LUMINEX RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

March 31, 2021

(Unaudited)

TSX-V: LR

www.luminexresources.com

NOTICE OF NO AUDITOR REVIEW

The unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the periods ended March 31, 2021 and 2020 have not been reviewed by the Company’s external auditors.

LUMINEX RESOURCES CORP.
CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS

Unaudited

(expressed in U.S. dollars)

	Note	March 31, 2021	December 31, 2020
ASSETS			
Current assets			
Cash and cash equivalents	3	$ 2,771,908	$ 6,207,950
Receivables	4	98,881	72,045
Prepaid expenses		139,583	109,955
Total current assets		3,010,372	6,389,950
Non-current assets			
Property and equipment	5	973,669	953,185
Exploration and evaluation assets	6(a)	30,120,626	30,120,626
Investment in Pegasus	6(b)	2,200,000	2,200,000
Total assets		$ 36,304,667	$ 39,663,761
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 680,546	$ 457,298
Current portion of lease obligations	5	21,704	19,018
Total liabilities		702,250	476,316
EQUITY			
Share capital	7	75,583,541	75,583,541
Share-based payment reserve		1,079,262	1,022,057
Accumulated deficit		(42,333,209)	(38,761,029)
Equity attributable to owners of the Company		34,329,594	37,844,569
Non-controlling interest	9	1,272,823	1,342,876
Total equity		35,602,417	39,187,445
Total liabilities and equity		$ 36,304,667	$ 39,663,761

Nature of operations (Note 1)
Going concern (Note 2(b))
Commitments and contingent liability (Note 18)
Post-reporting date events (Note 19)

APPROVED BY THE DIRECTORS

"Marshall Koval"
Director

"Donald Shumka"
Director

LUMINEX RESOURCES CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three months ended March 31, 2021 and 2020

Unaudited

(expressed in U.S. dollars)

		Three months ended March 31,	
	Note	**2021**	**2020**
Expenses			
Exploration and evaluation ("E&E") expenditures	6(c), 16	$ 3,258,190	$ 3,041,428
Fees, salaries and other employee benefits	10, 16	236,361	225,788
General and administration ("G&A")	16	115,557	84,104
Professional fees		49,823	86,569
		(3,659,931)	(3,437,889)
Other income (expenses)			
Interest income and other	17	3,911	14,407
Interest expense and other		(603)	(2,373)
Foreign exchange gain (loss)		14,390	(107,023)
		17,698	(94,989)
Net loss and comprehensive loss for the period		$ (3,642,233)	$ (3,532,878)
Loss attributable to:			
Owners of the Company		$ (3,572,180)	$ (3,335,279)
Non-controlling interest	9	(70,053)	(197,599)
		$ (3,642,233)	$ (3,532,878)
Loss per share attributable to owners of the Company – basic and diluted	11	$ (0.04)	$ (0.05)
Weighted average number of shares outstanding – basic and diluted	11	91,013,129	72,210,415

LUMINEX RESOURCES CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2021 and 2020

Unaudited

(expressed in U.S. dollars)

	Note	Three months ended March 31, 2021	2020
Operating activities			
Loss for the period		$ (3,642,233)	$ (3,532,878)
Adjustment for non-cash items:			
Depreciation	5	19,147	16,590
Share-based payment	8	57,205	63,753
Environmental deposit interest earned		-	(817)
Deduct: interest income		(190)	(6,026)
Add: interest expense		803	2,373
Net changes in non-cash working capital items:			
Receivables		(26,836)	(60,980)
Prepaid expenses		(29,628)	(20,670)
Accounts payable and accrued liabilities		223,248	(272,128)
Net cash utilized in operating activities		(3,398,484)	(3,810,783)
Investing activities			
Environmental deposit		-	175,142
Expenditures on property and equipment		(29,895)	-
Interest received		190	6,026
Net cash (utilized in) provided by investing activities		(29,705)	181,168
Financing activities			
Payment of lease obligation	5	(7,050)	(5,974)
Payment of interest on lease obligation	5	(803)	(2,373)
Net cash utilized in financing activities		(7,853)	(8,347)
Decrease in cash		(3,436,042)	(3,637,962)
Cash and cash equivalents, beginning of period		6,207,950	8,382,935
Cash and cash equivalents, end of period	3	$ 2,771,908	$ 4,744,973

LUMINEX RESOURCES CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2021 and 2020

Unaudited

(expressed in U.S. dollars)

		Attributable to owners of the Company												
		Share Capital			Share-based		Accumulated				Non-controlling			
	Note	Number of shares		Amount		Payment Reserve		Deficit		Total		Interest		Total Equity
Balance, December 31, 2019		72,210,415	$	66,438,255	$	664,960	$	(28,268,285)	$	38,834,930	$	1,973,746	$	40,808,676
Share-based payment	8	-		-		63,753		-		63,753		-		63,753
Comprehensive loss		-		-		-		(3,335,279)		(3,335,279)		(197,599)		(3,532,878)
Balance, March 31, 2020		72,210,415	$	66,438,255	$	728,713	$	(31,603,564)	$	35,563,404	$	1,776,147	$	37,339,551
Balance, December 31, 2020		91,013,129	$	75,583,541	$	1,022,057	$	(38,761,029)	$	37,844,569	$	1,342,876	$	39,187,445
Share-based payment	8	-		-		57,205		-		57,205		-		57,205
Comprehensive loss		-		-		-		(3,572,180)		(3,572,180)		(70,053)		(3,642,233)
Balance, March 31, 2021		91,013,129	$	75,583,541	$	1,079,262	$	(42,333,209)	$	34,329,594	$	1,272,823	$	35,602,417

