

VANCOUVER, BC--(Marketwired - March 30, 2015) - [Lupaka Gold Corp.](#) ("Lupaka Gold" or "the Company") (TSX VENTURE: LPK) (LMA: LPK) (FRANKFURT: LQP) reports performance highlights and financial results for the year ended December 31, 2014.

The following is taken from the Company's Audited Consolidated Financial Statements and Management's Discussion and Analysis, both of which are filed at www.sedar.com.

Overall Performance

The Company's recent activities and events of note for the fourth quarter (and to date) are as follows:

- On February 25, 2015, the Company announced that it had been granted a Certificate of Mining ("COM") permit for mining and development work activities at the Invicta Gold Project;
- The Company announced on February 17, 2015 that its common shares would be delisted from the Toronto Stock Exchange after the close of trading that day and immediately listed on the TSX Venture Exchange ("TSX.V") with no interruption in trading. The decision to move to TSX.V was made to reduce the Company's costs of maintaining its listing and for greater flexibility as the Company pursues its growth strategy;
- On December 8, 2014 the Company announced that it had been granted the permits and licenses necessary to commence mine preparation and development work at the Invicta Gold Project. These licenses and permits were granted as a result of the regulatory acceptance of the Company's Mining Plan for Invicta;
- The Company released the results of metallurgical studies for the Invicta Gold Project mineralization on October 28, 2014.

Lupaka Gold's common shares trade in Canada on the TSX.V and in Peru on the Bolsa de Valores de Lima ("BVL", otherwise known as the Lima Stock Exchange) under the symbol LPK, and in Germany on the Frankfurt Exchange ("FRA") under the symbol LQP.

Outlook

The Company's priority for 2015 is to commence commercial operations and generate cash flow from the Invicta Gold Project. This operational effort will initially focus on obtaining the remaining permits and contractor and community agreements necessary to mine, transport and process Invicta mineralized rock into saleable gold/copper and zinc concentrates. Additionally, the Company will continue its mineral exploration and development activities on the Crucero Gold Project and the Josnitoro Gold Project, as available cash resources allow.

Management will continue to evaluate available capital financing alternatives necessary to fund the remaining estimated US\$2,012,000 of expenditures needed to put the Invicta Gold Project into production as planned.

Financial Highlights

All amounts are in Canadian Dollars unless otherwise stated.

Financial results for the three months and years ended December 31, 2014 and 2013 are summarized as follows:

	Three months ended		Years ended	
	December 31		December 31	
	2014	2013	2014	2013
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Operating expenses	967	1,184	3,216	5,326
Exploration	389	748	1,541	2,968
General and administration	1,356	1,932	4,757	8,294
Operating loss	-	328	(90)	1,657
(Gain) impairment loss on available-for-sale financial asset	(7)	(8)	(28)	(60)
Finance income - interest	5	(79)	(30)	(109)
Foreign exchange loss (gain)	1,354	2,173	4,609	9,782
Loss for the period	\$0.01	\$0.03	\$0.05	\$0.12
Loss per share - Basic and diluted				

Exploration - all such expenses relate to the Peru operations of the Company and totalled \$3,216,000 for 2014 as compared to \$5,326,000 for 2013, a net decrease of \$2,110,000 for the period which reflects a decrease in: Project Administration expenses of \$1,710,000 primarily as a result of a significant reduction in Crucero exploration activities and associated expenses for 2014 and a reduction in Invicta personnel and related costs (in the first six months of 2014); Camp, Community Relations and related costs totalling \$445,000 as a result of a significant decrease in Crucero camp, exploration and related personnel costs, offset by Josnitoro concession fees and site costs and Invicta pre-construction activities; and Technical Reports and Assay costs of

\$262,000 largely because there were no Crucero-related resource technical reports or metallurgical studies in 2014; and individually miscellaneous costs totalling \$94,000.

