked 75th of 86 jurisdictions in the Policy Perception Index, and 64th in the Investment Attractiveness Index in the Fraser Institute's Annual Survey of the Mining Industry (published in 2023).
- **Financial:** Given the scale of Cangrejos, Lumina will not be able to finance this project into production. The company will need to finalize either a majority interest or complete sale of the asset to a much larger producer.

Lumina Gold Corp., headquartered in Vancouver, Canada, is exclusively focused on its flagship Cangrejos Gold-Copper project, located in El Oro Province, Southwest Ecuador.

Website

www.luminagold.com

Key Management

CEO – Marshall Koval



Lumina Gold Corp. (LUM-V)



Lumina Gold (LUM-V, \$0.57)

Rating: Buy

Risk: Very High

Target Price Metric: 0.50x NAV

Target Price (C\$)

\$1.75

Return (%)

208%

52 Week High/Low (C\$)

\$0.63/\$0.32

Daily Volume (3-month avg)

65,120

Basic Mkt. Cap, C\$M

\$237.1

Company CEO

Marshall Koval

Website

www.luminagold.com

Shares Outstanding (million)

416.0

Fully Financed Shares (million)

451.7

Balance Sheet and Capitalization

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$172	\$0.41	\$237	\$0.57
Current Cash	\$11	\$0.03	\$15	\$0.04
F/D Cash Adds	\$0	\$0.00	\$0	\$0.00
Working Capital	(\$34)	(\$0.08)	(\$46)	(\$0.11)
Debt	\$0	\$0.00	\$0	\$0.00
Book Value	(\$21)	(\$0.05)	(\$28)	(\$0.07)
Enterprise Value (EV)	\$206	\$0.49	\$283	\$0.68

EV = Market Capitalization - Working Capital + Long-Term Debt

Spot C\$/US\$ FX Rate: 1.379

Capital Structure

	Shares
	Millions
Shares Outstanding	416.0
Options	32.2
Warrants	0.0
Fully Diluted Shares	451.7

Insider Ownership

	Position	Shares O/S (mln)	% O/S
Beatty, Ross J.		115.8	27.8%
Koval, Marshall A.	President & CEO, Director	12.0	2.9%
Stow, Stephen William-Canning	Director	5.8	1.4%
Braaten, Lyle E.	VP Legal Counsel & Director	5.8	1.4%
Rip, Martin Raymond Danziger	CFO	3.5	0.8%

Financial Summary (US\$m)

Year-End December 31st	2024E	2025E	2026E	2027E	2028E	2029E
Gold (US\$/oz)	\$2,200	\$2,100	\$2,000	\$2,000	\$2,000	\$2,000
Copper (US\$/lb)	\$4.40	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
Silver (US\$/oz)	\$27.00	\$26.00	\$24.50	\$24.50	\$24.50	\$24.50
Exchange Rate (Cdn\$/US\$)	1.31	1.31	1.30	1.30	1.30	1.30
Shares Outstanding, mln	416.0	416.0	416.0	416.0	416.0	416.0
EPS	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
CFPS	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
P/CF	-	-	-	-	-	-
Income Statement (US\$m)						
Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
General & Admin	2.5	2.5	2.5	2.5	2.5	2.5
Expensed Exploration	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)
Balance Sheet (US\$m)						
Cash & Equivalents	30.4	279.9	277.4	194.3	(346.4)	(1032.7)
Debt	0.0	0.0	0.0	0.0	0.0	0.0
Cash Flow (US\$m)						
Op. CF (before W/C)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)
Financing CF	19.3	252.0	0.0	0.0	0.0	0.0
Investing CF	0.0	0.0	0.0	(80.6)	(538.2)	(683.8)
Change in Cash	16.8	249.5	(2.5)	(83.1)	(540.7)	(686.3)

Production Summary

	2027E	2028E	2029E	2030E	2031E	2032E
Tonnes of Ore Mined (000s)	-	-	-	8,000	11,000	11,000
Grade (Au g/t)	-	-	-	0.76	0.81	0.61
Recovery (%)	-	-	-	68.6%	68.9%	67.9%
Mining Cost (US\$/t)	-	-	-	\$23	\$23	\$23
Gold Production, 000oz	-	-	-	161	237	177
Cash Costs, US\$/oz	-	-	-	\$918	\$780	\$1,115
AISC, US\$/oz	-	-	-	\$1,385	\$936	\$1,616
Capex Spending, US\$M	\$81	\$538	\$684	\$27	\$44	\$13

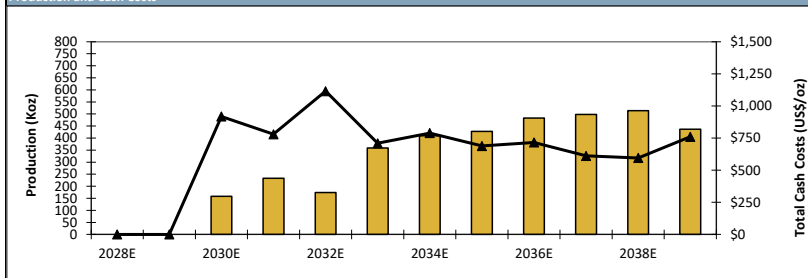
Reserves and Resources

	Tonnes (Mt)	Grade (g/t AuEq)	AuEq (Moz)	Mine Life (years)
Cangrejos + Gran Bestia (as of June 2023)	659	0.55	12	26.0
Company Reported P&P Reserves	1,080	0.62	22	
Company Reported M&I Resources	296	0.50	5	
Total	2,035	0.58	38	
Haywood Total Mineable Resources	655	0.55	11	26.0

