



LUPAKA GOLD REPORTS PERFORMANCE AND FINANCIAL HIGHLIGHTS FOR THE PERIOD ENDED SEPTEMBER 30, 2015, AND GRANT OF INCENTIVE STOCK OPTIONS

VANCOUVER, BRITISH COLUMBIA, November 16, 2015 -- Lupaka Gold Corp. ("Lupaka Gold" or "the Company") (TSX.V:LPK, BVL:LPK, FRA:LQP) reports performance highlights and financial results for the nine months ended September 30, 2015.

The following is taken from the Company's Consolidated Financial Statements and Management's Discussion and Analysis for the nine months ended September 30, 2015, both of which are filed at www.sedar.com.

Overall Performance

The Company's events of note for the nine months ended September 30, 2015 and to date are as follows:

- 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 (see "Personnel" below for additional details);
- 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;
- Over the May – August 2015 period, the Company made several announcements related to the mining of a bulk sample from within the Invicta Atenea Vein, to establish in-field metallurgical recoveries using a third-party toll mill in La Oroya, Peru;
- The Company announced on April 9, 2015 that it had received approval from the community of Lacsanga to proceed with development and other pre-production activities at the Invicta Gold Project which affect their community;
- 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; and
- 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 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;

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 immediate priority is to obtain financing to sustain its project administration and development activities towards achieving commercial operations and positive cash flow from the Invicta Gold Project. With virtually all of the necessary permits and contractor and community agreements in hand, management is focused on realizing positive recoveries from bulk sample tests and obtaining the financing necessary to put the Invicta Gold Project into production.

Additionally, the Company will continue to assess its mineral exploration and development opportunities for the Crucero Gold Project and the Josnitoro Gold Project, and conduct related activities as available cash resources allow.

Financial Highlights

All amounts are in Canadian Dollars unless otherwise stated.

Financial results for the nine months ended September 30, 2015 and 2014 are summarized as follows:

	Nine months ended	
	September 30	
	2015	2014
	(\$000's)	(\$000's)
Operating expenses		
Exploration	2,045	2,249
General and administration	745	1,152
Operating loss	2,790	3,401
(Gain) impairment loss on available-for-sale financial asset	-	(90)
Finance income – interest	(5)	(21)
Foreign exchange loss (gain)	24	(35)
Loss for the period	2,809	3,255
Loss per share - Basic and diluted	\$0.03	\$0.04

Exploration expenses

Following is a summary of project expenditures for the nine months ended September 30, 2015:

<i>In thousands of dollars</i>	Crucero	Invicta	Josnitoro	Total
Camp, community relations and related costs	144	1,019	-	1,163
Project administration, concession fees and other	276	424	182	882
	420	1,443	182	2,045

Exploration expenses relate to the Peru operations of the Company and totalled \$2,045,000 for 2015, compared to \$2,249,000 for 2014, a net decrease of \$204,000 for the period, which reflects: increased camp, community relations and related costs from Invicta pre-construction activities and increased Josnitoro community relations costs, offset by an aggregate decrease in Crucero exploration activities and reversals of \$297,000 of previously accrued Invicta camp, community relations and related costs as a result of a detailed evaluation of accruals; increased project administration of \$867,000 for 2015 compared to \$826,000 for 2014, with the increase of \$41,000 being a result of an increase in Invicta pre-production expenditures incurred, before reversals of \$168,000 of Invicta Project administration expenses, as a result of a detailed evaluation of accruals and net decreases in Crucero Gold Project exploration and employee severance costs, and technical reports, assays, and related costs to \$3,000 for 2015 compared to \$63,000 for 2014, 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 \$745,000 for 2015 compared to \$1,152,000 for 2014, with the decrease of \$407,000 being mainly the result of decreases in: shareholder and investor relations (“IR”) expenses to \$169,000 for 2015 compared to \$356,000 for 2014, a decrease of \$187,000 reflecting IR cost reduction of \$120,000 relative to the first nine months of 2014, and a decrease in IR staffing costs; salaries and benefits to \$359,000 for 2015 compared to \$453,000, a decrease of \$94,000, which reflects reduced SBC expenses, lower salaries expense and an \$11,000 higher allocation of Canada senior management costs to Invicta for 2015; professional and regulatory fees totalled \$111,000 for 2015 compared to \$146,000 for 2014, a decrease of \$35,000, reflecting reduced corporate

legal, Peru listing-related sponsorship fees, decreased advisory costs, audit and legal, and transfer agent costs; and lower office and general, and travel costs of \$86,000 due to reduced office lease and corporate travel costs.

