

NEWS RELEASE

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Luna Gold and JDL Gold Announce Increase to Non-Brokered Private Placement, Exercise of Bought Deal Over-Allotment Option, and Mailing and Filing of Special Meeting Materials

February 27, 2017 – Vancouver, BC – Luna Gold Corp. (TSX: LGC) (“Luna Gold”) and JDL Gold Corp. (TSX-V: JDL) (“JDL”) are pleased to announce that, further to press releases dated February 1 and February 14, 2017, the non-brokered private placement financing has been increased to between C\$60 million and C\$65 million. In addition, the underwriters of the previously announced C\$15 million bought deal private placement financing have exercised the C\$5 million over-allotment option in full, resulting in total gross proceeds of C\$20 million on closing.

Collectively, the non-brokered and bought deal private placement financings are expected to raise gross proceeds of approximately C\$80 million to C\$85 million and may be closed in one or more tranches. Closing of the financings is subject to customary conditions including the approval of the TSX Venture Exchange (“TSX-V”). Proceeds will be used to repay debt, for the exploration and development of the Aurizona gold project and for general corporate and working capital purposes.

The financings are being undertaken in connection with the business combination announced on February 1, 2017 whereby Luna Gold and JDL have entered into a plan of arrangement under section 192 of the *Canada Business Corporations Act* to combine their businesses (the “Transaction”), creating a multi-asset mining company. The combined company intends to change its name to “Trek Mining Inc.” and expects to trade on the TSX-V under the ticker symbol “TREK”.

Closing of the Transaction is subject to customary conditions including court and regulatory approvals and the approval of the securityholders of both Luna Gold and JDL. Special meetings of both companies will be held on March 24, 2017 to approve the Transaction. Luna Gold and JDL have commenced mailing a joint management information circular (the “Joint Circular”) and meeting materials in respect of the Transaction to their respective securityholders as of the record date. The Joint Circular contains, among other things, details concerning the Transaction, items to be voted on at the respective special meetings, and other related matters. Securityholders of Luna Gold and JDL are urged to carefully review the Joint Circular and accompanying meeting materials as they contain important information regarding the Transaction and its consequences to securityholders.

Copies of the Joint Circular and the meeting materials will be available on the companies’ websites and on SEDAR under the profiles of Luna Gold and JDL. The meeting materials include the respective notices of the special meeting of shareholders of JDL to be held on March 24, 2017 at 10:00 am (Vancouver time) at 2600 – 595 Burrard Street in Vancouver, BC, and the special meeting of securityholders of Luna Gold to be held on March 24, 2017 at 10:00 am (Vancouver time) at 2600 – 595 Burrard Street in Vancouver, BC. Should the companies receive securityholder approval, the Transaction is expected to close by the end of March 2017.

The securities offered under the financings have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release does not

constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor in any other jurisdiction.

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Forward-looking Statements

This document contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). The use of the words "will", "will be", "may", "may be", "creating", "intends", "expected", and similar expressions are intended to identify forward-looking statements. Forward-looking statements contained in this press release include, but are not limited to, statements regarding the proposed Transaction, the proposed non-brokered and bought deal private placement financings (together, the "Financings") and the use of such proceeds from the Financings. Although Luna Gold and JDL (the "Companies") believe that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since the Companies can give no assurance that such expectations will prove to be correct. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the risks, uncertainties and other factors identified in the Companies' periodic filings with Canadian securities regulators, and assumptions made with regard to: the Companies' ability to complete the proposed Transaction; the Companies' ability to secure the necessary shareholder, legal and regulatory approvals required to complete the Transaction; JDL's ability to complete the Financings; the total gross proceeds from the Financings; the timing of the anticipated restart of production at Aurizona; the ability to advance exploration efforts at Aurizona and the Companies' other projects; and the Companies' ability to achieve the synergies expected as a result of the Transaction. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Companies do not undertake any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws.