ANNUAL INFORMATION FORM

FOR THE FISCAL YEAR ENDED

DECEMBER 31, 2012

March 27, 2013

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PRELIMINARY NOTES

The effective date of this AIF is March 27, 2013.

Lupaka Gold Corp. (“Lupaka Gold”) is the parent company within the Lupaka group of companies. “Lupaka”, the “Company”, or the words “we”, “us”, or “our”, collectively refer to Lupaka Gold and its subsidiaries, Andean American Gold Corp. (“Andean American”, Canada), Minera Pacacorral S.A.C. (“MP”, Peru), Invicta Mining Corp S.A.C. (“IMC”, Peru), Andean Exploraciones S.A.C. (Peru) and Greenhydro S.A.C. (Peru).

For a complete understanding of the Company’s business environment, financial condition, risks and uncertainties and the effect of accounting estimates on its results of operations and financial condition, this AIF should be read together with the Company’s audited annual consolidated financial statements for the years ended December 31, 2012 and 2011 (the “Audited Financial Statements”), Management’s Discussion & Analysis dated March 27, 2013 (the “MD&A”); and the Company’s final prospectus dated June 15, 2011 (the “Final Prospectus”) filed for its Initial Public Offering (“IPO”), each of which can be found at www.sedar.com.

Currency and Exchange Rates
All Dollar amounts referred to in this AIF are Canadian Dollars unless otherwise indicated. The Company’s accounts are maintained in Canadian Dollars. The Company’s business activities are carried out in Canada in Canadian Dollars and through its subsidiary in Peru in United States Dollars and Peruvian Nuevo Soles. Unless otherwise indicated, Canadian Dollar amounts have been converted in this AIF at the rate of exchange for converting United States Dollars into Canadian Dollars in effect at December 31, 2012 as reported by the Bank of Canada, being 0.9949 (C$1.00 = US$1.0051). The closing rate of exchange for converting United States Dollars into Canadian Dollars on March 27, 2013 as reported by the Bank of Canada was 1.0165 (C$1.00 = US$0.9838).

Cautionary Statement on Forward-Looking Statements

The Forward-Looking Information in this AIF is made only as of the date hereof. The Company, to the extent required by applicable securities law, will release publicly any revisions to Forward-Looking Information contained in this AIF to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.
Statements contained in this AIF that are not historical facts are "forward-looking statements" or "forward-looking information" (collectively, "**Forward-Looking Information**") (within the meaning of applicable Canadian securities legislation) that involve risks and uncertainties. Forward-Looking Information includes, but is not limited to, statements relating to the amount of financings; and management’s expectations regarding the ability to raise equity capital; expected use of proceeds; business objectives and strategies; the assets and liabilities of Andean American; the acquisition of interests in mineral properties; the timing of completion and success of community relations (including with respect to agreements with local communities), exploration activities, permitting and related programs on the Crucero Gold Project and the Invicta Gold Project; requirements for additional capital; the estimation of mineral resources; the effect of government policies and announcements and changes to applicable laws in Peru on the Company’s operations; and the value of shares of Southern Legacy Minerals Inc. In certain cases, Forward-Looking Information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", 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 is based on certain assumptions that the Company believes are reasonable, including: with respect to any mineral resource estimates, the key assumptions and parameters on which such estimates are based; the assumption that any additional financing needed will be available on reasonable terms; the exchange rates of the U.S., Canadian and Peruvian currencies in 2013 and 2014 will be consistent with the Company's expectations; that the Company's current exploration and other objectives concerning the Crucero Gold Project, the Invicta Gold Project and the Company’s shareholdings of Southern Legacy Minerals Inc. can be achieved; that the results of exploration and other activities will be consistent with management’s expectations; that the demand for gold will be sustained; that general business and economic conditions will not change in a material adverse manner; that the Company and its subsidiaries will not experience any material accident, labour dispute or failure or shortage of equipment; that all necessary community and government approvals for the planned exploration of the Crucero Gold Project and the Invicta Gold Project will be obtained in a timely manner and on acceptable terms; and that the Company's interests in Peru will not be adversely affected by political, social or economic instability in Peru or by changes in the government of Peru or its politics and tax policies. Other assumptions are discussed throughout this AIF.

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 and other factors include, among others: risks related to the completion of financings and the use of proceeds; that mineral resources are not as estimated; unexpected variations in mineral resources, grade or recovery rates; operations and contractual rights and obligations; actual results of the Company's exploration activities being different than those expected by management; changes in exploration programs based upon results of exploration; changes in estimated mineral resources; future prices of metals; currency and interest rate fluctuations; financial risk exposure of the Company such as credit and liquidity risk; availability of third party contractors; increased costs of labour, equipment or materials; increased costs as a result of changes in project parameters; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks of the mineral exploration industry; political risks involving the Company's operations in a foreign jurisdiction; environmental risks; risks related to community relations and activities of stakeholders; and unanticipated delays in obtaining or failure to obtain community, governmental, judicial or regulatory approvals, or financing; as well as those factors referenced in the section entitled "Risk Factors" in this AIF. Although the Company has attempted to identify important factors that could affect the Company and may 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 not to 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. Accordingly, readers should not place undue reliance on Forward-Looking Information.

The Forward-Looking Information in this AIF is made only as of the date hereof. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation to update the Forward-Looking Information contained in this AIF.

Cautionary Note to US Investors

All references to mineral reserves and mineral resources contained in this AIF are determined in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), as required by Canadian securities regulations. While the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are recognized and required by NI 43-101, they are not defined or recognized by the US Securities and Exchange Commission (the "SEC"). As such, information contained in this AIF concerning descriptions of mineralization and resources, as determined in accordance with NI 43-101, may not be comparable to similar information made public in accordance with the requirements of the SEC. "Indicated mineral resources" and "inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all of any part of mineral resources constitutes or will ever be converted into reserves.

Qualified Person

William Burstow, an independent consulting geologist, is the Company's Qualified Person as defined by National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") and responsible for the preparation and/or verification of the technical disclosure in this document, unless otherwise noted.

GLOSSARY OF TERMS

The following is a glossary of technical terms, which are used in this AIF:

anomaly	Value higher or lower than the expected; outlining a zone of potential exploration interest but not necessarily of commercial significance
Au	Gold
development	Preparation of a mineral deposit for commercial production
diamond drill	A type of rotary drill in which the cutting is done by abrasion rather than percussion. The cutting bit is set with diamonds and is attached to the end of long hollow rods through which water is pumped to the cutting face. The drill cuts a core of rock which is recovered in long cylindrical sections, an inch or more in diameter
exploration	The prospecting, diamond drilling and other work involved in searching for ore bodies

grade	The weight of valuable minerals in each tonne of ore
g/t	Grams per tonne
ID^2	Inverse distance squared, a method for interpolating spatial sample data and determining values between data points, used to predict ore reserves.
indicated mineral resource	That part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed
inferred mineral resource	That part of a Mineral Resource for which quantity and grade can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. Due to the uncertainty which may attach to Inferred Mineral Properties, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration
kriging	A method of interpolation used to predict ore reserves. Over the past several decades kriging has become a fundamental tool in the field of geo-statistics
mineralization	Rock containing an undetermined amount of minerals or metals
mineral property	A development or production property which contains an independently-confirmed Mineral Resource
mineral reserve	The economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a preliminary feasibility study, which must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined
mineral resource	A concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth’s crust in such form and quantity and of such a grade or quantity that it has reasonable prospects for economic extraction. The location, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Properties are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource
mining concession	A right to undertake mining activity for profit on another's real property. The boundaries of the concession area descend vertically
NI 43-101	National Instrument 43-101 is a rule developed by the Canadian Securities Administrators (CSA) and administered by the provincial securities commissions that governs how companies disclose scientific and technical information about their mineral projects to the public. It covers oral statements as well as written documents and websites. It requires that all disclosure be based on advice by a "qualified person" and in some circumstances that the person be independent of the Company and the property

ore	A natural aggregate of one or more minerals which, at a specified time and place, may be mined, processed and sold at a profit, or from which some part may profitably be separated
oz/t	troy ounces per short ton. 31.1034768 grams per troy ounce
qualified person	An individual who (a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of those, (b) has experience relevant to the subject matter of the mineral project and the technical report, and (c) is a member in good standing of a recognized professional association of engineers and/or geoscientists in compliance with NI 43-101
tonne	A metric tonne (2,204 pounds)
tpd	tonnes per day

CORPORATE STRUCTURE

Incorporation

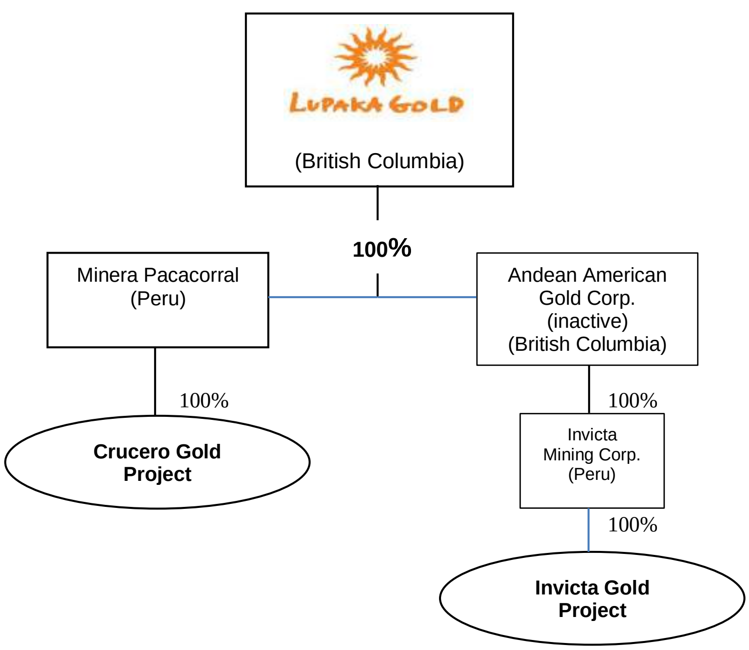
Lupaka Gold was incorporated under the *Company Act* (British Columbia) (predecessor to the British Columbia *Business Corporations Act*) on November 3, 2000 under the name "Kcrok Enterprises Ltd." and transitioned to the *Business Corporations Act* (British Columbia) on November 2, 2005. On May 4, 2010, Lupaka Gold changed its name to "Lupaka Gold Corp.".

The Company's head office and Lupaka Gold's records office are located at Suite 428 - 800 West Pender Street, Vancouver, British Columbia, V6C 2V6. Lupaka Gold's registered office is located at Suite 700 – 595 Howe Street, Vancouver, British Columbia, V6C 2T5.

Lupaka Gold owns 100% of the issued and outstanding shares of MP, a company incorporated on July 10, 2008 under the laws of the Republic of Peru, and 100% of the shares of Andean American as a result of the acquisition of Andean American, which closed on October 1, 2012.

Lupaka Gold's common shares trade on the Toronto Stock Exchange ("TSX") and on the Borsa de Valores de Lima ("BVL", otherwise known as the Lima Stock Exchange) under the symbol LPK, and its share purchase warrants trade on the TSX under the symbol LPK.WT

The following chart depicts the Company's corporate structure together with the jurisdiction of incorporation of the Company and its wholly-owned subsidiaries as of March 27, 2013. The entities below are active unless otherwise noted.



Other subsidiaries, all of which are 100%-owned, inactive and located in Peru:

- Andean Exploraciones S.A.C. ("AES")
- Greenhydro S.A.C. ("Greenhydro")

As at March 27, 2013, Lupaka Gold had a market capitalization of approximately $26 million.

GENERAL DEVELOPMENT OF THE BUSINESS

Lupaka is a Canadian-resident natural mineral resource company that since 2010 has been engaged in the acquisition, exploration and development of mineral properties in Peru, South America.

As of January 2012, the Company owns 100% of the shares of MP, a Peruvian company that holds the following interests in the nine claims that comprise the Crucero Gold Project: a 100% ownership interest in four mining concessions, a 30 year assignment (commencing September 2008) of a 100% interest in three mining concessions, subject to certain private royalty obligations, and a 100% ownership interest in two mining petitions.

On October 1, 2012, Lupaka Gold acquired all of the issued and outstanding common shares of Andean American pursuant to an all-share transaction, subsequent to which Lupaka Gold shareholders held approximately 54.8% of Lupaka Gold's outstanding shares, Andean American's then existing shareholders held approximately 45.2% of Lupaka Gold's outstanding shares and Andean American became a wholly-owned subsidiary of Lupaka Gold.

Mineral exploration and development of mining properties are expected to constitute the principal business of the Company for the coming years. In the course of realizing its objectives, it is expected the Company will enter into various agreements specific to the mining industry, such as purchase or option agreements to purchase mining claims, joint venture agreements and asset sale agreements.

The Company's executive head office is located in Vancouver, Canada, while its Peru operations locations are comprised of an administrative office in Lima, Peru, a community relations office located in the town of Crucero (approximately 40 kms from the Crucero Gold Project, and an exploration camp at the Crucero Gold Project and the Invicta Gold Project.

With the exception of short-term operational requirements for its Peru operations, funds are maintained and controlled in Vancouver, in both Canadian and US Dollars.

In addition to its staff located in Vancouver and Peru, the Company engages consultants as necessary, to provide geological, metallurgical and corporate consulting services.

For 2012 and through to March 27, 2013, the number of employees of the Company was as follows:

	March 31, 2012	June 30, 2012	September 30, 2012	December 31, 2012	March 27, 2013
Vancouver, Canada	8	8	8	8	8
Peru - MP					
Administration	7	7	9	8	10
Exploration & Technical	31	39	43	43	44
Peru - Invicta					
Exploration & Technical	n/a	n/a	n/a	19	14
Total	46	54	60	78	76

The number of exploration-related employees varies through the year as a result of the cyclical nature of the Crucero Gold Project drilling season, which generally runs from April to December each year and which is highly dependent upon seasonal weather conditions at the project site.

