



LUNAGOLD

Relaunching Aurizona

October 2016

Cautionary Statements



This presentation does not constitute an offering of securities and the information contained herein is subject to the information contained in the Company's continuous disclosure documents at www.sedar.com.

Forward Looking Statements

This presentation includes certain statements that constitute "forward-looking statements", and "forward-looking information" within the meaning of applicable securities laws ("forward-looking statements" and "forward-looking information" are collectively referred to as "forward-looking statements", unless otherwise stated). These statements appear in a number of places in this presentation and include statements regarding our intent, or the beliefs or current expectations of our officers and directors. Such forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this presentation words such as "believe", "anticipate", "estimate", "project", "intend", "expect", "may", "will", "plan", "should", "would", "contemplate", "possible", "attempts", "seeks", "continue" and similar expressions are intended to identify these forward-looking statements. Forward-looking statements made herein include statements derived from the pre-feasibility on the Aurizona Project, including, without limitation: estimated construction costs, operating cost, cash costs, all-in sustaining cost ("AISC") per ounce, initial and sustaining capex and other costs, estimated net present value ("NPV"), initial rate of return ("IRR"), anticipated construction period, expected life of mine ("LOM"), estimated reserves and resources, expected sensitivity to gold prices, expected production and other economic and operational parameters inherent to a pre-feasibility study for a mineral project; statements with respect to targeted milestones going forward, including, without limitation, the expected timing for a definitive feasibility study, commencement of construction, gold pour and restart of operations and the timing of commencement of exploration activities at Piaba West, Tatajuba and Piaba North. In addition, this presentation may include forward-looking statements relating to the Company's future outlook, guidance and anticipated events or results and may include statements regarding the Company's future financial position, future exploration and development of mineral properties, business strategy, budgets, litigation, projected costs, financial results, taxes, plans and objectives, the timing of targeted components of the Company's strategic plan outlined in this presentation. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting the financial condition of our business. These forward-looking statements were derived utilizing numerous assumptions regarding expected project parameters, the Company's growth, results of operations, performance and business prospects and opportunities that could cause our actual results to differ materially from those in the forward-looking statements. While the Company considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Accordingly, you are cautioned not to put undue reliance on these forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results. Forward-looking statements are based on information available at the time those statements are made and/or management's and/or its qualified persons' good faith belief as of that time with respect to future events, and are subject to known and unknown risks and uncertainties, including, without limitation: the risks and uncertainties inherent to an economic study such as the pre-feasibility study, fluctuation in gold prices, variations in costs of supplies and labour, the availability of financing on acceptable terms, the risks of operating in a foreign country such as Brazil, the risks inherent to the restart of mining operations, the effect of any non-compliance by the Company with its debt covenants and other financing arrangements, uncertainties with respect to servicing its debt and those risks and uncertainties outlined in our most recent AIF and other documents filed on www.sedar.com, that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions. Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, we assume no obligation to update or to publicly announce the results of any change to any forward-looking statement contained herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If we update any one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. You should not place undue importance on forward-looking statements and should not rely upon these statements as of any other date. All forward-looking statements contained in this presentation are expressly qualified in their entirety by this cautionary statement.

Technical Information

David Laing, COO and Director is the Qualified Person as defined under National Instrument 43-101 responsible for the scientific and technical work on the development programs and has reviewed and approved the corresponding scientific and technical disclosure throughout this presentation. See the Company's press release dated September 12, 2016 and the Company's latest technical report relating to the Aurizona Gold Project for additional information with respect to the key assumptions, parameters and risks relating to the mineral resource and reserves estimates and other technical and scientific information presented herein.

David Laing, COO, and Scott Heffernan, EVP Exploration are the Qualified Persons under NI 43-101 who are responsible for the resource estimates contained in this presentation. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The mineral resource and mineral reserve estimates contained herein may be subject to legal, political, environmental or other risks that could materially affect the potential development of such mineral resources.

Cautionary Note to U.S. Investors Concerning Estimates of Mineral Resources. These estimates have been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws. The terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in NI 43-101 and recognized by Canadian securities laws but are not defined terms under the U.S. Securities and Exchange Commission ("SEC") Guide 7 ("SEC Guide 7") or recognized under U.S. securities laws. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be upgraded to mineral reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. Under Canadian securities laws, estimates of "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies. U.S. investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Accordingly, these mineral resource estimates and related information may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the U.S. federal securities laws and the rules and regulations thereunder, including SEC Guide 7.

Non-GAAP Measures

This presentation refers to expected AISC and other financial measures which are non-GAAP measures. These measurements have no standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. These measurements are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Currency

All amounts are in US\$ unless otherwise stated.

Luna Gold: Return to Production



- New team with a history of success, a wealth of experience and challenge-tested expertise
- Team holds personal stakes and is aligned with investors
- Significant technical work completed over the last 15 months to remedy historical deficits
- New PFS supports low capex and low AISC project
- Completion of new FS in early 2017
- Gold pour targeted for H2-2018
- Large brownfields property surrounding mine site provides significant exploration potential to extend mine life
- Joint venture with AngloGold Ashanti to explore 2,000 km² greenfields property



New Team, New Vision



PROVEN MINE BUILDERS, FINANCIERS, OPERATORS AND EXPLORERS

NEW MANAGEMENT

Christian Milau, CEO and Director

True Gold, Endeavour Mining, New Gold

David Laing, COO and Director

True Gold, Quintana Resources, Endeavour Mining

Peter Hardie, CFO

True Gold, Nevsun

Scott Heffernan, EVP Exploration

True Gold, Wealth Minerals, Equity Exploration

Sebastian D'Amici, SVP Finance

True Gold, CHC Helicopters, Clarus Securities, PwC

Rhylin Bailie, VP Investor Relations

Placer Dome, NovaGold, Eagle Hill, Sandspring Resources

BOARD OF DIRECTORS

Steven Krause, Chairman

Avisar, Bear Creek Mining

Felipe Alves, Director

Frontera Minerals Group, Rand Merchant Bank

Rob Pease, Director

Sabina Gold & Silver, Terrane Metals, Richfield Ventures, Placer Dome

Federico Schwalb, Director

Amrop Peru, Newmont Mining

Greg Smith, Director

Anthem United, Esperanza Resources, Minefinders, Goldcorp

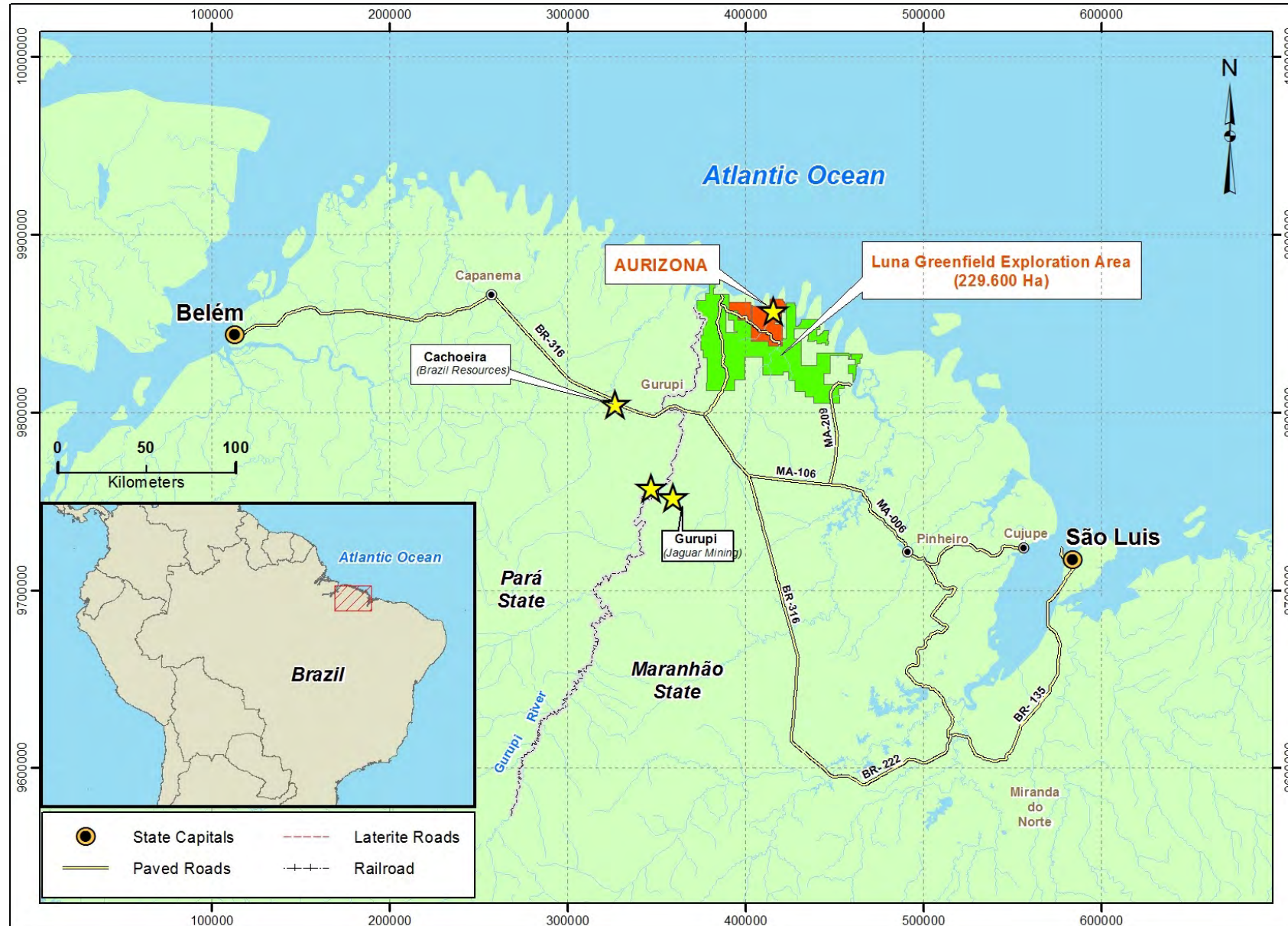
Dan Wilton, Director

Pacific Road, National Bank Financial, General Electric

C\$2.3 million of equity (~3.3%)

acquired by Management in August 2016

Project Location



- Good paved road access to site from São Luis, capital of Maranhão state (370 km) or Belém, capital of Para state (440 km)
- International flights to Belém
- Local airstrip in nearby Godofredo Viana (18 km)
- Dedicated power to site
- Majority of employees from local communities