NPV Sensitivity, US\$M

	Pre-Tax NPV Discount Rate			
	5%	8%	10%	15%
Haywood Base Case, US\$2000/oz	\$2,998	\$1,652	\$1,072	\$234
Spot Gold Price, US\$2675/oz	\$5,005	\$3,015	\$2,149	\$872
	After-Tax NPV Discount Rate			
	5%	8%	10%	15%
Haywood Base Case, US\$2000/oz	\$2,367	\$1,191	\$724	\$122
Spot Gold Price, US\$2675/oz	\$3,824	\$2,110	\$1,417	\$488

Production and Cash Costs



Recent Financings

Oct. 26, 2023 - Amended Standby Loan outstanding balance was converted to 36,484,604 common shares of LUM
 May 16, 2023 - Entered into a Gold Stream with Wheaton Precious Metals in exchange for US\$48M of pre-construction funding, and US\$252M of construction funding. Initial Gold Stream sells 6.6% of payable gold from the Cangrejos Project until 700 koz of gold have been delivered, afterwards the Gold Stream will be reduced to 4.4% of payable gold. WPM will pay 18% of the spot price of gold, until the uncredited deposit is reduced to nil and 22% of spot gold thereafter. There is an initial 20 year term on the Stream, but it can be renewed for successive 10-year periods until WPM terminates the agreement.
 December 13, 2022 - Company amended Standby Loan with Ross Beatty to C\$15M with a 10% coupon. Amended Standby Loan + accrued interest was convertible to common shares at C\$0.42/share for a total of up to 36,484,605 common shares.
 July 5, 2022 - Entered into an agreement with Ross Beatty to establish a C\$10M unsecured credit facility with 10% coupon. LUM granted Mr. Beatty 3,000,000 warrants to acquire an equivalent number of common shares at C\$0.38/share.

Corporate NAV Summary and Sensitivity

	Base Case	\$1,650	\$1,850	\$2,150	Spot
C\$/US\$ FX Rate	\$2,000	\$1,650	\$1,850	\$2,150	1.379
Long-Term Gold Price, US\$/oz	\$4.50	\$3.75	\$4.15	\$4.85	\$2,675
Long-Term Copper Price, US\$/lb	\$1,190	\$361	\$814	\$1,508	\$2,095
Cangrejos Project (NPV 8%), US\$M	-	-	-	-	-
Other Projects, US\$M	(\$49)	(\$40)	(\$45)	(\$52)	(\$65)
Exploration Credit, US\$M	\$1,142	\$321	\$769	\$1,455	\$2,030
Corporate Adjustments, US\$M	\$3.45	\$0.97	\$2.31	\$4.38	\$6.11
Corporate NAV, US\$M	0.17x	0.59x	0.25x	0.13x	0.09x
Corporate NAV, C\$ / F/D share	0.51x	1.82x	0.76x	0.40x	0.29x
Current Price / Corporate NAV	\$0.70	\$0.20	\$0.45	\$0.90	\$1.20
Target Price / Corporate NAV	\$1.75	\$0.50	\$1.15	\$2.20	\$3.05
Target Price at 0.20x NAV	\$2.60	\$0.75	\$1.75	\$3.30	\$4.60

Base case gold price assumption of US\$2278/oz in 2024 US\$2200/oz in 2025 US\$2100/oz in 2026 and US\$2000/oz in 2027+
 Fully Financed Fully Diluted Shares, millions: 451.7

Comparables

Company	Ticker	Price C\$	MC US\$M	EV US\$M	Total Resources (Moz)	EV/oz US\$/oz	P/NAV
Filo Corp.	TSX:FIL	\$32.69	\$3,195	\$3,177	6.27	\$507	0.70x
Liberty Gold Corp.	TSX:LGD	\$0.36	\$99	\$78	3.10	\$25	0.19x
NovaGold Resources Inc.	TSX:NG	\$4.80	\$1,164	\$1,209	45.00	\$27	0.47x
Osisko Mining Inc.	TSX:OSK	\$4.87	\$1,348	\$1,250	7.91	\$158	0.95x
Perpetua Resources Corp.	TSX:PPTA	\$13.03	\$610	\$607	4.00	\$152	0.60x
Seabridge Gold Inc.	TSX:SEA	\$23.53	\$1,538	\$1,858	180.00	\$10	0.31x
Skeena Resources Limited	TSX:SKE	\$12.18	\$941	\$878	0.40	\$2,185	0.63x
Snowline Gold Corp.	TSXV:SGD	\$5.50	\$632	\$589	7.31	\$81	0.34x
Solaris Resources Inc.	TSX:SLS	\$3.23	\$380	\$366	3.30	\$111	0.16x
SolGold Plc	TSX:SOLG	\$0.18	\$0	\$197	31.30	\$6	0.13x
Selected Company Average						\$326	0.45x
Lumina Gold Corp.						\$5	0.15x

CFPS and NAV sourced from Capital IQ, US/CAD 1.36

Haywood Model

- Prod. start 2030, 26-year mine life at 69,020 tpd, 361Koz Au/year + 41 Mlbs Cu/year at TCC US\$822/oz and AISC US\$903/oz
 - LOM grade 0.55 g/t Au and 0.10% Cu grade, 78% Au recovery and 79% Cu recovery
 - Initial Capex US\$1.41B

Kerry Smith - Research Analyst
 ksmith@haywood.com 416-507-2306

Source: Bloomberg, Capital IQ, Company Reports, and Haywood Securities



Cangrejos Gold-Copper Project

Lumina Gold Corp. is focused on their 100%-owned Cangrejos and Gran Bestia deposits, which form the Cangrejos Gold-Copper Project, located in Ecuador. On November 1st, 2016, the Company changed its name from Odin Mining and Exploration to Lumina Gold Corp. The Cangrejos Project consists of six mineral concessions covering a total area of 5,682 hectares, and within the area of these concessions, Lumina Gold currently owns 2,444 hectares of surface rights.

