LUMINA GOLD CORP.

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

TSX-V: LUM

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Lumina Gold Corp.

Opinion

We have audited the consolidated financial statements of Lumina Gold Corp. (the Entity), which comprise:

- the consolidated statements of financial position as at December 31, 2024 and December 31, 2023
- the consolidated statements of loss and comprehensive loss for the years then ended
- the consolidated statements of cash flows for the years then ended
- the consolidated statements of changes in equity (deficit) for the years then ended
- and notes to the consolidated financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2024 and December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) in the financial statements, which indicates that the Entity has incurred recurring losses and has an accumulated deficit. The Entity expects to incur further losses in the development of its mineral exploration project, the funds currently advanced under the precious metals purchase agreement remain subject to repayment, and the Entity will be required to obtain additional funding in the future.

As stated in Note 2(c) in the financial statements, these events or conditions, along with other matters as set forth in Note 2(c) in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Entity's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the "***Material Uncertainty related to Going Concern***" section of the auditor's report, we have determined the matter described below to be the key audit matter to be communicated in our auditor's report.

Valuation of the Stream Conversion Option derivative liability

Description of the matter

We draw attention to Notes 3(g), 4, 12, 18(b), and 19(c) to the financial statements. On May 16, 2023, the Entity entered into a gold stream arrangement with a counterparty in exchange for $48 million of pre-construction funding (to be received in instalments over time). The Entity has determined that the gold stream arrangement includes an embedded derivative liability (the "Stream Conversion Option derivative liability") which is measured at fair value. The fair value of the Stream Conversion Option derivative liability is $22,266,382 and is calculated using a Monte-Carlo simulation. Significant assumptions in determining the fair value of the Stream Conversion Option derivative liability include:

- estimated future gold deliveries
- gold prices
- gold price volatility
- discount rates, including the credit spread of the counterparty and the Entity.

Why the matter is a key audit matter

We identified the valuation of the Stream Conversion Option derivative liability as a key audit matter. This matter represented an area of significant risk of material misstatement given the magnitude of the Stream Conversion Option derivative liability and the high degree of estimation uncertainty in determining the fair value of the Stream Conversion Option derivative liability.

In addition, significant auditor judgment and specialized skills and knowledge were required in evaluating the results of our audit procedures, due to the sensitivity of the Entity's determination of the fair value of the Stream Conversion Option derivative liability to minor changes to certain significant assumptions.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

- We involved valuations professionals with specialized skills and knowledge who assisted in evaluating the valuation of the Stream Conversion Option derivative liability. The valuations professionals developed an independent fair value estimate using a Monte-Carlo simulation which incorporated independently determined assumptions for gold prices, gold price volatility, and discount rates, including the credit spread of the counterparty and the Entity.
- We compared the estimated future gold deliveries to the production schedule prepared for the Cangrejos Gold-Copper Project NI 43-101 Technical Report on the Pre-feasibility Study, which has an effective date of April 7, 2023.

Other Information

Management is responsible for the other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG LLP

The engagement partner on the audit resulting in this auditor's report is John A. Desjardins.

Vancouver, Canada

April 29, 2025

LUMINA GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in U.S. dollars)

	Note	December 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash	6	$ 7,282,286	$ 13,635,595
Prepaid expenses		169,316	163,545
Other		60,460	31,128
Total current assets		7,512,062	13,830,268
Non-current assets			
Land deposits	7	-	2,050,000
Property and equipment	8	11,703,586	4,359,557
Exploration and evaluation assets	9(a)	1,701,100	1,701,100
Environmental deposit		54,728	56,448
Total assets		$ 20,971,476	$ 21,997,373
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 1,891,849	$ 950,977
Lease obligations	8	-	46,727
Gold Stream Early Deposit liability	12	38,020,452	20,167,837
Stream Conversion Option derivative liability	12	22,266,382	8,799,354
Total liabilities		62,178,683	29,964,895
EQUITY (DEFICIT)			
Share capital	13	121,053,690	120,259,151
Share-based payment reserve		9,990,476	8,580,913
Accumulated deficit		(172,251,373)	(136,807,586)
Total deficit		(41,207,207)	(7,967,522)
Total liabilities and deficit		$ 20,971,476	$ 21,997,373

Going concern (Note 2(c))
Commitments and contingent liabilities (Note 23)
Subsequent events (Notes 9(a) and 24)

APPROVED BY THE DIRECTORS

"Marshall Koval"
Director

"Donald Shumka"
Director

LUMINA GOLD CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the years ended December 31, 2024 and 2023

(expressed in U.S. dollars)

	Note		Year ended December 31, 2024		2023
Expenses					
Exploration and evaluation ("E&E") expenditures	9(b), 21	$	15,580,644	$	13,834,516
Fees, salaries and other employee benefits	15, 21		3,630,724		1,845,310
General and administration ("G&A")	21		631,122		470,661
Professional fees			660,544		475,919
Insurance			47,141		44,484
			(20,550,175)		(16,670,890)
Other income (expenses)					
Change in fair value of derivative liabilities	11, 12		(10,988,800)		1,840,924
Gain on land and other land rights sold in exchange for mineral concession	9(a)		-		323,147
Interest income and other			255,512		198,497
Interest and financing expense	10, 12		(4,134,413)		(3,183,770)
Foreign exchange (loss) gain			(25,911)		239,580
			(14,893,612)		(581,622)
Net loss and comprehensive loss for the year		$	(35,443,787)	$	(17,252,512)
Loss per share – basic and diluted	16	$	(0.09)	$	(0.04)
Weighted average number of shares outstanding – basic and diluted	16		416,258,147		385,238,421

See Accompanying Notes to the Consolidated Financial Statements

LUMINA GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

(expressed in U.S. dollars)

	Note	Year ended December 31, 2024	2023
Operating activities			
Loss for the year		$ (35,443,787)	$ (17,252,512)
Adjustment for non-cash items:			
Depreciation	8	233,848	184,873
Gain on land sold in exchange for mineral concession	9(a)	-	(215,542)
Environmental deposit interest earned		(4,532)	(3,061)
Foreign exchange on loan	10	-	(240,348)
Change in fair value of derivative liabilities	11, 12	10,988,800	(1,840,924)
Share-based payment	14	1,660,107	988,671
Deduct: interest income		(249,812)	(189,040)
Add: interest and financing expense		4,134,413	3,183,770
Net changes in non-cash working capital items:			
Prepaid expenses		(5,771)	(68,786)
Other		(29,332)	21,391
Accounts payable and accrued liabilities		940,872	(73,549)
Net cash utilized in operating activities		(17,775,194)	(15,505,057)
Investing activities			
Land deposit	7	-	(2,050,000)
Expenditures on property and equipment	8	(5,492,732)	(418,045)
Environmental deposit return		6,251	-
Interest received		249,812	189,040
Net cash utilized in investing activities		(5,236,669)	(2,279,005)
Financing activities			
Payment of lease obligations	8	(81,872)	(41,631)
Payment of interest on lease obligations	8	(3,569)	(5,668)
Loan proceeds	10	-	2,220,618
Loan interest paid	10	-	(917,303)
Net proceeds received for Gold Stream Early Deposit	12	16,200,000	28,531,797
Shares issued on exercise of warrants	11, 13	-	836,636
Shares issued on exercise of stock options	13, 14	543,995	-
Net cash provided by financing activities		16,658,554	30,624,449
(Decrease) increase in cash		(6,353,309)	12,840,387
Cash, beginning of year		13,635,595	795,208
Cash, end of year	6	$ 7,282,286	$ 13,635,595

Non-cash investing and financing activities: see Note 8 for details of right-of-use asset additions, Notes 10 and 11 for details of shares issued to settle the Company’s loan and Notes 8 and 9(a) for gain on exchange of land sold for mineral concession.