See Accompanying Notes to the Condensed Consolidated Interim Financial Statements

1. NATURE OF OPERATIONS

Luminex Resources Corp. ("Luminex" or the "Company") is a publicly listed company incorporated under the *Business Corporations Act* (British Columbia) on March 16, 2018 pursuant to a plan of arrangement to reorganize Lumina Gold Corp. ("Lumina") which was completed on August 31, 2018 (the "Arrangement"). The Company is listed on the TSX-Venture Exchange, having the symbol LR. Luminex and its subsidiaries (collectively referred to as the "Group") are engaged in the acquisition, exploration and development of mineral resources in Ecuador. The Group is considered to be in the exploration stage as it has not placed any of its mineral properties into production.

The Company's head office and principal business address is Suite 410, 625 Howe Street, Vancouver, British Columbia, V6C 2T6. The Company's registered and records office is located at 1200 – 200 Burrard Street, Vancouver, British Columbia, V7X 1T2.

2. BASIS OF PREPARATION, GOING CONCERN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These condensed consolidated interim financial statements of the Group for the three months ended March 31, 2021 and 2020, have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information and disclosures required in full annual financial statements and should be read in conjunction with the Group's annual financial statements as at December 31, 2020 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in U.S. dollars, except as specifically noted for Canadian dollar amounts shown as "C$".

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on May 27, 2021.

(b) Going concern

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Group 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. The Group has incurred cumulative losses of $42,333,209 to March 31, 2021 and has reported a net loss attributable to owners of the Company of $3,572,180 for the three months ended March 31, 2021. The Group expects to continue to incur losses in the development of its mineral exploration projects and will require additional financing in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. The ability of the Group to continue as a going concern is dependent upon 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 Group's assets, the outright sale of the Company, the successful development of the Group's mineral property interests or a combination thereof.

The COVID-19 pandemic continues to impact world affairs. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be estimated at this time. The Company is monitoring developments and will adapt its business plans accordingly. The continuing international and national spread of COVID-19 could adversely impact the Company's ability to carry out its plans and raise capital.

There can be no assurance that management's plans will be successful. The Group believes that, based on forecasts and its expected ability to raise financing, it will be able to continue as a going concern for the foreseeable future. These condensed consolidated interim 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 Group be unable to continue as a going concern. Such adjustments could be material.

(c) Significant accounting policies

The significant accounting policies that have been applied, on a consistent basis, in the preparation of these condensed consolidated interim financial statements are included in the Group's audited consolidated financial statements for the year ended December 31, 2020. Those accounting policies have been used throughout all periods presented in the condensed consolidated interim financial statements.

2. BASIS OF PREPARATION, GOING CONCERN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Significant accounting judgments and estimates

The preparation of the Group'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 condensed consolidated interim financial statements are discussed below.

Determination of functional currency: The determination of functional currency for each company in the Group requires an analysis of various indicators which IFRS splits between primary and additional indicators. The primary factors include analyzing (a) the currency that mainly influences sales prices for goods and services, (b) the currency of the country whose competitive forces and regulations mainly determine the sales price of its goods and services and (c) the currency that mainly influences labour, material and other costs of providing goods or services. Management further reviewed the additional factors for consideration under IFRS which included examining (a) the currency of financing activities, (b) the currency in which receipts from operating activities are usually retained, (c) whether the activities of foreign operations are carried out as an extension of the Company or operate with a large degree of autonomy, (d) whether transactions between entities is a high or low proportion of the foreign operation's activities, (e) whether cash flows from activities of a foreign operation directly affect the cash flows of the Company and (f) whether cash flows from the activities of the foreign operation are sufficient to service existing and normally expected debt obligations. Management determined that the functional currency for all companies in the Group is the U.S. dollar.

Going concern: The assessment of the Group's ability to continue as a going concern requires significant judgment. The Group considers the factors outlined in Note 2(b) when making its going concern assessment.

Exploration and evaluation assets: The application of the Group'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 profit or loss in the period when the new information becomes available. The carrying value of these assets is detailed at Notes 6(a) and 6(b).

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.

(e) Standards issued but not yet effective

The Group has not early adopted any amendment, standard or interpretation that has been issued by the IASB but that is not yet effective, nor has it identified any such standard or interpretation that is expected to have a material impact on the Group's consolidated financial statements.

3. CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents, by currency, at March 31, 2021 and December 31, 2020 was as follows:

		March 31, 2021		December 31, 2020
Cash at bank and in hand denominated in Canadian dollars	$	1,081,044	$	1,314,692
Cash at bank and in hand denominated in U.S. dollars		1,690,864		1,790,340
Short term deposit denominated in U.S. dollars		-		3,102,918
	$	2,771,908	$	6,207,950

(expressed in U.S. dollars)

4. RECEIVABLES

		March 31, 2021		December 31, 2020
Refundable goods and services tax	$	24,611	$	32,424
Other		74,270		39,621
	$	98,881	$	72,045

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. The Group anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. The Group's receivables are all considered current and are not past due. The Group does not hold any collateral related to these assets.