The Cangrejos Gold-Copper Project is in southwestern Ecuador, 223 km from Guayaquil and 30 km southeast of the provincial capital of Machala. It is the largest primary gold deposit in Ecuador, hosting an Indicated resource (inclusive of mineral reserves) of 16.8 million ounces of gold and 2.2 billion pounds of copper, and an Inferred resource of 3.7 million ounces of gold and 500 million pounds of copper.

In the first half of 2023, the Company completed a Preliminary Feasibility Study (“PFS”) at the Cangrejos Project. The PFS was completed in April 2023, and highlighted a long-life, low-cost asset with life of mine average annual payable production of 371 Koz of gold, and payable by-product production of 41 Mlbs of copper per year. The PFS forecasts an initial 26-year LOM, with 30,000 tonnes per day (“tpd”) of processing over the first three years of production with expansion to 60,000 tpd in year 4, and 80,000 tpd in year 7. The economics from the PFS are attractive, with an after-tax IRR of 17.2% and an after-tax NPV_{5%} of US\$2.24B, assuming US\$1,650/oz gold and US\$3.75/lb copper. Initial capital costs of US\$925 million included working capital and exclude refundable VAT.

Estimate of Mineral Resource – Cangrejos & Gran Bestia Deposits (Inclusive of Mineral Reserves)

Category	Million Tonnes	Average Grade				Contained Metals			
		Au (g/t)	Cu (%)	Ag (g/t)	Mo (ppm)	Au (Moz)	Cu (Mlbs)	Ag (Moz)	Mo (Mlb)
Indicated	1079.9	0.48	0.09	0.7	17.8	16.8	2,166	24.3	42.4
Inferred	296.3	0.39	0.07	0.7	11.7	3.7	483	7.0	7.6

Source: Lumina Gold Corp.

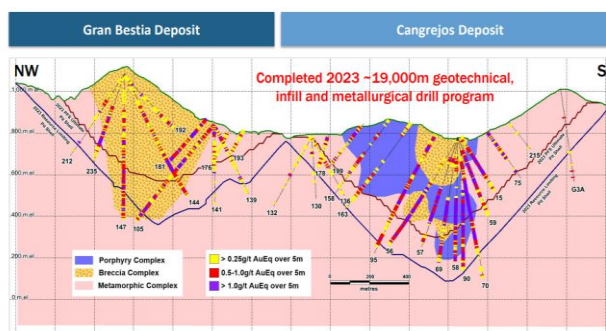
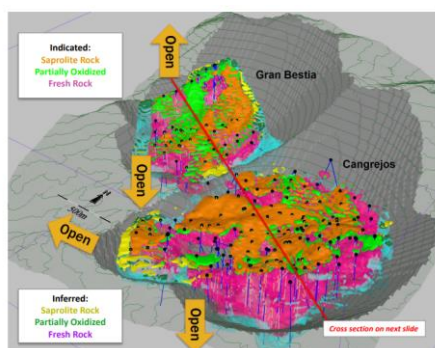
Probable Mineral Reserves – Cangrejos & Gran Bestia Deposits

Probable Reserves	Million Tonnes	NSR (\$/t)	Average Grade			Contained Metals		
			Au (g/t)	Cu (%)	Ag (g/t)	Au (Moz)	Cu (Mlbs)	Ag (Moz)
Saprolite & Saprock	–	–	–	–	–	–	–	–
Partially Oxidized	18	23.07	0.57	0.09	0.80	0.34	36	0.48
Fresh Rock	639	24.80	0.55	0.10	0.68	11.22	1384	13.90
Total Mineral Reserves	659	24.76	0.55	0.10	0.69	11.56	1421	14.38

Source: Lumina Gold Corp.

LHS – Both Deposits Remain Open, RHS – Cangrejos and Gran Bestia PFS Cross Section

- Cangrejos remains open to expansion with further exploration to the west and at depth
- Gran Bestia remains open to the north, west and at depth



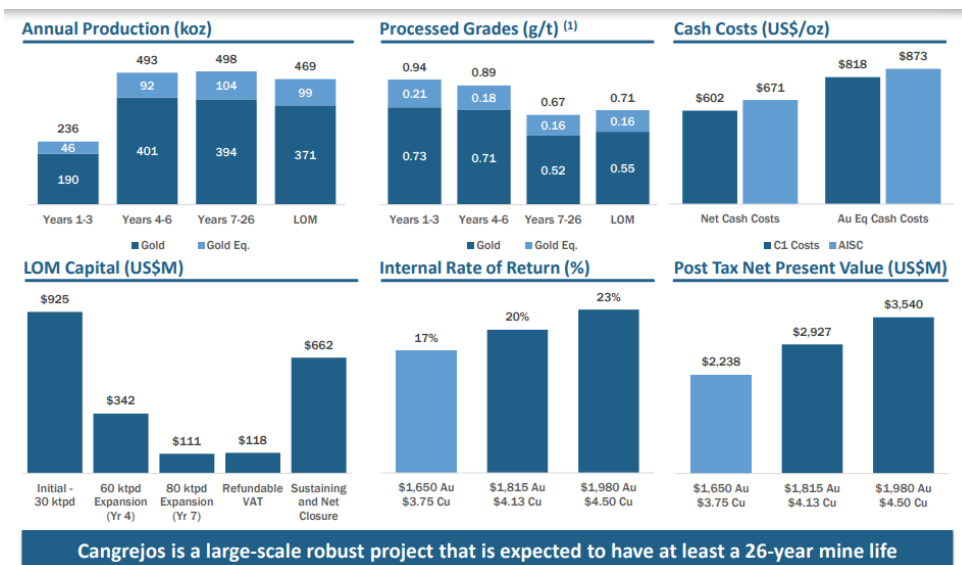
Source: Lumina Gold Corp.



