



LUPAKA GOLD ANNOUNCES BRIDGE LOAN FINANCING

VANCOUVER, BRITISH COLUMBIA, June 15, 2016 - Lupaka Gold Corp ("Lupaka Gold" or the "Company") (TSXV:LPK, FRA:LQP) is pleased to announce that it has entered into loan agreements with a group of third-party individuals and Gordon Ellis (CEO), Darryl Jones (CFO), and Stephen Silbernagel (Director), who are Company Insiders (collectively, the "**Lenders**"), pursuant to which the Company has agreed to borrow a total of C\$470,000 (the "**Loan**").

The proceeds will be used for the payment of concession fees and trade payables in connection with the advancement of the Company's mineral properties and for general working capital purposes. The Loan is unsecured and will bear simple interest at the rate of twelve percent (12%) per annum, calculated and payable semi-annually with the first interest payment due on December 31, 2016 and each subsequent payment due each six months thereafter. The Loan and accrued and unpaid interest shall be repaid in full on or before the date that is two years after the Closing Date.

Commented Gordon Ellis, President and CEO, "The Company is in the process of completing definitive documents with Pandion Mine Finance, LP relating to the funding of the Invicta Gold Project." Mr. Ellis added that, "The funds raised from this loan will help meet time-sensitive obligations and maintain our accelerated development timelines while we work to put project financing in place."

The Company has agreed to issue to the Lenders a total of 2,350,000 non-transferrable warrants, such number being equal to the amount of the Loan divided by \$0.20. Each warrant will entitle the holder to purchase one common share of the Company at a price of C\$0.20 per share for a period of two years following the Closing Date. The warrants and any shares issued pursuant to the exercise of the warrants will be subject to a statutory hold period under Canadian securities laws expiring four months and a day after the Closing Date. The completion of the Loan and issuance of the warrants is subject to the approval of the TSX Venture Exchange.

Gordon Ellis, Darryl Jones and Stephen Silbernagel are directors and officers of the Company and their participation in the Loan is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("**MI 61-101**"). The transaction will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves such persons, will exceed 25% of the Company's market capitalization.

An additional C\$280,000 in Loan subscriptions is also available to qualified investors through Red Cloud Klondike Strike Inc.'s ("**Red Cloud KS**") funding platform (www.redcloudks.com), subject to TSX Venture Exchange acceptance.

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

About Red Cloud Klondike Strike Inc.

Red Cloud KS is a 'new concept' capital markets advisory firm dedicated solely to the mining sector. The Red Cloud KS team uses its global network of capital markets specialists and extensive experience in the many facets of the business to help companies identify alternative sources of capital and quality actionable growth/divestiture opportunities, and to generate and maintain important relationships with key investors.

Red Cloud KS recently launched the world's first regulated equity crowd funding platform for mining. The signature online investment platform offers a unique alternative method of accessing capital as it enables accredited investors to directly participate in security offerings, and provides issuers the access to a fresh pool of investors in a streamlined, secure, online process. Red Cloud KS is registered as an Exempt Market Dealer in all provinces of Canada, as well as the Yukon, and is subject to applicable securities regulations.

About Lupaka Gold

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.

The Company's 100%-owned Invicta Gold Project is located approximately 120 kilometres by road north of Lima. The resource estimate for Invicta shows a Measured resource estimate of 131,000 tonnes grading 6.65 grams per tonne ("**g/t**") gold equivalent for 28,000 contained ounces of gold. As well, the Invicta resource estimate shows an Indicated resource estimate of 8,513,000 tonnes grading 3.43 g/t gold equivalent for 939,000 contained ounces of gold and an Inferred resource estimate of 2,534,000 tonnes grading 2.90 g/t gold equivalent for 236,000 contained ounces of gold.

The Company holds an option to earn a 65% interest on 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.

Lupaka Gold holds a 100% interest in the Crucero Gold Project, a 5,500 hectare gold property located in southern Peru. Crucero has an Indicated mineral resource estimate of 1,003,041 ozs Au contained in 30,919,873 tonnes at 1.02 gpt gold (capped) and an Inferred mineral resource estimate of 1,027,806 ozs Au contained in 31,201,648 tonnes at 1.03 gpt gold (capped). These mineral resource estimates have been constrained by a conceptual pit shell in order to confirm reasonable prospects of economic extraction as set out in the CIM Definition Standards for Mineral Resources and Mineral Reserves and NI 43-101.

FOR FURTHER INFORMATION PLEASE CONTACT:

Lupaka Gold Corp.

Investor Relations

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or visit the Company's profile at www.sedar.com or its website at www.lupakagold.com

Qualified Person

The technical information in this document has been reviewed and approved by Julio Castañeda Mondragon, MAIG, the President of Lupaka Gold Peru S.A.C., a Peruvian subsidiary of the Company, and a Qualified Person as defined by National Instrument 43-101. Mr. Castañeda has verified the scientific and technical information, including sampling, analytical and test data underlying the information or opinions contained in this news release.

The Invicta Gold Project resource estimates referred to in this news release are disclosed in the technical report dated April 16, 2012, titled "Technical Report on Resources, Invicta Gold Project, Huaura Province, Peru", and prepared by SRK Consulting (U.S.) Inc., which is available at www.sedar.com under Lupaka Gold Corp's profile.

The Crucero A-1 mineral resource estimates referred to in this news release are disclosed in the technical report with effective date January 17, 2013, amended and re-stated October 22, 2013, titled "Technical Report for the Crucero Property, Carabaya Province, Peru", and prepared by Tetra Tech WEI Inc. and SRK Consulting (Canada) Inc., which is available at www.sedar.com under Lupaka Gold's profile.

Cautionary Note Regarding the Invicta Production Decision

The decision to commence production at the Invicta Gold Project and the Company's plans for a mining operation as referenced herein (the "**Production Decision and Plans**") were based on economic models prepared by the Company in conjunction with management's knowledge of the property and the existing preliminary estimate of measured, indicated and inferred mineral resources on the property. The Production Decision and Plans were not based on a preliminary economic assessment, a pre-feasibility study or a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with the Production Decision and Plans, in particular the risk that mineral grades will be lower than expected, the risk that construction or ongoing mining operations are more difficult or more expensive than expected, the risk that the Company will not be able to transport or sell the mineralized rock it produces to local custom toll mills on the terms it expects, or at all; production and economic variables may vary considerably, due to the absence of a detailed economic and technical analysis according to and in accordance with NI 43-101.

Forward Looking Information and Regulatory Endnotes

Certain disclosures in this release, including statements regarding the Company's intention to complete the Loan financing and the use of proceeds from such financing as well as the Company's mineral resources estimates constitute "forward-looking information" within the meaning of Canadian securities legislation. In making the forward-looking statements in this release, the Company has applied certain factors and assumptions that the Company believes are reasonable, including that the Company is able to obtain regulatory approval of the financing and is otherwise able to complete the financing. The Company's assumptions with respect to mineral resource estimates include all of the key assumptions and parameters on which such estimates are based, as described in the applicable technical report referred to in this news release. However, the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Such uncertainties and risks include, among others, financing risks, delays in obtaining or inability to obtain required regulatory approvals, inability to complete the Loan, that mineral resources are not as estimated and unexpected variations in mineral resources, grade or recovery rates as well as the risks described in the Company's annual information form, which is available on SEDAR at www.sedar.com. There can be no assurance that such statements will prove to be accurate, and 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 statements. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.