Lumina Gold Announces Positive Metallurgy Results That Enhance the Cangrejos Project

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Highlights:

- Positive results on the potential treatment of ~0.3Moz of gold in surface saprolite rock previously treated as waste in the resource estimate used in the PEA mine plan
- Enhanced recoveries on partially oxidized material, 4% of the PEA mine plan mineralized material
- Confirmed total gold and copper recoveries for sulphide fresh rock material, 96% of the PEA mine plan mineralized material

VANCOUVER, British Columbia, Sept. 23, 2019 -- Lumina Gold Corp. (TSXV: LUM) (OTCQX: LMGDF) (the “Company” or “Lumina”) is pleased to announce that it has received positive results from the latest metallurgical test program conducted on its 100% owned Cangrejos gold-copper project (the “Project”) located in south-western Ecuador. These test results are from the third round of metallurgical testing conducted by Lumina. The tests continue to demonstrate that the mineralized material can be processed by conventional industrial techniques. Several improvements have been made in the understanding of the material from the Cangrejos deposit since the release of the Preliminary Economic Study (“PEA”). In particular, the optimization of flotation conditions and the addition of a carbon-in leach (“CIL”) plant is expected to enhance gold recoveries of partially oxidized rock and allow for the processing of saprolite rock, which was previously treated as waste. Testing is continuing on new material from the Cangrejos and Gran Bestia deposits.

Summary Results

	% of PEA	2018 Test Results		2019 Test Results		PEA Assumptions (1)	
Rock Type	Mine Plan	Gold Recovery	Copper Recovery	Gold Recovery	Copper Recovery	Gold Recovery	Copp
Sulphide Material	96%	83% (2)	87% (2)	82% (3)	87% (3)	82%	82%
Partially Oxidized	4%	63% (4)	36% (4)	81% (5)	54%(5)	65%	50%
Saprolite Rock	0%	56% (4)	1% (4)	70% (5)	4% (5)	0%	0%

(1) Based on Lumina’s 2018 test program. Results were adjusted for resource head grade in relation to the master composite head grade.
(2) Gravity circuit plus lock cycle flotation concentrates.
(3) Lock cycle flotation plus cyanidation of cleaner scavenger tails and sand concentrate.
(4) Gravity circuit plus open circuit cleaner flotation concentrates.
(5) Open circuit cleaner flotation and cyanidation of middlings and cleaner scavenger tails.

Sulphide Material – Fresh Rock – 96% of PEA Mine Plan

Flotation combined with cyanidation of the flotation cleaner scavenger tails and the concentrates from flotation of coarse particles from rougher flotation tailings can be used to recover 82% of the gold and 87% of the copper into copper-gold flotation concentrates and dore. This would represent a change from the PEA where separate gravity gold, copper-gold and molybdenum concentrates were contemplated to be the final products. Recoveries are similar to those reported in the 2018 test program.

A fresh rock Master Composite was made by blending 14 of the individual variability composites, which assayed 0.72 g/t gold, 0.2 g/t silver, 0.07% copper and 24 ppm molybdenum. Lock-cycle flotation testing of the Master Composite yielded a saleable flotation concentrate that assayed 21.5% copper, 170 g/t gold, 93

g/t silver and 0.64% molybdenum. Despite the lower copper grade of the Master Composite versus the 2018 testing grade of 0.25% copper, the resulting copper concentrate end product was similar in quality and grade. The final concentrate contained 87% of the copper, 73% of the gold and 67% of the molybdenum. Cyanidation of the scavenger cleaner tails and concentrates from flotation of coarse rougher flotation tailings material recovers another 9% of the gold, for a total gold recovery of 82%. The production of a separate molybdenum concentrate may be warranted when molybdenum content is elevated.

Comminution tests on all of the variability samples from the 2019 program indicate that the materials tested have average Bond Ball Mill Work Index values of 15 kWh/mt, which would be classified as medium-hard to hard.