5. PROPERTY AND EQUIPMENT AND LEASE OBLIGATIONS

		Land[1]		Right-of-use assets		Property & Equipment		Total
Cost								
December 31, 2020	$	553,032	$	72,926	$	601,433	$	1,227,391
Additions		-		9,736		29,895		39,631
March 31, 2021	$	553,032	$	82,662	$	631,328	$	1,267,022
Accumulated Depreciation								
December 31, 2020	$	-	$	55,462	$	218,744	$	274,206
Depreciation for the period		-		6,800		12,347		19,147
March 31, 2021	$	-	$	62,262	$	231,091	$	293,353
Net book value								
December 31, 2020	$	553,032	$	17,464	$	382,689	$	953,185
March 31, 2021	$	553,032	$	20,400	$	400,237	$	973,669

[1] The Company holds 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.

Depreciation expense relating to property and equipment utilized in E&E activities is expensed to E&E and is included in field office costs.

Right-of-use ("ROU") assets

The Group has recognized ROU assets in relation to leases for office space and warehouses in Ecuador. The ROU assets were recognized based on the amount equal to the lease liability.

Lease obligations

A continuity of the lease liability for the three months ended March 31, 2021 is as follows:

December 31, 2020	$	19,018
Interest accretion		803
Lease payments		(7,853)
Adjustment for addition of lease		9,736
March 31, 2021	$	21,704

(expressed in U.S. dollars)

5. PROPERTY AND EQUIPMENT AND LEASE OBLIGATIONS (continued)

Lease obligations (continued)

Minimum lease payments in respect of lease obligations and the effect of discounting are as follows:

		March 31, 2021		December 31, 2020
Undiscounted minimum lease payments				
Within one year	$	22,522	$	19,814
Between one to two years		-		-
Total undiscounted lease obligations		22,522		19,814
Less: future interest charges		(818)		(796)
Total discounted lease obligations		21,704		19,018
Less: current portion of lease obligations		(21,704)		(19,018)
Non-current portion of lease obligations	$	-	$	-

The weighted average rate applied to the lease liabilities was approximately 9%.

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

(a) Exploration and evaluation assets

The Group holds various mineral exploration projects and concession areas in Ecuador as follows:

Condor

The Group has nine concessions located in the Zamora-Chinchipe Province in southeast Ecuador, collectively known as the “Condor Project” and totaling 10,101 hectares.

Cascas

The Group’s Cascas Project consists of two concession areas totaling 9,998 hectares located approximately 25 kilometres southwest of the Condor Project.

Pegasus

The Group holds, subject to earn-in by Anglo American plc (“Anglo American”), the Pegasus A1-7, Pegasus B8-14 and Luz concessions. These concessions are an early-stage gold project comprising 67,360 hectares and are located approximately 150 kilometres southwest of Quito.

Tarqui

The Group holds, subject to earn-in by BHP Group plc (“BHP”), the Tarqui Project, consisting of two concession areas totaling 4,817 hectares located on trend with the Condor Project.

Other concessions

The Group also holds the following concession areas: Tres Picachos (4,828 hectares) and La Canela (3,187 hectares) which are located approximately 100 kilometres southwest of the Condor Project; Orquideas (4,743 hectares) which is located in proximity to the Condor Project; and Quimi, consisting of two concession areas totaling 2,732 hectares located on trend with the Condor Project.

(expressed in U.S. dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(a) Exploration and evaluation assets (continued)

Acquisition costs and carrying value of the Group's exploration projects as at March 31, 2021 and December 31, 2020 are as follows:

	March 31, 2021	December 31, 2020
Cost		
Condor Project	$ 47,487,910	$ 47,487,910
Rights to acquire / use ("Mineral Concession Rights")		
- Escondida (part of Condor Project)	45,000	45,000
- La Canela	120,000	120,000
- Orquideas	825,000	825,000
- Tres Picachos	240,000	240,000
	$ 48,717,910	$ 48,717,910
Impairment		
Condor Project	$ 17,772,284	$ 17,772,284
Orquideas	825,000	825,000
	$ 18,597,284	$ 18,597,284
Net book value	$ 30,120,626	$ 30,120,626

BHP Earn-in Agreement

On July 12, 2019, the Company entered into an earn-in and joint venture agreement (the "BHP Agreement") with a wholly owned subsidiary of BHP on the Tarqui 1 and 2 mining concessions ("Tarqui"). Under the terms of the BHP Agreement, BHP will have the right to:

(i) earn a 51% ownership interest in a joint venture company, which will hold Tarqui, by investing an aggregate amount of $25 million in exploration expenditures and making $2.4 million of cash payments to the Company over a four-year period (the "First BHP Earn-in"), such payments to be made in installments of (i) $100,000 within ten business days of July 12, 2019 (received); (ii) $200,000 upon completion of the transfer of Tarqui to the joint venture company (received); (iii) $300,000 by July 12, 2020 (received); (iv) $450,000 by July 12, 2021; (v) $450,000 by July 12, 2022; and (vi) $900,000 by July 12, 2023;