History

While Lupaka Gold was incorporated in November 2000, it did not commence operations until 2010.

From the period from the date of its incorporation to the date it commenced operations in 2010, the Company did not have any operations, employees or other paid personnel and did not have any revenues or an interest in any assets and did not incur any liabilities or have any contingent liabilities and, other than expenditures incurred for the incorporation of the Company and to maintain the Company's existence as a British Columbia company, the Company did not have any expenditures.

From commencement of operations to date, the Company has focused on raising capital, acquiring interests in Peru gold projects, and conducting various exploration activities, including drilling, on the Crucero Gold Project.

Acquisition of the Crucero Gold Project

In July 2010, Lupaka Gold acquired 60% of the shares of MP, a Peruvian company that holds the nine claims that comprise the Crucero Gold Project, and in January 2012, Lupaka Gold made its final payment obligation related to its initial 60% ownership of MP and acquired the 40% minority interest in MP, with the result that MP is now a 100%-owned subsidiary of Lupaka Gold.

The Company's Crucero Gold Project mining concessions are known as:

- Crucero 1, Pacacorral 1, Pacacorral 4 and Santa Cruz 1, which are 100% owned by MP, and are not subject to any non-governmental royalty interest;
- Pacacorral 2 and Pacacorral 3, which are the petition applications for mining concessions that are in process. The mining petitions are not subject to any non-governmental royalty interest; and
- Mina Crucero 10, Mina Crucero 4 and Mina Crucero 2007 (the "Assigned Concessions"), which are held by MP pursuant to an assignment agreement (the "Concession Assignment Agreement") dated September 12, 2008 between MP and CEDIMIN S.A.C., the owner of Mina Crucero 10 and Mina Crucero 4, and CEDIMIN S.A.C.'s parent company, Compania de Minas Buenaventura S.A.A., the owner of Mina Crucero 2007. The Concession Assignment Agreement is similar to a lease agreement and expires in September 2038.

  As consideration for the Concession Assignment Agreement, MP agreed to pay a private net smelter return royalty on all gold and other minerals produced from the Assigned Concessions of:

  - 1% if the average monthly price of an ounce of gold is greater than US $300 and less than or equal to US $400;
  - 2% if the average monthly price of an ounce of gold is greater than US $400 and less than or equal to US $600;
  - 3% if the average monthly price of an ounce of gold is greater than US $600 and less than or equal to US $800; and
  - 5% if the average monthly price of the ounce of gold is greater than US $800.

  Under the Concession Assignment Agreement, MP also agreed to pay the annual concession payments required by the Peru Government to maintain the Assigned Concessions, which is being done, and to complete a 3,000 metre drilling program on the Assigned Concessions, which was done. The mineralized zone, in respect of which the February 2013-announced resource update is related to, is located on the Assigned Concessions and is known as the A-1 Zone (see "Crucero Gold Project", below).

Agreements with K-Rok

To acquire its ownership of MP, the Company entered into a mineral property identification and acquisition agreement with K-Rok, which acted as an agent for the Company. Additionally, the Company entered into an Assignment and Assumption Agreement with K-Rok, as assignee of K-Rok's interests in the Minera Pacacorral Purchase Agreement ("MP Purchase Agreement"), pursuant to which the Company assumed the rights and obligations of K-Rok.

K-Rok is a related party of the Company which is owned 60% by ABE Industries Inc. ("ABE"), 35% by Havilah Holdings Inc. ("Havilah") and 5% by Javier Garcia, a consultant to the Company. ABE is wholly-owned by Gordann Consultants Ltd. ("Gordann"), a company in which Gordon Ellis owns a 51% interest and his wife, Margaret Ellis, owns a 49% interest. Gordon Ellis is the Executive Chairman of the Company and a director, and through his spousal and corporate ownerships is a greater than 10% shareholder of the Company. Havilah is a company wholly-owned by Geoff Courtnall.

The consideration paid or payable to K-Rok pursuant to the Assignment and Assumption Agreement for the Crucero Gold Project consists of the following:

(a) 4,000,000 common shares to K-Rok (which were issued in 2010 at a recorded fair value of $200,000); and

(b) two additional common shares (the "K-Rok Contingent Shares") to be issued to K-Rok for each ounce by which the gold resource for the six mining concessions identified in the K-Rok Agreement that form part of Crucero Gold Project are increased over the baseline resource of 808,695 ounces by either: (A) the first to occur of (i) any resource estimate related to completion of a pre-feasibility study, and (ii) an updated resource estimate obtained pursuant to the Assignment and Assumption Agreement prior to completion of a sale by the Company of its shares in MP or a sale by MP of all or substantially all of its interests in the six earlier-referenced mining concessions that form part of the Crucero Gold Project; or (B) if neither (i) nor (ii) has occurred by December 31, 2012, an updated resource estimate based on all exploration completed on the six earlier-referenced mining concessions up to December 31, 2012.

At the time of the July 2010 acquisition of the Crucero Gold Project mineral properties, management calculated the fair value of the obligation to issue the K-Rok Contingent Shares using a weighted average probability analysis of the reported ounces in future updated resource estimates in accordance with IFRS 2 Share-Based Payments, and recorded a fair value of $598,045.

Under the terms of the Assignment and Assumption Agreement, and based on the results of the February 2013 resource update, Lupaka Gold issued 3,221,127 common shares to K-Rok on March 22, 2013, which are subject to a four month hold period. The share issuance was calculated as being two shares for each ounce by which the estimated (uncapped) gold resources exceed the baseline resource ounces from the initial NI-43-101 compliant resource update, based on consistent methodology as provided for in the Assignment and Assumption Agreement. As a result of this share issuance, the Company has no further payment obligations to K-Rok.

MP Purchase Agreement
Under the MP Purchase Agreement, the shareholders of MP (the "MP Vendors") sold to the Company (as K-Rok's assignee) 600 shares of MP (the "600 MP Shares"), representing 60% of the issued and outstanding shares of MP, in consideration for the payment of an aggregate of US $10,000,000 as follows:

(a) US $2,000,000 within five business days of execution of the MP Purchase Agreement (which payment was made);
(b) US $2,000,000 on October 15, 2010 (which payment was made);
(c) US $3,000,000 on July 15, 2011 (which payment was made); and
(d) US $3,000,000 on July 15, 2012 (which payment was made on January 19, 2012 - see "*Buyout of MP Vendors*" below).

Pursuant to the MP Purchase Agreement, the Company was entitled to:

- An option to acquire from the MP Vendors an additional 400 shares of MP, being the balance of the issued MP shares not owned by the Company. The option was exercisable until July 23, 2015. To exercise this option, the Company would pay an aggregate purchase price calculated in accordance with (i), (ii) and (iii) below:

  (i) the value of the bid price of the ounce of gold corresponding to the five days prior to the date of the transfer agreement, according to the Kitco website, shall be multiplied by the number of ounces determined as estimated (uncapped) resources of the Crucero Gold Project determined by a prestigious engineering company using the inverse distance squared method and a cut-off grade of 0.4 grams per tonne;

  (ii) the following cumulative scale shall be applied to the figure calculated pursuant to (i) above:

Ounces	Percentage
From 1 to 1,000,000	1%
From 1,000,001 to 2,000,000	1.5%
Over 2,000,000	3%

  (iii) the figure calculated pursuant to (ii) above shall be multiplied by the ownership percentage to be purchased (40% to obtain 100% in total).

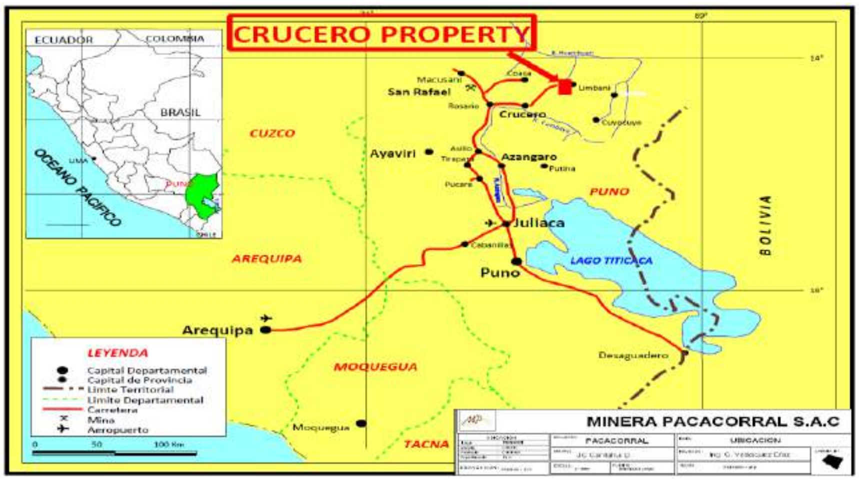
  See "*Buyout of MP Vendors*" below.

- Appoint three, while the MP Vendors were entitled to appoint two, of the five members of MP's board of directors. Additionally, the favourable vote of 80% of the directors was required for the passing of resolutions of the MP directors.

Buyout of MP Vendors
On January 19, 2012, Lupaka Gold completed the acquisition of the remaining 40% interest in MP, and as a result, Lupaka Gold, subsequent to year-end, owns 100% of Crucero. Lupaka Gold acquired the remaining 40% interest for a total purchase price of $4.1 million (US $4 million) in cash and 5.2 million common shares of Lupaka Gold at an issue price of $1.04 (US $1.00) per share, for a total purchase price of $9.5 million (US $9.2 million). As part of the closing of this transaction, Lupaka Gold also paid the final $3.1 million (US $3 million) installment payment that was due by July 15, 2012 to complete Lupaka Gold's acquisition of its existing 60% interest in MP.

Upon Lupaka Gold making the last acquisition payment for the 600 MP Shares and purchasing the remaining 400 shares of MP in January 2012, the: MP Vendors' MP board of directors nominees resigned; the MP Vendors' right to appoint two members of the board of directors of MP was terminated; and formal mutual releases were executed between the parties, covering any and all past, current and future-oriented obligations that may have existed prior to the buy-out of the MP Vendors.

Crucero Gold Project
To date, the Company has identified eleven zones or "anomalies" as having the potential for a gold resource at the Crucero Gold Project, which is located in Carabaya Province, within the Puno region of south-eastern Peru and is comprised of nine concession and petition claims covering an aggregate area of 5,500 hectares.



Exploration to date
The Crucero Gold Project contains mesothermal gold mineralization that is associated with pyrite and pyrrhotite as well as minor arsenopyrite and stibnite, and is contained within altered shales of the Ananea Formation of Lower Paleozoic age.

The documented history of exploration of the Crucero Gold Project began in 1996 when CEDIMIN S.A.C. first began exploring here. Between 1996 and 2003, CEDIMIN S.A.C. carried out the following activities:

- Regional stream sediment sampling;
- Topographic and geological mapping at 1:10,000 (2,400 Ha) and 1:1,000 scales (80 Ha);
- Road construction (eight Km)
- Soil geochemical sampling;
- Channel sampling (2,700 linear metres in 22 trenches to produce 630 channel samples);
- Magnetic (13.8 line Km) and Induced Polarization (14 line Km) surveys;
- Core drilling in seven holes with an aggregate length of 1,767 metres;
- Metallurgical testing of core samples.

These programs were successful in identifying the A-1 Zone and in determining its general configuration and size, both on surface and underground. The metallurgical test program confirmed that the contained gold is amenable to conventional extraction.

In 2003 and 2009, previous owners tested the Crucero Gold Project by surface geophysical programs and by core drilling, which was concentrated on one of the geophysical anomalies herein referred to as the A-1 Zone. The A-1 Zone was also tested by trenching and has subsequently been tested by several additional programs of core drilling.

The Crucero Gold Project presently hosts one anomaly (the "A-1 Zone" or "A-1") which has a NI 43-101 ("NI 43-101") compliant resource estimate as described below, which was recently updated (as at February 27, 2013).

This updated resource estimate was prepared by Gregory Mosher of Tetra Tech WEI Inc. ("Tetra Tech"), formerly Wardrop Engineering, of Vancouver, Canada, and reported an indicated resource of 31.4 million tonnes at 1.01 gold grams per tonne (g/t) capped grade for 1,017,999 gold ounces and an inferred resource of 37.2 million tonnes at 1.00 g/t capped grade for 1,190,526 gold ounces at the A-1 Zone.

Mr. Mosher is a Qualified Person for this resource estimate, for the purposes of NI 43-101. See www.sedar.com for the technical report supporting this disclosure, under the Company's profile.

The following table summarizes the Company's Crucero Gold Project resources, estimated at a 0.4 g/t threshold (cut-off), effective as at February 27, 2013:

Resource Category	**Tonnes**	**Au G/T Uncapped**	**Au G/T* Capped**	**Au OZ (Troy) Uncapped**	**Au OZ* (Troy) Capped**
Indicated	31,403,987	1.12	1.01	1,127,533	1,017,999
Inferred	37,170,436	1.15	1.00	1,370,729	1,190,526

* -- Gold grades capped at 17 g/t   1 Troy Ounce = 31.10348 grams

This updated resource estimate includes the assay results from all 72 holes drilled (totalling 22,959 metres) within the A-1 Zone, including the 18 holes drilled in the A-1 Zone (7,579 metres) during the 2012 exploration program that was completed in December 2012.

<u>February 2013 Resource Estimate Methodology</u> - the geological interpretation of the A-1 Zone were not substantially modified from the model used in previous resource estimates: the zone was modeled as a single geological solid that represents a grade shell that contains gold values generally greater than 0.1 g/t. This grade represents a natural and reasonably sharp boundary between unmineralized and continuously mineralized rock, although minor intervals with a grade of less than 0.1 g/t gold have been incorporated within the solid. These lower-grade intervals were not physically excluded from the geological solid by modification of the boundaries of the solid because it is improbable that they could be effectively segregated during mining and as well, the block model interpolation process accounts for these intervals and they can subsequently be identified and discounted on the basis of grade thresholds applied to the resource tabulation.

