



## **MINE PLAN APPROVED AND PERMITS RECEIVED TO START DEVELOPMENT ACTIVITIES AT THE INVICTA GOLD PROJECT**

**VANCOUVER, BRITISH COLUMBIA, December 18, 2014** -- **Lupaka Gold Corp** ("Lupaka Gold" or the "Company") (TSX:LPK, BVL:LPK, FRA:LQP) has 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.

Mr. Eric Edwards, President and CEO of Lupaka Gold commented, "We are pleased with the significant support that Invicta is receiving from the Federal Government as well as Regional and Municipal Government regulatory authorities. Agencies involved have done a thorough review of our business and mine plans, including assessing local impacts. The Invicta mining plan was prepared by the Company, with assistance from SVS Ingenieros of Lima, Peru, a subsidiary of the SRK Consulting Group."

These licenses and certificates were granted for the Invicta Gold Project by the Direccion General de Minería of the Ministry of Energy and Mines ("MEM") under the existing federal EIA permit for Mine Operations. The Invicta site also has a closure plan, archeological certificate, one of two necessary community agreements, water license, as well as other licenses and certificates in place.

The Company is now able to finalize agreements with selected mining and haulage contractors, and prepare to mobilize contractors to site, as well as to start the mine preparation and development work. The Company has filed the application to obtain a Certificate of Mining Operations from the MEM, and then must file for the Global License for Explosives from the General Directorate of Arms, Ammunition and Explosives ("SUCAMEC") -- both of these permits must be renewed annually. The Company expects that these licenses and certificates will be issued in due course within the next 10 weeks. Construction of the Company's explosives storage bunker has already been completed and approved by SUCAMEC. As well, an explosives handling certificate has been granted.

Management continues to evaluate additional capital financing alternatives which may be necessary to fund the estimated US\$2,500,000 of expenditures needed to put the Invicta Gold Project into production as planned.

The Invicta Gold Project contains a poly-metallic resource with the majority of the value realized in gold with accessory copper and, to a lesser degree, lead, silver and zinc. As reported on March 17, 2014, the Company intends to commence production at an initial rate of 300 tpd, and initially target some of the highest grade gold and copper mineralization within the Atenea Vein.

Mr. Edwards also re-emphasized the Company's exploration vision, "While our efforts through early next year will be primarily focused on getting the Invicta Gold Project into production and generating cash flow, we remain committed to delivering the full exploration upside of our Josnitoro, Invicta and Crucero Gold Projects as available cash resources allow. We are confident that the anticipated cash flow from the Invicta Gold Project following commencement of production will provide the financial support needed for the Company's other gold exploration and development activities."

### **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.

As of the date hereof, Lupaka Gold has cash reserves of approximately \$2.2 million.

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 300 tpd mining operation and complete permitting, development and engineering with production to commence in 2015.

The Company is earning into 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's 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), and the Company is actively exploring the property to identify future drill targets. 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:

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### **Qualified Person**

The technical information in this document, other than metallurgical and processing information, 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 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. The Technical Report is available at [www.sedar.com](http://www.sedar.com) under Lupaka Gold's profile.

## **Cautionary Note Regarding Invicta Production Decision**

The decision to commence production at the Invicta Gold Project and the Company's plans for a mining operation as disclosed 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**

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 in this news release includes all of the plans and expectations described above regarding the exploration and development of the Company's properties, including the commencement of planned mining operations at the Invicta Gold Project, the availability of cash generated from such operations, 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: that supplies, equipment, personnel, permits, required financing and local community approvals required to conduct the Company's planned exploration and development activities will be available on reasonable terms; that the 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 and with respect to the planned mining operations at Invicta; that pre-production mine development can be completed in the time and for the cost projected; that the Company will be able to obtain funding for planned production expenses; that mineralization on the Invicta project will be of the grades and in the locations expected; that the Company will be able to extract and transport mineralized rock efficiently and sell the mineralized rock at the prices and in the manner and quantities expected; that permits will be received on the terms and timeline expected and that other regulatory or permitting issues will not arise; that mining methods can be employed in the manner and at the costs expected and that such methods yield the results the Company expects them to; and that supplies, equipment, personnel, permits and local community approvals required to develop and conduct the planned production will be available on reasonable terms. 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 technical report referred to in this news release. 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 risks, uncertainties and other factors include, among others: all of the risks described in this news release; the 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; risks related to shipping mineralized rock; the risk that local mills cannot or will not buy or process mineralized rock from the planned production for the prices expected or at all; risk of accidents, labour disputes and other risks generally associated with mineral exploration; unanticipated delays in obtaining or failure to obtain community, governmental or regulatory approvals or financing; and all of the risks generally associated with the development of mining facilities and the operation of a producing mine, as well as the risks described in the Company's annual information form, which is available on SEDAR at [www.sedar.com](http://www.sedar.com). 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.