(ii) earn an additional 9% ownership interest in the joint venture company by sole funding an additional $10 million of exploration expenditures and making an additional $4.6 million of cash payments over a further two-year period (with $1,100,000 due by July 12, 2024 and $3,500,000 due by July 12, 2025), increasing BHP's aggregate ownership to 60% (the "Second BHP Earn-in"); and

(iii) earn a further 10% ownership interest in the joint venture company by sole funding an additional $40 million of exploration expenditures on Tarqui, taking BHP's aggregate ownership to 70% (the "Third BHP Earn-in").

Assuming completion of the Third BHP Earn-in, the Company will retain a 30% interest in Tarqui and would be responsible for funding its 30% pro rata share of any capital required to further explore, develop or construct a mine at Tarqui. Should BHP fail to meet the milestones to earn the initial 51% interest in Tarqui, then the concessions will remain under the sole control of Luminex as BHP's interest in the joint venture company will not vest and sole ownership of the entity will revert to Luminex. In accordance with the terms of the BHP Agreement, BHP has assumed management of the joint venture company and the exploration program for Tarqui and has the right to accelerate the exercise of the earn-in by completing all the exploration expenditures and any outstanding cash payments to Luminex in a period shorter than the earn-in term.

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(b) Investment in Pegasus

Anglo American plc ("Anglo American") Earn-in Agreement:

Effective September 21, 2018, Luminex signed a formal earn-in and joint venture agreement with Anglo American ("the "Anglo Agreement") relating to the Pegasus Project. Under the Anglo Agreement, Luminex holds 30 Class A common shares in Central Ecuador Holdings Ltd. ("Central") and Anglo American holds 70 Class B common shares in Central. Central is the vehicle through which Anglo American will earn its interest in the Pegasus Project and which will, ultimately, should all spending commitments be met, form the joint venture company to operate the Pegasus Project. Anglo American has the following spending commitments pursuant to the Anglo Agreement:

(i) In order to earn a 25% interest in the Pegasus Project, Anglo American is required to make option payments to Luminex totaling $1.1 million by September 21, 2021 (such payments to be made in installments of (i) $300,000 by September 21, 2019 (received); (ii) $300,000 by September 21, 2020 (received); and (iii) $500,000 by September 21, 2021) and spend at least $10 million in exploration expenditures by September 21, 2022 of which at least $2.2 million must be funded prior to September 21, 2019 (the "Initial Contribution"). Should Anglo American fail to complete the Initial Contribution its shares in Central will be cancelled and returned to treasury and the Pegasus Project will revert to being 100% owned by Luminex;

(ii) Anglo American can earn an additional 26% interest in the Pegasus Project (for a total of 51%) by making payments to Luminex totaling $2.4 million by September 21, 2023 (with $1,000,000 due by September 21, 2022 and $1,400,000 by September 21, 2023) and funding exploration expenditures of $25 million no later than September 21, 2024 (the "First Option");

(iii) Following completion of the First Option, Anglo American can earn an additional 9% interest in the Pegasus Project (for total of 60%) by making a payment to Luminex of $2.5 million by September 21, 2024 and funding exploration expenditures of $15 million by September 21, 2025 (the "Second Option"); and

(iv) Anglo American can earn an additional 10% interest in the Pegasus Project following completion of the Second Option if it solely funds all the required work up to a decision to construct a mine at the Pegasus Project, for a total retained interest of 70%.

Should Anglo American determine to only earn an interest up to the Initial Contribution, First Option or Second Option, the number of Class B common shares held by Anglo will be adjusted in accordance with the Anglo Agreement to result in their ownership level being retained at 25%, 51% or 60% respectively.

Luminex acquired a Mineral Concession Right on the Pegasus Project by way of payment of $2,200,000 to Lumina prior to the Arrangement. In accordance with the Anglo Agreement, Luminex has treated this Mineral Concession Right as its initial contribution in the Pegasus Project to Central Ecuador EC-CT S.A. ("Central Ecuador"), a wholly owned Ecuadorean subsidiary of Central.

In accordance with the terms of the Anglo Agreement, Anglo American will control and manage Central and Central Ecuador and all expenditures and operations related to the Pegasus Project. Should Anglo American withdraw from the Anglo Agreement or fail to make its Initial Contribution commitment it will cause all its appointed directors to resign from Central and Central Ecuador.