Strengthening the Technical Foundation

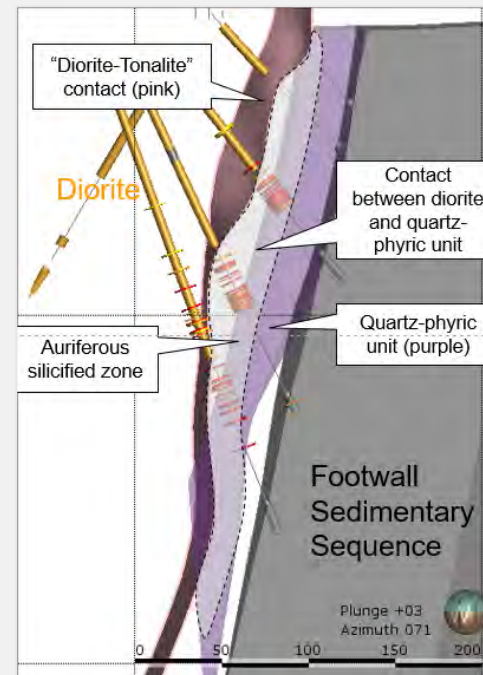
BACKGROUND

- Original process plant was based on ore body with significant soft saprolite
- Expected to generate cash flow to fund installation of crush and grind circuit
- Core re-logging determined that the ore types were misclassified and tonnage of soft saprolite was materially reduced
- Mining activities ceased in summer 2015, processing plant placed on care and maintenance



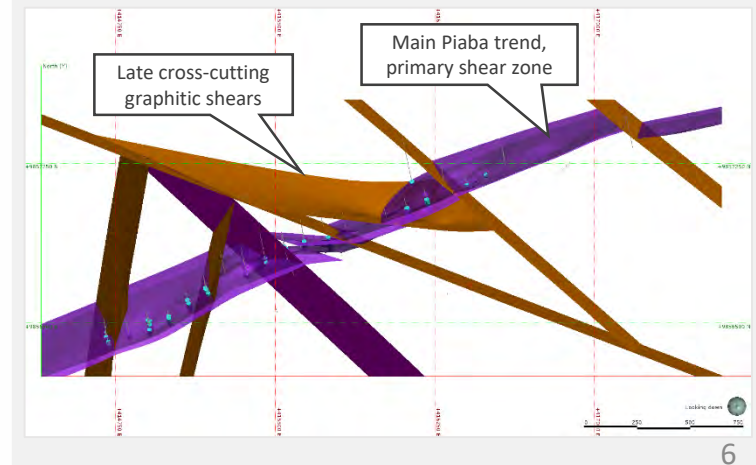
RECENT TECHNICAL WORK

- 15,000m oriented core drilling completed in 2015
- Detailed core logging strengthened understanding of weathered profile and focused on alteration, mineralization and structural controls



CURRENT SITUATION

- Pre-feasibility study prepared based on new drilling and processing all ore types
- Refined understanding of weathering, alteration and mineralization
- New 4D structural geology model
- Ore reserves restatement with 969,000 ounces and 20% increase in grade to 1.62 g/t gold

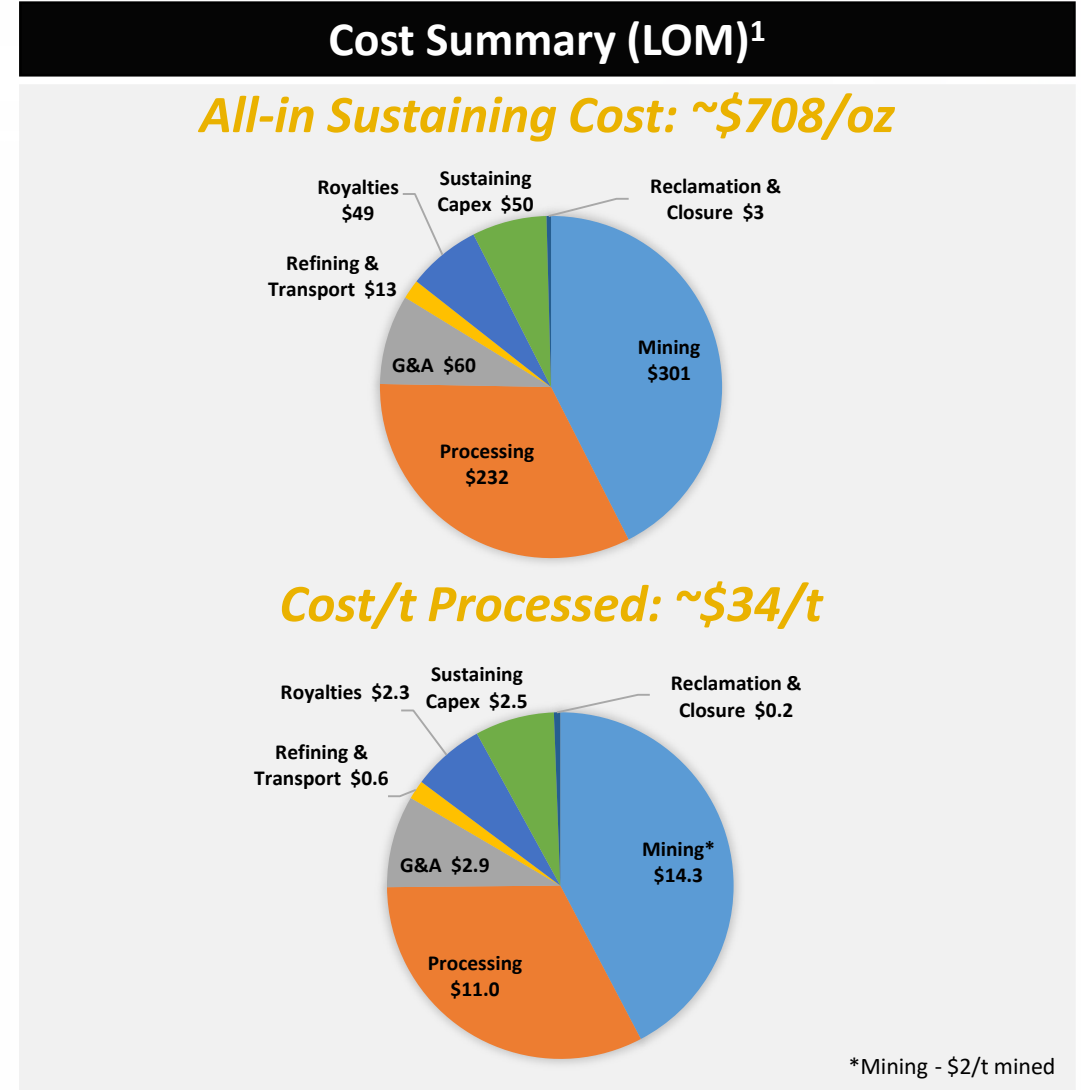


PFS Highlights



INCREASED GRADE & RETURN → LOW COST + HIGH MARGIN

2016 PFS Highlights ¹	
Gold price (Base case)	\$1,250/oz
M&I Resource ²	1.6 Moz/ 29.9 Mt @ 1.67 g/t
P&P Reserve	969 koz/ 18.6 Mt @ 1.62 g/t
Mine Life	6.5 years
Annual Production	Avg. 150,000 oz (Years 1-5)
Strip Ratio	6.2:1
Construction Period	18 months
Initial Capex	\$146M (includes mine fleet)
Sustaining Capex	\$47M
Cash Cost	\$606/oz
AISC	\$708/oz
NPV _{5%} (After Tax)	\$201M
IRR (After Tax)	34%
Payback (After Tax)	2.6 years



1. Based on the "Pre-feasibility Study on Aurizona Mine Project, Maranhao, Brazil, NI 43-101 Technical Report" prepared by Lycopodium Minerals Canada Ltd. with an effective date of September 12, 2016, a copy of which is available on the Company's website and on SEDAR at www.sedar.com. 2. Mineral resources are inclusive of mineral reserves.

The New Plan



Feasibility Study and Construction

Up to 6 months to complete study
18 months for construction
Gold pour in 2018

Production

6.5 year mine life at improved grade
Average 150,000 oz/year first 5 years
AISC of \$708/oz

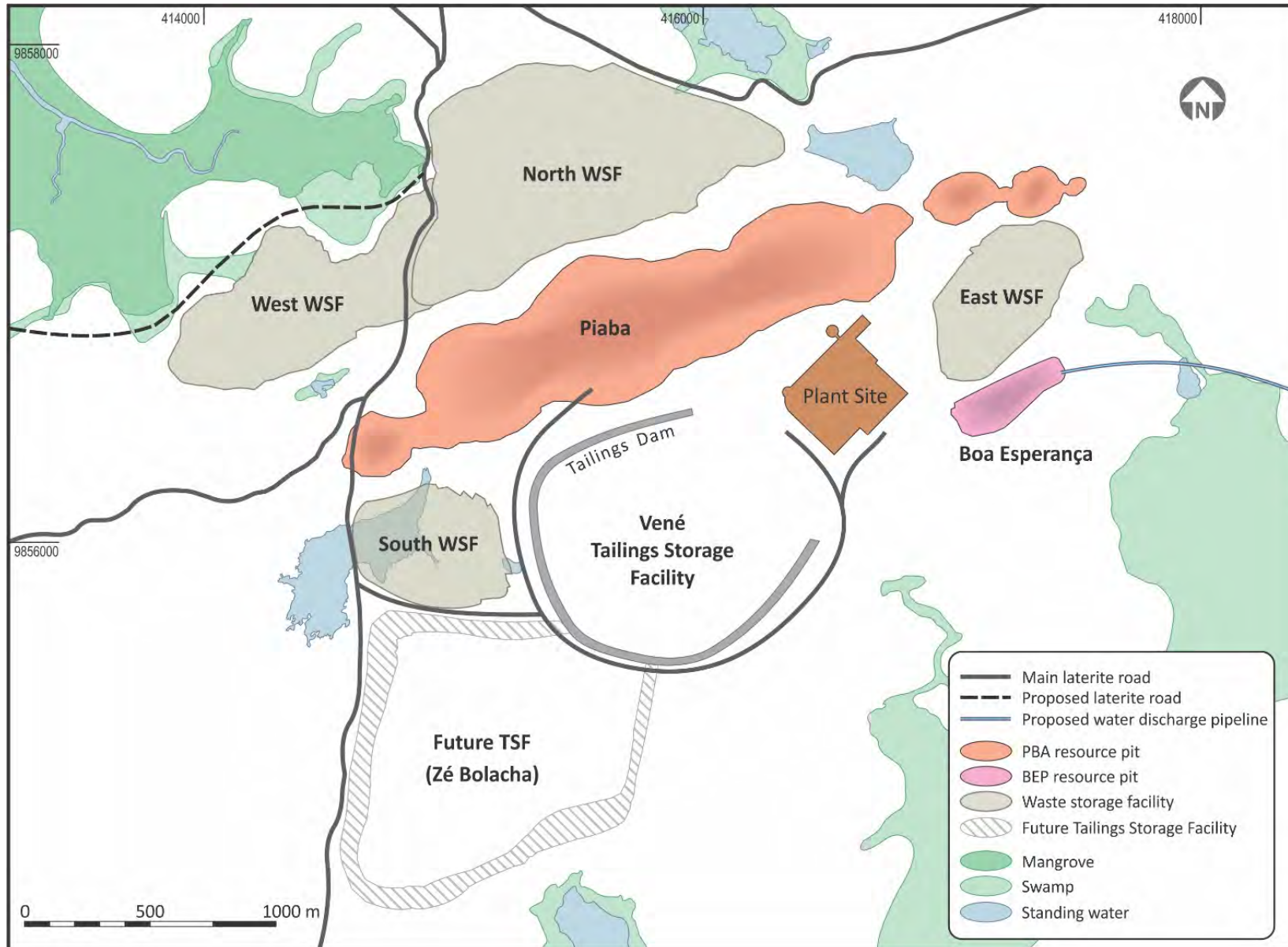
Exploration

Near mine potential – Piaba West,
Tatajuba
AngloGold joint venture
Goal to more than double reserves

969,000 oz
P&P Reserves
(18.6 Mt @ 1.62 g/t gold)

1.60 million oz
M&I Resource*
(29.9 Mt @ 1.67 g/t gold)

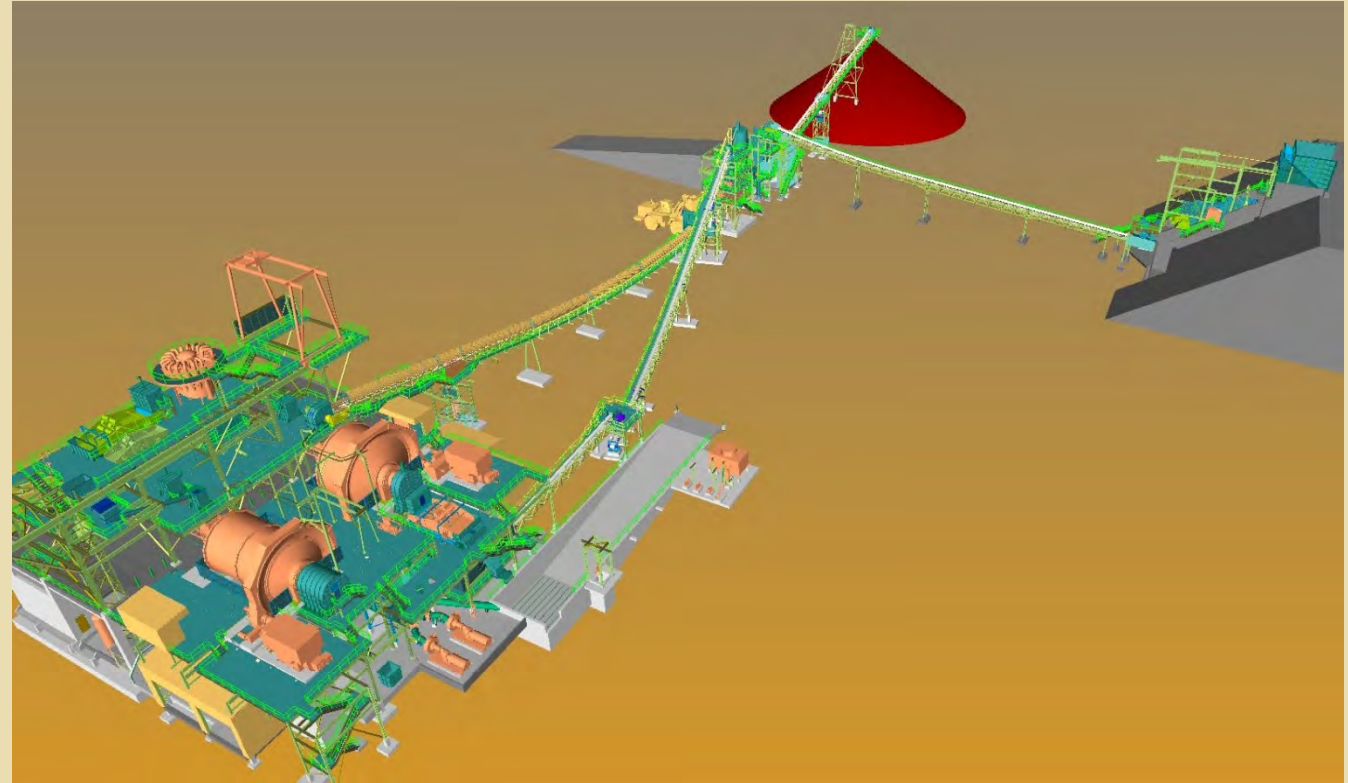
Aurizona Mine Overview



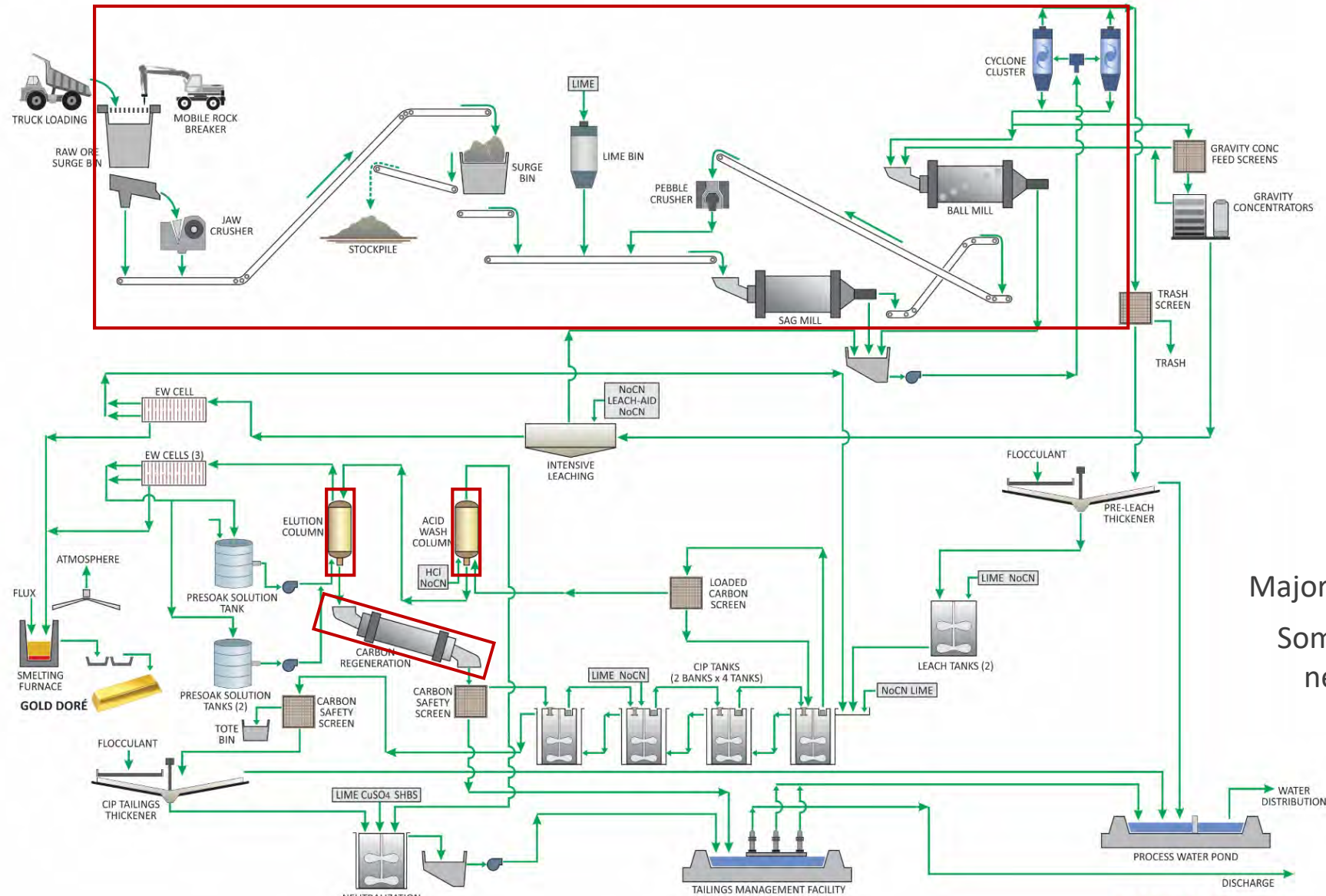
- Former producing open pit mine
- All major mine elements already in place
- Permitting in place, being updated for 8,000 tpd processing plant
- Improved water management plan
- Combined contract and owner mining
- Excellent infrastructure:
 - Plant – replacing front end
 - Primary crusher/related facilities
 - Surge bin with temporary stockpile
 - SAG mill, ball mill, pebble crusher
 - Fleet – to be replaced
 - Grid power to site – upgrade substation
 - Road accessible
 - Experienced local workforce
 - Offices and camp
 - Water
 - Communications