LUMINA GOLD CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

For the years ended December 31, 2024 and 2023

(expressed in U.S. dollars)

	Note	Share Capital Number of shares	Share Capital Amount	Share-based Payment Reserve	Accumulated Deficit	Total
Balance, December 31, 2022		376,356,273	$ 107,958,475	$ 7,592,242	$ (119,555,074)	$ (4,004,357)
Shares issued on exercise of warrants	13(a)	3,000,000	1,207,606	-	-	1,207,606
Shares issued on conversion of loan	13(b)	36,484,604	11,093,070	-	-	11,093,070
Share-based payment	14	-	-	988,671	-	988,671
Comprehensive loss		-	-	-	(17,252,512)	(17,252,512)
Balance, December 31, 2023		415,840,877	$ 120,259,151	$ 8,580,913	$ (136,807,586)	$ (7,967,522)
Shares issued on exercise of stock options	13(c)	1,417,835	794,539	(250,544)	-	543,995
Share-based payment	14	-	-	1,660,107	-	1,660,107
Comprehensive loss		-	-	-	(35,443,787)	(35,443,787)
Balance, December 31, 2024		417,258,712	$ 121,053,690	$ 9,990,476	$ (172,251,373)	$ (41,207,207)

1. NATURE OF OPERATIONS

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

Lumina's head office and principal business address is Suite 3200, 733 Seymour Street, Vancouver, British Columbia, V6B 0S6. Lumina's registered and records office is located at 1200 – 200 Burrard Street, Vancouver, British Columbia, V7X 1T2.

2. BASIS OF PREPARATION AND GOING CONCERN

(a) Statement of compliance

These consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements were approved and authorized for issue by the Board of Directors ("Board") on April 29, 2025.

(b) Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss, and are presented in U.S. dollars, except as specifically noted for Canadian dollar amounts shown as "C$".

(c) Going concern

These consolidated 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. To December 31, 2024, the Company has incurred cumulative losses of $172,251,373. Additionally, the Company has a net loss of $35,443,787 for the year ended December 31, 2024, and utilized cash in operating activities of $17,775,194. The ability of the Company to continue as a going concern is dependent upon satisfying the conditions and obligations contained within the terms of its precious metals purchase agreement (see Note 12), 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 (see Note 24). The Company believes that it will be able to continue as a going concern for the foreseeable future based on the Company's historical and anticipated ability to raise additional financing to further advance the Company's Cangrejos Project, the future funding scheduled to be provided under its precious metals purchase agreement, and indications of shareholder support. However, the Company will continue to incur losses in the development of its mineral exploration project and the funds currently advanced under the precious metals purchase agreement remain subject to repayment, as further described in Note 12 and, as noted above, the Company will require additional funding in the future. There can be no assurance that Management's plans to raise additional financing to further advance the Cangrejos Project 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 consolidated 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.

(d) Changes in material accounting policies

In January 2020, the IASB issued *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)*, which amended IAS 1, *Presentation of Financial Statements* ("IAS 1") to clarify the requirements for presenting liabilities in the statement of financial position as current or non-current. In October 2022, the IASB issued *Non-current Liabilities with Covenants*, which amended IAS 1 to improve the information an entity provides when its right to defer settlement of a liability for at least 12 months after the reporting period is subject to compliance with covenants and to clarify how such compliance affects the classification of the liability as current or non-current.

2. BASIS OF PREPARATION AND GOING CONCERN (continued)

(d) Changes in material accounting policies (continued)

For a liability to be classified as non-current, the amendments removed the requirement for the Company's right to defer settlement of a liability for at least 12 months after the reporting period to be 'unconditional' and instead require that the Company's right must exist at the end of the reporting period. In addition, the amendments clarify that: (a) classification is unaffected by Management's intentions or expectations about whether the Company will exercise its right to defer settlement; (b) for loan arrangements that are subject to covenants, only covenants that the Company must comply with on or before the reporting date affect the classification of a liability as current or non-current at such date; (c) if the Company's right to defer settlement is subject to the Company complying with covenants on or before the reporting date, such covenants affect whether the Company's right exists at the end of the reporting period even if compliance with the covenant is assessed only after the reporting period; and (d) the term settlement includes the transfer of the Company's own equity instruments to the counterparty that results in the extinguishment of the liability, except when the settlement of the liability with the Company transferring its own equity instruments is at the option of the counterparty and such option has been classified as an equity instrument, separate from the host liability.

The amendments also require new disclosures for non-current liabilities that are subject to future covenants to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The required disclosures include (i) the nature of the covenants; (ii) when the Company is required to comply with the covenants; (iii) the carrying amounts of the related liabilities; and (iv) facts and circumstances, if any, that indicate the Company may have difficulty complying with the covenants.

The Company applied the above amendments effective January 1, 2024. The amendments did not have any impact on the classification of the Company's liabilities as at December 31, 2023.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The Company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

(a) Basis of consolidation

These consolidated financial statements include the financial statements of Lumina and its wholly owned subsidiaries, which are controlled by Lumina. Control is achieved when Lumina (as the parent company) is exposed, or has rights, to variable returns from its involvement with the investees and has the ability to affect those returns through its power over the investee. Specifically, Lumina controls an investee if, and only if, it has all of the following: (i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect its returns.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions, balances, income and expenses are eliminated on consolidation.

(b) Presentation currency and foreign currency translation

The consolidated financial statements are presented in United States dollars which is also the functional currency of each entity in the Company.

Foreign currency transactions are translated into the functional currency of each entity within the Company using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of foreign currency denominated monetary items at reporting period end exchange rates are recognized in the consolidated statement of loss.

Non-monetary assets and liabilities that are measured at historical cost are translated using the exchange rates in effect at the time of the initial transaction and are not subsequently re-measured at reporting period ends.

(c) Exploration and evaluation licenses

All direct costs related to the acquisition of mineral property interests ("E&E Assets") are capitalized into exploration and evaluation assets (an intangible asset) on a property by property basis. License costs paid in connection with a right to explore in an exploration area, for a period in excess of one year, are capitalized and amortized over the term of the license.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Acquisition of mineral property interests

The Company treats the acquisition of a mineral property interest as either a business combination or asset purchase. The determination of treatment is based upon an assessment of factors at the time of acquisition. A business combination is a transaction in which control over one or more businesses is obtained. A business is defined as an integrated set of activities and assets that is capable of creating outputs which provide a positive economic return to stakeholders. If the integrated set of activities and assets is in the exploration or development stage and therefore does not have outputs, the Company considers other factors to determine if the assets are a business. These include, but are not limited to, whether the set of activities and assets:

(a) has planned principal activities;
(b) has identified mineral reserves and processes needed to generate the inputs required for output production;
(c) is pursuing a plan to produce outputs; and
(d) will be able to sell the produced outputs.

Not all of the above factors need to be present for a particular integrated set of activities and assets in the development stage to qualify as a business.

Business acquisitions are accounted for using the acquisition method, in which the acquired assets and liabilities are recorded at fair value at the date of acquisition. Direct costs associated with a business combination are expensed as incurred. Acquisitions in which a business is not acquired are treated as an asset purchase. Under an asset purchase, the fair value of the consideration provided is allocated to the individual fair value of assets and liabilities assumed at the time of acquisition. The costs of acquisition for an asset acquisition are deferred and capitalized in the period they are incurred. In the event the acquisition is not completed, these costs would be immediately expensed.

(e) Exploration and evaluation expenditures

Exploration and evaluation activities prior to acquiring an interest in a mineral concession area, including costs associated with applying for new mineral concessions, are charged to operations as pre-exploration and evaluation expenditures. Exploration costs, net of incidental revenues, are charged to operations in the year incurred up to the date the technical feasibility and commercial viability of extracting a mineral resource are demonstrable for a project and on receipt of project development approval from the Board. Approval from the Board will be dependent on the Company obtaining necessary permits and licenses to develop the mineral property. At this point, exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment. Costs to acquire easements for land access and other similar rights are charged to operations as exploration and evaluation expenses. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated reserves as the depletion base.

Although the Company has taken steps to verify the title to the exploration and evaluation assets in which it has an interest, in accordance with industry practices for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

(f) Property and equipment

Property and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property and equipment consists of the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Depreciation is provided at rates calculated to expense the cost of equipment, less its estimated residual value, over the following expected useful lives:

Property and equipment	5% to 33% straight-line basis
Right-of-use assets	Straight-line over shorter of (i) the term of the lease or (ii) the estimated useful life of the asset

Items of property and equipment are derecognized upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of loss when the asset is derecognized. The assets’ residual values, useful lives and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate. Land held is stated at cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(g) Financial Instruments

Non-derivative financial assets

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

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

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

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

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

Financial liabilities

Financial liabilities are recognized initially at fair value, net of transaction costs incurred and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in the consolidated statement of loss over the period to maturity using the effective interest method.

Derivative liabilities

Derivatives are initially recognized at their fair value on the date the derivative contract is entered into, and transaction costs are expensed. The Company’s derivatives are subsequently re-measured at their fair value at each statement of financial position date with changes in fair value recognized in the consolidated statement of loss.

As the exercise price of the Company’s share purchase warrants and convertible loan shares (the “Convertible Units”) are fixed in Canadian dollars, and the functional currency of the Company is the U.S. dollar, these warrants and Convertible Units are considered derivatives as a variable amount of cash in the Company’s functional currency will be received on exercise. Accordingly, these share purchase warrants and the Convertible Units are classified and accounted for as a derivative liabilities. The fair value of the warrants and Convertible Units are determined using the Black Scholes option pricing model at inception, the relevant period-end dates and the dates of exercise or conversion.

Management has identified an embedded derivative in the Early Deposit (see Note 12) that arises from the Company’s requirement to receive future tranches of the Early Deposit and Wheaton’s right to request a refund of the Early Deposit from the Company and to not fund the Upfront Payment (together, the “Stream Conversion Option”). The Stream Conversion Option is an embedded derivative because its value changes based on changes in the price of gold and interest rates. The Stream Conversion Option is classified and accounted for as a derivative liability. The fair value of the Stream Conversion Option is calculated using a Monte-Carlo simulation (see Note 18(b)).

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(h) Impairment of assets

Non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that the assets are impaired. For exploration and evaluation assets (and tangible assets related thereto such as land and equipment), the Company considers the following indicators of impairment: (i) whether the period for which the Company has the right to explore has expired in the period or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditures on further exploration for and evaluation of mineral resources is neither budgeted nor planned; (iii) exploration and evaluation have not led to the discovery of commercially viable mineral resources and activities are to be discontinued; (iv) sufficient data exists to indicate that, although a development in the area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale; and (v) other factors that may be applicable such as a significant drop in metal prices or deterioration in the availability of equity financing. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate largely independent cash inflows, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Recoverable amount is the higher of fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the consolidated statement of loss. An impairment loss recognized in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amount of the other assets in the cash-generating unit on a pro-rata basis.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior periods. A reversal of an impairment loss is recognized in the consolidated statement of loss.

(i) Taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the consolidated statement of loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not recognized on the initial recognition of goodwill, on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction, and on temporary differences relating to investments in subsidiaries and jointly controlled entities where the reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured, without discounting, at the tax rates that are expected to apply when the assets are recovered and the liabilities settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilized.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(i) Taxes (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities and assets are expected to be settled or recovered.

(j) Share-based payments

Lumina has an Omnibus Equity Incentive Plan under which it grants stock options and restricted share units ("RSUs") to directors, employees, consultants and service providers.

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services. Share-based payments relating to stock options to employees and Directors are measured at the grant date fair value of the equity instruments issued and are amortized over their applicable vesting periods. The offset to the recorded cost is to contributed surplus. Consideration received on the exercise of stock options is recorded as share capital upon exercise, with the related contributed surplus transferred to share capital.

RSUs do not require the payment of any monetary consideration to the Company. Instead, they represent the right to receive common shares, or a payment representing common shares, following the attainment of vesting criteria determined at date of grant, notably a requirement that an individual remains eligible for awards for a specified period of time. The option to settle the RSUs in common shares or cash is at the Company's election, and the Company intends to settle its RSUs with common shares issued from treasury.

RSUs are share-based payments, which are measured at the grant date fair value and amortized over their applicable vesting periods. The offset to the recorded cost is to share-based payment reserve, and ultimately any amounts in share-based payment reserve are transferred to share capital upon settlement of the RSUs with common shares.

4. USE OF JUDGMENTS AND ESTIMATES

The preparation of the Company'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 consolidated financial statements are discussed below.

Going concern

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(c) when making its going concern assessment.

Exploration and evaluation assets

The application of the Company'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 the consolidated statement of loss in the period when the new information becomes available. The carrying value of these assets is detailed at Note 9(a).

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. Significant assumptions related to share-based payments are disclosed in Note 14.

4. USE OF JUDGMENTS AND ESTIMATES (continued)

Valuation of Gold Stream and derivative liabilities

The valuation of the Company's derivative financial instruments requires the use of option pricing models or other valuation techniques. Measurement of warrants and convertible loans with exercise prices denominated in Canadian dollars that are not listed for trading is based on an option pricing model that uses assumptions with respect to share price, expected life, share price volatility and discount rates. Changes in these assumptions and estimates could result in changes in the fair value of these instruments and a corresponding change in the amount recognized in net income (loss). Significant assumptions related to derivatives are disclosed in Notes 11 and 12.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Management uses its judgment to select a method of valuation and make estimates of specific model inputs that are based on conditions, including market, existing at the end of each reporting period. See Note 12 for further details on the methods and assumptions associated with the measurement of the precious metals purchase agreement liabilities.

There is a high degree of estimation uncertainty associated with the assumptions in the models used to value the components of the precious metals purchase agreement liabilities. Management also used its judgment to select a maturity date for the host debt financial liability component of the Early Deposit. Changes in assumptions or estimates used in determining the fair value of the financial instruments could impact the values attributed to the components of the precious metals purchase agreement liabilities in the consolidated statement of financial position. Such a change would also impact the accretion and fair value movements in the consolidated statement of loss and comprehensive loss for the period.

5. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Below are new standards, amendments to existing standards and interpretations that have been issued and are not yet effective. The Company plans to apply the new standards or interpretations in the annual period for which they are effective.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of loss and comprehensive loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net income (loss) will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's consolidated statement of loss and comprehensive loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently included under other income (expenses).

6. CASH

The Company's cash, by currency, at December 31, 2024 and December 31, 2023 was as follows:

		December 31, 2024		December 31, 2023
Cash at bank and in hand denominated in U.S. dollars	$	7,078,918	$	13,519,887
Cash at bank and in hand denominated in Canadian dollars		203,368		115,708
	$	7,282,286	$	13,635,595

7. LAND DEPOSIT

At December 31, 2023, the Company had made advance payments totalling $2,050,000 related to a land purchase agreement which was completed in February 2024 with an additional payment of $4,279,210. There were no land deposits at December 31, 2024.

