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FOR IMMEDIATE RELEASE

LUNA GOLD AMENDS SANDSTORM LETTER OF INTENT

Vancouver, April 16, 2009 – Luna Gold Corp. (TSXV-LGC) (“Luna” or the “Company”) announces that it has entered into an amended and restated letter of intent with Sandstorm Resources Ltd. (“Sandstorm”) concerning the proposed gold stream transaction relating to the Company’s Aurizona Project, as announced on March 12, 2009.

The material terms of the original letter of intent have been amended as follows:

- Sandstorm will not provide a loan of US\$7.2 million to Luna.
- Sandstorm has agreed to issue 5,500,000 common shares to Luna in addition to the upfront consideration of US\$17.8 million.
- Upon the execution and delivery of a binding definitive gold purchase agreement between Sandstorm and Luna, the upfront cash payment and the shares will be placed into escrow and will be released to Luna upon the satisfaction of certain conditions that were previously announced, including the closing by Sandstorm of a financing to raise net proceeds of at least C\$44 million on or before April 30, 2009.

About Luna Gold Corp.

Luna is a mining exploration company focused on the acquisition, exploration, and development of gold resources and advanced stage gold exploration projects in northeastern Brazil.

On behalf of the Board of Directors

LUNA GOLD CORP.

Jim Bahan – CEO

Website: www.lunagold.com

For further information contact Investor Relations at (604) 689-7317 or toll free at 1-866-689-7317.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors identified in Luna Gold Corp.'s periodic filings with Canadian Securities Regulators. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other exploration data, the potential for delays in exploration or development activities, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, accidents, equipment breakdowns, title matters, labor disputes or other unanticipated difficulties with or interruptions in production and operations, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, regulatory restrictions, including environmental regulatory restrictions and liability, competition, loss of key employees, and other related risks and uncertainties. The Company undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.