New Front End of the Processing Plant

- Mine will deliver all ore types to the mill: saprolite (14%), hard saprolite + transition (29%), fresh rock (57%)
- Increase processing capacity to 8,000 tpd for all rock types
- Dedicated 69 kV powerline to site, upgrading substation to handle 15 MW
- Installation of primary crusher
- Significantly increased grinding power from 1.4MW to 9.1MW – SAG and ball mills to be installed
- Use large run-of-mine pad to improve early grade feed
- Improved gold recovery system – increased capacity with three additional leach tanks
- Better carbon recovery and treatment process – intensive leach reactor, pressure elution vessel, carbon regeneration kiln, improved electrical system and automation
- 91% recovery



Majority of Back End Already in Place



New front end

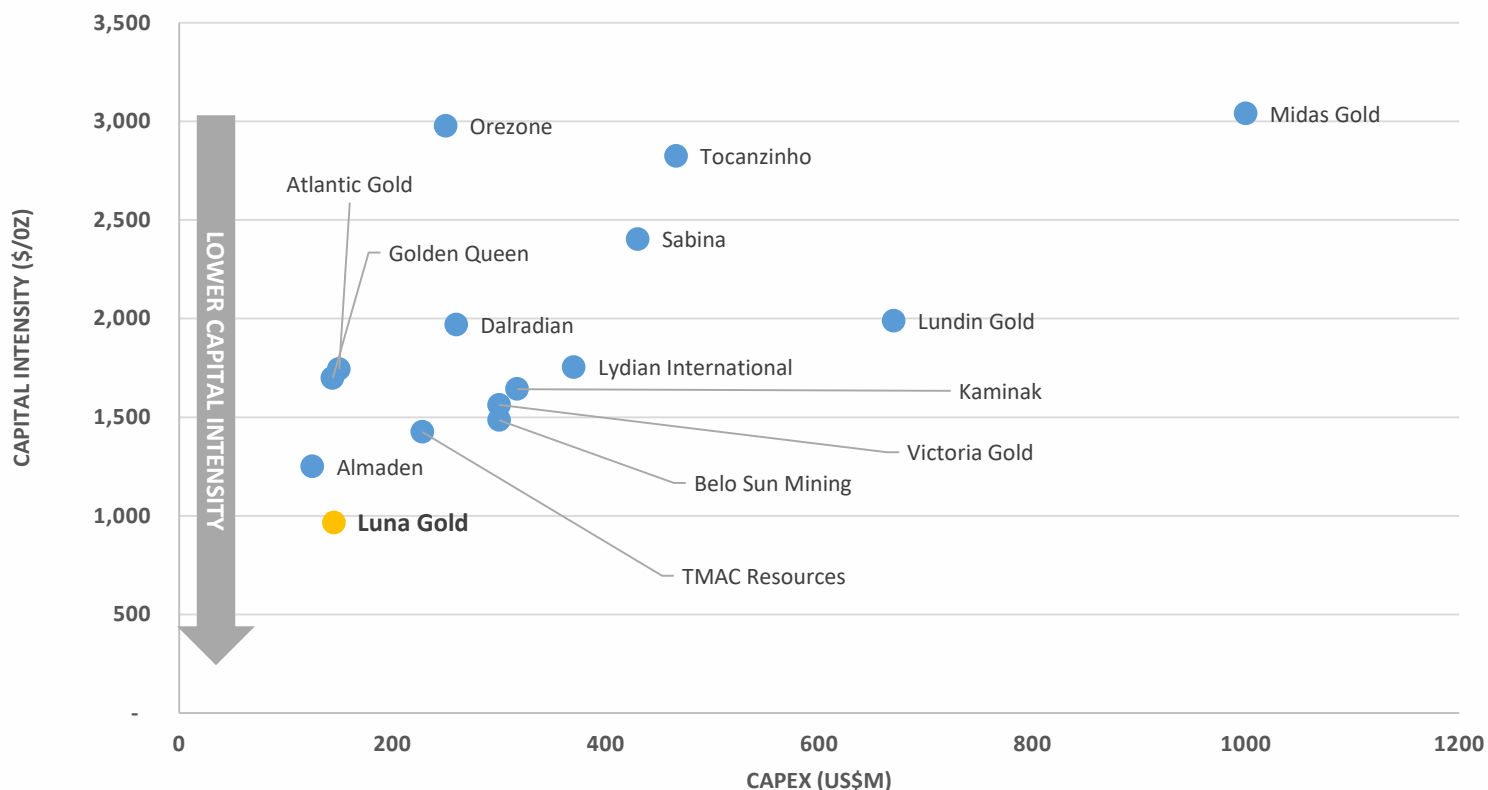
Majority of back end in place
Some items installed but
never commissioned

CONCEPTUAL ONLY

PFS Highlights – Low Initial Capital

LOW TOTAL INITIAL CAPEX OF \$146M

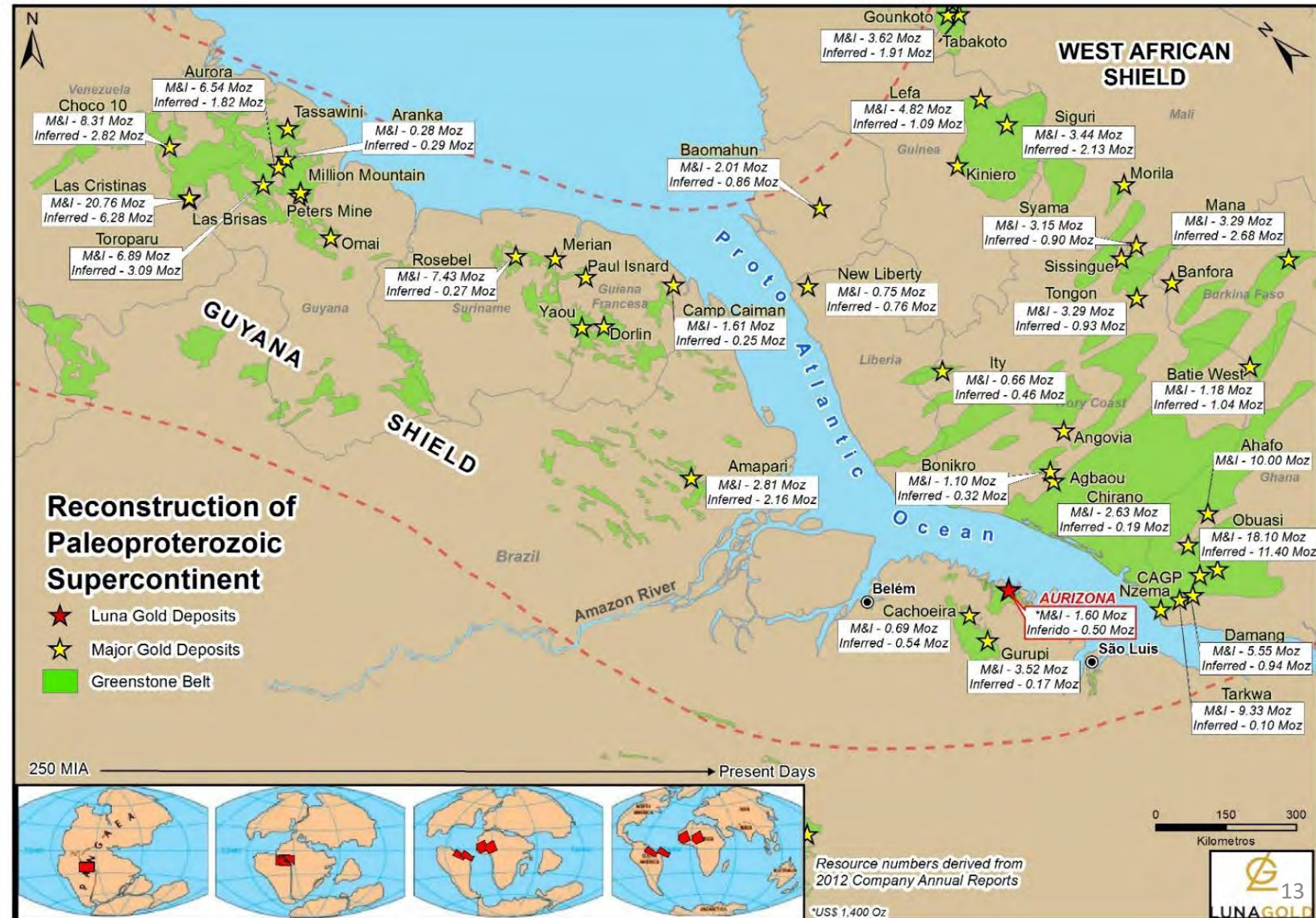
- Low initial capex for 3 million tonnes per annum processing plant and mining fleet
- Low capital intensity at around \$1,000 per oz of average annual production
- Excellent exploration potential to extend mine life and become a mining district
- Well positioned to attract capital and restart production



Initial Capex ¹	US\$M
Comminution Circuit	41
Plant Upgrade/Repairs	24
EPCM Costs	7
Mining Costs	41
Tailings Dam Costs	3
Owner's Costs	17
Brazil Care & Maintenance	13
Total Initial Capital	146
Sustaining Capex ¹	US\$M
Tailings Dam Raises	14
Mining	25
Owner's Costs	5
Closure Costs	4
Mining Salvage	-1
Total Sustaining Capital	47