Feasibility Study Due in Early 2025

The Company is currently finishing a Feasibility Study (“FS”) for the Cangrejos Gold-Copper Project, which is progressing on schedule and set to be completed by the second quarter of 2025. The Company has appointed Ausenco Engineering Canada ULC to lead the FS and has appointed a full team of consultants to support its completion. Recommendations from the ongoing FS include: (1) increasing the initial processing plant throughput to 40,000 tonnes-per-day (“tpd”), up from 30,000 tpd as previously set out in the PFS, (2) resequencing the mine plan to mine out the higher grade Cangrejos deposit first, before starting to mine out Gran Bestia, (3) using the Cangrejos pit for a portion of the 300 million tonnes of the Gran Bestia waste rock once mining is completed at the deposit to reduce the land requirement for waste rock storage, and to reduce hauling distances and costs, (4) relocating waste rock storage facilities to land already owned by Lumina to create further distance between the Project and nearby communities, and (5) rerouting access roads to avoid local population centres.

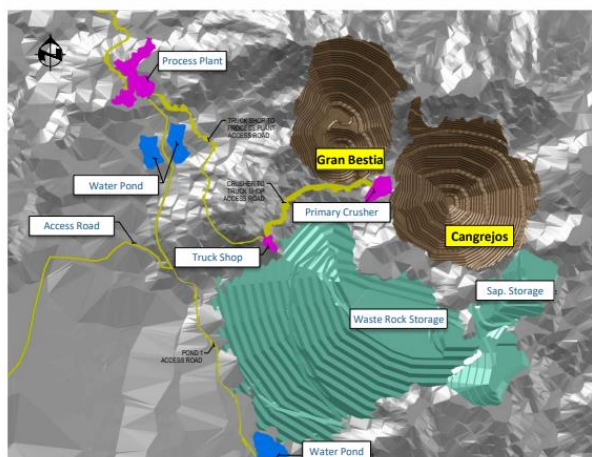
2023 PFS Summary



Source: Lumina Gold Corp.

2023 PFS Project Details and Site Plan Pt. 1

- Open pit mining using a 100% owner operated equipment fleet
- The process flow sheet consists of:
 - Primary crusher adjacent to the pit
 - A cable conveyor from the primary crusher to the plant
 - HPGR and two ball mills
 - Copper concentration circuits
 - Carbon-in-leach circuit
 - Thickening tailings and slurry pipeline to Filter Plant
- Waste Rock Storage Facility will hold nearly 834 Mt of waste rock
- Two water supply ponds for dry season operations



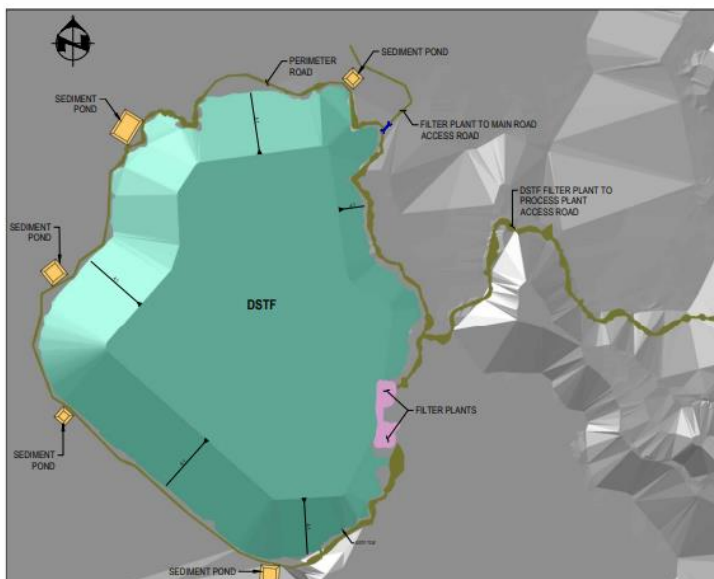
Open pits, process plant and waste rock storage facility

Source: Lumina Gold Corp.