(expressed in U.S. dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(c) Exploration and evaluation expenditures

The Group's exploration and evaluation expenditures on its projects are as follows:

	Three months ended March 31, 2021									
	Cascas	Condor	La Canela	Orquideas	Palma Real	Pegasus[3]	Quimi	Tarqui[3]	Tres Picachos	**TOTAL**
Assays / Sampling	$ 46,110	$ 41,472	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 87,582**
Camp	250,741	316,464	-	3,444	-	-	597	-	-	**571,246**
Camp access and improvements	17,146	196,628	-	1,200	-	-	-	-	-	**214,974**
Drilling	232,772	72,149	-	-	-	-	-	-	-	**304,921**
Engineering	-	343,900	-	-	-	-	-	-	-	**343,900**
Environmental, Health & Safety	85,080	71,268	784	13,571	-	-	2,072	-	784	**173,599**
Field office	7,360	83,215	-	473	-	-	-	-	-	**91,048**
Geological consulting and field staff	235,273	309,519	290	1,331	-	-	1,027	-	144	**547,584**
Legal fees	6,877	53,660	647	2,916	-	-	246	-	154	**64,500**
Metallurgical	-	17,316	-	-	-	-	-	-	-	**17,316**
Mineral rights and property fees	100,092	113,027	31,926	47,486	-	-	27,832	-	48,336	**368,699**
Project management[1]	37,167	152,949	246	-	-	1,883	573	246	-	**193,064**
Reports	11,806	3,013	-	-	-	-	-	-	-	**14,819**
Social and community[1]	45,648	57,632	191	4,030	-	-	383	-	109	**107,993**
Transportation and accommodation	71,044	84,326	-	1,615	-	-	-	-	-	**156,985**
Costs incurred during the period	$1,147,116	$ 1,916,538	$ 34,084	$ 76,066	$ -	$ 1,883	$ 32,730	$ 246	$ 49,527	**$ 3,258,190**
Cumulative E&E incurred by Lumina to August 31, 2018 [2]	$ 247,281	$ 5,080,081	$ 175,936	$ 1,344,244	$ 600,096	$ 2,436,866	$ 132,765	$ 412,985	$ 294,458	**$ 10,724,712**
Cumulative E&E incurred by Luminex, beginning of period	2,162,943	15,876,696	233,165	379,825	39,786	32,919	729,274	401,723	395,898	**20,252,229**
E&E incurred during the period	1,147,116	1,916,538	34,084	76,066	-	1,883	32,730	246	49,527	**3,258,190**
Cumulative E&E incurred, end of period	$ 3,557,340	$ 22,873,315	$ 443,185	$ 1,800,135	$ 639,882	$ 2,471,668	$ 894,769	$ 814,954	$ 739,883	**$ 34,235,131**

(1) Project management and social and community costs include key management personnel costs (see Note 16).
(2) Costs for the Condor Project incurred since November 1, 2016. Costs for all other projects presented are on a cumulative basis since the date of initial award of the concessions to Lumina in 2016 or 2017. Costs are amounts incurred by Lumina either during the period prior to the transfer of the projects to Luminex or that were incurred by legal entities owned by Lumina that were not transferred to Luminex and are shown prior to any reimbursements to Lumina pursuant to any earn-in agreements.
(3) Costs shown do not include expenditures incurred by BHP or Anglo American pursuant to their Earn-In Agreements.

(expressed in U.S. dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (continued)

(c) Exploration and evaluation expenditures (continued)

	Three months ended March 31, 2020									
	Cascas	Condor	La Canela	Orquideas	Palma Real	Pegasus[3]	Quimi	Tarqui[3]	Tres Picachos	**TOTAL**
Assays / Sampling	$ 2,233	$ 143,212	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,985	**$ 148,430**
Camp	43,970	301,023	852	5,080	-	-	2,859	-	6,546	**360,330**
Camp access and improvements	1,676	97,104	-	-	-	-	-	-	-	**98,780**
Drilling	-	913,291	-	-	-	-	-	-	-	**913,291**
Engineering	-	9,531	-	-	-	-	-	-	-	**9,531**
Environmental, Health & Safety	31,089	68,385	5,012	17,606	-	-	4,901	-	6,681	**133,674**
Field office	4,911	76,589	637	6,986	-	-	-	-	782	**89,905**
Geological consulting and field staff	121,086	344,640	3,821	5,467	-	-	4,748	-	47,425	**527,187**
Legal fees	3,808	21,266	-	4,190	-	-	647	-	-	**29,911**
Metallurgical	-	1,080	-	-	-	-	-	-	-	**1,080**
Mineral rights and property fees	101,660	90,279	31,870	47,430	-	-	27,320	800	48,280	**347,639**
Project management[1]	17,031	86,809	-	-	-	1,883	1,392	1,228	1,146	**109,489**
Social and community[1]	82,246	29,097	-	2,814	-	-	2,493	-	-	**116,650**
Transportation and accommodation	42,654	99,511	-	-	-	-	5,472	-	7,894	**155,531**
Costs incurred during the period	$ 452,364	$ 2,281,817	$ 42,192	$ 89,573	$ -	$ 1,883	$ 49,832	$ 2,028	$ 121,739	**$ 3,041,428**
Cumulative E&E incurred by Lumina to August 31, 2018 [2]	$ 247,281	$ 5,080,081	$ 175,936	$ 1,344,244	$ 600,096	$ 2,436,866	$ 132,765	$ 412,985	$ 294,458	**$ 10,724,712**
Cumulative E&E incurred by Luminex, beginning of period	352,927	7,841,157	154,889	219,901	35,579	27,189	626,172	397,539	229,982	**9,885,335**
E&E incurred during the period	452,364	2,281,817	42,192	89,573	-	1,883	49,832	2,028	121,739	**3,041,428**
Cumulative E&E incurred, end of period	$ 1,052,572	$ 15,203,055	$ 373,017	$ 1,653,718	$ 635,675	$ 2,465,938	$ 808,769	$ 812,552	$ 646,179	**$ 23,651,475**