Following is a summary of exploration expenditures, by project, during the year ended December 31, 2014:

	Crucero	Invicta	Josnitoro	Total
Camp, community relations and related costs	883	785	421	2,089
Project administration and concession fees	799	263	1	1,063
Technical reports, assays and related costs	11	47	0	58
Transportation, reclamation and professional fees	5	1	0	6
	1,698	1,096	422	3,216

General and administration expenses - all such expenses relate to the Canadian operations of Lupaka Gold and totalled \$1,541,000 for 2014 compared to \$2,968,000 for 2013, with the decrease of \$1,427,000 being a result of a decrease in: Salaries and Benefits of \$494,000, primarily attributable to no management bonuses for 2014, reduced stock-based compensation ("SBC") expenses for 2014, an allocation of Canada senior management costs to Invicta and lower personnel costs associated with a voluntary reduction in Vancouver office staff compensation; Shareholder and IR expenses of \$750,000 as a result of a significant cost reduction program affecting IR costs and decreased IR travel, staffing and SBC costs; Professional and Regulatory fees of \$154,000, due to reduced legal costs, elimination of auditor review engagements for 2014 and the non-occurrence of the 2013 costs associated with the initial listing on the BVL; and Office, general and corporate travel expenses of \$30,000.

A snapshot of the Company's balance sheet is as follows:

	December 31, 2014	December 31, 2013
Cash and cash equivalents	2,239	3,906
Working capital (defined as current assets less current liabilities)	1,242	2,873
Total assets	30,663	33,106
Total liabilities	1,539	1,777
Shareholders' equity	29,124	31,329

The principal changes in the Company's cash during the year ended December 31, 2014 were as follows:

- Cash used in operating activities in the year ended December 31, 2014 was \$4,376,000 (\$6,650,000 - year ended December 31, 2013), principally to fund the Company's loss for the period of \$4,609,000 (\$9,782,000 - year ended December 31, 2013) which was offset by non-cash charges including depreciation of \$140,000 (\$350,000 - year ended December 31, 2013), the gain on sale of the investment in Southern Legacy of \$90,000 (impairment loss of \$1,657,000 - year ended December 31, 2013) and share-based compensation of \$224,000 (\$618,000 - year ended December 31, 2013), as well as a net decrease of \$36,000 in non-cash working capital (increase of \$425,000 - year ended December 31, 2013).
- Net cash from investing activities in the year ended December 31, 2014 totalled \$1,201,000, with \$995,000 from the sale of the Company's previously held Investment in Southern Legacy Inc. (\$Nil - year ended December 31, 2013), sale of equipment of \$284,000 (\$10,000 - year ended December 31, 2013) and purchases of equipment for \$78,000 (\$107,000 - year ended December 31, 2013). There were no purchases of available-for-sale financial assets in 2014 (\$52,000 - year ended December 31, 2013).
- The Company completed a non-brokered private placement (the "Placement") in August 2014 that raised net proceeds of \$1,521,000 (\$Nil - year ended December 31, 2013).

Total current liabilities as at December 31, 2014 totalled \$1,539,000 (\$1,777,000 - December 31, 2013), comprised of \$1,159,000 (\$1,406,000 - December 31, 2013) of accounts payable and accrued liabilities, mostly for current community obligations, and \$380,000 of provisions for reclamation (\$371,000 - December 31, 2013), the difference being attributable to a change in foreign exchange rates in 2014.

At present, the Company's operations do not generate positive cash flows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many periods and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company has typically raised capital through equity financings. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of

its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond its control.

Management continues to evaluate capital financing alternatives which are available to fund, if necessary, the remaining estimated US\$2,012,000 of pre-production expenditures needed to put the Invicta Gold Project into production in 2015.

Additionally, the Company has implemented various cost-cutting measures, primarily in the areas of administration, investor relations, project development and camp and related areas for the Crucero and Josnitoro Gold Projects.

As at December 31, 2014, the Company's aggregate common share capital was \$57,360,000 (\$56,380,000 - December 31, 2013) representing 92,545,110 issued and outstanding common shares without par value (84,495,110 - December 31, 2013).

As at December 31, 2014 the Company had 8,985,000 share purchase warrants outstanding (7,279,167 - December 31, 2013) and 9,198,000 share options outstanding (8,439,350 - December 31, 2013).