(expressed in U.S. dollars)

8. PROPERTY AND EQUIPMENT AND LEASE OBLIGATIONS

	Land[1]	Property & equipment	Right-of-use ("ROU") assets	Total
Cost				
December 31, 2022	$ 2,708,805	$ 1,766,178	$ 75,351	$ 4,550,334
Additions	550,427	83,160	49,717	683,304
Disposals	-	-	(38,137)	(38,137)
December 31, 2023	3,259,232	1,849,338	86,931	5,195,501
Additions	7,534,168	8,564	42,640	7,585,372
Disposals	-	-	(7,495)	(7,495)
December 31, 2024	$ 10,793,400	$ 1,857,902	$ 122,076	$ 12,773,378
Accumulated Depreciation				
December 31, 2022	$ -	$ 651,071	$ 38,137	$ 689,208
Depreciation for the year	-	144,640	40,233	184,873
Disposals	-	-	(38,137)	(38,137)
December 31, 2023	-	795,711	40,233	835,944
Depreciation for the year	-	152,005	81,843	233,848
December 31, 2024	$ -	$ 947,716	$ 122,076	$ 1,069,792
Net book value				
December 31, 2023	$ 3,259,232	$ 1,053,627	$ 46,698	$ 4,359,557
December 31, 2024	$ 10,793,400	$ 910,186	$ -	$ 11,703,586

[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. During the year ended December 31, 2024, the Company applied a previously advanced amount of $2,050,000 to land upon completion of a land purchase agreement. See Note 9(a) for details on the non-cash $215,542 land addition during the year ended December 31, 2023.

Depreciation expense relating to property and equipment utilized in exploration and evaluation ("E&E") activities is expensed to E&E and is included in field office costs.

ROU assets and lease obligations

The Company has recognized ROU assets in relation to leases for office space and warehouses in Ecuador. At December 31, 2024, the lease liability was $Nil (December 31, 2023 - $46,727).

9. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

(a) Exploration and evaluation assets

At December 31, 2024, the Company had six mineral concessions (December 31, 2023 – six) located near Machala in southwest Ecuador, collectively known as the "Cangrejos Project" and representing a land area of 5,682 hectares. The carrying value of the Company's Cangrejos Project's exploration and evaluation asset at December 31, 2024 is $1,701,100 (December 31, 2023 - $1,701,100).

On March 21, 2023, the Company concluded a transaction whereby a mineral concession of 691 hectares was exchanged for approximately 218 hectares of land and surface possessory rights with an arm's length party to allow the Company to gain access to the land for future operational requirements. The value of the land in the amount of $215,542 has been added to land assets (see Note 8) while the value of the possessory rights in the amount of $107,605 has been expensed to mineral rights and property fees (see Note 9(b)), consistent with the accounting treatment for similar access rights obtained in prior periods. As the concession transferred did not have an associated carrying value on the consolidated statement of financial position, a gain on the transaction of $323,147 has been recognized in the consolidated statement of loss and comprehensive loss.

In December 2021, an Exploration Investment Protection Agreement ("EIPA") for the Cangrejos Project was signed with the Government of Ecuador (the "Government"). The EIPA provides a foundation that can be built upon as the Cangrejos Project advances, leading towards future negotiation of an Exploitation Agreement and Exploitation Investment Protection Agreement required for mine construction and operations. Such further negotiations are ongoing. The EIPA explicitly covers an investment totalling a minimum of $36 million for the period 2019-2024 and also covers investments by the Company in Ecuador from December 2010 to the end of 2018. At December 31, 2024, the Company's total expenditures have exceeded the $36 million minimum requirement.

(expressed in U.S. dollars)

9. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(a) Exploration and evaluation assets (continued)

The agreement also extends to any additional investments made in Ecuador during the period to 2024 and beyond. Under the terms of the EIPA, the Government pledges to maintain legal certainty and stability for the Company's investment, as well as to provide non-discriminatory treatment compared to other similar projects with regards to the administration, operation, expansion, and transfer of the Company's investments. In addition, the Government commits that it will not subject the Company and its investments to arbitrary or discriminatory measures. The guarantee also extends to property rights, barring any confiscation or other termination of rights without fair compensation, and also forbids restrictions on the legal transfer of the investment (e.g., the project or local holding companies) by the Company or its shareholders. The agreement also contains detailed procedures for dispute resolution, with arbitration in London pursuant to the rules of the International Chamber of Commerce.

On February 20, 2025, the Company signed an addendum to the EIPA which specifically includes the value of investments made since 2010. The increased amount of investment protected by the EIPA is $79 million. Other terms and conditions of the EIPA remain unchanged.

As at December 31, 2024 and 2023, the Company did not have any asset retirement obligations.

To maintain its mineral concessions the Company is required to meet certain annual spending requirements as communicated to the Government of Ecuador (see Note 23).

(b) Exploration and evaluation expenditures

The Company's exploration and evaluation expenditures on its Cangrejos Project for the years ended December 31, 2024 and 2023 are as follows:

	Year ended December 31, 2024	2023
Assays / Sampling	$ 113,384	$ 308,012
Camp	1,038,419	1,160,813
Camp access and improvements	54,709	200,832
Drilling	615,942	4,075,162
Engineering	5,174,731	2,005,605
Environmental, Health & Safety	981,622	841,307
Field office	888,817	572,187
Geological consulting	943,474	504,997
Geological and field staff	394,330	636,773
Legal fees	193,193	55,071
Metallurgical	996,430	491,864
Mineral rights and property fees	344,988	426,057
Project management(1)	1,523,665	1,001,506
Reports	289,999	121,067
Social and community(1)	898,421	608,716
Share-based payment (Note 14)	475,777	314,961
Transportation and accommodation	652,743	509,586
Costs incurred during the year	$ 15,580,644	$ 13,834,516
Cumulative E&E incurred, beginning of year (2)	$ 82,303,004	$ 68,468,488
E&E incurred during the year	15,580,644	13,834,516
Cumulative E&E incurred, end of year	$ 97,883,648	$ 82,303,004

(1) Expenses classified and recorded as project management and social and community costs include key management personnel costs (see Note 21).
(2) E&E expenditures have been disclosed on a cumulative basis since January 1, 2004.

10. LOAN

At December 31, 2024, the Company did not have any outstanding loans. On October 26, 2023, $10,849,910 (C$15,000,000) principal, $234,021 (C$323,534) interest and $422,789 in deferred financing costs remaining related to the Company's loan from Ross Beaty were converted into 36,484,604 common shares of Lumina. On November 28, 2023, $917,303 (C$1,250,753) of accrued interest on the loan was repaid in cash.

The following is a summary of the changes in loans and borrowings arising from investing and financing activities for the year ended December 31, 2023:

Balance, December 31, 2022	$	7,974,963
Draws on loans, net of deferred financing costs		1,460,417
Accretion and accrued interest		2,383,413
Loan, interest and deferred financing costs converted to common shares		(10,661,142)
Interest paid		(917,303)
Foreign exchange gain		(240,348)
Balance, December 31, 2023	$	-

11. DERIVATIVE LIABILITIES – WARRANTS AND CONVERTIBLE UNITS

(a) Warrants

The Company issued 3,000,000 share purchase warrants at an exercise price of C$0.38 per common share as part of the loan from Ross Beaty in July 2022. As the exercise price of the Company's share purchase warrants was fixed in Canadian dollars, these warrants were considered a derivative as a variable amount of cash in the Company's functional currency would be received on exercise. Accordingly, these warrants were classified and accounted for as a derivative liability at fair value through profit or loss. The fair value of the warrants was determined using the Black Scholes option pricing model at the time the warrants were issued, exercised and at each period-end date. All the warrants were exercised on March 28, 2023, for proceeds of C$1,140,000 ($836,636) at which time the $370,970 fair value of the warrants derivative liability was derecognized and recorded to equity together with the proceeds from the exercise of the warrants.