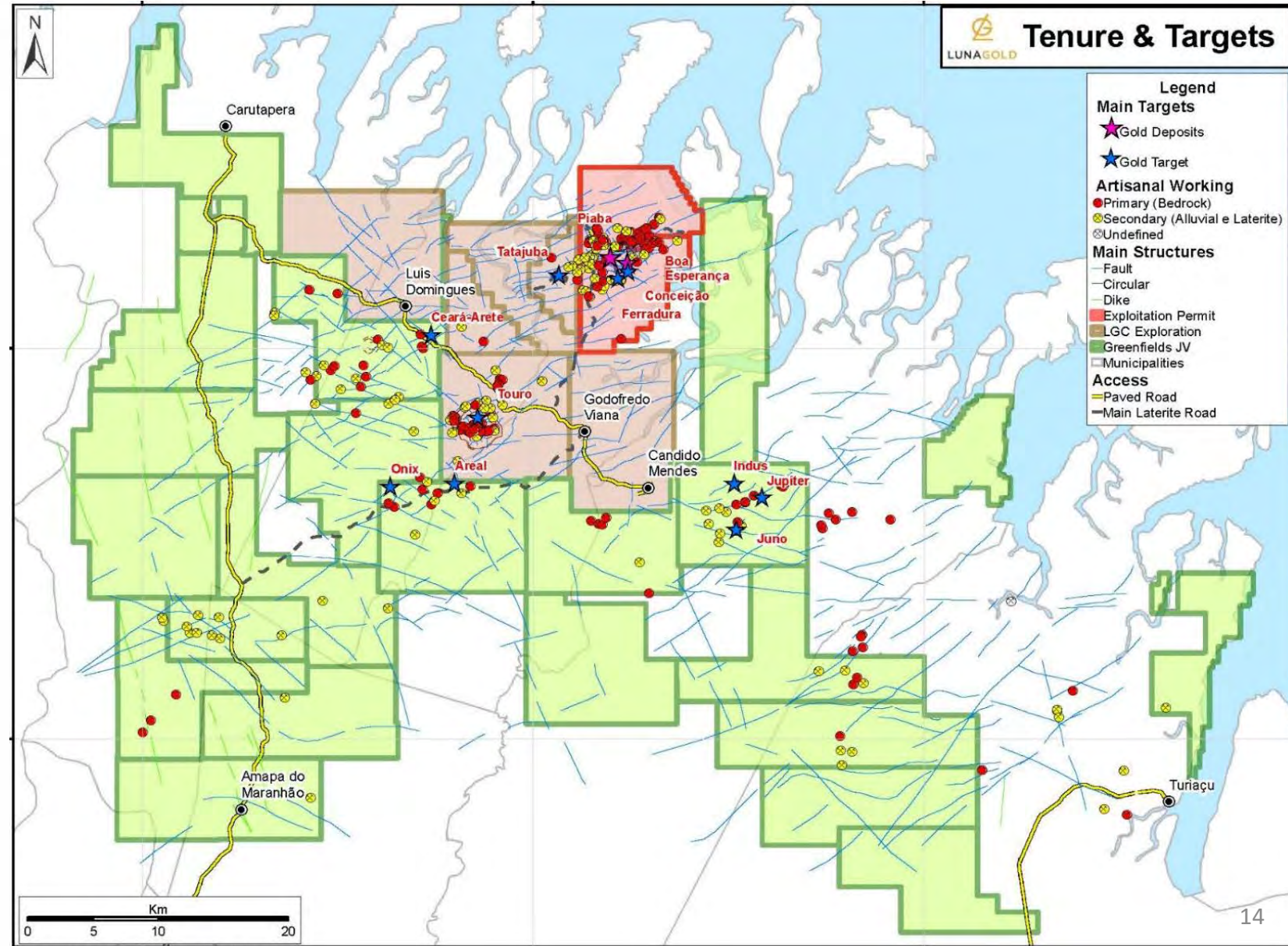
W. Africa/S. America: World Class Deposits

- South American deposits analogous to the prolific gold belts of West Africa
- Underexplored greenstone belts hosting orogenic gold systems
- Aurizona is situated in a highly prospective emerging district
- Brazil has long mining history and strong mining culture (iron ore)
- Skilled workforce available in Brazil



District Scale Potential

- AngloGold Ashanti to spend \$14M over 4 years to earn 70% interest on greenfields properties (>2,000 km²)^{1,2,3}
- On track to exceed \$2M commitment in year one
- AngloGold planning drill program and undertaking airborne over the entire land package → Luna Gold will get all data
- Should AngloGold earn and decide to sell its interest in the JV, Luna Gold can purchase AngloGold's interest in any NI 43-101 compliant resources for \$10/oz



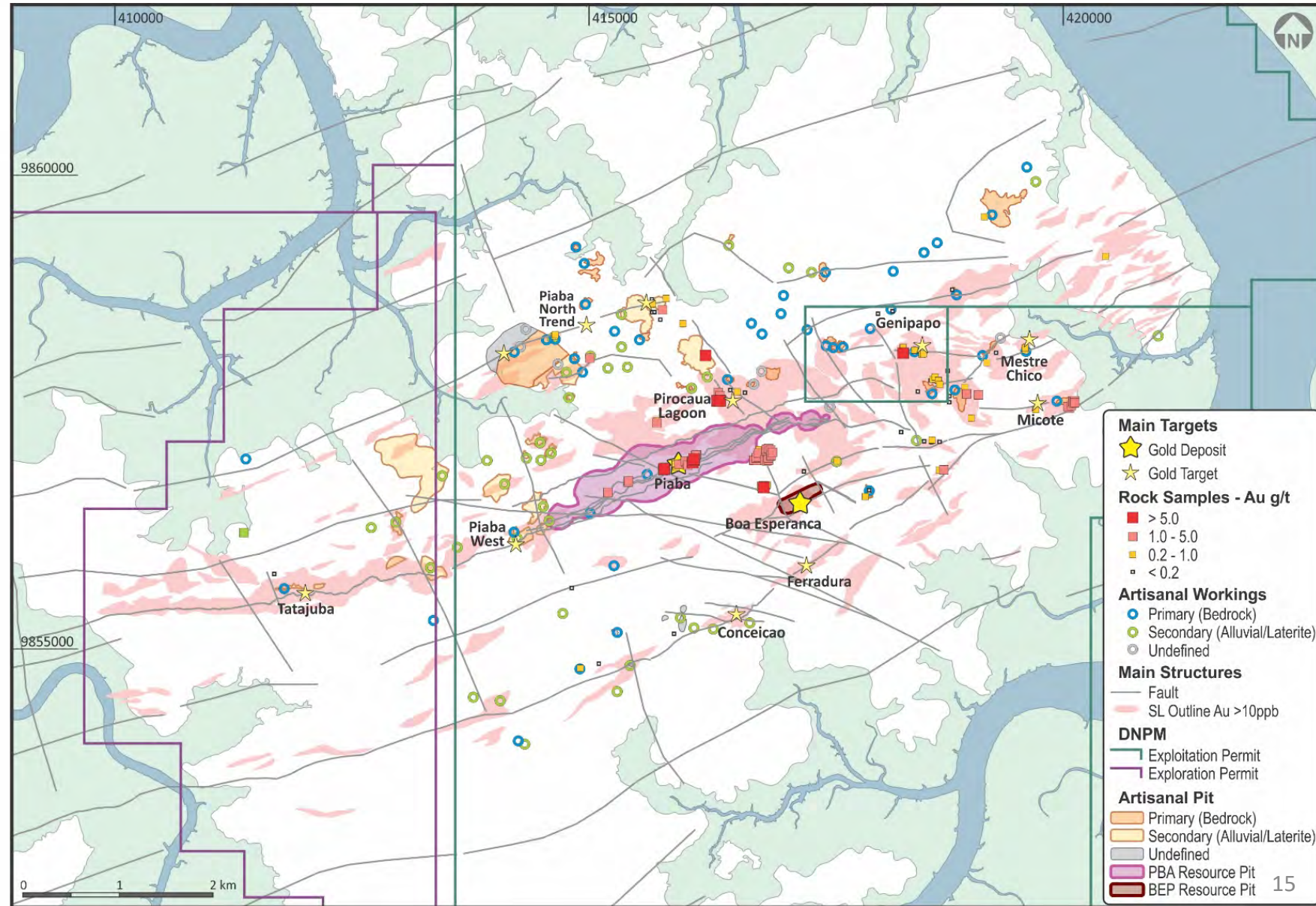
1. Aurizona Mine area including Piaba West and Tatajuba, and brownfields project areas such as Touro, are excluded from the AngloGold JV (~450 km²).
 2. Greenfields properties also subject to a 2% NSR royalty to Sandstorm, subject to Luna's right to reduce the NSR to 1% for US\$10M prior to commercial production. Mine permit and brownfields properties are subject to a gold price dependent sliding scale 3-5% NSR royalty to Sandstorm.
 3. Once JV is formed, Luna would fund future activities on a pro-rata basis.