2023 PFS Project Details and Site Plan Pt. 2

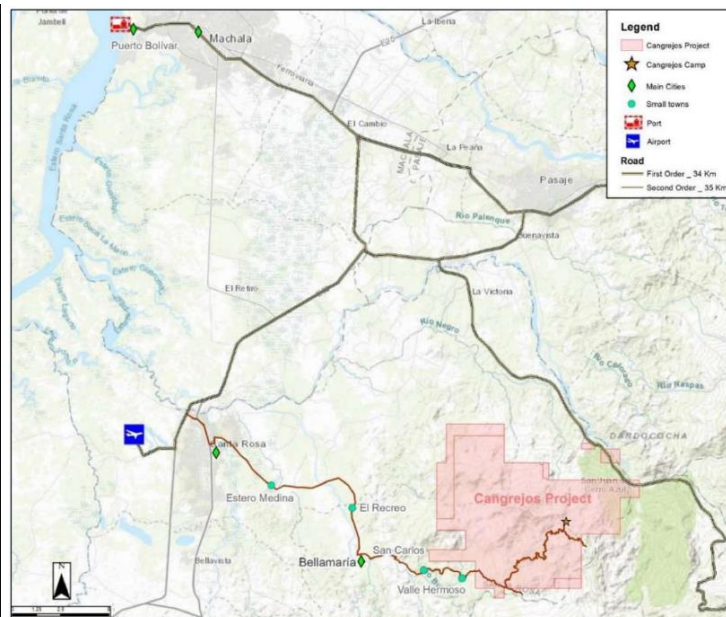
- **Dry Stack Tailings Facility ("DSTF") will hold ~659 Mt of tailings**
- **Filter plants located east of DSTF will be constructed in two phases**
- **Tailings will be pumped from the Process Plant to the Filter Plant**
- **Water from the filtration process will be pumped back to Process Plant for reuse**
- **Filter tailings will be placed by conveyors and stacking systems along with spreading and compacting tailings using dozers and compactors**



Dry Stack Tailings Facility

Source: Lumina Gold Corp.

LHS – Cangrejos Project Location, RHS – Cangrejos Project in Relationship to the Local Area



Source: Lumina Gold Corp.

We have relied on the PFS for modelling purposes but have made several changes to estimates provided in the technical report. Firstly, we have pushed production out to start in 2030 as opposed to 2028. We have also raised the capital cost estimates in the technical report by 30% and the operating costs by 25% for the LOM. We are also utilizing an 8% discount rate for our NAV and employ both a higher long-term gold and long-term copper price. The net effect of these changes was to produce an after-tax NPV_{8%} of US\$1.2B for the Cangrejos Gold-Copper Project, as opposed to the after-tax NPV_{5%} of US\$2.2B illustrated in the PFS, at the base case metal prices in the PFS of US\$1,650 per ounce for gold and US\$3.75 per pound for copper. The table below highlights our estimates versus the 2023 PFS.



2023 PFS versus Haywood Model

	2023 PFS	Haywood
Mine Life	26	26
Production Start	2028	2030
Strip Ratio	1.26	1.26
LOM Gold Grade, g/t	0.55	0.55
LOM Silver Grade, g/t	0.68	0.68
LOM Copper Grade, %	0.10%	0.10%
Recovery Rates		
Au-Cu Concentrate Gold, %	77.6%	77.7%
Au-Cu Concentrate Silver, %	52.7%	50.4%
Au-Cu Concentrate Copper, %	78.9%	79.0%
Doré Gold, %	7.4%	7.3%
Doré Silver, %	1.7%	1.8%
Metal Prices		
Gold Price, US\$/oz	\$1,650	\$2,000
Silver Price, US\$/oz	\$20.00	\$24.50
Copper Price, US\$/lbs	\$3.75	\$4.50
Metal Payability		
Gold Payability, %	98.2%	98.2%
Silver Payability, %	76.5%	76.5%
Copper Payability, %	95.4%	95.4%
Total Payable Metals		
Gold, 000 oz	9,643	9,594
Silver, 000 oz	5,985	5,942
Copper, Mlbs	1,070	1,082
Average Annual Production Rates		
Gold, 000 oz	378	376
Copper, Mlbs	43	44
Silver, 000 oz	301	299
Revenue Splits		
Gold Revenue Split, %	79.4%	79.3%
Silver Revenue Split, %	0.6%	0.6%
Copper Revenue Split, %	20.0%	20.1%
Gross Revenue, US\$M	\$20,043	\$24,204
Capital Costs		
Initial Capital Cost, US\$M	\$1,085	\$1,411
Expansion Capital Cost, US\$M	\$453	\$588
Sustaining Capital Cost, US\$M	\$598	\$779
Operating Costs		
Mining, US\$/tonne mined	\$2.16	\$2.70
Processing, US\$/ore tonne	\$7.59	\$9.49
G&A, US\$/ore tonne	\$0.80	\$1.00
Total Annual Unit Operating Cost, US\$/ore tonne	\$13.27	\$16.60
NPV	5%	8%
Pre-Tax NPV, US\$M	\$3,511	\$1,651
Post-Tax NPV, US\$M	\$2,238	\$1,190
Post-Tax IRR, %	17.2%	17.1%

Source: Lumina Gold Corp. and Haywood Securities



Investment Protection Agreements, Permitting and Environmental Social Impact Assessment

In the second half of 2023, Lumina Gold began negotiating terms for the Mining Exploitation Contract with the Ecuadorian Government, which will enable the company to eventually request the change of phase of the Project, allowing for construction and exploitation. Lumina plans to conclude these negotiations in Q4 2024. In March 2024, at PDAC the Company signed a joint declaration with the Government of Ecuador in preparation to extend the existing Exploration Investment Protection Agreement (“EIPA”) and Complementary Investment Protection Agreement (“CIPA”), related to future construction of the project. In addition to the US\$36M investment addressed by the existing EIPA, signed November 30th, 2021, the planned extension will revise the protected investment amount between 2019 to 2024 to US\$79M. The extension is expected to be signed in H2/2024. In addition, Lumina is planning to execute a CIPA in H1/25, which will commit the Company to investing US\$721M in the project between 2025 and 2031, and investment amounts surpassing this committed investment will also be protected under the agreement. The CIPA covers activities related to the construction and pre-production period for the Cangrejos mining concession. Finally, Lumina is committed to finalizing the site infrastructure layout for the Project in 2024, at which point, Lumina will begin working with the Ecuadorian Government to obtain necessary permits. Lumina expects the permitting process to take ~18 months to complete. This work commenced in H2 2024.