During the year ended December 31, 2023, the Company recognized a fair value loss of $239,234 pertaining to the warrant derivative liability.

(b) Convertible Units arising from Amended Standby Loan

The Company' amended the loan from Ross Beaty in December 2022 (see Note 10) to include a convertible feature whereby the loan could be converted, at the option of the loan provider, to common shares of the Company at a rate of C$0.42 per common share for a total of up to 36,484,605 common shares. As the exercise price of the Company's Convertible Units was fixed in Canadian dollars, while the Company's functional currency is the U.S. dollar, these Convertible Units were considered a derivative as a variable amount of cash in the Company's functional currency would be received on exercise. Accordingly, these Convertible Units were classified and accounted for as a derivative liability at fair value through profit or loss. The fair value of the Convertible Units was determined using the Black Scholes option pricing model at the time the Convertible Units were issued and at each period-end date.

(expressed in U.S. dollars)

11. DERIVATIVE LIABILITIES – WARRANTS AND CONVERTIBLE UNITS (continued)

(b) Convertible Units arising from Amended Standby Loan (continued)

During the year ended December 31, 2023, the Company recognized a fair value gain of $1,720,864 pertaining to the Convertible Units. On October 26, 2023, C$15,000,000 principal and C$323,534 interest related to the loan with Ross Beaty was converted into 36,484,604 common shares of Lumina at which time the $431,928 fair value of the Convertible Units derivative liability was derecognized and recorded to equity together with the $10,661,142 carrying value of the loan and interest converted to common shares. The fair value of the Convertible Unit derivative liability at the conversion date was determined with Black-Scholes using the following inputs:

	October 26, 2023
Risk-free interest rate	4.77%
Expected dividend yield	-
Expected stock price volatility	40%
Expected life in years	0.18
Share price	C$0.39
Convertible price per common share	C$0.42
Exchange rate (U.S. Dollar to Canadian Dollar)	1.3826
Number of Convertible Units outstanding	36,484,604
Fair value	$431,928
Fair value per Convertible Unit	$0.01

12. GOLD STREAM

On May 16, 2023, the Company entered into a precious metals purchase agreement (the “Gold Stream”) with Wheaton Precious Metals International Ltd., a wholly owned subsidiary of Wheaton Precious Metals Corp., (“Wheaton”) in relation to the Cangrejos Project. The Gold Stream initially represents 6.6% of the payable gold produced from the Cangrejos Project in exchange for $48 million of pre-construction funding (the “Early Deposit”) and $252 million of construction funding (the “Upfront Payment”). The Gold Stream is composed of two funding segments, (i) the Early Deposit to be paid during the completion of a feasibility study (as such term is defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*) and permitting period, and (ii) the Upfront Payment to be paid during the construction of the Cangrejos Project.

The Early Deposit of $48 million is comprised of four components: (i) $12 million to be paid on the date that is 10 days following the signing of the Gold Stream (the “Closing Date”) (received on May 26, 2023); (ii) $10 million to be paid on the date that is 6 months following the Closing Date (received on November 24, 2023); (iii) $15 million to be paid on the date that is 12 months following the Closing Date ($9 million received on May 31, 2024 and $6 million received on December 2, 2024); and (iv) a $11 million facility that may be drawn upon for specific pre-construction capital items (of which $6.7 million was received on November 24, 2023 and $1.2 million on May 31, 2024). Wheaton retains a right to request a refund of all of the Early Deposit, except for $2 million, until such time as 90 days after the completion of the feasibility study which has a deadline of May 26, 2025 (the “Feasibility Documentation Option”). The payment terms for the Gold Stream were amended in May 2024 such that the $15 million payment scheduled to be received at that time was modified with $9 million payable immediately and $6 million payable on December 2, 2024. This amendment was made because the Company had not finalized terms for the exploitation contract with the Government of Ecuador, which was a condition for the $15 million being received.

The $252 million Upfront Payment will be funded throughout the estimated two and a half-year construction period for the Cangrejos Project. In return for the Early Deposit and Upfront Payment, the Company will sell 6.6% of the payable gold from the Cangrejos Project until 700,000 ounces of gold have been delivered, at which point the Gold Stream will be reduced to 4.4% of the payable gold production. Wheaton will make ongoing payments for the gold ounces delivered equal to 18% of the spot price of gold until the uncredited deposit is reduced to nil and 22% of the spot price of gold thereafter. The Gold Stream has an initial term of 20 years which can be renewed for successive 10-year periods until Wheaton terminates. In the event of a change of control, the Company may buy back, with a cash payment, one-third of the Gold Stream from Wheaton until the earlier of January 1, 2030, and the date that is 12 months after first production. The Company and its subsidiaries have provided securities and guarantees in favour of Wheaton in respect of their obligations under the Gold Stream.

(expressed in U.S. dollars)

12. GOLD STREAM (continued)

Management has concluded that the Early Deposit is distinct from the Upfront Payment as they are separated by the Feasibility Documentation Option. Until the Feasibility Documentation Option terminates, there is no requirement for Wheaton to fund the Upfront Payment, and therefore until that time, Management has concluded that the Gold Stream with Wheaton has only been partially entered into as regards the Early Deposit.

Management has determined that the Early Deposit has a host debt financial liability component that is measured at amortized cost using the effective interest rate method. The value of the host debt component is being accreted to August 23, 2025, being the date when Wheaton's right to request a refund of the Early Deposit expires. The effective interest rate upon recognition of the liability was 17%. The host debt component of the Early Deposit is presented as a current liability in the Company's consolidated statement of financial position as Wheaton has the right to cancel the Gold Stream and demand repayment within a three month notice period. While the reimbursement of funding must be made within two years, the Company has determined that it cannot avoid making the refund payments earlier due to the Gold Stream's repayment provisions.

Management has identified an embedded derivative in the Early Deposit that arises from the Company's requirement to receive future tranches of the Early Deposit and Wheaton's right to request a refund of the Early Deposit from the Company and to not fund the Upfront Payment (together, the "Stream Conversion Option"). The value of the Stream Conversion Option is sensitive to changes in gold prices, gold price volatility, estimated future gold deliveries, and discount rates which include the credit spread of the counterparty and the Company – see Notes 18(b) and 19(c). The Stream Conversion Option embedded derivative is presented as a current liability in the Company's consolidated statement of financial position as it is considered linked to the host debt being the Gold Stream Early Deposit.

Below is a reconciliation of the Gold Stream Early Deposit host debt liability for the years ended December 31, 2024 and 2023:

Gold Stream Early Deposit payments received from inception of stream deposit	$	28,700,000
Fair value of Stream Conversion Option derivative liability		(9,158,648)
Transaction costs		(168,203)
Accretion		794,688
Gold Stream Early Deposit liability, December 31, 2023		20,167,837
Gold Stream Early Deposit payments received		16,200,000
Fair value of Stream Conversion Option derivative liability		(2,478,228)
Accretion		4,130,843
Gold Stream Early Deposit liability, December 31, 2024	$	38,020,452

Below is a reconciliation of the Stream Conversion Option derivative liability for the years ended December 31, 2024 and 2023:

Fair value of Stream Conversion Option derivative liability on receipt of payments	$	9,158,648
Change in fair value		(359,294)
Stream Conversion Option derivative liability, December 31, 2023		8,799,354
Fair value of Stream Conversion Option derivative liability on receipt of payments		2,478,228
Change in fair value		10,988,800
Stream Conversion Option derivative liability, December 31, 2024	$	22,266,382

(expressed in U.S. dollars)

13. SHARE CAPITAL

Authorized: Unlimited common shares, without par value.