Brownfields Exploration Potential

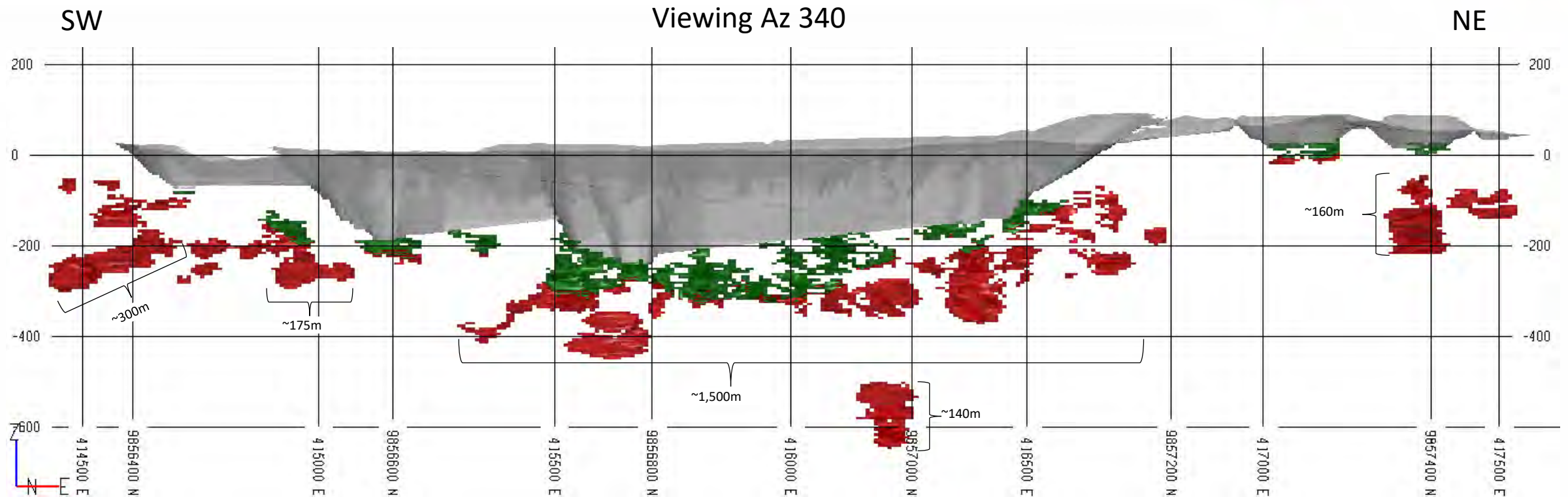
> 10 DRILL READY TARGETS



> 50 km CUMULATIVE STRIKE

- Piaba and Boa Esperança deposits remain open along strike and to depth
 - Piaba West with potential to extend the deposit over 400 m
 - Tatajuba structure with ~4 km strike – application underway to convert to exploitation permit
- Touro target ~15 km to SW has similar scale footprint to Piaba
- > 10 drill ready targets in immediate vicinity of Piaba
- > 50 km cumulative strike with anomalous to high-grade soil and rock geochemistry
- AngloGold geophysics data will greatly help to focus exploration



Underground Potential



 2 g/t shell outside Reserve Pit and within US\$1400 Resource Pit
 2 g/t shell outside US\$1400 Resource Pit

	Material	Cutoff Au g/t	Tonnes	Au g/t	Au Oz
Below Reserve Pit and within US\$1400 Resource Pit	Measured ¹	2.0	477,000	5.02	77,000
	Indicated ¹	2.0	1,516,000	5.01	244,900
	Inferred ¹	2.0	14,000	3.58	1,600
Below US\$1400 Resource Pit	Inferred ²	2.0	3,721,000	3.47	415,300

1 – Included in US\$1400 open pit Mineral Resources.

2 – Included in Inferred Mineral Resources outside US\$1400 open pit. Underground resources were evaluated using a 2 g/t Au shell and edited to account for reasonable mineable geometries. Tonnages rounded to the nearest 1,000 and ounces rounded to nearest 100. Differences may be present due to rounding.

Multiple Exploration Opportunities

~2,500 km² Land Package

Near-mine exploration

- More than 10 drill ready targets on more than 50 km of parallel structures

450 km² brownfields exploration

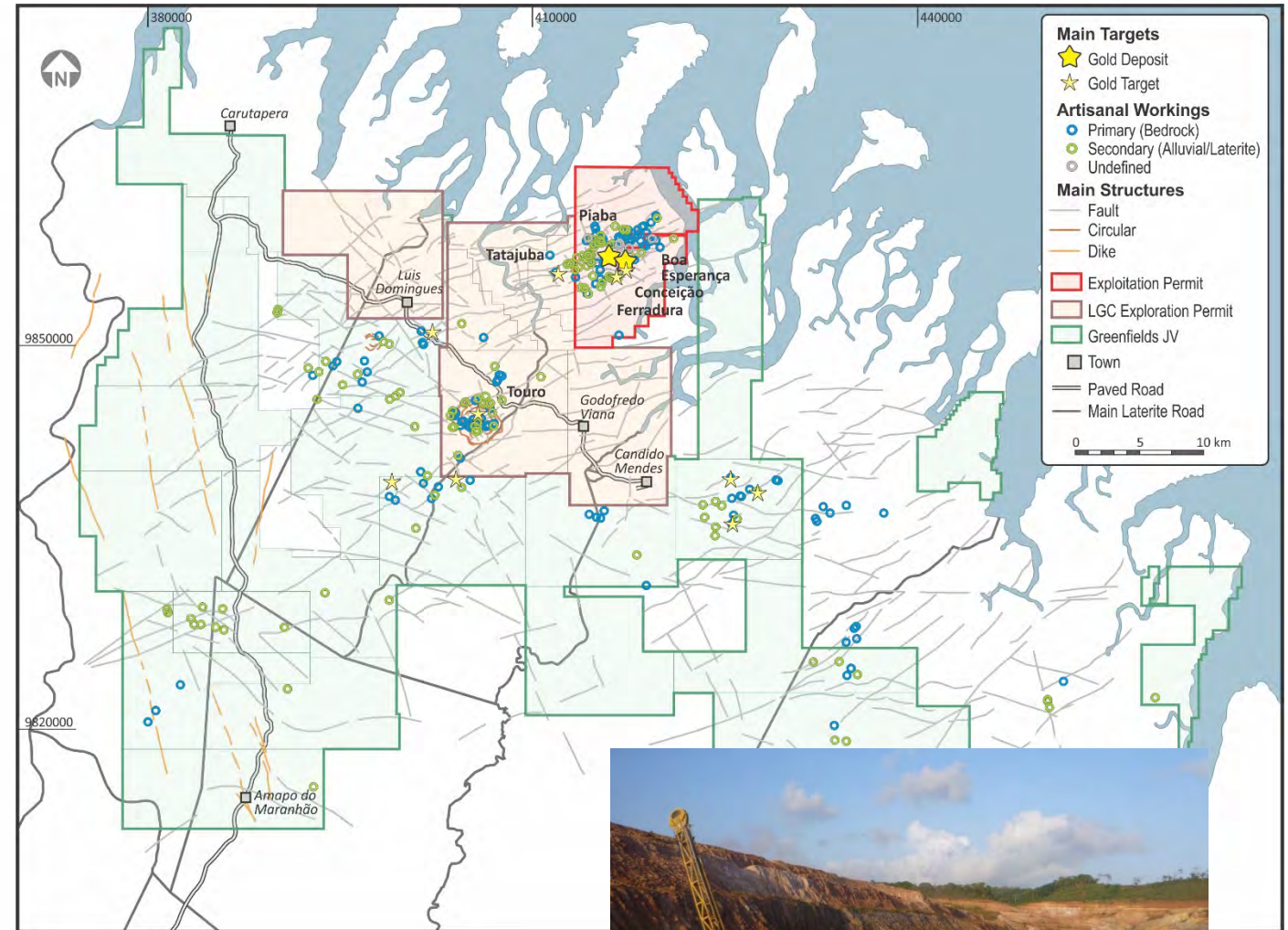
- Limited surface work and drilling has identified a number of drill targets, including Touro at over 6 km²

Open to depth

- Limited drilling up to 500m below surface has identified a coherent, high-grade “root” to the Aurizona system

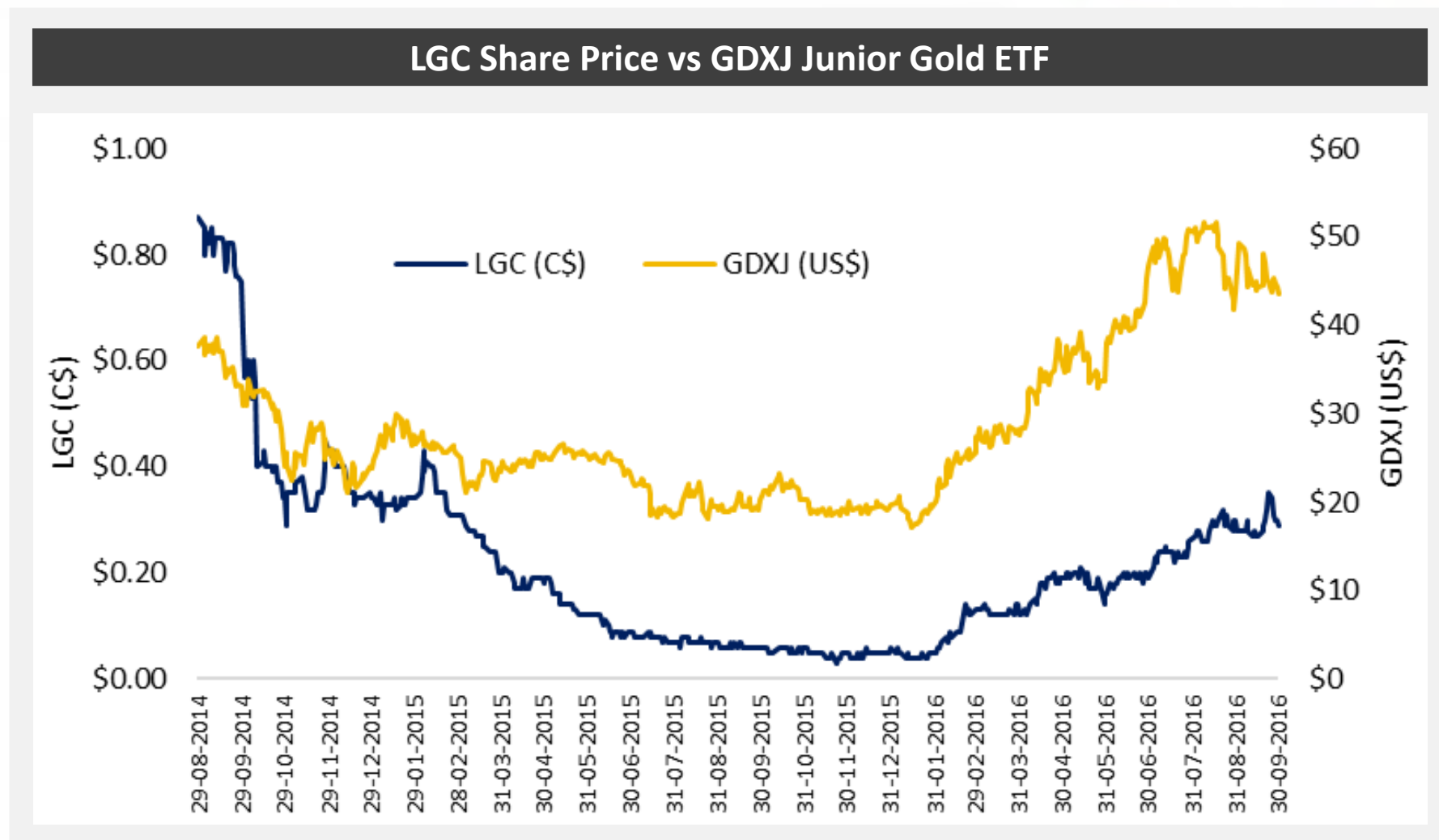
AngloGold Ashanti district-scale exploration