The acid generation tests for the rougher tails of the Master Composite showed that the material has the potential to consume more acid than it generates. This is viewed as a significant positive for the Project’s tailings facilities.

Partially Oxidized Material – 4% of PEA Mine Plan

Gold and copper recoveries into open circuit cleaner flotation concentrates and dore from near-surface partially oxidized materials are 81% and 54% respectively, an improvement of 18% for each metal from the 2018 gravity plus open circuit float tests. The PEA applied a 65% gold recovery and 50% copper recovery to this material based on projection of recoveries from gravity plus open circuit cleaner flotation tests.

Saprolite Rock Material – Not Included in PEA Mine Plan

Gold recovery into open circuit cleaner flotation concentrates and dore from near-surface saprolite rock material, which was previously considered waste due to low recovery, is 70%, an improvement of 14% from the previous 2018 gravity plus open circuit float tests. This recovery is enabled by improved flotation reagent schemes and the addition of a conventional CIL processing plant. Copper recoveries into open circuit cleaner flotation concentrates were only 4% from this material.

Whole Ore Leaching Alternative

Alternatively, whole-ore cyanidation can be used to process the mineralized material across the three different ore types. Testing in the 2018 and 2019 programs have shown that 90% of the gold can be recovered in dore, but no copper would be recovered using this process. The testing in the two programs showed that the cyanide consumption is approximately 1.3 kilograms per tonne.

High Pressure Grinding Roll Commentary

Lumina is awaiting the results of an economic trade-off study that compares the application of high pressure grinding rolls (HPGR) to the conventional SAG mill grinding assumed in the PEA. HPGR crushing and JK DWT tests on composited material from four drill holes in the deposit were conducted at FLSmidth Labs, an independent testing laboratory in Utah. JK DWT tests indicate an A*b value of 27.4, indicating the material is in the harder range for resistance to impact breakage, and a SCSE value of 12.05 kWh/mt. The HPGR testing in closed circuit, yielded an average of 1.81 kWh/mt and a recirculating load of 65%.

Test Work Description

The current test work is being performed at C. H. Plenge & CIA S.A. (“Plenge”), an independent metallurgical testing laboratory based in Lima, Peru. The results in this news release were generated based on 24 individual variability composites and a Master Composite. The individual variability composites were prepared using approximately 2,500 kilograms of drill core collected during the 2018 and 2019 drilling campaigns from 23 different drill holes and represented high grade, average grade and low grade mineralized materials from the Project. The variability program was executed with large samples that totaled 256 kg, while flow sheet development and optimization demanded roughly 60 tests and 324 kg of composite excluding comminution in both cases.

Quality Assurance

All the samples were assayed by Plenge and Inspectorate Services Peru. Assay results between the two testing facilities were consistent. The lock cycle flotation products, rougher tails and cleaner scavenger tails were also submitted for re-assay at the same analytical facility. Flotation optimization tests using design of experiment included no less than four duplicate tests to obtain lack of fit and pure error estimates. A good reconciliation was found between the calculated head grades and the assay head grades.

Lumina is not aware of any factors that could materially affect the accuracy or reliability of the data referred to herein.

Qualified Persons

Nelson King, SME Registered Member and Metallurgical Consultant to Lumina, is a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. Mr. King has assisted Lumina in the development and direction of the metallurgical testing program for the Project, has visited the Project and Plenge’s laboratory in Lima to observe the testing program, and has reviewed and approved the content of this press release relating to the metallurgical testing. Mr. King also verified the results of the metallurgical testing.

About Lumina Gold

Lumina Gold Corp. (TSXV: LUM) is a Vancouver, Canada based precious and base metals exploration and development company focused on the Cangrejos Gold-Copper Project located in El Oro Province, southwest Ecuador. Lumina has an experienced management team with a successful track record of advancing and monetizing exploration projects.

Further details are available on the Company’s website at https://luminagold.com/

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