

Luna Gold Corp. – Mine Operations Management

Aurizona Mine, Brazil

JDS Energy & Mining Inc.

OVERVIEW

The Aurizona Gold Mine project is an open-pit mine consisting of five gold deposits (Piaba, Tatajuba, Boa Esperança, Conceição and Ferradura) and more than a dozen near mine exploration targets. It is located within the São Luis Craton, accessible by roads from Belém (400 km) and Sao Luis (320 km), Brazil.

Commercial production was achieved in February of 2011. In 2013, Aurizona produced more than 79,000 oz of gold. For 2014, Luna's guided production ranges from 75,000 oz of gold to 80,000 oz. The ore feed comes from Proven & Probable Reserves totaling 55.5 million tonnes at 1.32 g/t Au. Open pit mining is currently underway in the center of the Piaba deposit, a deposit with Proven & Probable Reserve of 2.36 million ounces.

SCOPE OF WORK

JDS was engaged in 2014 by Luna Gold Corp. to provide on-site senior leadership team for the operations, including a General Manager, Mine Operations Manager, Mine Technical Services Manager, Mine Superintendent, Mill Superintendent, Procurement Manager and Geology Manager. JDS undertook a high-level operational assessment, including reviews of mine and water management, historical production and cost, budget, LOM plan and economic model. JDS implemented an action plan and tripled the daily production of mine operations in under two months by establishing and following practical mine plans, implementing a water management plan, improving haul roads to increase production and allow operation into the wet season and by mentoring supervisors to maximize production with the available fleet while improving safety. We also improved communication between all departments, contractors and the workforce with regular meetings focusing on safety and operational performance.

Project Value: \$5M