[1] Project management and social and community costs include key management personnel costs (see Note 16).
[2] Costs for the Condor Project incurred since November 1, 2016. Costs for all other projects presented are on a cumulative basis since the date of initial award of the concessions to Lumina in 2016 or 2017. Costs are amounts incurred by Lumina either during the period prior to the transfer of the projects to Luminex or that were incurred by legal entities owned by Lumina that were not transferred to Luminex and are shown prior to any reimbursements to Lumina pursuant to any earn-in agreements.
[3] Costs shown do not include expenditures incurred by BHP or Anglo American pursuant to their Earn-In Agreements.

(expressed in U.S. dollars)

7. SHARE CAPITAL

Authorized: Unlimited common shares, without par value.

Issued and fully paid:	Number of Common Shares		Amount
Balance, December 31, 2019 and March 31, 2020	72,210,415	$	66,438,255
Balance, December 31, 2020 and March 31, 2021	91,013,129	$	75,583,541

8. SHARE-BASED PAYMENTS

(a) Stock option plan

The Company has a stock option plan (the "Plan") whereby the Company may grant options to directors, officers, employees and consultants of the Company. The maximum number of common shares that may be reserved for issuance under the Plan is limited to 9,000,000. In addition, the number of common shares which may be reserved for issuance to any one individual may not exceed 5% of the issued common shares on a non-diluted basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Options are exercisable over periods of up to ten 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 common shares prevailing on the day that the option is granted. The Plan contains no vesting requirements but permits the Board to specify a vesting schedule in its discretion.

No stock options were granted during the three months ended March 31, 2021 and 2020.

Pursuant to the Company's accounting policy for share-based payments, the fair value of options vesting during the three months ended March 31, 2021, in the amount of $57,205 (three months ended March 31, 2020 - $63,753) has been recorded in the consolidated statement of comprehensive loss under fees, salaries and other employee benefits (Note 10).

(b) Outstanding stock options

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

	Three months ended March 31, 2021		2020	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning and end of period	4,259,973	C$0.68	3,286,973	C$0.65

At March 31, 2021, the Company had outstanding stock options, including weighted average remaining contractual life, as follows:

March 31, 2021 Options Outstanding				Options Exercisable	
Number of Options	Expiry Date	Weighted average life (years)	Exercise Price	Number of Options	Exercise Price
168,223	April 20, 2021	0.05	C$0.38	168,223	C$0.38
242,250	December 30, 2021	0.75	C$0.65	242,250	C$0.65
75,000	March 6, 2022	0.93	C$0.73	75,000	C$0.73
273,500	December 7, 2022	1.69	C$0.54	273,500	C$0.54
1,200,000	October 5, 2023	2.52	C$0.80	1,200,000	C$0.80
1,097,000	October 16, 2024	3.55	C$0.63	726,343	C$0.63
1,204,000	November 26, 2025	4.66	C$0.68	391,345	C$0.68
4,259,973		3.11	C$0.68	3,076,661	C$0.69

(expressed in U.S. dollars)

9. NON-CONTROLLING INTEREST ("NCI")

The following table summarizes information related to the Group's non-controlling interest which has a 10% interest in Condormining Corporation S.A. (see Note 16).

	March 31, 2021	December 31, 2020
Current assets	$ 225,485	$ 196,406
Non-current assets	37,887,437	37,410,111
Current liabilities	(126,189)	(132,267)
Net assets	37,986,733	37,474,250
NCI percentage	10%	10%
Net assets of individual entities attributable to the NCI	3,798,673	3,747,425
Adjustments on consolidation of individual entities subject to NCI	(2,525,850)	(2,404,549)
Net assets attributable to the NCI	$ 1,272,823	$ 1,342,876

	Three months ended March 31, 2021	2020
Net loss and comprehensive loss	$ 700,530	$ 1,975,990
NCI percentage	10%	10%
Net loss and comprehensive loss attributable to NCI	$ 70,053	$ 197,599

The entities subject to a NCI incurred the following cash expenditures during the three months ended March 31, 2021: (i) $680,662 on operating activities (three months ended March 31, 2020 - $2,023,414); and (ii) $Nil on investing activities (three months ended March 31, 2020 - $Nil).

10. FEES, SALARIES AND OTHER EMPLOYEE BENEFITS

	Three months ended March 31, 2021	2020
Fees and salaries	$ 179,156	$ 161,297
Other benefits	-	738
Share-based payments (Note 8(a))	57,205	63,753
	$ 236,361	$ 225,788

11. LOSS PER SHARE

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

	Three months ended March 31, 2021	2020
Net loss attributed to owners of the Company	$ 3,572,180	$ 3,335,279
Weighted average number of common shares outstanding (basic and diluted)	91,013,129	72,210,415
Loss per share – basic and diluted	$ 0.04	$ 0.05

Basic loss per share is computed by dividing the net loss attributed to owners 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 currently issued (see Note 8) were anti-dilutive for the three months ended March 31, 2021 and 2020 and have not been included in the calculation of diluted weighted average number of common shares outstanding.