During 2012, Lupaka's geologists carried out lithological logging of most of the holes that have been drilled in the A-1 Zone. This work enhanced the previous understanding of the geological control of the distribution of gold within the Zone but has not resulted in a modification of the geological model used for resource estimation because gold distribution is not sufficiently constrained by lithology to permit the adoption of a lithological model without significant sacrifice of resource of potential economic significance.

On the basis of the operating costs and cut-off grades used in a number of open pit gold mines in Peru and elsewhere, a lower grade threshold of 0.4 g/t gold is considered reasonable for this type of deposit in this type of location. The resource at this lower limit is considered as the base case and is highlighted in Table 1 below. Using ordinary kriging and at a lower threshold of 0.4 g/t, the A1 Zone is estimated to contain an Indicated resource of about 31.4 million tonnes with an average, capped grade of 1.01 g/t gold (approximately 1.02 million Troy ounces) and an Inferred resource of about 37.2 million tonnes with an average, capped grade of 1.00 g/t gold (approximately 1.2 million Troy ounces).

Capping

For the current estimate, the capping level was re-assessed to take into account the additional data acquired, and a capping level of 17 g/t gold continues to be appropriate. The resource estimate was carried out with both capped and uncapped assay values and the results of both interpolations are presented below in Table 1.

Bulk density measurements of three core samples from drill hole CR-01 were made by SGS Analytical Laboratories in Lima. The average bulk density of these three measurements (2.86, 2.82, and 2.93) is 2.87.

Greg Mosher is an employee of Tetra Tech, a "qualified person" as defined by National Instrument 43-101 and independent of Lupaka Gold as defined by Section 1.5 of NI 43-101. He has reviewed and approved the scientific and technical information contained in this AIF. Mr. Mosher has verified the technical and scientific information including sampling, analytical and test data underlying the information or opinions contained in this AIF.

Quality Control and Assurance

Drill assays for the February 27, 2013 resource estimate were carried out by SGS Peru and ALS Chemex in Lima, Peru, exercising a thorough Quality Assurance and Control program (QA/QC). As part of QA/QC protocol, duplicates, standards and blanks were inserted into the sample processing stream. The core was photographed for reference, logged and mineralized sections were sawed in half. Sample lengths vary between 0.5 to 2.0 metres. Half- core samples were bagged, sealed and delivered to SGS Peru in Juliaca, Peru, and ALS Chemex in Lima, Peru, both of which are accredited ISO 9000 registered laboratories. The remaining core is stored on site or in a secure warehouse in Arequipa for reference. Gold was assayed by a 50 gram fire assay with an AAS finish.

Table 1 : Crucero A-1 Zone Kriged Resource Estimate (February 23, 2013)

THRESHOLD G/T **INDICATED**	TONNES	AU G/T UNCAPPED	AU G/T* CAPPED	AU OZ TROY UNCAPPED	**AU OZ* TROY CAPPED**
5.00	156,851	6.98	1.20	35,219	6,043
4.00	311,820	5.73	1.20	57,409	12,078
3.00	690,457	4.42	1.38	98,068	30,660
2.00	2,190,860	3.04	1.72	214,132	121,068
1.00	14,705,931	1.57	1.35	742,897	637,944
0.80	20,750,783	1.38	1.21	918,078	810,492
0.70	23,818,854	1.30	1.15	992,203	883,937
0.60	26,393,109	1.23	1.10	1,046,134	937,516
0.55	27,711,868	1.20	1.08	1,070,541	961,606
0.50	29,073,549	1.17	1.05	1,093,508	984,245
0.45	30,410,806	1.14	1.03	1,113,917	1,004,476
0.40	31,403,987	1.12	1.01	1,127,533	1,017,999
0.35	32,244,929	1.10	0.99	1,137,722	1,028,111
0.30	32,826,848	1.08	0.98	1,143,835	1,034,171
0.25	33,371,736	1.07	0.97	1,148,690	1,038,996
0.20	33,643,345	1.06	0.96	1,150,691	1,040,994
0.01	33,958,877	1.06	0.95	1,152,129	1,042,431
INFERRED					
5.00	555,345	7.87	1.37	140,510	24,519
4.00	764,347	6.93	1.30	170,394	32,012
3.00	1,142,862	5.77	1.43	212,027	52,533
2.00	2,378,923	4.00	1.80	306,024	137,721
1.00	15,944,708	1.74	1.39	889,511	712,520
0.80	23,113,696	1.48	1.23	1,096,618	917,743
0.70	26,815,364	1.38	1.17	1,185,737	1,006,529
0.60	30,329,972	1.29	1.11	1,259,093	1,079,628
0.55	32,168,226	1.25	1.08	1,293,068	1,113,463
0.50	34,171,078	1.21	1.04	1,326,872	1,147,076
0.45	35,863,596	1.17	1.02	1,352,807	1,172,733
0.40	37,170,436	1.15	1.00	1,370,729	1,190,526
0.35	38,313,682	1.12	0.98	1,384,407	1,204,156

0.30	39,142,852	1.11	0.96	1,393,114	1,212,840
0.25	39,843,002	1.09	0.95	1,399,318	1,219,027
0.20	40,348,961	1.08	0.94	1,403,044	1,222,750
0.01	41,276,483	1.06	0.92	1,407,212	1,226,918

* -- Gold grades capped at 17 g/t   1 Troy Ounce = 31.10348 grams

2010 Drill Program
During the early part of 2010, MP drilled six diamond drill holes, totalling 1,255 metres. The drilling of these holes was financed and supervised by the Company as part of its due diligence assessment of the Crucero Gold Project. Commencing in late 2010 and extending into early 2011, the Company drilled 12 additional core holes in the A-1 Zone, totalling 3,230 metres, to assess portions of the zone not tested by previous drilling and to acquire sufficient assay data to permit the upgrading of a portion of the previously-classified inferred resource to the indicated category (See www.sedar.com "Amended 2011 Technical Report").

For 2010, the Company spent approximately $1 million on exploration and related technical and community relations costs for the Crucero Gold Project.

2011 Drill Program
The Company stopped drilling for the 2011 season as planned on December 31, 2011, completing a total of twenty-three core drill holes for over 7,300 metres from May through December of 2011. The 2011 drill program was mainly focused on resource expansion at the A-1 Zone. Final assay results showed that the Company has not yet defined the northern limit of the A-1 Zone, and that the A-1 Zone mineralized envelope remained open and continues to the north.

For 2011, the Company spent approximately $3 million on exploration and related technical and community relations costs for the Crucero Gold Project.

2012 Drill and Technical Programs
The Company stopped drilling for the 2012 season as planned in December 2012, completing a total of 20 core drill holes for over 8,200 metres from May through December of 2012. The 2012 drill program was mainly focused on resource expansion at the A-1 Zone. Final assay results showed that the Company had not yet defined the northern limit of the A-1 Zone, and that the A-1 Zone mineralized envelope remained open and continued to the north.

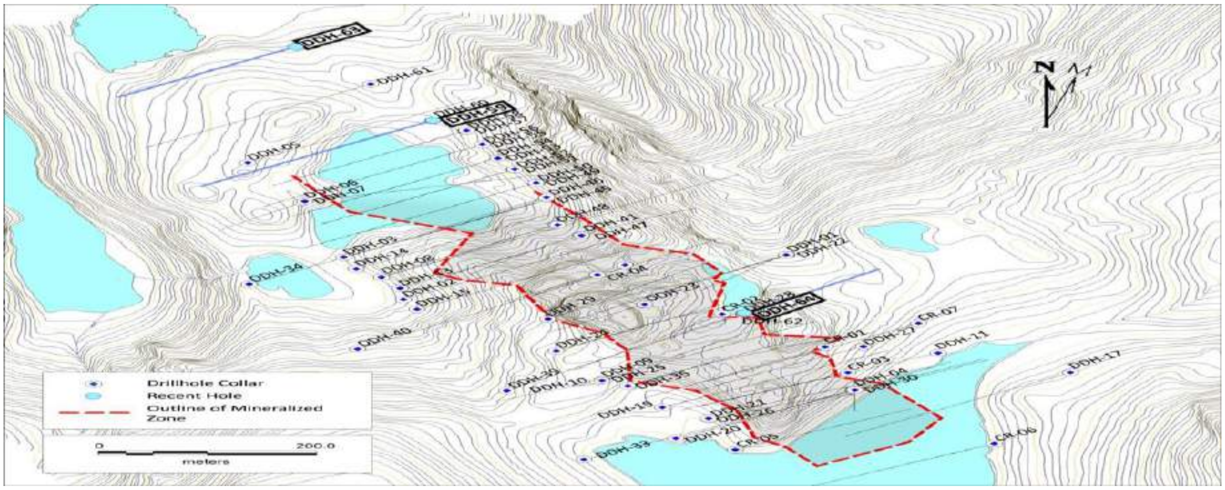
Various geological programs also took place in 2012, covering mapping, soil sampling, geophysics and structural geology, towards improving the Company's knowledge of the Crucero Gold Project's geological structures.

Metallurgical studies
Metallurgical testing completed in 2003 on a composite from two Crucero Gold Project drill holes achieved gold recovery results of 81% recovery of the contained gold using a combination of gravity and cyanidation. An updating of the Crucero Project's metallurgical testing began in 2012, and based on internal Whittle pit results, the Company selected four new composite metallurgical samples for the 2012 metallurgical testing program. The four composites lie within the ultimate conceptual Whittle pit shell, and represent the metallurgical characteristics that have been identified within the mineralized envelope. Additional metallurgical test results are expected to be available for release by the end of the second quarter of 2013.

For 2012, the Company spent approximately $5.5 million on exploration and related technical and community relations costs for the Crucero Gold Project.

The outline of the mineralized envelope at A-1 projected to surface with the locations of holes drilled to date is shown below:

Plan View of the A-1 Zone at the Crucero Gold Project



<u>2013 Drill and Technical Programs</u>

Surface and technical exploration activities for the 2013 season are expected to commence once the weather permits (in April/May), with targeted drilling taking place thereafter. As in prior years, the Company's representatives remain at the Crucero Gold Project year-round to continue with community relations and environmental activities.

Community Relations and Social Responsibility

The Company's approach to its business and social responsibilities involves implementing strategies beneficial to the community, the environment and to Peru. The Company's commitment to these strategies extends beyond standard compliance with national and international guidelines and involves building relationships based on honesty, openness and mutual trust.

The Company continues to design and implement community relations and social responsibility plans and strategies as it identifies local and regional communities' needs, as well as the related impacts of the Company's future mining activities on these communities.

MP has a three-year renewable agreement with the local community that was signed in 2010 and expires in May 2013, which the Company has undertaken to renew. Surface rights on the Crucero Gold Project are held by the local community and in the event that the Company advances the Crucero Gold Project to a mining operation, these rights must be acquired from the relevant communities by purchase or lease.

In the second quarter of 2012, the Company opened a community relations office in the town of Crucero, which is located approximately 45 kms from the Crucero Gold Project. This office complements the Company's camp community relations office, from which various community relations, education, local infrastructure improvement project, and medical/dental/veterinarian programs are coordinated.

Crucero Gold Project Concessions

A listing of the Company's Crucero Gold Project concessions is as follows:

Concession Name	**Identification Code**	**Area** (Ha's)	**Petition Filing Date**	**Concession Grant Date**	**Legal Status**	**Maximum Deadline**(1)(2)(3)(4)
Mina Crucero 4	010170899	150	18-Oct-99	21-Feb-00	Concession	Year 2028
Mina Crucero 10	010065903	300	3-March-03	25-Sep-03	Concession	Year 2028
Crucero 1	010317507	650	31-May-07	10-Oct-07	Concession	Year 2028
Mina Crucero 2007	010317807	781	1- June-07	12-May-08	Concession	Year 2028
Santa Cruz 1	050024208	800	4-July-08	16-Aug-10	Concession	Year 2030
Pacacorral 1	710009309	700	7-Dec-09	3-Nov-10	Concession	Year 2030
Pacacorral 2	710013810	700	21-Sep-10	Not applicable	Petition	Not established
Pacacorral 3	710013710	600	21-Sep-10	Not applicable	Petition	Not established
Pacacorral 4	010367211	900	20-Jun-11	19-Sept-12	Concession	Year 2032

(1) Assumes the concession-holder complies with regulatory and statutory requirements, and provides sufficient justifications (which are accepted) to maximize the deadline date if required.

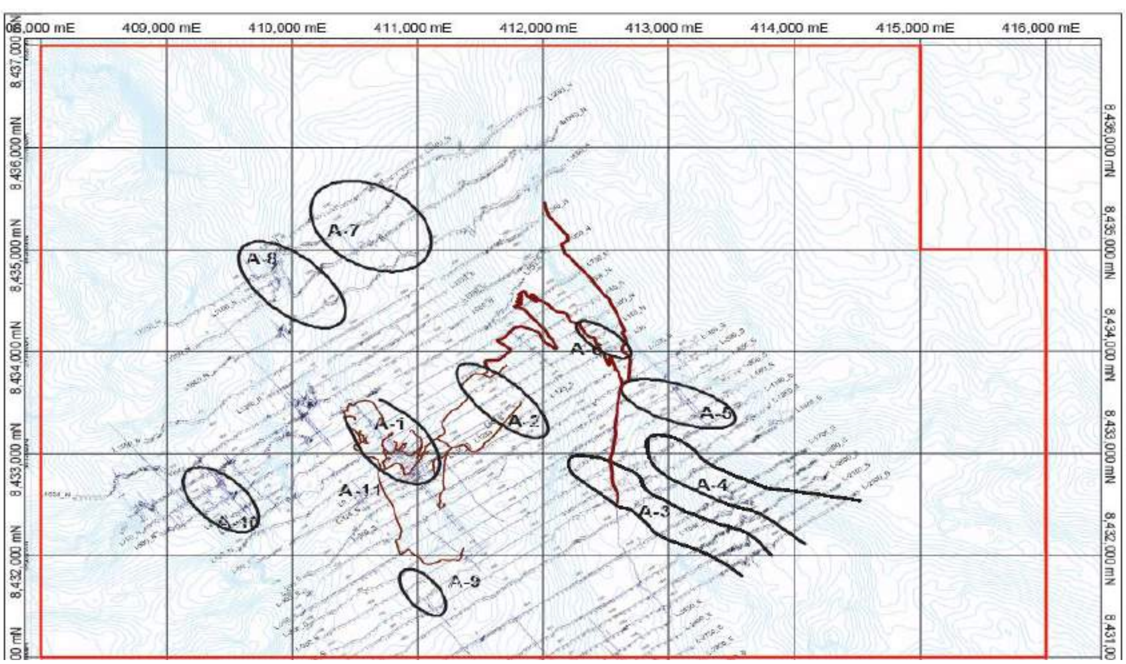
(2) Effective October 11, 2008, amendments were made to the determination of the maximum deadline, whereby the initial ten year period begins from the year following the issuance of mining concession title.