In July 2024, Lumina Gold signed a contract with the Quito office of Entrix Americas S.A. to conduct the exploitation phase Environmental Impact Study (“EIS”) required by Ecuadorian legal and regulatory requirements. EIS approval is required for the granting of the Environmental License for the Project, a necessary precondition for commencing mine construction. The Company expects the EIS will be submitted to the Ministry of Environment, Water, and Ecological Transition (“MAATE”) for review and approval in the second quarter of 2025.

Notable 2024 Drill Results Help to De-Risk the Project

On January 18th, 2024, Lumina Gold announced results from 19,000 metre drill program at Cangrejos. The results are a part of the 2023 Phase 1 mining resource conversion drilling program and confirm continuity of grade at Cangrejos and are in-line with expectations based on prior drill results. The results from this program will be used to support the Feasibility Study at Cangrejos.

Highlights from 7,800 metre diamond hole (35-151 metres) Resource Conversion Drill Program:

- Hole C23-265: 2.47 g/t gold equivalent over 85 metres from surface to end of hole
- Hole C23-302: 1.75 g/t gold equivalent over 113 metres from 2 metres to end of hole
- Hole C23-317: 1.86 g/t gold equivalent over 96 metres from surface to end of hole
- Highest gold assay ever on the project in hole C23-253, 2 metres from 40 to 42 metres grading 580 g/t Au

Since May 2024, Lumina has been working with a team of consultants to complete test pits, boreholes and geophysics lines. The program was concluded in August 2024 with a total of 20 boreholes, 53 test pits and 34 geophysics lines. The results from this program will be utilized to help design waste rock storage, dry stack tailing, access road and process plant facilities. The Company has also commenced a regional hydrogeologic program with a total of 14 holes drilled. Data from these drill results will be used to update the 3D hydrogeology model of the site.

Stream Financing in Place

On May 16th, 2023, Lumina Gold Corp. entered into a US\$300 million Gold Stream agreement with a wholly owned subsidiary of Wheaton Precious Metals (WPM:TSX, not rated) to finance the construction of the Cangrejos Project. In exchange for US\$48 million of pre-construction funding and US\$252 million of construction funding, Lumina has agreed to sell 6.6% of the payable gold from the Project until 700,000 ounces of gold has been delivered. Subsequently, the Gold Stream will be reduced to 4.4% of the payable gold. Wheaton Precious Metals will pay for the delivered ounces at 18% of the prevailing spot price of gold until the uncredited deposit has been repaid and 22% of the spot price of gold thereafter. The Stream has an initial term of 20 years that can be renewed for successive 10-year terms until Wheaton elects to terminate the contract. In the event of a change of control, Lumina may buyback one-third of the Gold Stream with cash, until the earlier of January 1st, 2030, and 12 months after first production.

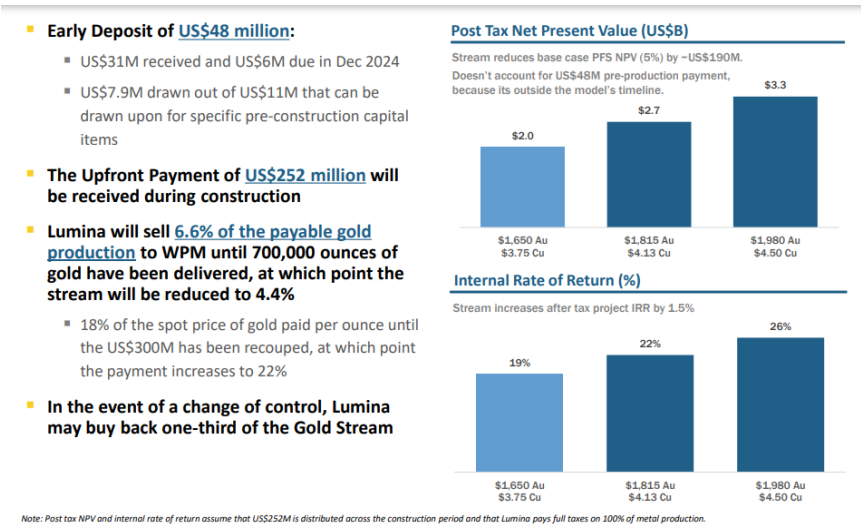
The two funding components are broken down as follows (adjusted for May 2024 amendment):

1. US\$48 Million – Early Deposit
 - US\$12 million at closing of the deal (received),
 - US\$10 million 6 months following the closing of the deal (received),
 - US\$9 million 12 months following the closing of the deal (received)
 - US\$6 million in December 2024 assuming binding terms for the exploitation investment protection agreement have been agreed upon with the Government, and
 - US\$11 million that can be drawn upon for committed acquisition of surface rights/capital items (US\$7.9 million drawn to date)
2. US\$252 Million – Upfront Payment
 - Funded over the course of the expected 2.5-year construction period, subject to various construction milestones



On May 31st, 2024, Lumina Gold announced that the Company had drawn down an additional installment of US\$10.2 million. The drawdown consisted of two tranches, US\$9 million which was originally due twelve months after the initial drawdown in May 2023, and US\$1.2 million related to specific pre-construction acquisition transactions. The precious metals purchase agreement with WPM was amended to modify the US\$15 million due in May 2024 to US\$9 million payable in May 2024, with the remaining US\$6 million payable by WPM on December 2nd, 2024. The amendment was created as Lumina has yet to finalize the exploitation contract with the Ecuadorian Government, which was a pre-condition to receiving the US\$15 million. The US\$6 million payable on December 2nd, 2024, is conditional on the finalization of the exploitation contract term sheet with the Ecuador Government.