Issued and fully paid:	Number of Common Shares		Amount
Balance, December 31, 2022	376,356,273	$	107,958,475
Shares issued on exercise of warrants (a)	3,000,000		1,207,606
Share issue on exercise of Convertible Units (b)	36,484,604		11,093,070
Balance, December 31, 2023	415,840,877		120,259,151
Share issued on exercise of stock options (c)	1,417,835		794,539
Balance, December 31, 2024	417,258,712	$	121,053,690

(a) On March 28, 2023, a total of 3,000,000 warrants were exercised at a weighted average exercise price of $0.28 (C$0.38) per common share for total proceeds of $836,636. The previously recognized derivative liability relating to these warrants was reclassified from derivative liability to share capital in the amount of $370,970 (see Note 11(a)).

(b) On October 26, 2023, 36,484,604 common shares were issued, as disclosed in Notes 10 and 11(b) to repay the principal and a portion of the accrued interest on the Company's loan, including deferred finance fees, in the amount of $10,661,142 while $431,928 was allocated from the Convertible Unit fair value on October 26, 2023 (see Note 11(b)).

(c) During the year ended December 31, 2024, 1,417,835 stock options were exercised at a weighted average exercise price of $0.38 per common share for total proceeds of $543,995. The previously recognized share-based payment expense relating to these stock options was reclassified from share-based payment reserve to share capital in the amount of $250,544.

14. SHARE-BASED PAYMENTS

The Company's Omnibus Equity Incentive Plan (the "Plan") includes stock options and RSUs whereby the Company may grant equity incentives ("Awards") 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 the Awards 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. Investor relations service providers can only receive options as Awards under the Plan. 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.

(a) Stock options granted

During the year ended December 31, 2024, the Company granted 7,805,000 stock options (2023 – 5,985,000) to directors, officers, employees and consultants at a weighted average exercise price of C$0.49 and expiry date of November 22, 2029 (2023 - C$0.34 and expiry dates ranging from July 6, 2028 to December 18, 2028). The weighted average fair value of the options granted in the year ended December 31, 2024 was estimated at $0.19 per option at the grant date using Black-Scholes (2023 - $0.11). The vesting schedule of 7,680,000 of the options granted in 2024 is ⅓ on the grant date, ⅓ one year after the grant date and ⅓ two years after the grant date. 125,000 options, which were issued to an investor relations consultant, vest as to ¼ every six months with the initial vesting period after six months.

The fair value used to calculate the compensation expense related to the stock options granted is estimated using Black-Scholes with the following assumptions:

	Year ended December 31, 2024	2023
Risk-free interest rate	3.27%	3.36 – 4.00%
Expected dividend yield	-	-
Expected stock price volatility	63%	46%
Expected option life in years	5	5
Expected rate of forfeiture	0 – 5%	0 – 5%

(expressed in U.S. dollars)

14. SHARE-BASED PAYMENTS (continued)

(a) Stock options granted (continued)

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 year ended December 31, 2024, in the amount of $1,083,269 (2023 - $970,867) has been recorded in the consolidated statements of loss and comprehensive loss. Of this amount, $746,214 (2023 - $660,637) has been included in fees, salaries and other employee benefits (Note 15) and $337,055 (2023 - $310,230) has been expensed to exploration and evaluation expenditures (Note 9(b)).

(b) Outstanding stock options

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

	Year ended December 31, 2024			2023		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of year	32,696,666	C$	0.50	31,597,465	C$	0.54
Granted	7,805,000	C$	0.49	5,985,000	C$	0.34
Expired	(5,842,165)	C$	0.54	(4,885,799)	C$	0.56
Exercised	(1,417,835)	C$	0.52	-	-	-
Outstanding, end of year	33,241,666	C$	0.49	32,696,666	C$	0.50

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

December 31, 2024 Options Outstanding					Options Exercisable		
Number of Options	Expiry Date	Weighted average life (years)	Exercise Price		Number of Options	Exercise Price	
4,790,000	November 25, 2025	0.90	C$	0.75	4,790,000	C$	0.75
5,820,000	November 23, 2026	1.90	C$	0.58	5,820,000	C$	0.58
8,946,666	November 18, 2027	2.88	C$	0.405	8,946,666	C$	0.405
350,000	July 6, 2028	3.52	C$	0.52	233,334	C$	0.52
5,530,000	December 18, 2028	3.97	C$	0.33	3,649,173	C$	0.33
7,805,000	November 22, 2029	4.90	C$	0.49	2,560,005	C$	0.49
33,241,666		3.08	C$	0.49	25,999,178	C$	0.51

(expressed in U.S. dollars)

14. SHARE-BASED PAYMENTS (continued)

(b) Outstanding stock options

December 31, 2023								
Options Outstanding					Options Exercisable			
Number of Options	Expiry Date	Weighted average life (years)	Exercise Price		Number of Options	Exercise Price		
50,000	January 29, 2024	0.08	C$	0.54	50,000	C$	0.54	
50,000	January 29, 2024	0.08	C$	0.75	50,000	C$	0.75	
33,334	January 29, 2024	0.08	C$	0.58	33,334	C$	0.58	
25,000	January 29, 2024	0.08	C$	0.405	25,000	C$	0.405	
6,668,332	October 11, 2024	0.78	C$	0.54	6,668,332	C$	0.54	
4,865,000	November 25, 2025	1.90	C$	0.75	4,865,000	C$	0.75	
5,890,000	November 23, 2026	2.90	C$	0.58	5,890,000	C$	0.58	
9,130,000	November 18, 2027	3.88	C$	0.405	6,065,842	C$	0.405	
350,000	July 6, 2028	4.52	C$	0.52	116,667	C$	0.52	
5,635,000	December 18, 2028	4.97	C$	0.33	1,836,672	C$	0.33	
32,696,666		2.95	C$	0.50	25,600,847	C$	0.54	

(c) RSUs

During the year ended December 31, 2024, the Company granted 3,290,000 RSUs (2023 – 3,500,000) to officers, directors, employees and consultants at a grant price of $0.35 (C$0.49) per RSU (2023 – $0.25 (C$0.33)). Granted RSUs vest in three equal instalments beginning one year after the grant date and are subject to a restriction period which ends no later than December 31 of the calendar year three (3) years after the grant date, or as otherwise determined by the Board of Directors. The fair value of the RSUs is the Company's share price on the date of grant. The Company recorded $576,838 in share-based payment costs for year ended December 31, 2024 (2023 - $17,804). Of this amount, $438,116 (2023 - $13,073) has been included in fees, salaries and other employee benefits (Note 15) and $138,722 (2023 - $4,731) has been expensed to exploration and evaluation expenditures (Note 9(b)).

RSUs and weighted average prices are as follows for the reporting periods presented:

	Year ended December 31,					
	2024			2023		
	Number of RSUs		Weighted Average Price	Number of RSUs		Weighted Average Price
Outstanding, beginning of year	3,500,000	C$	0.33	-	C$	-
Granted	3,290,000	C$	0.49	3,500,000	C$	0.33
Outstanding, end of year	6,790,000	C$	0.41	3,500,000	C$	0.33

15. FEES, SALARIES AND OTHER EMPLOYEE BENEFITS

	Year ended December 31,			
		2024		2023
Fees and salaries (Note 21)	$	2,439,690	$	1,169,071
Other benefits		6,704		2,529
Share-based payments (Note 14)		1,184,330		673,710
	$	3,630,724	$	1,845,310

(expressed in U.S. dollars)

16. LOSS PER SHARE

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

	Year ended December 31, 2024	2023
Net loss	$ (35,443,787)	$ (17,252,512)
Weighted average number of common shares outstanding (basic and diluted)	416,258,147	385,238,421
Loss per share – basic and diluted	$ (0.09)	$ (0.04)

Basic loss per share is computed by dividing the net loss 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 and RSUs issued were anti-dilutive for the years ended December 31, 2024 and 2023.