(3) For concessions where the mining concession title grant date was prior to October 11, 2008, the year 2018 was declared as the universal end of the ten year period for production to begin.

(4) If production is not attained by the tenth year, annual penalties are assessed and payable until the year when the minimum level of production is attained. Should production not be attained by the fifteenth year, the concession-holder can apply for a further extension of up to an additional five years which may or may not be granted, depending upon the justification(s) given for the extension.

The boundaries of the concessions and petitions are marked physically and have been surveyed by INGEMMET, which is the concession-granting body of the Ministry of Mines of the Government of Peru.

The Company has identified eleven zones or "anomalies" as having the potential for a gold resource at the Crucero Gold Project - a schematic of the relative locations of these zones is shown immediately below:



The Crucero Gold Project contains one documented mineralized zone, named A-1. This anomaly has been the object of virtually all exploration that has been conducted on the Crucero Gold Project to date. There are no mine workings or related development on the Crucero Gold Project.

The immediate area of the Crucero Gold Project is underlain by greenschist-grade metamorphosed shale and siltstone of the Ananea Group that have a pronounced, northwest-trending deformational fabric that was developed during the early phase of the Hercynian Orogeny. That portion of the Crucero Gold Project that has been most-intensively explored to date is underlain by the axial portion of a north-plunging, open anticline that may be overturned to the west. The Ananea Group metasediments in this axial zone contain abundant pyrite and pyrrhotite and are variably altered and silicified.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Crucero Gold Project is located in the Cordillera Orientale portion of the Andes Mountain chain. Elevations in the immediate area of the Crucero Gold Project range from about 3,900 metres to about 5,000 metres above sea level. Vegetation at the prevailing elevations is restricted to valley bottoms where grasses and sedges predominate. The sides of the valleys and the mountains themselves are essentially bare of vegetation.

The South Inter-Ocean Highway between Peru and Brazil passes within about 50 kilometres of the Crucero Gold Project and within about 25 kilometres of the town of Crucero, the largest community in the vicinity of the Crucero Gold Project.

The distance from Crucero to the Crucero Gold Project is about 50 kilometres and the road between the two is unpaved as there is little regular traffic other than local villagers and seasonal herders. The climate is typical of high alpine regions; generally cool and dry. The period between September and April is the rainy season which, given the present state of the local roads, can make access and regular exploration work difficult. Otherwise, exploration can be conducted here during the rest of the year with no exceptional difficulties.

At present, MP does not hold any surface rights, only mineral exploration rights. If the development of a mine becomes justifiable in the future it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal.

Power is not available locally but the state grid has been extended to within eight kilometres of the Crucero Gold Project. Water is available locally but whether the quantity is sufficient for sustaining a mining and processing operation is not known. There is no local labour force although Peru has a well-developed mining industry and a skilled labour force at all levels of the industry.

Deposit Types

The mineralization on the Crucero Gold Project has characteristics of both orogenic gold deposits and of sediment-hosted, saddle-reef type gold deposits.

The tectonic setting is consistent with orogenic gold deposits: Orogenic gold deposits form during compressional to transpressional deformation at convergent plate margins in accretionary and collisional orogens. Subduction-related thermal events, episodically raising geothermal gradients within the hydrated accretionary sequences, initiate and drive long-distance hydrothermal fluid migration. Gold mineralization that is deposited in this environment typically is contained within quartz veins.

There is typically a strong structural control of the gold deposits and orebodies at all scales. The orebodies can consist dominantly of altered host rock with disseminated mineralization or of fissure-filled mineralization, i.e. veins. Veins in orogenic gold deposits are dominated by quartz with subsidiary carbonate and sulphide minerals, and less abundantly, albite, chlorite and white mica. Gold is normally intimately associated with sulphide minerals, including pyrite, pyrrhotite chalcopyrite, galena, sphalerite, and arsenopyrite. In volcano-plutonic settings, pyrite and pyrrhotite are the most common sulphide minerals in greenschist and amphibolite grade host rocks, respectively, while arsenopyrite is the predominant sulphide mineral in ores hosted by sedimentary rocks.

Hydrothermal wallrock alteration in orogenic gold deposits is developed in a zoned pattern with progression from proximal to distal assemblages. The alteration intensity decreases with distance with respect to the orebodies. Scale, intensity and mineralogy of the alteration are functions of wallrock. Saddle-reef characteristics include the common occurrence of stibnite, the shale hostrock and preferential concentration of mineralization on and near the crest of an anticline.

Mineralization

To date, exploration has concentrated upon an area termed the A-1 Zone that is situated north of a small lake (Pahuilune). The zone as currently defined is about 600 metres long by about 100 metres in width and has been traced by drilling to a depth of about 100 metres. The zone dips steeply to the east and although variable in width, has been traced by trenching and drilling, with apparent continuity, over a strike distance of about 450 metres.

Gold is the only mineral of economic interest and occurs together with pyrite, pyrrhotite, arsenopyrite and stibnite. Pyrite is most abundant and typically occurs as blebs, the distribution of which is bedding-controlled. Quartz veins are uncommon and where present do not necessarily guarantee the presence of gold, although the highest concentrations of gold found to date are associated with quartz veins. Quartz veins and vein-lets cross-cut the stratification.

The style of mineralization, mineral association and degree of alteration vary with respect to degree of deformation. These changes are zonal: In the least-deformed portions of the A-1 Zone, pyrite occurs together with chlorite +/- gold; more-intensely deformed portions of the zone contain pyrite and pyrrhotite +/- gold; and the most-intensely deformed portions of the zone contain pyrite + pyrrhotite + arsenopyrite + stibnite +/- gold.

Geological Setting – Regional Geology

Much of the geological evolution from the Pre-Cambrian onward, of western South America including Peru, is directly attributable to the eastward subduction of the oceanic Nazca Plate beneath the Brazilian Shield. A long, narrow basin developed between the Nazca Plate on the west and the Brazilian Shield on the east.

During the Lower Paleozoic (Ordovician through Devonian) a thick (up to 10,000 metres) sequence of predominantly turbiditic sediments was deposited in this trough. The Ananea Group that underlies the Crucero Gold Project was deposited during this period. These rocks were deformed during the early phase of the Hercynian Orogeny during Early Carboniferous time (340 million years).

The Upper Paleozoic, from the Lower Carboniferous to the Middle Permian, is characterized by the accumulation of a thinner but lithologically more variable sequence of sedimentary rocks: The Ambo Group comprised of sandstone, conglomerate and minor carbonaceous layers of mostly continental derivation, was deposited unconformably upon the Lower Paleozoic strata in a post-Hercynian basin.

During the Lower Carboniferous, carbonates, shales and sandstones were deposited in isolated basins (Tarma Group) and during the Upper Carboniferous, Copacabana Group carbonates were deposited over an extensive epicontinental area.

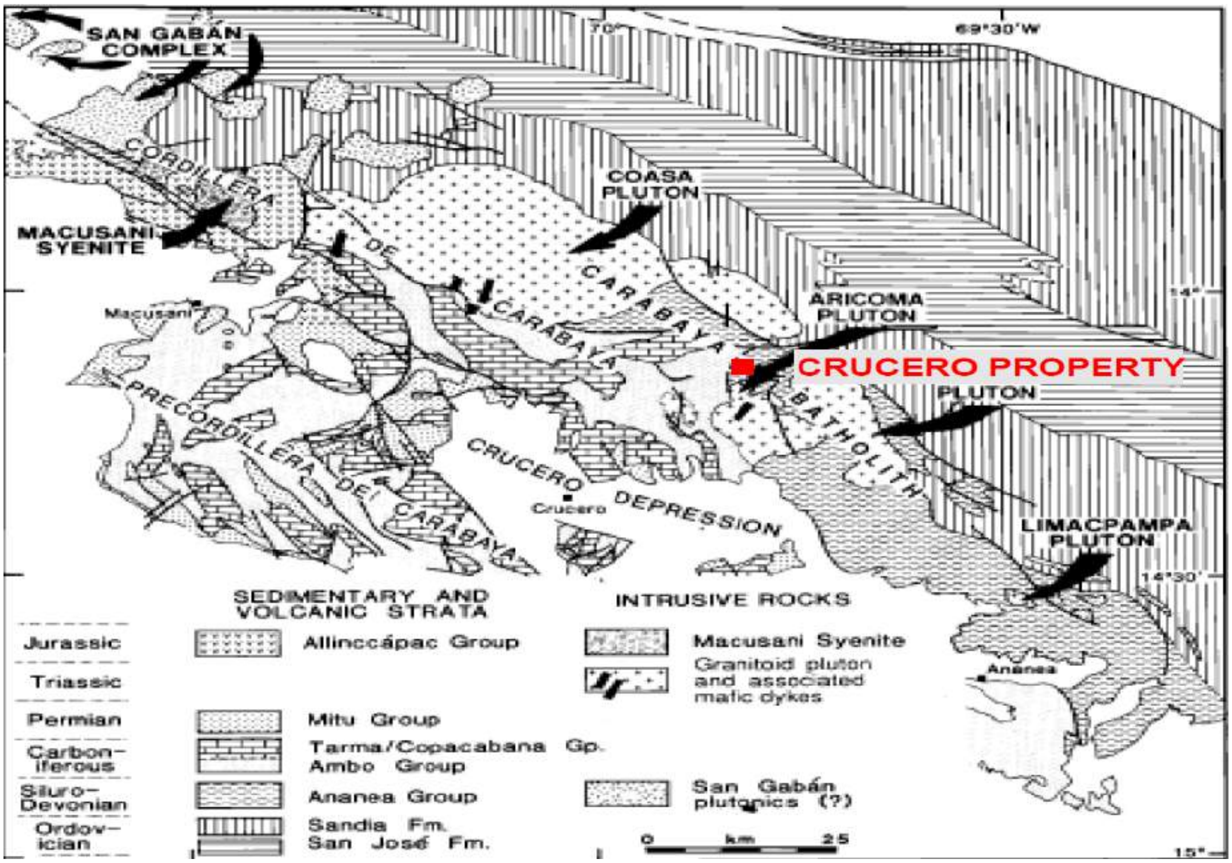
During the Permo-Triassic period, the Mitu Group, comprised of continental redbed sandstone and conglomerate with volcanic intercalations, was deposited.

The interval from the Triassic to the Upper Cretaceous was characterized by the deposition of carbonates in elongate basins and by volcanism.

There were two main periods of pre-Cretaceous intrusive activity: Early Hercynian, characterized by the emplacement of syntectonicintrusives of granitic composition, and Late Hercynian (Permian to late Triassic) emplacement of large granodioritic plutons that was accompanied by associated volcanic extrusive activity.

The interval from the Upper Cretaceous to the present has been dominated by compressive tectonism accompanied by abundant intrusive and extrusive magmatism.

Regional Geology in the Area of the Crucero Gold Project (Figure after Clark et al, 1990)



Crucero Gold Project Geology

The Crucero Gold Project area is located in the Eastern Cordillera and is predominantly underlain by sedimentary rocks of Lower Paleozoic age (Ananea Group of Siluro-Devonian age and Ambo Group of Carboniferous age). These rocks have been intruded by the extensive Carabaya Batholith of presumed Permian or Triassic age. The sedimentary rocks strike northwest, are folded at a variety of scales, and during compression have been thrust from east to west. The Carabaya Batholith has a pronounced northwest-southeast elongation, presumably as a result of preferential emplacement rather than deformation. The immediate area of the Crucero Gold Project is underlain by greenschist-grade metamorphosed shale and siltstone of the Ananea Group that have a pronounced, northwest-trending deformational fabric that was developed during the early phase of the Hercynian Orogeny.

