



LUPAKA GOLD REPORTS FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2015 AND EXTENSION OF PANDION FINANCING MANDATE

VANCOUVER, BRITISH COLUMBIA, April 29, 2016 -- Lupaka Gold Corp. ("Lupaka Gold" or "the Company") (TSX.V:LPK, FRA:LQP) reports financial results for the year ended December 31, 2015.

The following is taken from the Company's audited annual consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2015, both of which are filed at www.sedar.com under the Company's profile.

Notable events - the Company's events of note for the three months ended December 31, 2015 and to date are as follows:

- On February 22, 2016 the Company announced that it had completed a non-brokered private placement of common shares for total gross proceeds of \$419,500 and completed its second run-of-mine bulk test of 532 tonnes, achieving total recoveries of 87.52% for Gold, 91.18% for Silver and 91.52% for Copper;
- On January 21, 2016 the Company announced the signing of a non-binding Letter of Intent with Pandion Mining Finance for US\$10.6 Million to fund Invicta mine development and production;
- On December 31, 2015, the Company announced that it had completed a non-brokered private placement of common shares for total gross proceeds of \$110,000;
- On October 27, 2015, the Company announced that it had completed its first run-of-mine bulk test of 342 tonnes of mineralized rock from Invicta, achieving total recoveries of 83.6% for Gold and 95.5% for Copper;
- The Company announced a change in management on October 19, 2015, terminating the employment of Eric Edwards as President and CEO; and
- On September 28, 2015, the Company announced that it had completed the second of two tranches of a non-brokered private placement of common shares for total gross proceeds of \$602,510;

Summarized Financial Highlights – all amounts are in Canadian Dollars unless otherwise stated

	Year ended	
	December 31	
	2015	2014
	(\$000's)	(\$000's)
Operating expenses		
Exploration	2,189	3,216
General and administration	1,563	1,541
Operating loss	3,752	4,757
(Gain) impairment loss on available-for-sale financial asset	–	(90)
Finance income – interest	(5)	(28)
Foreign exchange loss (gain)	53	(30)
Loss for the period	3,800	4,609
Loss per share - Basic and diluted	\$0.04	\$0.05

Exploration expenses – all such expenses relate to the Peru operations of the Company and totalled \$2,189,000 for 2015, compared to \$3,216,000 for 2014, a net decrease of \$1,027,000, due to the following: Camp,

Community Relations and related costs totalled \$1,320,000 for 2015 compared to \$2,089,000 for 2014, with the decrease of \$769,000 being a result of an aggregate decrease in Crucero exploration activities totalling \$680,000, and \$184,000 in decreased Josnitoro community relations costs, offset by an increase of \$95,000 in Invicta pre-construction activities; Project Administration expenses which totalled \$866,000 for 2015 compared to \$1,064,000 for 2014, with the decrease of \$198,000 being the result of net decreases of \$499,000 in Crucero Gold Project exploration and employee severance costs, offset by an increase of \$301,000 for Invicta pre-production expenditures incurred; and Technical Reports, Assays, and related costs totalling \$3,000 for 2015 compared to \$63,000 for 2014, a decrease of \$60,000, as very little of such costs were incurred.