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

Liquidity and Capital Resources

<i>In thousands of dollars</i>	September 30, 2015	December 31, 2014
Cash and cash equivalents	104	2,239
Working capital (defined as current assets less current liabilities)	(910)	1,242
Total assets	30,385	30,663
Total liabilities	1,614	1,539
Shareholders' equity	28,771	29,124

The principal changes in the Company's cash during the nine months ended September 30, 2015 were as follows:

- Cash used in operating activities in the nine months ended September 30, 2015 was \$2,613,000 (\$3,708,000 – nine months ended September 30, 2014), principally to fund the Company's loss for the period of \$2,809,000 (\$3,255,000 – nine months ended September 30, 2014) which was offset by non-cash charges including depreciation of \$113,000 (\$138,000 – nine months ended September 30, 2014) and share-based compensation of \$66,000 (\$154,000 – nine months ended September 30, 2014), as well as a net increase of \$17,000 in non-cash working capital (decrease of \$651,000 – nine months ended September 30, 2014). In the nine months ended September 30, 2014, there was an impairment loss of \$301,000 recorded on the Company's investment in Southern Legacy (\$Nil – nine months ended September 30, 2015).
- Net cash used in investing activities in the nine months ended September 30, 2015 totalled \$87,000, compared with net cash from investing activities of \$1,222,000 in the nine months ended September 30, 2014. The Company's purchases of equipment totalled \$87,000 in the nine months ended September 30, 2015 (\$57,000 – nine months ended September 30, 2014) and in the six three months of 2014, the Company sold equipment for net proceeds of \$284,000 (\$Nil – nine months ended September 30, 2015). On July 30, 2014, the Company sold all of its shares of Southern Legacy in an open-market transaction conducted through the TSX Venture Exchange for net proceeds of approximately \$995,000.

Total current liabilities as at September 30, 2015 totalled \$1,209,000 (\$1,159,000 - December 31, 2014), comprised of accounts payable and accrued liabilities, mostly for community and Invicta project-related obligations, and \$405,000 of provisions for reclamation (\$380,000 - December 31, 2014), the difference being attributable to a change in foreign exchange rates in 2015.

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 and development processes 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 capital as required in the long term, but recognizes there will be risks involved that may be beyond its control.

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. Additionally, management continues to evaluate capital financing alternatives which are available to fund the estimated US\$2.5 Million of remaining pre-production expenditures needed to put the Invicta Gold Project into small-scale production.

As at September 30, 2015, the Company's aggregate common share capital was \$57,717,000 (\$57,360,000 – December 31, 2014) representing 101,363,251 issued and outstanding common shares without par value (92,545,110 – December 31, 2014).

As at September 30, 2015, the Company had 16,979,784 share purchase warrants outstanding at a weighted average exercise price of \$0.22. During the nine months ended September 30, 2015, 612,500 share purchase warrants at an exercise price of \$1.87 expired on February 12, 2015.

As at September 30, 2015, the Company had 7,849,250 outstanding (7,134,250 exercisable) stock options at exercise prices of \$0.13 to \$2.32.

Grant of Incentive Stock Options

Effective November 13, 2015, Company has granted, pursuant to its 2010 Incentive Stock Option Plan, incentive stock options to directors, officers, employees and consultants of the Company for the purchase of up to 2,790,000 shares for an aggregate of 8,202,750 or 8% in the capital stock of the Company. The options vest over 18 months from date of grant and are exercisable on or before November 13, 2020, at a price of \$0.06 per share.

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.