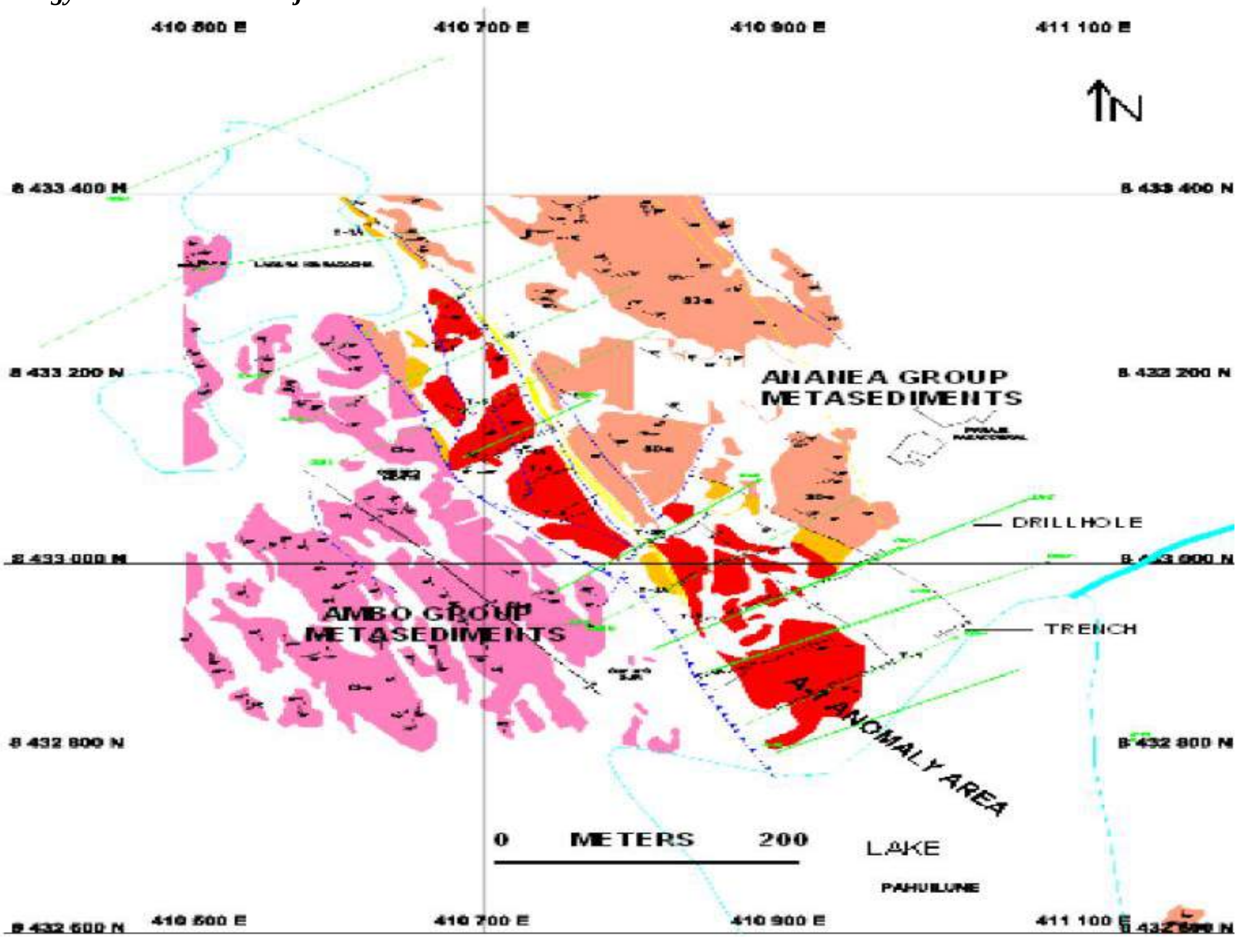
That portion of the Crucero Gold Project that has been most-intensively explored to date is underlain by the axial portion of an asymmetric, north-plunging, open anticline that may be overturned to the west. The Ananea Group metasediments in this axial zone contain abundant pyrite and pyrrhotite and are variably altered and silicified.

Immediately to the west of the area of trenching and drilling, the Ananea Group is in thrust contact (Ananea over Ambo) with quartzites of the Ambo Group. There are numerous structures that are parallel to this contact that may also be thrusts.

Triassic-age monzogranitic plutons outcrop within about one kilometre of both the east and west boundaries of the Crucero Gold Project.

The northwest-trending fabric that dominates the Ananea Group metasedimentary rocks on the Crucero Gold Project is offset by northeast-trending normal faults that may postdate and offset mineralization.

Geology - Crucero Gold Project



Acquisition of Andean American

On July 16, 2012, Lupaka Gold entered into an arrangement agreement with Andean American which was amended and restated on August 16, 2012, pursuant to which Lupaka Gold agreed to, among other things, acquire all of the issued and outstanding common shares of Andean American (the "Andean American Shares") pursuant to an all-share transaction (the "Arrangement"). Immediately following the completion of the Arrangement, Lupaka Gold shareholders held approximately 54.8% of Lupaka Gold's outstanding shares, Andean American's then existing shareholders held approximately 45.2% of Lupaka Gold's outstanding shares and Andean American became a wholly-owned subsidiary of Lupaka Gold.

The terms of the Arrangement provided that each Andean American Share be exchanged for 0.245 of a Lupaka Gold share, and that holders of Andean American stock options and warrants be entitled to receive upon exercise, 0.245 of a Lupaka Gold share in lieu of one Andean American Share at an effective exercise price per Lupaka Gold share generally determined by dividing the exercise price per Andean American Share in effect immediately before the completion of the Arrangement by 0.245. Prior to the closing of this transaction, there were 150,976,810 Andean American Shares outstanding, which were subsequently converted (rounded down to the nearest whole share) to 36,989,313 Lupaka Gold Shares, and outstanding Andean American stock options and warrants exercisable to acquire 6,850,000 Andean American Shares and 2,500,000 Andean American Shares, which, upon exercise, would be converted to stock options and warrants exercisable to acquire 1,687,250 and 612,500 Lupaka Gold Shares, respectively.

The acquisition of Andean American closed on October 1, 2012, one of the results of which was the delisting of Andean American's shares on the TSX (Venture Exchange).

The acquisition of Andean American was accounted for as an acquisition of assets, comprised of the following is a summary of the purchase price components, and the allocation of the net assets acquired on October 1, 2012:

	Purchase price
36,989,318 common shares of Lupaka	$25,892,523
Transaction costs	770,288
Purchase price	$26,662,811
Net assets acquired:	
Cash and cash equivalents	$13,501,866
Other current assets	182,141
Investment in Southern Legacy Minerals Inc. **(1)**	3,985,714
Plant & equipment	582,289
Current liabilities	(1,841,644)
Mineral properties	10,252,445
Net assets acquired	$26,662,811

(1) The fair value of the investment in Southern Legacy was based on the publicly-traded market value as at the Company's date of acquisition of AAG.

As a result of the Company's acquisition of Andean American, the Company acquired cash, the 100%-owned Invicta Gold Project (central Peru), and a strategic 17% stake in Southern Legacy Minerals Inc. ("Southern Legacy", a Canadian public company listed on the TSX.V (LCY)), owner of the AntaKori copper-gold deposit located in northern Peru.

Invicta Gold Project

The Company, through its acquisition of Andean American, now owns the Invicta Gold Project, which is located in the Province of Huaura in northwest Peru and has a NI 43-101 compliant resource estimate comprised of 967,000 equivalent ozs Au in the measured & indicated category and 236,000 equivalent ozs Au in the inferred category.

In September 2010, Andean American commissioned SRK Consulting (U.S.) Inc. ("SRK") to conduct an independent gap analysis on the Invicta Gold Project optimized Feasibility Study ("OFS") which had been completed in July 2010. Subsequently, in October 2010, Andean American appointed SRK to upgrade the OFS to a level that would be acceptable to Senior Project Lenders. The completion date for this upgraded study was originally targeted for June 2011. The in-depth work conducted by SRK, incorporating preliminary estimates from other project consultants, indicated certain increases in the original capital costs forecast in the July 2010 study, especially in the area of roads, water, power and other infrastructure, which accounted for approximately one third of the preliminary initial capital cost estimate. Andean American management requested SRK and the partner consultants working on the project to conduct further work, specifically trade-off studies, to determine where capital costs could be optimized. Examples of trade-offs included the relocation of the plant and tailings dam to reduce duplicated infrastructure and the use of an aerial cableway transportation system to move ore, people and consumables to reduce the number of kilometres of road development.

On October 28, 2011, Andean American announced the decision to delay completion of the upgraded Feasibility Study for the Invicta Gold Project. In this announcement, management stated that this delay was necessary in the light of the (then) current financial market conditions, the significant capital requirements needed to develop the Invicta Gold Project, the need to preserve Andean American's cash balance, and the potential for opportunities for value-adding mergers and acquisitions which typically arise in such a market.

Although the upgraded Feasibility Study was not completed, Andean American disclosed that early indications were that the initial capital cost to build an underground mine at Invicta would be considerably higher than forecast in the OFS and may exceed US$150 million. Indications based on the work done to that date were that the mine plan would only support an ore production rate of 4,000 tonnes per day and not 5,000 tonnes per day as per the OFS. Management further estimated that project operating costs could range from US$30 to US$40 per ore tonne (not finalized by SRK and other Feasibility Study consultants), compared to the US$28 per ore tonne indicated in the OFS.

In January 2012, Andean American and SRK Consulting (Canada) Inc. completed a structural geological study of the Invicta Gold Project. The objective of this study was to improve Andean American's understanding of the controls on the distribution of gold, silver and base metal mineralization at Invicta with a view to identifying additional potential mineralization and to develop an integrated structural framework to be used for future exploration targeting. This study identified a number of exploration priorities, including the possible continuation of the Atenea Vein to the north of an east-west trending dextral-reverse fault that post-dates and offsets mineralization. More detailed structural-geological mapping was undertaken by Andean American to identify exposed vein systems which are sub-parallel to the Atenea Vein and north of the Pucamina and south of the Dany Faults. In addition, Andean American was evaluating the potential for vein systems that may occur sub-parallel to the Pucamina and Dany Faults. SRK also recommended developing a structural and stratigraphic 3D model combined with a regional interpretation of available remote sensing data to identify targets covering a wider region.

On February 13, 2012, Andean American announced that it had commissioned SRK Consulting (US) Inc. to update the existing Invicta Gold Project resource estimate dated November 2009, which was subsequently completed and published on April 30, 2012. This report is entitled "NI 43-101 Technical Report on Resources, Invicta Gold Project, Huaura Province, Peru" and is available on SEDAR at www.SEDAR.com.

Extracts from the SRK Technical Report detailing the new resource estimate are shown below:

Mineral Resource Statement for the Invicta Gold-Silver-Copper-Lead-Zinc Deposit, Huaura Province, Peru, SRK Consulting (Inc.), April 6, 2012*

Zone	**Resource** Category	**Tonnes** (000's)	**Metal Grade**						**Contained Metal (000's)**					
			Au Eq	**Au (g/t)**	**Ag (g/t)**	**Cu (%)**	**Pb (%)**	**Zn (%)**	**Au Eq Oz**	**Au Oz**	**Ag Oz**	**Cu Lbs**	**Pb Lbs**	**Zn Lbs**
Atenea - All Zones	Measured	131	6.65	4.29	31.71	0.73	0.39	0.38	28	18	133	2,119	1,110	1,105
	Indicated	5,696	3.83	2.34	17.99	0.45	0.28	0.34	701	429	3,294	56,848	35,251	43,094
	M+I	5,827	3.89	2.39	18.29	0.46	0.28	0.34	729	447	3,427	58,967	36,361	44,198
	Inferred	1,533	3.56	2.35	10.93	0.46	0.13	0.19	175	116	539	15,574	4,495	6,373
Dany	Measured	0	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0	0
	Indicated	868	1.97	0.54	13.45	0.58	0.11	0.09	55	15	375	11,151	2,153	1,723
	M+I	868	1.97	0.54	13.45	0.58	0.11	0.09	55	15	375	11,151	2,153	1,723
	Inferred	668	1.72	0.14	12.66	0.53	0.58	0.16	37	3	272	7,876	8,496	2,387
Pucamina	Measured	0	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0	0
	Indicated	1,064	2.53	1.97	6.98	0.10	0.23	0.28	87	67	239	2,277	5,315	6,614
	M+I	1,064	2.53	1.97	6.98	0.10	0.23	0.28	87	67	239	2,277	5,315	6,614
	Inferred	202	1.96	1.38	8.68	0.14	0.14	0.18	13	9	56	625	605	781
Ydalias - All Zones	Measured	0	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0	0
	Indicated	12	7.16	3.63	34.89	1.43	0.29	0.19	3	1	13	379	77	51
	M+I	12	7.16	3.63	34.89	1.43	0.29	0.19	3	1	13	379	77	51
	Inferred	35	2.66	0.41	58.19	0.21	1.25	0.04	3	0	65	159	951	27
Zone 4	Measured	0	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0	0
	Indicated	872	3.31	2.15	12.94	0.44	0.12	0.10	93	60	363	8,393	2,375	2,000
	M+I	872	3.31	2.15	12.94	0.44	0.12	0.10	93	60	363	8,393	2,375	2,000
	Inferred	95	2.74	0.87	15.37	0.78	0.16	0.14	8	3	47	1,645	344	285
Total - All Zones	Measured	131	6.65	4.29	31.71	0.73	0.39	0.38	28	18	133	2,119	1,110	1,105
	Indicated	8,513	3.43	2.09	15.65	0.42	0.24	0.28	939	573	4,285	79,048	45,171	53,482
	M+I	**8,644**	**3.48**	**2.13**	**15.90**	**0.43**	**0.24**	**0.29**	**967**	**591**	**4,418**	**81,167**	**46,281**	**54,587**
	Inferred	2,534	2.90	1.61	12.02	0.46	0.27	0.18	236	131	979	25,879	14,891	9,854

*Notes:

- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimate will be converted into a Mineral Reserves estimate;
- Resources stated as contained within potentially economically mineable underground solids stated above a 1.3g/t Au equivalent cut-off;
- The resource is stated at a 1.30 g/t gold equivalent cut-off contained within potentially economically mineable mineralized solids. Metal prices assumed for the gold equivalent calculation are US$1,500/oz for gold, US$32.50/oz for silver, US$3.90/lb for copper, US$1.05/lb for lead and US$1.00/lb for zinc. The gold equivalent calculation assumes 100% metallurgical recovery, and does not account for any smelting, transportation or refining charges.
- Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding;
- Mineral resource tonnage and grade are reported as diluted to reflect a potentially minable underground selective mining unit of 3.0m; and

- The resource model has not been depleted for historical artisanal mining as the location and extent of these workings are largely un-documented.

Background: Invicta Gold Project property holdings approximating 31,600 hectares

During the first half of 2005, Andean American acquired 5,800 hectares through staking, and, in October 2005, optioned the 3,700-hectare Cornerstone property from Minera ABX Exploraciones S.A. ("ABX"), a subsidiary of Barrick Gold Corporation ("Barrick"), which had previously completed approximately 12,500 metres (over 40,000 feet) of diamond drilling on the property. During 2006, Andean American exercised its option with ABX and, in addition to the 3,700 hectares acquired through ABX, Andean American acquired an additional 7,400 hectares of land through staking, increasing its mining concession ownership at the Invicta Gold Project to 16,900 hectares. Further staking was carried out and, in November 2007, Andean American acquired an additional 24,600 hectares of land in the area which brought the total land package at the Invicta Gold Project to 41,500 hectares. Subsequent regional work resulted in the decision to release 15,300 hectares and acquire an additional 3,500 hectares. During 2010, Andean American staked a further 3,400 hectares, increasing the total project size from 28,200 to 31,600 hectares. All of these concessions are held by IMC.