(expressed in U.S. dollars)

12. 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 existing 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 objectives, policies and processes compared to the prior year. The Company is not subject to any externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS

(a) Categories of financial assets and financial liabilities

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

	Note	Category		March 31, 2021		December 31, 2020
Cash and cash equivalents	3	Amortized cost	$	2,771,908	$	6,207,950
Other receivables	4	Amortized cost		74,270		39,621
Accounts payable and accrued liabilities		Amortized cost		680,546		457,298

The recorded amounts for cash and cash equivalents, other receivables, and 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. Income earned on the Group's cash and cash equivalents has been disclosed in the consolidated statements of loss and comprehensive loss under the caption "interest income and other."

(b) Fair Value Measurements

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.

14. FINANCIAL INSTRUMENT RISKS

The Group 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 Group's operations and all transactions undertaken are to support the Group'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 Group considers that its cash and cash equivalents and other receivables are exposed to credit risk, representing maximum exposure of $2,846,178 (December 31, 2020 - $6,247,571). 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 Group's exposure to credit risk on its cash is minimized by maintaining these assets with high-credit quality financial institutions. At March 31, 2021, the Group's cash was held at two financial institutions (December 31, 2020 – two financial institutions).

14. FINANCIAL INSTRUMENT RISKS (continued)

(b) Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they become due. The Group 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 and loans.

At March 31, 2021, the Group's current liabilities consisted of trade and other payables of $680,546 which are due primarily within three months from the period end. The Group's cash of $2,771,908 at March 31, 2021, was sufficient to pay for the current liabilities.

(c) Market Risks

The significant market risk exposures to which the Group 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 Group will fluctuate because of changes in market interest rates. Based on the Group's cash as at March 31, 2021, 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 $28,000 in the Group's interest income on an annual basis.

Currency Risk

The functional currency of the Company 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 Group 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 Group incurs the majority of its expenditures in U.S. dollars, corporate G&A expenses are primarily paid in Canadian dollars. The Group does not use derivative instruments to reduce its exposure to foreign exchange and currency risks. The Group's exposure to foreign currency risks on cash balances held in foreign currencies is not expected to be significant.

The table below shows the impact that a 1% fluctuation in foreign currency rates compared to the U.S. dollar would have on the Group's consolidated loss, comprehensive loss and equity based upon the assets held at March 31, 2021.

Financial Instrument Type		U.S. Dollar	Currency	+/- 1% Fluctuation			
Cash	$	1,081,044	CAD dollar	$	10,814	$	(10,814)
Accounts payable and accrued liabilities		(35,436)	CAD dollar		(354)		354
Total	$	1,045,608		$	10,460	$	(10,460)

Other Price Risk

The Group did not hold any financial instruments that had direct exposure to other price risks at March 31, 2021.

15. SEGMENTED DISCLOSURE

The Company is organized into business units based on the location of its mineral properties and has one reportable operating segment, being that of the acquisition, exploration and evaluation of mineral properties in Ecuador. Reporting to the chief decision makers is carried out on a consolidated basis.

(expressed in U.S. dollars)

16. GROUP INFORMATION AND RELATED PARTY TRANSACTIONS

Information about subsidiaries

The consolidated financial statements include the following subsidiaries:

		% Equity interest at	
	Country of Incorporation	March 31, 2021	December 31, 2020
Ecuador Gold Holdings Ltd.	Canada	100	100
Proyectmin Holdings Ltd.	Canada	100	100
Southern Ecuador Holdings Ltd.	Canada	100	100
Central Ecuador Holdings Ltd.	Canada	30(1)	30(1)
Tarqui Holdings Ltd.	Canada	100	100
EMH S.A.	Ecuador	100	100
Condormining Corporation S.A.	Ecuador	90	90
Corporacion FJTX Exploration S.A.	Ecuador	100	100
Bestminers S.A.	Ecuador	90	90
Condormine S.A.	Ecuador	90.1	90.1
Proyectmin S.A.	Ecuador	100	100
Luminex Services Ecuador LS-EC S.A. (“Luminex Services”)	Ecuador	100	100
Southern Ecuador SN-EC S.A.	Ecuador	100	100
Central Ecuador EC-CT S.A.	Ecuador	30(1)	30(1)

(1) See Note 6(b) for details around the equity interest held by Anglo American pursuant to the Anglo Agreement.

Related party expenses and balances

The Group incurred the following expenses with related parties:

		Three months ended March 31,	
Company	Nature of transactions	2021	2020
Hathaway Consulting Ltd.	Fees	$ 25,052	$ 24,149
Into the Blue Management Inc.	Fees	16,051	15,474
Koval Management Inc.	Fees	35,140	33,274
La Mar Consulting Inc.	E&E (social / community)	32,793	32,793
Lumina	E&E (field office / project management / travel)	18,782	1,292
Lumina	G&A	1,524	16,312
Lyle E Braaten Law Corp.	Fees	16,705	16,097
Miedzi Copper Corp. (“Miedzi”)	E&E (geological)	21,047	23,632
Miedzi	G&A	10,882	8,502
Miedzi	Fees	46,360	43,655
		$ 224,336	$ 215,180

Miedzi and Lumina are considered companies related by way of directors 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. At March 31, 2021, there were no amounts owing to related parties (December 31, 2020 - $Nil).