US\$300M Gold Stream with Wheaton Precious Metals



Source: Lumina Gold Corp.

Management and Board

Lumina Gold Corp.’s management is headed by CEO Marshall Koval, an executive with over 44 years of industry experience. Mr. Koval is currently a Director of Equinox Gold and Miedzi Copper Corp. (Private) and ExGold (Private). Previously, Mr. Koval was a partner in Lumina Capital, and served as CEO and Director of Luminex Resources, Chairman and CEO of Anfield Gold Corp, as well as CEO of Northern Peru Copper Corp. Ross Beaty is the largest shareholder at 27.7%, with a supportive Ecuadorian group holding 16.5% of the shares and Management and Directors owning 8.2% of Lumina Gold.

Experienced Board and Management

SENIOR MANAGEMENT		OTHER OFFICES
Marshall Koval	President & CEO	Currently Director at Equinox Gold. Previously President & CEO of Anfield Gold, CEO of Luminex Resources, Former VP Corporate Development Lumina Copper and President of Pincock, Allen & Holt.
Ron Halas	Chief Operating Officer	Former COO of Global Atomic Corp and Spanish Mountain Gold. Also worked with major mining companies including Kinross, IAMGOLD, Vale, PT Freeport Indonesia, Placer Dome, and Cominco.
Leo Hathaway	Senior Vice President	Currently SVP of Lumina Gold and Executive Chairman of Golden Shield Resources Former Chief Geological Officer Anfield Gold and Lumina Copper
Diego Benalcazar	Senior Vice President	Former President & Director Ecuadorian Chamber of Mines Former GM & Director Swiss Holderbank Cement Group
Lyle Braaten	VP Legal Counsel	Currently CEO of Miedzi Copper and ExGold Former Secretary & Legal Counsel Magma Energy
Scott Hicks	VP Corp Dev. & Comm.	Currently EVP Corp Dev. and Director of Strategic Resources and former VP Corp Dev. Anfield Gold and Luminex. Former investment banker with RBC Capital Markets and BMO Capital Markets
Martin Rip	Chief Financial Officer	Currently CFO of Atacama Copper Former CFO of Anfield Gold and Lumina Copper
John Youle	VP Corporate Affairs	Former VP Corp Affairs of Luminex Resources, Anfield Gold and Lumina Copper
DIRECTORS		
Lyle Braaten	25+ years experience practicing law in Vancouver, currently CEO of Miedzi Copper, CEO of ExGold and Director of Ero Copper.	
Heye Daun	20+ years experience mine engineer with top-tier mining companies. Executive Chairman of Koryx Copper. Previous CEO of Osino Resources.	
Marshall Koval	35+ years experience in executive and corporate development, finance, engineering, geology and environmental expertise	
Donald Shumka	40+ years experience in corporate finance and business. Harvard University Business Administration graduate. Former President & Managing Director of Walden Management	
Michael Steinmann	20+ years experience as a geologist in the exploration and mining industry with a PhD from the Swiss Federal Institute of Technology. Currently President & CEO of Pan American Silver	
Stephen Stow	20+ years experience in the gold mining sector. Former Director of Corporate Finance, Asia for the National Westminster Bank, Hong Kong Division	

Source: Lumina Gold Corp.



Valuation

Our \$1.75 target price is based on a fully diluted, after-tax basis and a 0.5x multiple to our corporate net asset value (NAV_{5%}) of \$3.45 per share. Lumina Gold Corp. currently trades at a P/NAV of 0.15x NAV, versus peers at 0.45x NAV.

We reach our NAV using a discounted cash flow (DCF) analysis to value Lumina Gold Corp.'s Cangrejos project, plus corporate adjustments (net cash, general and administrative expense, and cash from options and warrants). Our analysis is based on our fully diluted assumptions.

Cash-Flow and Target-Price Sensitivity to Gold and Copper Prices

Corporate NAV Summary and Sensitivity					Spot
C\$/US\$ FX Rate	Base Case				1.379
Long-Term Gold Price, US\$/oz	\$2,000	\$1,650	\$1,850	\$2,150	\$2,675
Long-Term Copper Price, US\$/lbs	\$4.50	\$3.75	\$4.15	\$4.85	\$4.50
Cangrejos Project (NPV 8%), US\$M	\$1,190	\$361	\$814	\$1,508	\$2,095
Other Projects, US\$M	-	-	-	-	-
Exploration Credit, US\$M	-	-	-	-	-
Corporate Adjustments, US\$M	(\$49)	(\$40)	(\$45)	(\$52)	(\$65)
Corporate NAV, US\$M	\$1,142	\$321	\$769	\$1,455	\$2,030
Corporate NAV, C\$ / F/D share	\$3.45	\$0.97	\$2.31	\$4.38	\$6.11
Current Price / Corporate NAV	0.17x	0.59x	0.25x	0.13x	0.09x
Target Price / Corporate NAV	0.51x	1.82x	0.76x	0.40x	0.29x
Target Price at 0.20x NAV	\$0.70	\$0.20	\$0.45	\$0.90	\$1.20
Target Price at 0.50x NAV	\$1.75	\$0.50	\$1.15	\$2.20	\$3.05
Target Price at 0.75x NAV	\$2.60	\$0.75	\$1.75	\$3.30	\$4.60