In terms of the option agreement reached with Barrick, Andean American is required to provide Barrick with a copy of any completed Invicta Feasibility Study, and Barrick's subsidiary ABX has a 90-day period to review the study. If the study demonstrates more than two million ounces of mineable gold-only reserves at the Invicta Project, Barrick, through its subsidiary ABX, has the option to exercise a back-in right. Should they choose to exercise this back-in right, they would be required to pay Andean American 150% of all costs incurred at Invicta in exchange for 50 plus 1% of the Project. The current optimized Feasibility Study was provided to Barrick and did not demonstrate, under the Canadian Institute of Mining and Metallurgy definition, two million ounces of mineable gold-only reserves at the Invicta Project. Should a future Feasibility Study demonstrate two million ounces of mineable gold-only reserves, Barrick would retain the option to exercise a back-in-right. In addition, Barrick's subsidiary has a 30-calendar day right of first refusal in the event that Andean American wishes to transfer part or all of its shares and mining rights to the properties relating to the October 17, 2005 option and subsequent exercise of the option agreement on December 3, 2008.

Community and Social Responsibility

Invicta continues to work diligently with the communities affected by the Invicta Gold Project. These communities consist of farmers that cultivate mainly fruit crops along the valley roughly 2 km from the Invicta Gold Project. Three communities, namely Paran, Lacsanga and Santo Domingo de Apache, will primarily benefit from the investment made as a mine is developed and operated at the Invicta Gold Project. Before mine construction can begin, the Company and each of the three communities need to sign Surface Land Use Agreements.

To date, the Company has signed a 20-year agreement with Santo Domingo de Apache and is working towards closing the remaining two agreements as soon as reasonably possible. In addition, the Company has signed several other related agreements to acquire secondary parcels of land for the purpose of infrastructure development to support the project. All agreements signed by the Company include long-term commitments to contribute to social development and to maintaining a close partnership with the surrounding communities.

A listing of the Company's Invicta Gold Project concessions is as follows:

	Concession Name	Area (Ha.s)	Identification Code	Status	Grant Date	Maximum Concession Expiry Date(1)(2)(3)(4)
1	INVICTA I	1,000	10312905	Concession	14-Oct-05	14-Oct-28
2	INVICTA II	1,000	10313005	Concession	10-Oct-05	10-Oct-28
3	INVICTA III	1,000	10313105	Concession	14-Oct-05	14-Oct-28
4	INVICTA IV	1,000	10313205	Concession	14-Oct-05	14-Oct-28
5	INVICTA V	900	10313305	Concession	10-Oct-05	10-Oct-28
6	INVICTA VI	600	10306609	Concession	8-Jan-10	8-Jan-30
7	INVICTA VII	300	10313705	Concession	17-Oct-05	17-Oct-28
8	INVICTA VIII	800	10336305	Concession	15-Oct-05	15-Oct-28
9	INVICTA IX	800	10336405	Concession	16-Nov-05	16-Nov-28
10	INVICTA X	900	10336505	Concession	3-Nov-05	3-Nov-28
11	INVICTA XI	1,000	10336605	Concession	16-Nov-05	16-Nov-28

12	INVICTA XII	600	10336705	Concession	16-Nov-05	16-Nov-28
13	INVICTA XV	1,000	10169606	Concession	27-Apr-06	27-Apr-28
14	INVICTA XVI	300	10169706	Concession	2-May-06	2-May-28
15	INVICTA XVII	1,000	10596907	Concession	10-Dec-07	10-Dec-28
16	INVICTA XVIII	1,000	10597007	Concession	12-May-08	12-May-28
17	INVICTA XIX	1,000	10598907	Concession	18-Feb-08	18-Feb-28
18	INVICTA XX	1,000	10599007	Concession	11-Dec-07	11-Dec-28
19	INVICTA XXI	500	10601907	Concession	10-Dec-07	10-Dec-28
20	INVICA XXII	800	10602007	Concession	11-Dec-07	11-Dec-28
21	INVICTA XXIII	1,000	10622307	Concession	30-Sep-10	30-Sep-30
22	INVICTA XXV	1,000	10622507	Concession	30-Sep-10	30-Sep-30
23	INVICTA XXVI	900	10103709	Concession	20-May-09	20-May-29
24	INVICTA XXX	800	10103809	Concession	20-May-09	20-May-29
25	INVICTA XXXI	500	10103909	Concession	29-Apr-09	29-Apr-29
26	INVICTA XXXII	1000	10104009	Concession	19-May-09	19-May-29
27	INVICTA XXXIII	1000	10104109	Concession	29-Apr-09	29-Apr-29
28	INVICTA XXXIV	800	10104209	Concession	29-Apr-09	29-Apr-29
29	INVICTA XXXV	1,000	10104309	Concession	22-Jan-10	22-Jan-30
30	INVICTA XXXVI	617	10209010	Concession	26-Jul-10	26-Jul-30
31	INVICTA XXXVII	800	10208910	Concession	20-Jul-10	20-Jul-30
32	INVICTA XXXVIII	1000	10476110	Concession	7-Jan-11	7-Jan-31
33	INVICTA XXXIX	900	10476210	Concession	10-Dec-10	10-Dec-30
34	INVICTA XL	1000	10573411	Concession	10-Dec-10	10-Dec-30
35	INVICTA XLII	800	10573511	Concession	10-Dec-10	10-Dec-30
36	INVICTA XLIII	600	10573611	Concession	10-Dec-10	10-Dec-30
37	INVICTA XLV	800	10573811	Concession	10-Dec-10	10-Dec-30
38	INVICTA XLVI	1000	10281912	Concession	10-Dec-10	10-Dec-30
39	INVICTA XLVII	1000	10282012	Concession	10-Dec-10	10-Dec-30
40	INVICTA XLVIII	500	10282012	Petition	16-Jul-12	16-Jul-32
41	INVICTA XLIX	300	10281812	Concession	10-Dec-10	10-Dec-30
42	VICTORIA UNO **(5)**	1,000	10334195	Concession	23-May-96	23-May-28
43	VICTORIA DOS **(5)**	400	10336295	Concession	21-Jun-96	21-Jun-28
44	VICTORIA TRES **(5)**	900	10335795	Concession	14-Jun-96	14-Jun-28
45	VICTORIA CUATRO **(5)**	400	10197196	Concession	20-Sep-96	20-Sep-28
46	VICTORIA SIETE **(5)**	1,000	10231196	Concession	11-Oct-96	11-Oct-28

(1) Assumes the concession-holder complies with regulatory and statutory requirements, and provides sufficient justifications (which are accepted) to maximize the deadline date if required.

(2) Effective October 11, 2008, amendments were made to the determination of the maximum deadline, whereby the initial ten year period begins from the year following the issuance of mining concession title.

(3) For concessions where the mining concession title grant date was prior to October 11, 2008, the year 2018 was declared as the universal end of the ten year period for production to begin.

(4) If production is not attained by the tenth year, annual penalties are assessed and payable until the year when the minimum level of production is attained. Should production not be attained by the fifteenth year, the concession-holder can apply for a further extension of up to an additional five years which may or may not be granted, depending upon the justification(s) given for the extension.

(5) Comprise part of the Invicta Gold Project resource footprint – these concessions are also subject to the Barrick Royalty Agreement.

Investment in Southern Legacy Minerals Inc.

The Company, through its acquisition of Andean American, owns 9,841,269 shares or approximately 17% of the voting shares of Southern Legacy, which trades on the TSX-V under the symbol 'LCY'.

Southern Legacy's principal asset is its flagship AntaKori copper and gold project located in the Yanacocha-Hualgayoc mining district in the department of Cajamarca in northern Peru between Gold Fields' Cerro Corona and Buenaventura's and Southern Copper's Tantahuatay project.

RISK FACTORS

Potential investors in the Company should be aware that investing in its securities involves a high degree of risk. The risk factors outlined in this section and elsewhere in this Annual Information Form should be carefully considered by investors when evaluating an investment in the Company. These risk factors list some, but not all, of the risks and uncertainties that may have a material adverse effect on the Company's securities. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also impair the Company's business operations. If the Company is unable to prevent events that have a negative effect from occurring, then its business, results of operations and financial condition and the market price of its securities could be materially and adversely affected.

Exploration and Development

Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. In particular, exploration for gold is highly speculative in nature.

The Company does not have an interest in any mineral property that presently contains any mineral reserves. The Company's proposed exploration programs for the Crucero Gold Project and Invicta Gold Project are exploratory searches for mineralized zones and resources. Should any mineral reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to justify commercial mining and to obtain the required environmental approvals and permitting required to commence commercial operations. Even if mineral reserves are established, there can be no assurance that the mineral resources on any properties in which the Company has an interest can be commercially mined or that the metallurgical processing will produce economically viable saleable products.

Furthermore, there is no assurance that any estimated mineral resources are accurately defined. Mineral resource estimates are imprecise and depend on geological analysis based partly on statistical inferences drawn from drilling, and assumptions about operating costs and metal prices, all of which may prove unreliable. As resource estimates may not be accurate, there can be no assurance that the indicated quantities of metals on the Crucero Gold Project or Invicta Gold Project will be recovered if commercial production is commenced. Any future production could differ significantly from such estimates for the following reasons: actual mineralization or formations could be different from those predicted by drilling, sampling and similar examinations; declines in the market price of gold may render the mining of some or all of the resources uneconomic; and the grade of ore may vary dramatically from time to time and the Company cannot give any assurances that any particular quantity of metal will be recovered from the resources. The occurrence of any of these events may cause the Company to adjust resource estimates or change its mining plans, which could negatively affect the Company's financial condition and results of operations.

The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control.

In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to mineral resources or mineral reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations.

There can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or in production scale process applications. Material changes in mineral resources or reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

The ability of the Company to sell, and profit from the sale of any eventual production from any property in which the Company has an interest will be subject to the prevailing conditions in the marketplace at the time of sale. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long term viability of the Company and its operations.

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs. There may be other factors that result in delays to the Company's exploration programs, including adverse weather.

Environmental Risks and Other Regulatory Requirements
The current or future operations of the Company, including exploration and development activities and the commencement of production on the Crucero Gold Project, Invicta Gold Project or any other mineral properties in which it might acquire an interest require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land and water use, environmental protection, mine safety and other matters.

In Peru, exploration permits are, as a practical matter, subject to the discretion of government authorities and there can be no assurance that the Company will be successful in maintaining such permits for the Crucero Gold Project or the Invicta Gold Project. There can be no assurance that all permits which the Company may require for future exploration activities or any construction of mining facilities or conduct of mining operations will be obtainable on reasonable terms or at all, or that the terms of such permits or applicable laws and regulations will not have an adverse effect on any exploration or mining project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Requirement for Additional Funds
The Company will require additional funds to fund further exploration and to develop the Crucero Gold Project or the Invicta Gold Project, and to acquire, explore and develop any other properties in which the Company may acquire an interest. The Company does not have sufficient funds on hand to carry out the completion of all proposed activities, and will have to obtain other financing or raise additional funds. The Company has limited financial resources, has no source of operating cash flow, and has no assurance that additional funding will be available to the Company to carry out the completion of all proposed activities, for additional exploration, for property acquisitions or for the substantial capital that is typically required in order to place a property into commercial production. There can be no assurance that the Company will be able to obtain adequate additional financing or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Crucero Gold Project, the Invicta Gold Project and any other properties in which the Company may acquire an interest, or bankruptcy.

While the Company believes it has sufficient financial resources to fund its planned exploration programs in to 2014, the Company will require additional funds to fund additional exploration and to develop the Crucero Gold Project, the Invicta Gold Project or any other properties which the Company may acquire an interest.

Potential Political, Social and Economic Instability in Peru
The Company's mineral property assets are located in Peru, South America. Consequently, the Company is subject to various risks associated with operating in a developing country such as Peru, including possible political or economic instability and governmental policies which may result in the impairment or loss of mineral concessions or other mineral rights in the Crucero Gold Project and Invicta Gold Project or otherwise adversely affect the Company.

Peru's history since the mid-1980s has been one of political and economic instability under both democratically elected and dictatorial governments. These governments have frequently intervened in the national economy and social structure, including periodically imposing various controls the effects of which have been to restrict the ability of both domestic and foreign companies to freely operate. Peru's recent political and fiscal regimes were generally favourable to the mining industry and have been relatively stable over the past ten years or so. However, there is a risk that this will change.

On July 28, 2011, Ollante Humala, the leader of the Gana Peru party, was officially installed as the new President of the Republic of Peru. Although the Gana Peru party does not have a majority of the members of the Peruvian Congress or the constitutional assembly in Peru, this change in the government of Peru is expected to result in changes to governmental policies that affect foreign mining companies that have operations in Peru and may have an adverse effect on the Company's business, such as additional taxes on profits and assets, increased royalties on production of minerals and additional requirements for profit-sharing with Peruvian employees.
The Company's interests and operations may be affected by government regulations with respect to restrictions on property access, permitting, price controls, export controls, foreign exchange controls, income taxes, foreign investment, expropriation of property, environmental legislation and mine safety. There is also a risk of other adverse developments, such as labour unrest, widespread civil unrest or rebellion, which may adversely affect the Company.

The Company's activities and results of operations may also be adversely affected by economic uncertainty associated with operating in a developing country. Peru has experienced inflation rates as high as 6% since 2002.

There can be no assurance that any governmental action will be taken to control inflationary or deflationary situations or that any such action will be effective. Future governmental action may trigger inflationary or deflationary cycles or otherwise contribute to economic uncertainty. Additionally, changes in inflation or deflation rates and governmental actions taken in response to such changes may affect currency values. Any such events or changes could have a material adverse effect on the Company's results of operations and financial condition.