Luminex Services provides personnel services to Odin Mining del Ecuador S.A. (“Odin”), a subsidiary of Lumina, whereby personnel time is recharged based on time worked and at a rate of cost plus 6%. These services are recorded the Company’s financial statements as a reduction of cost associated to E&E expenditures. The total amount recharged to Odin for the three months ended March 31, 2021 was $70,762 (three months ended March 31, 2020 - $87,947). Included in accounts receivable is $25,316 due from Odin (December 31, 2020 - $Nil).

(expressed in U.S. dollars)

16. GROUP INFORMATION AND RELATED PARTY TRANSACTIONS (continued)

Key management personnel compensation

Key management of the Group are the directors and officers of Luminex and their remuneration includes the following:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Short-term benefits (i)	$ 207,561	$ 201,783
Share-based payments (ii)	-	-
Total remuneration	$ 207,561	$ 201,783

(i) Short-term benefits include fees and salaries, including where those costs have been allocated to E&E expenditures (see Note 6(c)).
(ii) Share-based payments are the fair value of options granted (vested and unvested) to key management personnel as at the grant date.
(iii) Key management personnel were not paid post-employment benefits, termination benefits, or long-term benefits during the periods ended March 31, 2021 and 2020.

17. INTEREST INCOME AND OTHER

Interest income and other consists of the following components:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Interest - bank / environmental deposits	$ 190	6,843
Other	3,721	7,564
	$ 3,911	$ 14,407

18. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

As at March 31, 2021, the Group has entered into agreements that are not recognized as ROU assets and that include rental agreements, infrastructure improvements and contracted studies that require minimum payments in the aggregate as follows:

Within one year	$ 107,000
After one year but not more than five years	11,000
	$ 118,000

In addition, the Group is obligated to fulfil certain investment obligations on its mineral concessions in Ecuador pursuant to the following rules:

(a) New concessions that were originally granted pursuant to a public tender process in Ecuador during 2016 and 2017 (the "Public Tender") require minimum expenditures per year (commencing on the registration date of the concession with the Government of Ecuador) of $5 per hectare for each of Years 1 and 2 and $10 per hectare for each of Years 3 and 4. This spending commitment is required to be applied by the Government of Ecuador in situations where a company seeks to reduce the area that was obtained under the tender process.

(b) Applications for new concessions via Public Tender in Ecuador, require that an investment offer be presented for each concession. The investment offer represents the total amount that is required to be spent in order to maintain possession of the concession area at the end of the four-year investment period required by the Government of Ecuador. Current interpretations of the law in Ecuador are that all costs related to the project (direct and indirect and incurred in Ecuador or overseas) are able to be utilized against the four-year commitment. Should a concession holder resign from a concession prior to the end of the 4-year anniversary, the concession is relinquished without requiring the 4-year spend total be reached. In December 2020, the Ecuadorian Ministry of Energy and Non-Renewable Natural Resources issued a Ministerial Decree that, among other items, had the effect of extending the timeframe of the 4-year commitment period, on a case-by-case basis. For the concessions held by the Company, the resulting time extensions ranged from three months to three and a half years.

(expressed in U.S. dollars)

18. COMMITMENTS AND CONTINGENT LIABILITIES (continued)

Commitments (continued)

(c) Concessions in Ecuador require the Group to submit an annual expenditure plan to the Government of Ecuador outlining the minimum amount of committed expenditures for the upcoming year. Should a company resign from a concession area during the following year, there is no minimum commitment applicable except that the company shall pay for the portion of annual concession fees to the date that the relinquishment is completed.

Accordingly, should the Group wish to retain possession of all the concession areas it holds, excluding the Pegasus Project which is being managed and earned-in by Anglo American and Tarqui which is being managed and earned-in by BHP, as at March 31, 2021, the Group's commitment is as follows:

Within one year (i)	$	77,000
After one year but not more than five years (ii)		2,378,000
	$	2,455,000

(i) Consists of the remaining 2021 commitment per the annual expenditure plan submitted to the Government of Ecuador.
(ii) Relates to 4-year commitment spend requirement with due dates ranging from July 2, 2022 to October 2, 2022.

Contingent liability

Luminex has entered into an agency agreement with Miedzi to facilitate transactions between the entities and provide clarity around ongoing G&A costs in case of withdrawal from the agency agreement, including provisions for rent of premises and personnel costs. At March 31, 2021, and assuming withdrawal from the agency agreement at that date, Luminex's obligation to Miedzi would be approximately $326,000 (December 31, 2020 - $340,000).

19. POST-REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorization of the consolidated financial statements except that:

(i) On May 12, 2021, the Company closed brokered and non-brokered financings issuing a total of 17,362,000 common shares at a price of C$0.72 per common share for gross proceeds of approximately C$12,500,000; and

(ii) In April 2021, 198,223 stock options were exercised at a weighted average exercise price of C$0.41.