- AngloGold exploring >2,000 km² of greenfields permits to earn 70% interest

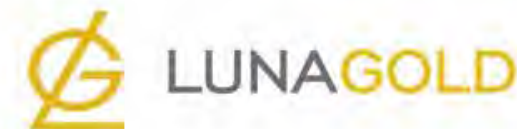


Share Performance

- Lagging performance since early 2015 and care and maintenance period commenced
- Potential re-rating as milestones are achieved



Capital Structure



Capital Structure (As at September 30, 2016)	
Share Price (C\$):	\$0.30
Market Capitalization (C\$):	\$116.6 M
Shares Outstanding – Basic:	388.8 M
Stock Options	17.0 M
Warrants (262.7 M @ avg \$0.11 exp Jun 2020, 35 M @ \$0.25 exp Aug 2021)	297.7 M
Shares Outstanding – Fully Diluted:	703.5 M
Cash & Marketable Securities ¹ (US\$):	\$16.6 M
Debt (US\$):	
Pacific Roads Short Term Note (10% interest, matures Apr 2017)	\$5.0 M
Pacific Roads Note (10%, June 2020)	\$15.2 M
Sandstorm Debt Facility ² (5%, June 2021)	<u>\$25.0 M</u>
	\$45.2 M
Sandstorm Debenture (Convertible Loan) ³ (5%, June 2018)	\$30.0 M

Shareholder Base (As at September 30, 2016)		
Shareholder Base (Basic)	Total Strategic:	~65%
	• Pacific Road	45%
	• Sandstorm	17%
	Directors and Officers:	~3%
Shareholder Base (Fully Diluted)	Total Strategic:	~75%
	• Pacific Road	61%
	• Sandstorm	11%
	Directors and Officers:	~3.3%

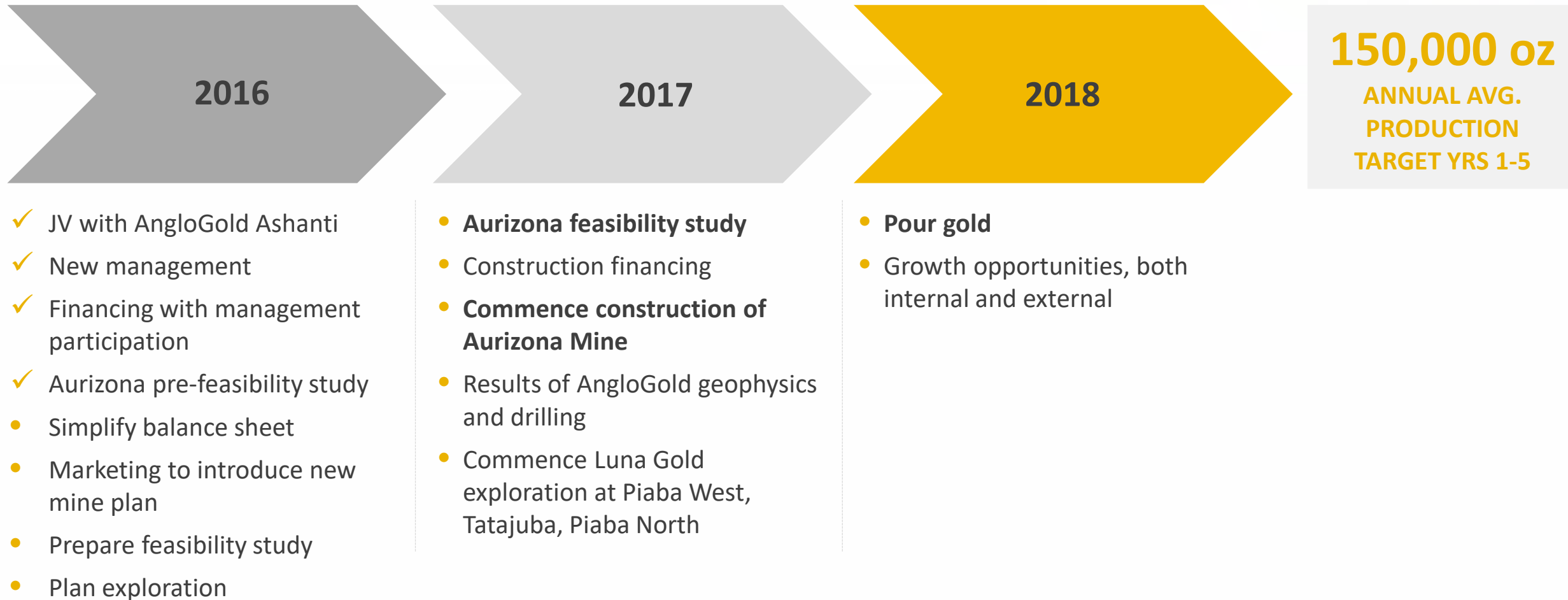
10:1 roll back on October 31, 2016

1. Marketable Securities includes 9.2M BRI-V shares measured at fair value as at the date noted above.

2. Includes accrued interest.

3. Convertible loan is effectively equity, since the instrument is convertible at Luna's election at the 20-day VWAP, so long as Sandstorm's holdings of the issued share capital of the Company does not exceed 20%. The Sandstorm debenture matures in \$10 M equal annual tranches, plus related interest, starting June 30, 2018. Luna can choose to postpone the payment of any installment until a point when the issuance of shares would not exceed Sandstorm's 20% limitation. See Luna's financial statements for additional details.

Path Forward



UPCOMING CATALYSTS: FEASIBILITY STUDY AND PROJECT FINANCE

Opportunities to Create Value

LOW CAPEX + LEVERAGE INFRASTRUCTURE

- Low capex and low capital intensity for a 3 million tpa plant
- Leverage existing infrastructure:
 - Power to site
 - Camp and offices
 - Resource base with growth potential
 - Base permits and licenses
 - Plant infrastructure
 - Tailings dam

LOCATION

- Attractive time to build a mine in Brazil → labour and services readily available

SCALABILITY + GROWTH

- Mine life extension → prospective region and licenses
- Exploration → surrounding tenements and AngloGold joint venture

CAPITAL MARKETS

- Balance sheet simplification
- Investment community awareness of the new project plan

Time for a Fresh Look at Luna Gold



New team, new focus

- New management is fully invested and supported by core shareholders
- New PFS demonstrates low initial capex project with attractive returns
- Immediate focus to finance and build Aurizona, pour gold in H2-2018

District-scale exploration upside

- Exciting near-term upside potential for mine life extension
- Exceptional potential for additional discoveries through brownfields exploration and the greenfields AngloGold joint venture