17. 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 available 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.

18. FINANCIAL INSTRUMENTS

(a) Categories of financial assets and financial liabilities

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

	Note	Category	December 31, 2024	December 31, 2023
Cash	6	Amortized cost	$ 7,282,286	$ 13,635,595
Other receivables		Amortized cost	5,774	5,916
Accounts payable and accrued liabilities		Amortized cost	1,891,849	950,977
Lease obligations	8	Amortized cost	-	46,727
Gold Stream Early Deposit liability	12	Amortized cost	38,020,452	20,167,837
Stream Conversion Option derivative liability	12	FVTPL	22,266,382	8,799,354

The recorded amounts for cash, other receivables, 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. The Gold Stream Early Deposit liability is recognized at amortized cost using the effective interest rate method. Lease obligations are initially measured at their fair value with subsequent measurement at amortized cost using the effective interest rate method. Income earned on the Company's cash has been disclosed in the consolidated statements of loss and comprehensive loss under the caption "interest income and other."

(expressed in U.S. dollars)

18. FINANCIAL INSTRUMENTS (continued)

(a) Categories of financial assets and financial liabilities (continued)

Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the consolidated statements of loss and comprehensive loss for the period.

(b) Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels in which to classify the inputs of valuation techniques used to measure fair values.

Level 1 – quoted market prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly, such as prices, or indirectly (derived from prices).
Level 3 – inputs are unobservable (supported by little or no market activity) such as non-corroborative indicative prices for a particular instrument provided by a third party.

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 Company's warrant and Convertible Unit derivative liabilities were determined using Level 2 inputs.

The fair value of the Gold Stream Early Deposit host debt liability at inception was calculated based on the initial payments received, discounted at the risk free rate adjusted by the Company's credit spread. The fair value of the Company's Stream Conversion Option derivative liability is based on estimated future gold deliveries based on the production schedule prepared for the Cangrejos Gold-Copper Project NI 43-101 Technical Report on the Pre-feasibility Study (which has an effective date of April 7, 2023), gold prices, gold price volatility and the credit spread of the counterparty and the Company (Level 3 inputs). The fair value of the Stream Conversion Option derivative liability is calculated using a Monte-Carlo simulation with the following assumptions at each relevant date:

	December 31, 2024	December 31, 2023	Inception - May 26, 2023
Gold price (per ounce)	$2,611	$2,063	$1,948
Gold price volatility	15.17%	15.68%	15.54%
Credit spread of Wheaton	0.38%	0.27%	0.52%
Credit spread of the Company	11.93%	12.21%	12.71%

19. FINANCIAL INSTRUMENT RISKS

The Company 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 Company's operations and all transactions undertaken are to support the Company'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 Company considers that its cash and other receivables are exposed to credit risk, representing maximum exposure of $7,288,060 (2023 - $13,641,511). 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 Company's exposure to credit risk on its cash is minimized by maintaining these assets with high-credit quality financial institutions. At December 31, 2024, the Company's cash was held at three financial institutions (2023 – two financial institutions).

(b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company 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, loans and the Gold Stream Early Deposit liability.

At December 31, 2024, the Company's current liabilities consisted of trade and other payables of $1,891,849, due primarily within three months from the period end and a Gold Stream Early Deposit liability of $38,020,452. The Company's cash of $7,282,286 at December 31, 2024, is not sufficient to pay for these current liabilities in the absence of additional, longer-term financing (see Note 2(c)).

19. FINANCIAL INSTRUMENT RISKS (continued)

(c) Market risks

The significant market risk exposures to which the Company 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 Company will fluctuate because of changes in market interest rates. Based on the Company's cash as at December 31, 2024, 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 $73,000 in the Company's interest income on an annual basis.

The Company is also exposed to credit spread risk on its Stream Conversion Option derivative liability, being the risk that the fair value of the financial instrument will fluctuate because of changes in the Company's credit spread. The Company does not use derivative instruments to reduce its exposure to credit spread risk. A 0.1% decrease in the Company's credit spread at December 31, 2024 would have increased net loss by approximately $1,062,000 while a 0.1% increase in the Company's credit spread would have decreased net loss by approximately $1,024,000.

Currency risk

The functional currency of Lumina 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 Company 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 Company incurs the majority of its expenditures in U.S. dollars and the proceeds received from the Gold Stream Early Deposit are in U.S. dollars, corporate G&A expenses are primarily paid in Canadian dollars. The Company does not use derivative instruments to reduce its exposure to foreign exchange and currency risks. The Company's exposure to foreign currency risks on cash balances held in foreign currencies is not expected to be significant. The Company's loan was denominated in Canadian dollars and was, accordingly, exposed to fluctuations in foreign exchange rates with the U.S. Dollar.

The table below shows the impact that a 1% fluctuation in foreign currency rates compared to the U.S. dollar would have on the Company's comprehensive loss and equity (deficit) based upon the assets and liabilities held at December 31, 2024.

Financial Instrument Type		U.S. Dollar	Currency		+/- 1% Fluctuation		
Cash	$	203,368	CAD dollar	$	2,034	$	(2,034)
Accounts payable and accrued liabilities		(11,150)	CAD dollar		(112)		112
Total	$	192,218		$	1,922	$	(1,922)

Other Price Risk

The Company is exposed to gold price risk on its Stream Conversion Option derivative liability, being the risk that the fair value of future cash flows of the financial instrument will fluctuate because of changes in market gold prices. The Company does not use derivative instruments to reduce its exposure to gold price risk. A 5% increase in the forward gold price curve at December 31, 2024 would have increased net loss for the year ended December 31, 2024 by approximately $4,362,000; conversely, a 5% decrease would have decreased net loss by approximately $3,954,000.

20. SEGMENTED DISCLOSURE

The Company has one reportable operating segment, being that of the exploration and evaluation of its mineral property in Ecuador. Reporting to the chief decision maker is carried out on a consolidated basis.

(expressed in U.S. dollars)

21. COMPANY INFORMATION AND RELATED PARTY TRANSACTIONS

Information about subsidiaries

The consolidated financial statements include the following subsidiaries:

		% Equity interest at	
	Country of Incorporation	December 31, 2024	December 31, 2023
Odin Ecuador Holdings Inc.	Canada	100	100
Lumina Trading (Caymans) Ltd.	Cayman Islands	100	100
Odin Mining del Ecuador S.A.	Ecuador	100	100

Related party expenses and balances

In addition to the related party transactions described elsewhere in these financial statements (see Note 10 for loan from shareholder Ross Beaty), the Company incurred the following expenses with related parties:

		Year ended December 31	
Related company	Nature of transactions	2024	2023
Lumina Metals Corp. (formerly Miedzi Copper Corp.)	E&E (geological)	$ 25,093	$ 28,902
Lumina Metals Corp.	G&A	74,302	47,452
Lumina Metals Corp.	Fees	320,993	303,575
Hathaway Consulting Ltd.	Fees	323,304	143,530
Into the Blue Management Inc.	Fees	373,159	197,607
Koval Management Inc.	Fees	570,744	245,733
La Mar Consulting Inc.	E&E (social and community)	248,483	147,537
Lyle E Braaten Law Corp.	Fees	284,732	117,931
		$ 2,220,810	$ 1,232,267

Lumina Metals Corp. is considered a company related by way of directors, officers and shareholders in common. Hathaway Consulting Ltd., Into the Blue Management Inc., Koval Management Inc., La Mar Consulting Inc. and Lyle E Braaten Law Corp. 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.