Outstanding Share Data

As at the MD&A Date, the following securities were issued and outstanding:

- basic - 92,545,110 common shares
- fully-diluted - 110,728,110 common shares, after including:
 - 9,198,000 stock options, with exercise prices ranging from \$0.13 to \$3.22, of which 7,444,250 options are vested; and
 - 8,985,000 common share purchase warrants, with exercise prices ranging from \$0.30 to \$1.87.

Accumulated Deficit

The Company's accumulated deficit was \$33,930,000 as at December 31, 2014 (\$29,321,000 - December 31, 2013), with the increase in deficit of \$4,609,000 reflecting the loss incurred for the year ended December 31, 2014.

About the Company

Lupaka Gold is a Peru-focused gold explorer and developer with geographic diversification and balance through its interest in asset-based resource projects spread across three regions of Peru.

Lupaka Gold currently has three projects occupying different stages of exploration and development.

The Company's 100%-owned Invicta Gold Project (central Peru) has near-term underground gold and poly-metallic production potential. The Company plans to implement a small-scale mining operation and complete permitting, development and engineering with production to commence in 2015.

Lupaka Gold's flagship exploration project is the Crucero Gold Project, its 5,500 hectare gold property located in southern Peru. Crucero has a growing indicated and inferred gold resource, and the Company is actively exploring the property to identify future drill targets.

In November 2013, the Company optioned the Josnitoro Gold Project from [Hochschild Mining plc](#). The project is located approximately 600 kilometres by road southeast of Lima in the Department of Apurimac, southern Peru. Historical work on the disseminated gold zones includes over 170 shallow drill holes and extensive surface trenching.

Forward Looking Information and Regulatory Endnotes

This news release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities regulations in Canada and the United States (collectively, "forward-looking information"). The forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation, to update this forward-looking information. Forward-looking information includes, but is not limited to, statements with respect to exploration plans and timing for Crucero, the grant of social license and exploration plans for Josnitoro, a potential mining operation at Invicta and estimates of mineral resources. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "projects", "estimates", "forecasts", "intends", "anticipates", or "believes", or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.

The forward-looking information contained in this news release is based on certain assumptions that the Company believes are reasonable, including with respect to mineral resource estimates, the key assumptions and parameters on which such estimates are based, that the current price of and demand for gold will be sustained or will improve, that general business and economic

conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms, that supplies, equipment, personnel, permits and local community approvals required to conduct the Company's planned exploration and development activities will be available on reasonable terms, that results of exploration activities will be consistent with management's expectations and that the Company will not experience any material accident, labour dispute, or failure of equipment. However, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risk that actual results of exploration activities will be different than anticipated, that cost of labour, equipment or materials will increase more than expected, that the future price of gold will decline, that the Canadian dollar will strengthen against the U.S. dollar, that mineral resources are not as estimated, unexpected variations in mineral resources, grade or recovery rates, risk of accidents, labour disputes and other risks generally associated with mineral exploration and unanticipated delays in obtaining or failure to obtain community, governmental or regulatory approvals or financing. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to not be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

This announcement contains certain forward looking statements, including such statements within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In particular, such forward looking statements may relate to matters such as the business, strategy, investments, production, major projects and their contribution to expected production and other plans of the Company and its current goals, assumptions and expectations relating to its future financial condition, performance and results.

Forward-looking statements include, without limitation, statements typically containing words such as "intends", "expects", "anticipates", "targets", "plans", "estimates" and words of similar import. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results, performance or achievements of the Company may be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Factors that could cause or contribute to differences between the actual results, performance or achievements of the Company and current expectations include, but are not limited to, legislative, fiscal and regulatory developments, competitive conditions, technological developments, exchange rate fluctuations and general economic conditions. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The forward looking statements reflect knowledge and information available at the date of preparation of this announcement. Except as required by the Listing Rules and applicable law, the Company does not undertake any obligation to update or change any forward looking statements to reflect events occurring after the date of this announcement. Nothing in this announcement should be construed as a profit forecast.

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