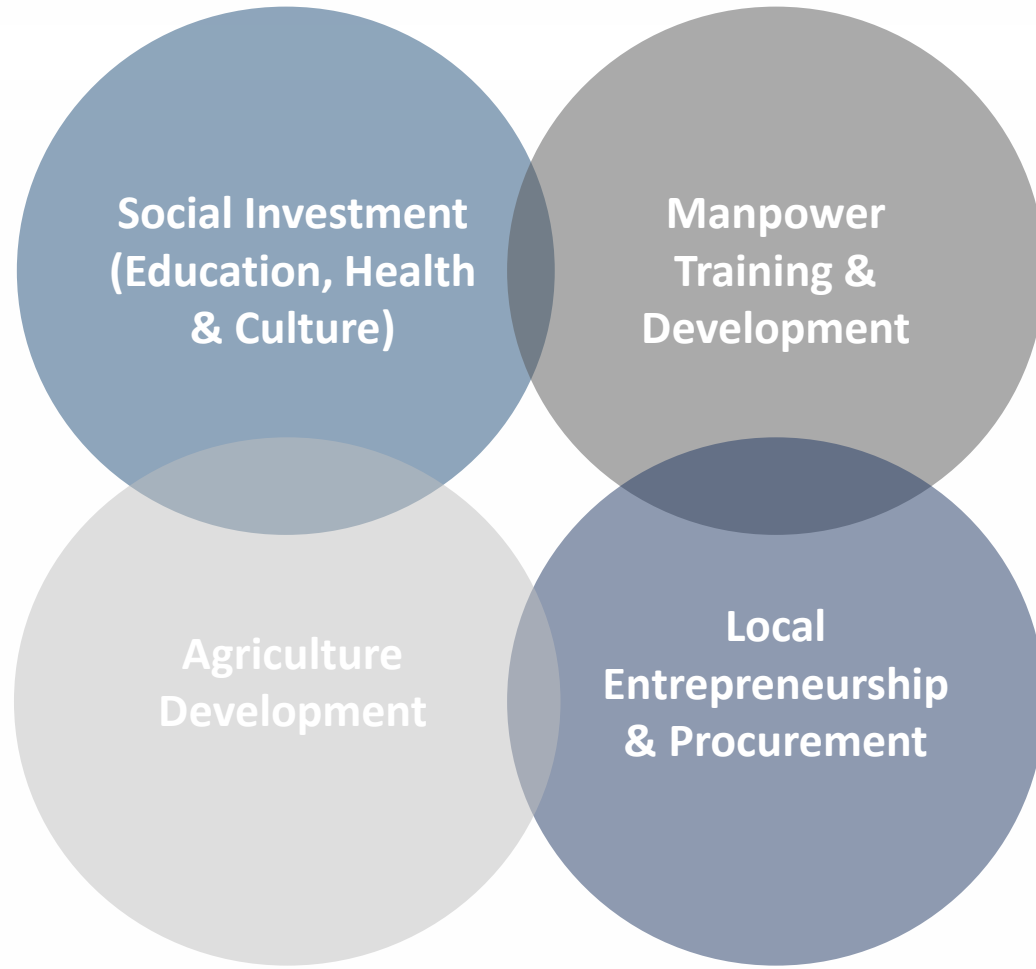
Long-term growth focus

- Longer term goal to grow Luna Gold into multi-asset, mid-tier producer



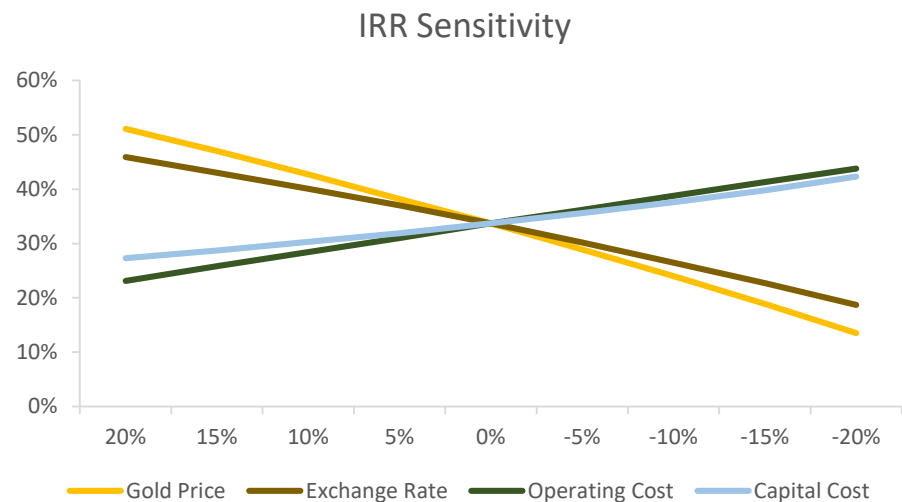
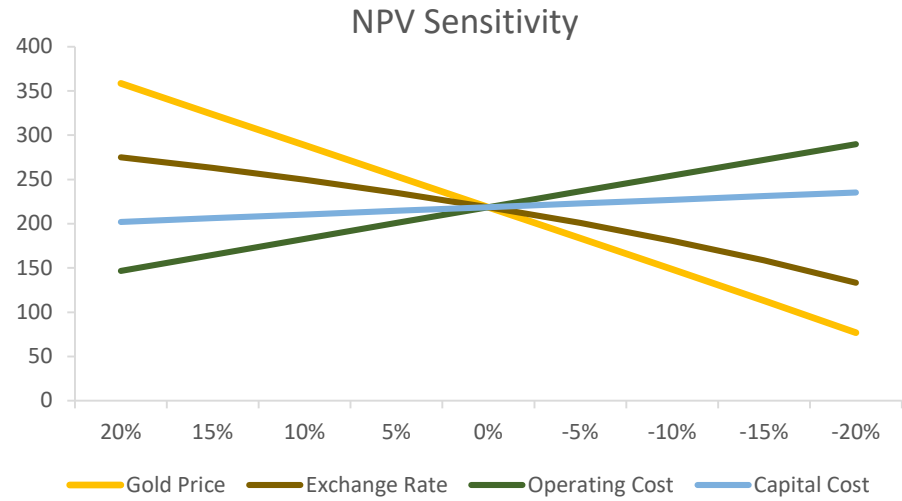
APPENDIX

Corporate Social Responsibility

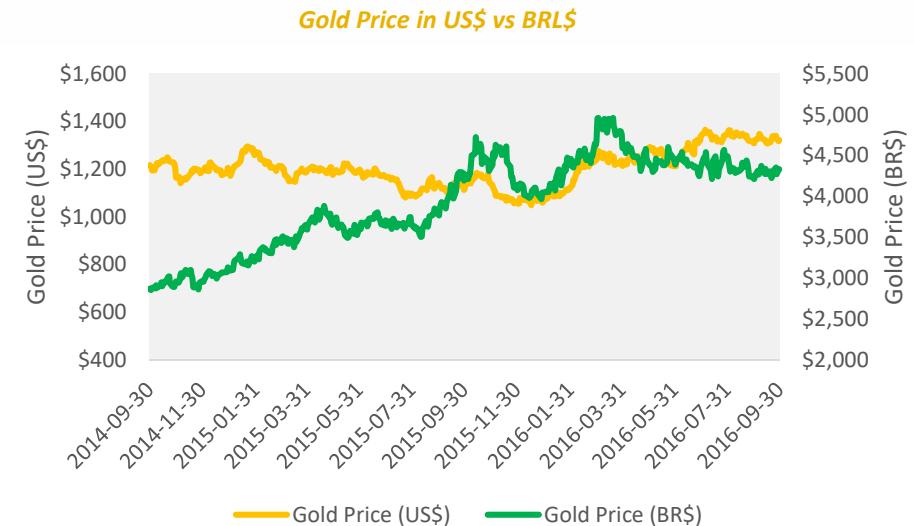


Project Resilience – NPV & IRR

PFS Sensitivity Analysis



- Attractive returns and asset value at \$1,250/oz gold
 - Excellent upside potential from mine life extension
- Sensitive to gold price and exchange rate movements
 - Correlation between gold price and commodity based currencies such as the BRL:



- Less sensitive to capex and opex movements

Aurizona Reserves



	Proven			Probable			Total		
Ore Type	Tonnes (kt)	Grade (g/t)	Gold (oz)	Tonnes (kt)	Grade (g/t)	Gold (oz)	Tonnes (kt)	Grade (g/t)	Gold (oz)
Laterite/Saprolite	721	1.59	37,000	1,852	1.04	62,000	2,573	1.19	99,000
Hard Saprolite/Transition	2,320	1.60	119,000	3,049	1.22	119,000	5,369	1.38	238,000
Fresh Rock	3,328	1.98	212,000	7,372	1.77	420,000	10,700	1.84	632,000
Total	6,369	1.80	368,000	12,273	1.52	601,000	18,642	1.62	969,000

Notes:

This Mineral Reserve estimate has an effective date of June 21, 2016 and is based on the Mineral Resource estimate effective on April 30, 2016. The Mineral Reserve calculation was completed under the supervision of Gordon Zurowski, P.Eng of AGP Mining Consultants Inc., who is a Qualified Person as defined under NI 43-101. Mineral Reserves are stated within the final design pit based on a \$1,104 per ounce gold price pit shell with a \$1,200 per ounce gold price for revenue. The cutoff grade was 0.38 g/t Au for all pit areas. The mining cost averaged \$2.32 per tonne mined, processing averages \$11.30 per tonne milled and G&A was \$2.84 per tonne milled. The process recovery averaged 90.5%. The exchange rate assumption applied was R\$3.50 equal to \$1.00. The PFS scope only considers the Piaba and Boa Esperança open pit mineralized zones. The Mineral Resource and Mineral Reserve estimates contained herein may be subject to legal, political, environmental or other risks that could materially affect the potential development of such Mineral Resources. See the Company's press release dated September 12, 2016 and the Company's latest technical report relating to the Aurizona Gold Project for additional information with respect to the key assumptions, parameters and risks relating to the mineral resource and reserves estimates and other technical and scientific information presented herein.

Aurizona Resources – Pit & Underground



Area	Type	Class	Tonnes	Gold Grade (g/t)	Gold (oz)
Piaba	Pit Constrained	Measured	8,910,000	1.77	508,000
		Indicated	20,264,000	1.64	1,071,700
		Measured and Indicated	29,174,000	1.68	1,579,700
		Inferred	2,584,000	0.72	60,000
	Outside Pit	Inferred	3,721,000	3.47	415,300
Boa Esperança	Pit Constrained	Indicated	682,000	0.90	19,700
		Inferred	66,000	0.75	1,600
Total	Pit Constrained	Measured	8,910,000	1.77	508,000
		Indicated	20,946,000	1.41	1,091,400
		Measured and Indicated	29,856,000	1.67	1,599,400
		Inferred	2,650,000	0.72	61,600
	Outside Pit	Inferred	3,721,000	3.47	415,300

Notes:

This Mineral Resource estimate has an effective date of April 30, 2016 and was prepared by Mr. Brett R. Marsh, C.P.G. of Phoenix Geoscience, LLC, who is a qualified person under NI 43-101. Mineral Resources are inclusive of Mineral Reserves. Mineral Resources that are not included within the Mineral Reserves do not have demonstrated economic viability. Mineral Resources are stated at the following cutoff grades for open pit: Piaba: Laterite and Saprolite at 0.30 g/t Au; Hard Saprolite/Transition/Fresh Rock at 0.40 g/t Au. Piaba: Outside open pit at 2.0 g/t Au. Boa Esperança cutoff grade: 0.44 g/t Au. Piaba topography is current as of February 28, 2015. Tonnes are rounded to the nearest 1,000; ounces are rounded to the nearest 100. Small tonnage and grade differences may be found due to rounding. The Mineral Resource and Mineral Reserve estimates contained herein may be subject to legal, political, environmental or other risks that could materially affect the potential development of such Mineral Resources.



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