



LUPAKA GOLD REPORTS PERFORMANCE AND FINANCIAL HIGHLIGHTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

VANCOUVER, BRITISH COLUMBIA, November 10, 2014 -- Lupaka Gold Corp. ("Lupaka Gold" or "the Company") (TSX:LPK, BVL:LPK, FRA:LQP) reports performance highlights and financial results for the nine months ended September 30, 2014.

The following is taken from the Company's Unaudited Condensed Consolidated Interim 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 2014 (to date) are as follows:

- The Company had approximately \$2.5 million in cash and cash equivalents as of November 6, 2014;
- The Company released the results of metallurgical studies for the Invicta Gold Project mineralization on October 28, 2014 (see the Company's website www.lupakagold.com for complete details);
- On August 7, 2014, the Company announced that it had completed a non-brokered private placement of common shares for total gross proceeds of \$1,610,000 (see "Outstanding Share Data" below for additional details), and had sold its shareholdings in Southern Legacy Minerals Inc. for net proceeds of approximately \$995,000 (see the Company's website www.lupakagold.com for complete details);
- The Company provided the results of its recent field surface exploration work at the Crucero Gold Project on July 24, 2014. This work consisted of detailed outcrop mapping and rock chip sampling (see the Company's website www.lupakagold.com for complete details);
- On March 17, 2014, September 19, 2014 and July 10, 2014, the Company provided updates regarding the permitting process, licensing and certification applications, contractor proposals, mining consulting firm engagements and assay results for the mineralization at the headwall and footwall, all related to putting the Invicta Gold Project into production at approximately 300 tonnes/day by March 2015 (see the Company's website www.lupakagold.com for complete details);
- The Company provided an update on January 20, 2014 of its 2014 development and exploration plans for its gold projects (see the Company's website www.lupakagold.com for complete details);

Lupaka Gold's common shares trade in Canada on the Toronto Stock Exchange ("TSX") 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 primary priorities for 2014 are to obtain the permits and contractor and community agreements necessary to commence production at the Invicta Gold Project in early 2015. Additionally, the Company will continue mineral exploration and development activities on the Crucero Gold Project and the Josnitoro Gold Project, as available cash resources allow.

In addition to the recent influx of cash proceeds from the August 7, 2014 equity financing and the sale of Lupaka Gold's Southern Legacy portfolio investment, management will continue 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 by March 2015.

Financial Highlights

All amounts are in Canadian Dollars unless otherwise stated.

Financial results for the nine months ended September 30, 2014 and 2013 are summarized as follows:

	Nine months ended September 30	
	2014 (\$000's)	2013 (\$000's)
Operating expenses		
Exploration	2,249	4,142
General and administration	1,152	2,220
Operating loss	3,401	6,362
(Gain) on sale, impairment loss on available-for-sale financial asset	(90)	1,329
Finance income – interest	(21)	(52)
Foreign exchange loss (gain)	(35)	(30)
Loss for the period	3,255	7,609
Loss per share - Basic and diluted	\$0.04	\$0.09

Exploration – all such expenses relate to the Peru operations of the Company and totalled \$2,249,000 for 2014 as compared to \$4,142,000 for 2013, a net decrease of \$1,893,000 for the period which reflects a decrease in: Project Administration expenses of \$1,274,000 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 \$349,000 as a result of a significant decrease in Crucero camp, exploration and related personnel costs; and Technical Reports and Assay costs of \$191,000 largely because there were no Crucero-related resource technical reports or metallurgical studies in 2014; and individually miscellaneous costs totalling \$82,000.

Following is a summary of exploration expenditures, by project, during the nine months ended September 30, 2014:

<i>In thousands of dollars</i>	Crucero	Invicta	Josnitoro	Total
Camp, community relations and related costs	642	569	0	1,211
Project administration and concession fees	600	226	150	976
Technical reports, assays and related costs	11	47	0	58
Transportation, reclamation and professional fees	4	0	0	4
	<u>1,257</u>	<u>842</u>	<u>150</u>	<u>2,249</u>

General and administration expenses - all such expenses relate to the Canadian operations of Lupaka Gold and totalled \$1,152,000 for 2014 compared to \$2,220,000 for 2013, with the decrease of \$1,068,000 being a result of a decrease in: Salaries and Benefits of \$403,000, primarily attributable to no management bonuses for 2014, reduced 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 \$484,000 as a result of a significant cost reduction program affecting IR 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 and General expenses of \$22,000 due mainly to reduced information technology and miscellaneous office costs.

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

Liquidity and Capital Resources

(in thousands)	September 30, 2014 (\$000's)	December 31, 2013 (\$000's)
Cash and cash equivalents	2,930	3,906
Working capital (defined as current assets less current liabilities)	2,177	2,502
Total assets	31,526	33,106
Current liabilities	1,235	1,777
Shareholders' equity	30,291	31,329

The principal changes in the Company's cash during the nine months ended September 30, 2014 were as follows:

- Cash used in operating activities in the nine months ended September 30, 2014 was \$3,708,000 (\$5,370,000 – nine months ended September 30, 2013), principally to fund the Company's loss for the period of \$3,331,000 (\$7,609,000 – nine months ended September 30, 2013) which was offset by non-cash charges including depreciation of \$138,000 (\$269,000 – nine months ended September 30, 2013), the gain on sale of the investment in Southern Legacy of \$90,000 (impairment loss of \$1,329,000 – nine months ended September 30, 2013) and share-based compensation of \$154,000 (\$429,000 – nine months ended September 30, 2013), as well as a net decrease of \$464,000 in non-cash working capital (increase of \$129,000 – nine months ended September 30, 2013);
- Net cash from investing activities in the nine months ended September 30, 2014 totalled \$1,222,000, with \$995,000 from the sale of the Company's Investment in Southern Legacy Inc. (\$Nil – nine months ended September 30, 2013), sale of equipment of \$284,000 (\$Nil – nine months ended September 30, 2013) and purchases of equipment for \$57,000 (\$76,000 – nine months ended September 30, 2013); and
- The Company completed a non-brokered private placement in August 2014 that raised net proceeds of \$1,521,000 (\$Nil – nine months ended September 30, 2013).

Total current liabilities as at September 30, 2014 were \$1,235,000 (\$1,777,000 - December 31, 2013), comprised of \$1,219,000 (\$1,406,000 - December 31, 2013) of accounts payable and accrued liabilities, mostly for current community obligations, and \$378,000 of provisions for reclamation (\$371,000 - December 31, 2013), the difference being wholly attributable to a change in foreign exchange rates in 2014.

Management continues to evaluate additional capital financing alternatives which are available to fund, if necessary, the estimated US\$2,500,000 of pre-production expenditures needed to put the Invicta Gold Project into production by March 2015. If required, the Company can adjust its discretionary expenditures in the areas of administration and exploration to further preserve cash.

As at September 30, 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 (84,972,896 – December 31, 2013).

As at September 30, 2014 the Company had 8,985,000 share purchase warrants outstanding (7,279,167 – December 31, 2013) and 7,463,000 share options outstanding (8,439,350 - December 31, 2013).

Outstanding Share Data

As at the date hereof, the following securities were issued and outstanding:

- basic – 92,545,110 common shares
- fully-diluted – 108,993,110 common shares, after including:
- 7,463,000 stock options, with exercise prices ranging from \$0.20 to \$3.22, of which 6,548,000 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 \$32,576,000 as at September 30, 2014 (\$29,321,000 - December 31, 2013), with the increase in deficit of \$3,255,000 reflecting the loss incurred for the nine months ended September 30, 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 by Q1-2015.

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.

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.