The amounts below were included in accounts payable and accrued liabilities as owing to related parties:

	December 31,	
Related company	2024	2023
Hathaway Consulting Ltd.	$ 70,000	$ -
Into the Blue Management Inc.	80,000	-
Koval Management Inc.	100,506	-
La Mar Consulting Inc.	35,000	-
Lyle E Braaten Law Corp.	85,000	-
	$ 370,506	$ -

Key management personnel compensation

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

	Year ended December 31,	
	2024	2023
Short-term benefits (i)	$ 2,750,790	$ 1,264,784
Share-based payments (ii)	1,979,748	1,131,683
Total remuneration	$ 4,730,538	$ 2,396,467

(i) Short-term benefits include fees and salaries, including where those costs have been allocated to E&E expenditures (see Note 9(b)).
(ii) Share-based payments comprise the fair value of options granted (vested and unvested) and RSUs to key management personnel as at the grant date (see Note 14), 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 years ended December 31, 2024 and 2023.

(expressed in U.S. dollars)

22. TAXES

Deferred tax assets and liabilities are recognized for temporary differences between the carrying amount of the balance sheet items and their corresponding tax values as well as for the benefit of losses available to be carried forward to future years for tax purposes that are likely to be realized.

Deferred tax assets have not been recognized for the temporary differences noted below as the Company does not presently have sufficient evidence to establish that it is probable that the respective entities to which they relate will generate future taxable income against which to utilize the temporary differences.

		December 31, 2024		December 31, 2023
Exploration and evaluation assets	$	57,317,000	$	52,508,000
Non-capital income tax losses carried forward		57,270,000		44,487,000
Capital losses carried forward		8,689,000		8,689,000
Other assets		831,000		1,057,000
	$	124,107,000	$	106,741,000

Reconciliation of income tax computed at statutory rates to the reported income tax provision is as follows:

	Year ended December 31,			
		2024		2023
Loss before income taxes	$	(35,443,787)	$	(17,252,512)
Canadian statutory rate		27%		27%
Income tax benefit computed at Canadian statutory rates	$	(9,570,000)	$	(4,658,000)
Non-deductible change in fair value of derivative instruments		-		109,000
Differences between foreign and Canadian statutory rates		428,000		1,752,000
Other non-deductible items		4,578,000		297,000
Change in unrecognized deferred tax assets		4,386,000		2,292,000
Other		178,000		208,000
	$	-	$	-

At December 31, 2024, the Company has Canadian capital tax loss attributes that may be carried forward indefinitely of approximately $8,689,000 and Canadian non-capital tax loss attributes that total approximately $53,911,000, expiring in various years to 2044, that may be available to offset future taxable income. The Company also has net operating tax loss attributes that can be carried forward in Ecuador for five years of approximately $3,360,000. The Company tax losses expire as follows:

Year of Expiry		Canada		Ecuador
2025	$	-	$	987,000
2026		296,000		572,000
2027		97,000		590,000
2028		404,000		441,000
2029		336,000		770,000
2030		486,000		-
2031		148,000		-
2032		207,000		-
2033		1,420,000		-
2034		1,524,000		-
2035		1,462,000		-
2036		2,003,000		-
2037		3,781,000		-
2038		3,105,000		-
2039		4,819,000		-
2040		4,391,000		-
2041		3,164,000		-
2042		6,357,000		-
2043		7,213,000		-
2044		12,698,000		-
	$	53,911,000	$	3,360,000

(expressed in U.S. dollars)

23. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

As at December 31, 2024, the Company has entered into agreements that are not recognized as ROU assets and that include rental agreements and contracted studies that require minimum payments in the aggregate as follows:

Within one year	$	543,000
More than one but less than two years		6,000
	$	549,000

Included in the amount above is a commitment for 2025 pertaining to mineral concessions in Ecuador of $192,200.

In addition, the Company has engaged various consultants to assist with a Feasibility Study on the Cangrejos Project, which is expected to be completed in the first half of 2025. While many of these contracts can be terminated with a minimal notice period, the Company considers that, at December 31, 2024, such termination is very unlikely to practically occur. The Company estimates that approximately $976,000 remains to be incurred on these key consultants through to the completion of the Feasibility Study.

Contingent liabilities

Lumina has entered into an agency agreement with Lumina Metals Corp. 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 December 31, 2024, and assuming withdrawal from the agency agreement at that date, Lumina's obligation to Lumina Metals Corp. would be approximately $279,000 (December 31, 2023 - $294,000).

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge or hazardous material and other matters. The Company may be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and also on properties in which it has previously had an interest. The Company believes it conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. Due to the nature of Company's operations, various legal and tax matters arise in the ordinary course of business. The Company accrues such items as liabilities when the amount can be reasonably estimated, and settlement of the matter is probable to require an outflow of future economic benefits from the Company.

24. SUBSEQUENT EVENTS

(a) On April 21, 2025, the Company and CMOC Singapore Pte. Ltd., a Singapore entity and a subsidiary of CMOC Group Limited (collectively "CMOC"), entered into an arrangement agreement (the "Arrangement Agreement"), pursuant to which CMOC will acquire all of the issued and outstanding common shares of Lumina, in exchange for C$1.27 per common Share (the "Consideration") in an all-cash transaction by way of a plan of arrangement (the "Transaction").

The completion of the Transaction is subject to a number of terms and conditions, including without limitation the following: (a) approval of the Lumina securityholders; (b) acceptance by the TSXV; (c) approval of the British Columbia Supreme Court; (d) there being no material adverse changes in respect of Lumina; and (e) other standard conditions of closing for a transaction of this nature. There can be no assurance that all of the necessary approvals will be obtained or that all conditions of closing will be satisfied. The Transaction is subject to the approval at a special meeting of Lumina securityholders by (i) 66 2/3 % of the votes cast by Lumina shareholders, (ii) 66 2/3 % of the votes cast by Lumina shareholders, holders of stock options of Lumina and holders of restricted share units of Lumina, voting together as a single class, and (iii) if required, a simple majority of the votes cast by the Lumina shareholders, excluding the votes cast by certain persons as required by Multilateral Instrument 61-101 *Protection of Minority Securityholders in Special Transactions*.

Concurrent with entering into the Arrangement Agreement, CMOC entered into a subscription agreement (the "Concurrent Financing") with Lumina for the issuance of an aggregate principal amount of $20 million convertible notes (the "Convertible Notes"). The Convertible Notes will be unsecured with an annual interest rate of 6% and mature April 21, 2026, subject to acceleration in certain circumstances. Pursuant to the terms of the Arrangement Agreement and the Convertible Notes, Lumina is to use the proceeds of the Concurrent Financing for the purpose of funding expenditures related to the Arrangement Agreement in accordance with an agreed upon work program and budget. The Convertible Notes, at the option of CMOC, are convertible into common shares of Lumina at a price of C$1.00 per common share. The Concurrent Financing is expected to close on or about April 30, 2025, and is not conditional on the closing of the Transaction. The Concurrent Financing is subject to acceptance by the TSXV, including Lumina fulfilling the requirements of the TSXV.

24. SUBSEQUENT EVENTS (continued)

(b) On April 17, 2025, the Company drew the final installment of $3.1 million (the "Final Installment") from the Gold Stream. The draw is related to specific pre-construction acquisition transactions and means that Wheaton has advanced the total of $48 million related to the Early Deposit. The Gold Stream was amended (the "Amendment") to provide more flexibility to the Company in connection with certain pre-construction acquisition transactions. Under the Amendment, among other things, the Company has until December 31, 2025, to spend the Final Installment on qualifying transactions. Any portion of the Final Installment not spent by December 31, 2025 must be returned to Wheaton.

(c) In February and April 2025, 446,667 stock options with exercise prices ranging from C$0.33 to C$0.75 were exercised.

(d) In January and February 2025, a total of 368,335 RSUs were converted to common shares.