General and administration expenses – all such expenses relate to the Canadian operations of Lupaka Gold and totalled \$1,563,000 for 2015 compared to \$1,541,000 for 2014, with the net increase of \$22,000 being mainly the result of: Salaries and Benefits totalled \$1,081,000 for 2015 compared to \$601,000, an increase of \$480,000, which reflects accrued severance of \$644,000 to the Company’s former President & CEO, offset by reduced Share-based compensation (“SBC”) expenses of \$55,000 for 2015, and lower salaries expense (excluding the accrued severance payment above) of \$109,000; Shareholder and Investor Relations (“IR”) expenses totalled \$177,000 for 2015 compared to \$425,000 for 2014, a decrease of \$248,000, reflecting an IR cost reduction of \$146,000 relative to 2014, when there was an investor relations program focused on the establishment of a European investor presence in the Company’s shareholder base, a decrease in IR staffing costs of \$93,000, reduced SBC expenses of \$5,000 for 2015, and reduced travel costs of \$4,000; Professional and Regulatory Fees totalled \$165,000 for 2015 compared to \$260,000 for 2014, a decrease of \$95,000, reflecting a reduction of \$18,000 in corporate legal and Peru listing-related sponsorship fees, and lower audit and legal cost decreases of \$53,000, a decrease in advisory costs of \$22,000, and lower transfer agent costs by \$2,000; and lower Office and General, and Travel costs of \$91,000 due mainly to reductions in office lease costs of \$67,000 and \$20,000 in corporate travel costs.

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

	December 31, 2015	December 31, 2014
<i>In thousands of dollars</i>		
Cash and cash equivalents	52	2,239
Working capital (defined as current assets less current liabilities)	(1,816)	1,242
Total assets	29,450	30,663
Total liabilities	2,215	1,539
Shareholders’ equity	27,235	29,124

The principal changes in the Company’s cash during the year ended December 31, 2015 were as follows:

- Cash used in operating activities in the year ended December 31, 2015 was \$2,786,000 (\$4,376,000 – year ended December 31, 2014), principally to fund the Company’s loss for the period of \$3,800,000 (\$4,609,000 – year ended December 31, 2014) which was offset by non-cash charges including depreciation of \$118,000 (\$140,000 – year ended December 31, 2014), and share-based compensation of \$118,000 (\$224,000 – year ended December 31, 2014), offset by a discounting of the reclamation provisions for the Company’s Invicta and Crucero properties, as well as a net decrease of \$871,000 in non-cash working capital (decrease of \$36,000 – year ended December 31, 2014). In the year ended December 31, 2015, the Company accrued \$644,000 (\$Nil – year ended December 31, 2014) as a severance payment accrual for the termination of Eric Edwards (as President and CEO) in October 2015, and in the year ended December 31, 2014, the Company had a gain on sale of the investment in Southern Legacy of \$90,000 (\$Nil – year ended December 31, 2015).

- Net cash used in investing activities in the year ended December 31, 2015 totalled \$62,000, compared with net cash from investing activities of \$1,201,000 in the year ended December 31, 2014, with \$995,000 of that from the sale of the Company's previously held Investment in Southern Legacy Inc., in an open-market transaction conducted through the TSX Venture Exchange. The Company's purchases of equipment totalled \$62,000 in the year ended December 31, 2015 (\$78,000 – year ended December 31, 2014). In 2014, the Company sold equipment for net proceeds of \$284,000 (\$Nil – year ended December 31, 2015).

Total current liabilities as at December 31, 2015 totalled \$1,937,000 (\$1,159,000 - December 31, 2014), comprised of accounts payable and accrued liabilities, mostly for community and Invicta project-related obligations, as well as an accrued liability of \$644,000 for severance due to the Company's former President & CEO. Long-term liabilities consisted of provisions for reclamation of \$278,000 (\$380,000 - December 31, 2014), the difference being attributable to discounting of the long-term provisions and a change in foreign exchange rates in 2015.

Extension of Pandion Mine Finance Mandate

The Company has extended the January 21, 2016-announced Pandion Mine Finance Letter of Intent to May 31, 2016.

"The due diligence process has been more extensive and time consuming than originally anticipated but is moving ahead efficiently", commented Gordon Ellis, President and CEO of Lupaka Gold.

Mr. Ellis added "Although the process has taken longer, there are positive consequences. As an example, one outcome of the due diligence process is the decision to upgrade the access road beyond that needed for 150tpd. This accelerated upgrade should produce a minimum 50 percent increase in mineralized rock payload volume, resulting in significant transportation costs saving over time."

FOR FURTHER INFORMATION PLEASE CONTACT:

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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.