In addition, labour in Peru is customarily unionized and there are risks that labour unrest or wage agreements may adversely impact the Company's operations. These and other uncertainties associated with the Company's mineral property interests being located in a developing country may make it more difficult for the Company and any future joint venture partners to obtain any required financing for exploration and development of mineral projects in Peru.

Potential Profitability Depends Upon Factors Beyond the Control of the Company
Even if the Company is able to define mineral reserves and bring a mineral project to commercial production, the potential profitability of any such producing mineral properties would be dependent upon many factors beyond the Company's control. For instance, world prices of and markets for gold and other minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of mined ore may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, water environmental compliance or other production inputs. Such costs fluctuate in ways that cannot be predicted, or controlled, impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of the Company.

Key Personnel
The Company's future success depends, in significant part, upon the continued service and performance of its senior management. The experience and ability of these individuals will be a factor contributing to the Company's success and growth. The loss of the services of one or more of these individuals could have a material adverse effect on the Company's business prospects. The Company has not obtained key man insurance with respect to any of its senior management.

Title Matters, Surface Rights and Access Rights
While the Company has performed its own due diligence with respect to title of the Crucero Gold Project and Invicta Gold Project concessions, this should not be construed as a guarantee of title. The Crucero Gold Project or Invicta Gold Project may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no

assurance as to the validity of title of MP to the Crucero Gold Project or Invicta to the Invicta Gold Project and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Crucero Gold Project and the Invicta Gold Project or the size of the area to which such claims and interests pertain. MP's application for mining concessions pursuant to two mining petitions (Pacacorral 2, Pacacorral 3) that form part of the Crucero Gold Project may not result in the grant of related mining concessions.

Although the Company acquires the rights to some or all of the minerals in the ground subject to the tenures that it acquires, or has a right to acquire, it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mineral exploration and development activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are local populations or land owners, such as the areas in which the Crucero Gold Project and Invicta Gold Project are located, it is necessary, as a practical matter, to negotiate surface access. There is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. If the development of a mine on the Crucero Gold Project or the Invicta Gold Project becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.

Governmental Permits and Licensing

In the ordinary course of business, the Company and any other entities through which the Company may obtain an interest in mineral properties will be required to obtain and renew governmental permits and licenses for the operation and expansion of existing operations or for the commencement of new operations. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process, which will also involve local communities. The duration and success of the efforts to obtain and renew permits and licenses are contingent upon many variables not within the control of the Company including the interpretation of applicable requirements implemented by the permitting or licensing authority. Permits and licenses or the renewals thereof that are necessary to the operations in which the Company has an interest, or the cost to obtain or renew permits and licenses, may exceed what the Company expects. Any unexpected delays or costs associated with the permitting and licensing process could delay the development or impede the operation of the Crucero Gold Project, the Invicta Gold Project or any other projects in which the Company acquires an interest.

MP Purchase Agreement does not Contain any Representations or Warranties

Although the Company understands this to be consistent with normal practice in Peru, the MP Purchase Agreement does not contain any representations or warranties in respect of the Crucero Gold Project, including MP's title to the Crucero Gold Project. As a result, the Company does not have the benefit of any representations and warranties regarding the Crucero Gold Project and therefore may not be able to obtain a remedy from the MP Vendors in respect of title defects or other matters which would typically be the subject matter of representations and warranties in agreements similar to the MP Purchase Agreement in North America.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The Crucero Gold Project lies in a remote area with limited infrastructure. In addition, unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations on the Crucero Gold Project and the Company's operations, financial condition and results of operations.

Market Financial Conditions

Current financial markets have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to public financing has been negatively impacted by both sub-prime mortgages and the liquidity crisis affecting the asset-backed commercial paper market. Ongoing solvency and debt extension crisis with certain European countries and the United States of America also have the potential to continue to negatively impact the stability of global market conditions. These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the value and the price of the shares of the Company could be adversely affected.

Repatriation of Earnings

Currently there are no restrictions from Peru as to the repatriation of earnings to foreign corporate parent entities. Peru does maintain free trade agreements with a number of countries, including Canada, that allows the repatriation of earnings without subjecting those earnings to a withholding tax. However, there can be no assurance that restrictions on repatriation of earnings from Peru will not be imposed in the future.

Currency Fluctuation

The Company's current exploration and property acquisition commitments are denominated primarily in Peruvian Nuevo Soles and United States Dollars. If the Company receives revenue as a result of its interests in the Crucero Gold Project or the Invicta Gold Project, it expects that most of any such revenues will be in Peruvian Nuevos Soles and United States Dollars. This Company may in the future be exposed to foreign currency fluctuations which may materially affect its financial position and operating results.

Uninsurable Risks

In the course of exploration, development and production of mineral properties involves numerous risks, including from unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Such risks may result in liabilities that reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company.

The Company is not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate their available funds or could exceed the funds available to pay such liabilities and result in bankruptcy. Should the Company be unable to fund fully the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

Operating Hazards and Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes, may occur. It is not always possible to fully insure against such risks and the Company may decide not to insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company, and the Company's interests may be adversely affected.

No History of Earnings

The Company has no history of earnings, and there is no assurance that the Crucero Gold Project, the Invicta Gold Project or any other mineral properties in which it might acquire an interest will generate earnings, operate profitably or provide a return on investment in the future. The Company expects to incur losses and negative operating cash flow for the foreseeable future as it conducts its exploration activities on the Crucero Gold Project and the Invicta Gold Project. The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future. The future dividend policy of the Company will be determined by its directors.

Negative Operating Cash Flow

Since commencing its operations during the financial year ended December 31, 2010, the Company has had negative operating cash flow and incurred losses. The negative operating cash flow and losses are expected to continue for the foreseeable future. The Company may never achieve positive operating cash flow.

Acquisition of Additional Mineral Properties
If the Company abandons or loses its interests in its mineral projects or the subsidiaries that hold those interests , there is no assurance that the Company will be able to acquire another mineral property of merit or that such an acquisition would be approved by the TSX or applicable regulatory authorities. There is also no guarantee that the TSX will approve the acquisition of any additional mineral property interests by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional property interests.

Competition
Significant and increasing competition exists for mining opportunities internationally. As a result of this competition, much of which is with large established mining companies with substantial capabilities and far greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mining properties or financing on terms it considers acceptable. The Company also competes with other mining companies in the recruitment and retention of qualified employees.

Financial Risk
The Company is exposed in varying degrees to a number of risks arising from financial instruments. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Board approves and monitors the risk management process.

The types of risk exposure and the way in which such exposures are managed as follows:

a) Credit risk - is the risk of financial loss to the Company if counterparty to a financial instrument fails to meet its payment obligations. The Company's exposure to credit risk consists of cash and cash equivalents. The risk exposure is limited to the carrying amount at the date of the financial position statement.

   Cash and cash equivalents are invested in two major financial institutions. The risk is mitigated because the financial institutions are major Canadian chartered banks with high credit ratings.

b) Liquidity risk – is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by actively forecasting, planning, reviewing and monitoring expenditures and commitments and anticipated financial requirements.

   Cash and cash equivalents on hand at December 31, 2012 are considered to be sufficient to fund the Company's ongoing operational needs for the next 12 - 24 months.

c) Market risk - is the risk that changes in market prices, such as gold and precious mineral prices, foreign exchange rates and interest rates will affect the Company's income. The object of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

   1. Commodity price risk – this is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant. Price risk cannot be estimated at this stage of the Company's development. The Company does not have any hedging or other commodity-based risks respecting its operations.

   2. Currency risk - the Company's exploration expenditures are predominantly in US Dollars and any future equity raised is expected to be predominantly in Canadian Dollars. The Company conducts the majority of its business in Peru, which uses the US Dollar as one of its primary economic currencies. Future project exploration and development expenditures are expected to be paid in US Dollars. A significant change in the relative currency exchange rates between the Canadian Dollar and the US Dollar would

have an effect on the Company's statements of financial position, loss and cash flows. As such, the Company is subject to risk due to fluctuations in the exchange rates for the US and Canadian Dollar. The Company has not hedged its exposure to currency fluctuations. At December 31, 2012, the Company' cash and cash equivalents were predominantly in Canadian Dollars.

3. Interest rate risk - the Company is not exposed to significant interest rate risk since its financial instruments can be quickly converted into cash, thus avoiding additional risks.

DIVIDENDS and DISTRIBUTIONS

There are no restrictions that could prevent the Company from paying dividends on its common shares.

The Company has not paid any dividends on its common shares and it is not contemplated that the Company will pay any dividends in the immediate or foreseeable future. It is the Company's intention to use all available cash flows to finance further operations and exploration of its resource properties.

CAPITAL STRUCTURE

The authorized share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

As at March 27, 2012, there are 84,972,896 common shares (see "*Common Shares*" below) and 8,079,167 share purchase warrants issued and outstanding (see "*Share Purchase Warrants*" below).

There are no outstanding preferred shares.

Additionally, the Company has granted share options to purchase an aggregate of 6,348,475 common shares (see "*Share Options*" below).

Common shares - following is a continuity listing of the Company's outstanding common shares for the twelve months ended:

	December 31			
	2012		2011	
	Number	**$**	**Number**	**$**
Common shares				
Balance – beginning of year	39,462,451	24,602,786	8,051,000	253,051
Issued for acquisition of AAG (Notes 4 and 10)	36,989,318	25,892,523	–	–
Issued for remaining interest in MP	5,200,000	5,200,000		
Exercise of options	100,000	50,000	–	–
Fair value of options exercised	–	36,635	–	–
Issued pursuant to the IPO	–	–	13,333,334	17,181,627
Issued for payment of salaries and consulting fees upon IPO	–	–	298,617	430,008
Deemed exercise of special warrants upon IPO	–	–	17,779,500	6,738,100
Balance – end of year	81,751,769	55,781,944	39,462,451	24,602,786

In connection with the acquisition of 100% of AAG's outstanding shares on October 1, 2012, the Company issued 36,989,318 common shares of Lupaka Gold (valued at $0.70 per share, which represents the market price of the common shares on the date of issuance) to the former shareholders of Andean American.

In connection with the acquisition of the remaining shares of MP on January 19, 2012, the Company issued 5,200,000 common shares of Lupaka Gold (valued at $1.00 per share) to the former non-controlling shareholders of MP.

On June 28, 2011 the Company completed an IPO of 13,333,334 units (the "Units") of the Company at a price of $1.50 per Unit for aggregate gross proceeds of $20,000,001. The Agents to the IPO received a cash commission equal to 6% ($1.2 million) of the gross proceeds of the Offering, as well as 800,000 common share purchase warrants ("Broker warrants", see "Share purchase warrants" below).

Each Unit consisted of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, an "IPO Warrant"). Each IPO Warrant is exercisable to purchase an additional common share of the Company until June 28, 2014 at a price of $2.25 per share. The Company allocated $1.44 of the issue price for the issue of each common share and $0.06 of the issue price for the issue of each one-half common share purchase warrant.

In connection with the IPO completed on June 28, 2011 there were 16,087,717 common shares, nil special warrants and 1,500,000 common shares issuable upon the exercise of options, all subject to an escrow agreement. These escrowed securities are to be released in equal tranches of 25% on the date of listing and then every six months thereafter. As at December 31, 2011 there were 8,043,589 common shares and 1,500,000 common shares issuable upon the exercise of options, subject to the escrow agreement – see "*Escrowed Securities*" below.

Share Purchase Warrants - following is a continuity listing of the Company's outstanding share purchase warrants for the twelve months ended December 31, 2012:

	December 31			
	2012		**2011**	
	Number	**$**	**Number**	**$**
Balance – beginning of year	7,466,667	801,809	–	–
Acquired on acquisition of AAG	612,500	–	–	–
Issued pursuant to the IPO	–	–	7,466,667	801,809
Balance – end of year	8,079,167	801,809	7,466,667	801,809

Each Unit of the IPO included one-half of one common share purchase warrant, exercisable to purchase an additional common share of the Company until June 28, 2014 at a price of $2.25 per share. The Agents to the IPO also received common share purchase warrants ("Broker Warrant") equal to 6% of the number of the Offered Units. Each Broker Warrant entitles the holder to purchase one common share (a "Broker Share") until June 28, 2013 at a price of $2.25 per Broker Share.

Special Warrants - following is a continuity listing of the Company's outstanding Special Warrants for the twelve months ended:

	December 31			
	2012		**2011**	
	Number	**$**	**Number**	**$**
Balance – beginning of year	–	–	15,610,000	4,568,600
Issued for cash	–	–	1,852,500	1,852,500
Issued for cash (received in 2010)	–	–	317,000	317,000
Issued for debt repayment	–	–	–	–
Deemed exercise of special warrants upon IPO	–	–	(17,779,500)	(6,738,100)
Balance – end of year	–	–	–	–

During 2010 and 2011, special warrants were issued by the Company ("Special Warrants"). Each Special Warrant had no voting rights and entitled the holder to acquire, without payment of any consideration, a common share of the Company on the first business day following the receipt of the Company's IPO.

As at December 31, 2010 the Company had issued 4,568,600 Special Warrants for $4,568,600 and had received deposits totalling $317,000 for 317,000 Special Warrants. These were issued on February 7, 2011. Upon filing of the Company's final prospectus on June 15, 2011, all of the Company's Special Warrants were deemed to have been exercised.

Share options - the Company has in place an incentive share option plan dated September 20, 2010 (the "Option Plan") for directors, officers, employees and consultants to the Company. The Option Plan provides that the directors of the Company may grant options to purchase common shares on terms that the directors may determine, within the limitations of the Option Plan. The maximum number of common shares issuable pursuant to options granted under the Option Plan shall not exceed 10% of the outstanding common shares issued at the date of grant.

Vesting terms will be determined for each grant individually, and the term of the option shall be for not less than one year and not more than 10 years from the date the option is granted.

