



Lupaka Announces Receipt of Notice of Acceleration and Declaration of Early Termination from PLI Huara

VANCOUVER, BRITISH COLUMBIA, July 3, 2019 – Lupaka Gold Corp. ("Lupaka Gold" or the "Company") (TSX-V: LPK, FRA: LQP) announces that the Company has received a formal Notice of Acceleration ("Notice of Acceleration") from PLI Huara Holdings L.P. ("PLI") on its prepaid gold purchase agreement (the "PLI Financing Agreement"). The Notice of Acceleration claims that as a result of existing specified claims of default, PLI has declared an early termination date of the loan and is requesting immediate payment of US\$15,581,654.

The specified claims of default relate primarily to the Company's inability to make scheduled repayments against the PLI Financing Agreement resulting from the ongoing illegal road blockade carried out by the community of Paran. The illegal road blockade, which commenced in October 2018, prevents the Company, all employees, contractors, and local community workers, from accessing the Invicta Gold Project site and as a result all project related development and operating activities were suspended in October 2018. As previously disclosed, payments against the PLI Financing Agreement were scheduled to commence in January 2019. Numerous attempts have been made to resolve the blockade, including requests for support from various levels of the Peruvian government, however to-date law and order have not been restored in the region.

As a result of financial liquidity constraints caused by the ongoing illegal blockade the Company's board of directors formed a special committee in April 2019 to review strategic alternatives. Although a number of interested parties were identified, the illegal blockade prevented those parties from accessing site and completing their evaluation.

The Company is currently assessing its options to resolve the matter and has initiated discussions with Lonely Mountain Resources S.A.C, who acquired PLI yesterday.

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.

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