Base case gold price assumption of US\$2278/oz in 2024 US\$2200/oz in 2025 US\$2100/oz in 2026 and US\$2000/oz in 2027+

Fully Financed Fully Diluted Shares, millions: 451.7

Source: Haywood Securities

Peer Group Comparables

Comparables							
Company	Ticker	Price C\$	MC US\$M	EV US\$M	Total Resources (Moz)	EV/oz US\$/oz	P/NAV
Filo Corp.	TSX:FIL	\$32.69	\$3,195	\$3,177	6.27	\$507	0.70x
Liberty Gold Corp.	TSX:LGD	\$0.36	\$99	\$78	3.10	\$25	0.19x
NovaGold Resources Inc.	TSX:NG	\$4.80	\$1,164	\$1,209	45.00	\$27	0.47x
Osisko Mining Inc.	TSX:OSK	\$4.87	\$1,348	\$1,250	7.91	\$158	0.95x
Perpetua Resources Corp.	TSX:PPTA	\$13.03	\$610	\$607	4.00	\$152	0.60x
Seabridge Gold Inc.	TSX:SEA	\$23.53	\$1,538	\$1,858	180.00	\$10	0.31x
Skeena Resources Limited	TSX:SKE	\$12.18	\$941	\$878	0.40	\$2,185	0.63x
Snowline Gold Corp.	TSXV:SGD	\$5.50	\$632	\$589	7.31	\$81	0.34x
Solaris Resources Inc.	TSX:SLS	\$3.23	\$380	\$366	3.30	\$111	0.16x
SolGold Plc	TSX:SOLG	\$0.18	\$0	\$197	31.30	\$6	0.13x
Selected Company Average						\$326	0.45x
Lumina Gold Corp.	TSXV:LUM	\$0.57	\$172	\$206	37.85	\$5	0.15x

CFPS and NAV sourced from Capital IQ.

US:CAD 1.36

Source: Capital IQ



Significant Investment Risks

- ◆ **Valuation Risk – High:** Valuation Risk is high as the potential for fluctuations in market sentiment and changes to project development timelines and capex/opex estimates is difficult to accurately quantify. Our estimates and forecasts are based on management guidance, comparable projects, technical reports if available, and our own expertise and research.
- ◆ **Forecast Risk – High:** Our formal valuation is based on a long-term gold price of US\$2,000/oz gold. Volatility in gold pricing is a reality of the present global economic environment, and the price of gold tends to be less predictable than that of other commodities, where supply/demand fundamentals are more influential. A significant decrease in gold prices could impair the Company's ability to generate a reasonable rate of return and/or enough cash flow from operations to meet financial obligations. Many of the Company's projects are not in production and have seen limited historical production and only limited exploration and technical programs.
- ◆ **Political Risk – High:** Lumina's assets are in Ecuador, a jurisdiction that historically has experienced elevated geopolitical risk. In addition, Lumina is exposed to risk uncertainty about the prevailing fiscal and tax regimes that the Ecuadorian Government may implement for mining operations. Ecuador ranked 75th of 86 jurisdictions in the Policy Perception Index, and 64th in the Investment Attractiveness Index in the Fraser Institute's Annual Survey of the Mining Industry (published in 2023).



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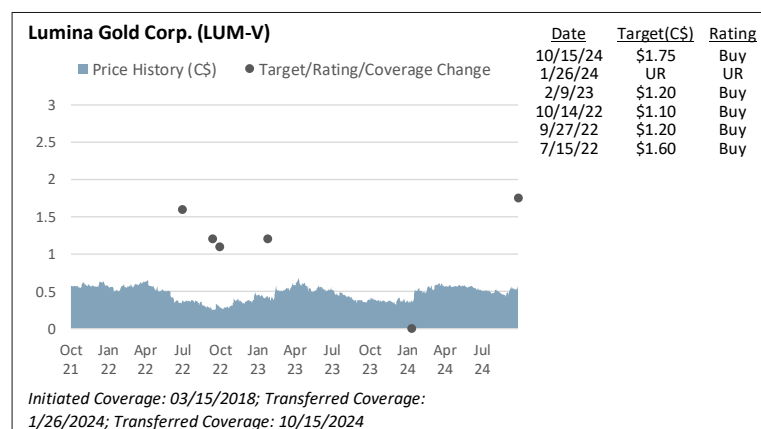
Ticker	Company	1	2	3	4	5	6	7	8
TSXV:LUM	Lumina Gold Corp.			X					
TSX:OSK	Osisko Mining Corp.			X					
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Distribution of Ratings (as of October 15, 2024)

	%	#	IB Clients (TTM)
Buy	83.3%	70	100.0%
Hold	1.2%	1	0.0%
Sell	0.0%	0	0.0%
Tender	1.2%	1	0.0%
UR	3.6%	3	0.0%
Dropped (TTM)	10.7%	9	0.0%

Price Chart, Rating and Target Price History (as of October 15, 2024)



B: Buy; H: Hold; S: Sell; T: Tender; UR: Under Review
Source: Capital IQ and Haywood Securities

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