A summary of changes to share options outstanding and exercisable is as follows:

	2012		2011	
	Number of share options	Weighted average exercise price $	Number of share options	Weighted average exercise price $
Options outstanding – beginning of year	3,697,000	0.73	2,000,000	0.50
Granted	1,980,000	0.53	1,697,000	0.98
Forfeited	(173,000)	1.33	–	–
Exercised	(100,000)	0.50	–	–
Acquired on acquisition of AAG	1,678,250	2.22	–	–
AAG options expired	(208,250)	2.90	–	–
AAG options forfeited	(525,525)	2.16	–	–
Options outstanding – end of year	6,348,475	0.86	3,697,000	0.73
Options exercisable – end of year	4,708,475	0.96	2,780,500	0.58

The weighted average price of Lupaka's shares on the dates of exercise in 2012 was $1.11. No options were exercised in 2011.

Pursuant to the terms of the share option grant agreements between the holders of the 2,475,000 options and the Company, these options became exercisable on December 25, 2011. In addition, the common shares issuable upon the exercise of the share options held by certain insiders of the Company are subject to escrow restrictions.

On November 9, 2011, the directors of the Company granted 1,222,000 share options to directors, officers, employees and consultants, at an exercise price of $1.21 per share and having an expiry of November 9, 2016. Pursuant to the terms of the share option grant agreements between the holders of these options and the Company, these options vest on the basis of 25% from the date of grant and every six months thereafter to May 9, 2013. In addition, the common shares issuable upon the exercise of the share options held by certain insiders of the Company are subject to escrow restrictions.

On February 20, 2012, the directors of the Company granted 140,000 share options to an officer at an exercise price of $1.35 per share and having an expiry of February 20, 2017. Pursuant to the terms of the share option grant agreement between the holder of these options and the Company, these options vest on the basis of 25% from the date of grant and every six months thereafter to August 20, 2013.

Pre-IPO Securities Transactions:

Changes in Structure

On April 26, 2010, Lupaka Gold amended its authorized capital as follows: 500,000 Class A common voting shares and 500,000 Class B common voting shares were changed to an unlimited number of common voting shares without par value; 100,000 Class C preferred non-voting redeemable shares were changed to an unlimited number of preferred non-voting redeemable shares with a par value of $0.01 per share; and the 100,000 Class D preferred non-voting redeemable shares with a par value of $1.00 were eliminated. In addition, new articles of Lupaka Gold were adopted.

On May 4, 2010, Lupaka Gold subdivided its outstanding common voting shares, being 305,100 common voting shares, on the basis of 10 shares for 1 into 3,051,000 common voting shares of Lupaka Gold. On January 11, 2011, Lupaka Gold amended its articles to remove the Pre-Existing Company Provisions.

On January 28, 2011, Lupaka Gold amended its authorized share capital as follows: the common voting shares were changed to an unlimited number of Common Shares without par value; and the preferred non-voting redeemable shares with a par value of $0.01 per share were changed to an unlimited number of preferred shares without par value. In addition, the articles of Lupaka Gold were amended to add special rights and restrictions to the preferred shares to allow holders of preferred shares, on a liquidation or dissolution of Lupaka Gold or other distribution of assets, to receive, before any distribution to holders of Common Shares, the amount paid up with respect to each preferred share together with all accrued and unpaid dividends.

Financings

On June 5, 2010, Lupaka Gold issued 1,772,000 special warrants at a price of $0.05 per special warrant for total proceeds of $88,600.

On June 23, 2010, Lupaka Gold issued 1,000,000 common shares at a price of $0.05 per common share for total proceeds of $50,000.

On August 13, 2010, Lupaka Gold issued 7,358,000 special warrants at a price of $0.50 per special warrant for total proceeds of $3,679,000.

On September 17, 2010, Lupaka Gold issued 1,060,000 special warrants at a price of $0.50 per special warrant for total proceeds of $530,000.

On February 7, 2011, Lupaka Gold issued 1,819,500 special warrants at a price of $1.00 per special warrant for total proceeds of $1,819,500.

On February 11, 2011, Lupaka Gold issued 350,000 special warrants at a price of $1.00 per special warrant for total proceeds of $350,000.

MARKET FOR SECURITIES

Lupaka Gold's common shares and warrants are listed and posted for trading on the Toronto Stock Exchange under the symbols LPK and LPK.WT, respectively. The Toronto Stock Exchange reported the following price ranges and volumes traded in respect of Lupaka Gold's common shares in each month of the fiscal year ended December 31, 2012:

Month	High	Low	Volume
January 2012	$1.22	$0.96	593,500
February 2012	$1.45	$1.13	744,000
March 2012	$1.45	$1.16	451,900
April 2012	$1.23	$0.98	491,100
May 2012	$1.05	$0.90	143,300
June 2012	$0.93	$0.81	221,300
July 2012	$0.85	$0.65	260,600
August 2012	$0.66	$0.53	272,300
September 2012	$0.80	$0.52	4,589,700
October 2012	$0.70	$0.50	1,043,200
November 2012	$0.51	$0.40	1,663,900
December 2012	$0.46	$0.37	2,294,400

The Toronto Stock Exchange reported the following price ranges and volumes traded in respect of Lupaka Gold's share purchase warrants in each month of the fiscal year ended December 31, 2012:

Month	High	Low	Volume
January 2012	$0.28	$0.20	25,750
February 2012	$0.35	$0.20	31,300
March 2012	$0.245	$0.21	28,000
April 2012	$0.235	$0.15	73,050
May 2012	$0.16	$0.13	35,000
June 2012	$0.19	$0.15	21,500
July 2012	$0.15	$0.15	350
August 2012	$0.09	$0.075	27,000
September 2012	$0.08	$0.07	14,000
October 2012	$0.02	$0.02	13,600
November 2012	$0.045	$0.03	54,800
December 2012	$0.045	$0.04	11,100

PRIOR SALES

Except with respect to stock options issued under Lupaka Gold's stock option plan as set out in the table below, Lupaka Gold did not issue any securities in its most recent financial year that are of a class that is not listed or quoted for trading on a marketplace.

Date Granted	Number	Exercise Price
February 9, 2012	140,000	$1.35
April 1, 2012	50,000	$1.23
November 8, 2012	1,790,000	$0.45

ESCROWED SECURITIES

None

DIRECTORS AND OFFICERS

The name, province and country of residence and position with Lupaka Gold of each director and officer of Lupaka Gold, the principal business or occupation in which each director and officer of the Company has been engaged during the immediately preceding five years, the period during which each director has served as director and the number and percentage of Lupaka Gold's Common Shares owned, directly or indirectly, or controlled or directed by each director and officer as at the date of this AIF is set out in the table below. Each director's term of office will expire at the next annual general meeting of Lupaka Gold.

Name, Province and Country of Residence	Position with the Company	Principal Occupation During the Past Five Years	Period as Director and/or Officer	Number of Common Shares Held (1)
Gordon Ellis British Columbia, Canada	Executive Chairman and Director	Business Executive	President from November 3, 2000 to January 20, 2011. Executive Chairman since January 20, 2011 and Director since November 3, 2000.	12,001,159(2)
Eric Edwards British Columbia, Canada	President, Chief Executive Officer and Director	Business Executive	President and Chief Executive Officer since January 20, 2011 and Director since January 25, 2011.	1,017,507
Darryl Jones British Columbia, Canada	Chief Financial Officer	Chartered Accountant.	Officer since October 1, 2010	689,133
Kathleen Scales British Columbia, Canada	Corporate Secretary	Corporate Secretary.	Officer since July 15, 2010	129,500
Paulo Bilezikjian Sao Paulo, Brazil	Director	Business Executive	Director since October 1, 2012	1,225,000 (3)
John Graf (4)(5)(6) British Columbia, Canada	Director	Chartered Accountant.	Director since November 16, 2010	150,000 (7)
Norman Keevil (5)(6) British Columbia, Canada	Director	Engineer and Business Executive.	Director since August 17, 2010	200,000(8)
David Rae Ontario, Canada	Director	Business Executive	Director since October 1, 2012	Nil

Name, Province and Country of Residence	Position with the Company	Principal Occupation During the Past Five Years	Period as Director and/or Officer	Number of Common Shares Held (1)
Stephen Silbernagel(4)(6) British Columbia, Canada	Director	Retired Lawyer.	Director since June 18, 2010	330,000(9)
Patrick Soares (4)(5) British Columbia, Canada	Director	Geologist.	Director since August 17, 2010	760,000

(1) All Common Shares are held directly unless otherwise indicated herein.

(2) Includes 91,500 Common Shares held directly by Mr. Ellis, 2,293,164 Common Shares held by Gordann, 2,295,368 Common Shares held by ABE, 7,221,127 Common Shares held by K-Rok, and 100,000 Common Shares held by Loadxi Minerals Limited, a company wholly-owned by Mr. Ellis.

(3) Number of Common Shares held by Green Apple Holdings Ltd, a private company wholly-owned by Mr. Bilezikjian.

(4) Member of the Audit Committee

(5) Member of the Governance and Nominating Committee. .

(6) Member of the Compensation Committee. .

(7) Number of Common Shares held jointly by Mr. Graf and his spouse, with shared voting and dispositive power

(8) .Includes 200,000 Common Shares held by Poncho Wilcox Engineering Inc., a company in which Mr. Keevil owns a 50% interest.

(9) Includes 330,000 Common Shares held by L.E. Management Ltd., a company owned by Mr. Silbernagel.

Shareholdings of Directors and Senior Officers

Our directors and executive officers, as a group, beneficially own, control or direct, directly or indirectly, 16,507,799 Common Shares representing approximately 27.0 19.43% of the issued and outstanding Common Shares and hold options and IPO Warrants to acquire an additional 3,490,500 Common Shares, representing approximately 3.95% of the Common Shares on a fully-diluted basis.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, no director or executive officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or within the 10 years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any other Company that: (i) was the subject of a cease trade order or similar order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days (an "Order") that was issued while the director or executive officer was acting in the capacity of a director, chief executive officer or chief financial officer; (ii) was subject to an Order issued after the director, chief executive officer or chief financial officer ceased to act in that capacity and which resulted in an event that occurred while that person was acting in that capacity.

To the knowledge of the Company, no director or executive officer or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or within the 10 years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any other Company that became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions
To the knowledge of the Company, no director or officer of the Company or shareholder holding a sufficient number or securities of the Company to affect materially the control of the Company has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities authority, or has had any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies
To the knowledge of the Company, no director or officer of the Company or shareholder holding a sufficient number or securities of the Company to affect materially the control of the Company, or a personal holding Company of any such person, has, during the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to a bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Indebtedness to the Company
As at the date of this AIF, no executive officer, director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company, or any of its subsidiaries, nor are any of these individuals indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries

Conflicts of Interest
To the best of our knowledge, there are no known existing or potential conflicts of interest between the Company and any of our directors or officers as a result of such individual's outside business interests at the date hereof. However, certain of our directors and officers are, or may become, directors or officers of other companies, with businesses which may conflict with our business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on behalf of the Company.

Pursuant to the British Columbia Business Corporations Act ("BCBCA"), directors are required to act honestly and in good faith with a view to the best interests of the Company. As required under the BCBCA and our Articles,
a director or executive officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or executive officer of the Company, must promptly disclose the nature and extent of that conflict.
A director who holds a disclosable interest (as that term is used in the BCBCA) in a contract or transaction into which the Company has entered or proposes to enter may generally not vote on any directors' resolution to approve the contract or transaction.

Generally, as a matter of practice, directors or executive officers who have disclosed a material interest in any transaction or agreement that our Board is considering will not take part in any Board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will abstain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, we will establish a special committee of independent directors to review a matter in which directors, or management, may have a conflict

AUDIT COMMITTEE INFORMATION

Charter of the Audit Committee - the mandate of Lupaka Gold's audit committee is attached as Schedule A to this AIF.

Composition of the Audit Committee
The audit committee presently consists of John Graf (Chair), Stephen Silbernagel and Patrick Soares.

The board of directors of Lupaka Gold has determined, in accordance with Multilateral Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators ("MI 52-110"), that each member of the audit committee is both financially literate and independent.

Relevant Education and Experience

The education and experience of each member of the audit committee that is relevant to the performance of his responsibilities as an audit committee member is described below:

John Graf, C.A.	Mr. Graf has been a Chartered Accountant since 1968, and has served on the audit committee of the board of directors of a natural resource mining company listed on the Exchange. As well, Mr. Graf was an independent commissioner of the British Columbia Securities Commission between December 1998 and March 2008. Mr. Graf obtained his Bachelor of Commerce degree from the University of British Columbia in 1966.
Stephen Silbernagel	Mr. Silbernagel has served on the audit committees of various Canadian and U.S. public companies over the past 20 years, and was a lawyer from 1973 to his retirement in December 2009. Before his retirement, Mr. Silbernagel practised with the firm Munro & Crawford between April 2008 and December 2009. Previously, Mr. Silbernagel practiced with the firm Silbernagel & Company until March 2008. Mr. Silbernagel obtained his Bachelor of Laws degree in May 1972.
Patrick Soares	Mr. Soares is a Professional Geologist with the Association of Professional Engineers and Geoscientists of British Columbia and is or has been the Chief Executive Officer and a director of various TSX and TSXV exploration mining companies, and been integrally involved in the financial management of these companies. Additionally, he has been a member of the audit committee of a number of these public companies.

Pre-Approval Policies and Procedures
The audit committee must pre-approve all non-audit services to be provided to the Company by its external auditors. The audit committee may delegate that authority to any member of the committee, provided that a report on any such pre-approval is made to the committee at its next scheduled meeting.

External Auditor Service Fees
The following table sets forth, by category, the fees billed by PricewaterhouseCoopers LLP, Lupaka's auditors, in the years ended December 31, 2012 and 2011:

	Fees Billed In	
	2012	2011
Audit fees (1)	90,000	47,500
Quarterly review fees(2)	31,300	21,500
All other fees (3)	123,000	60,000
Total	244,300	129,000

(1) The aggregate fees billed by PricewaterhouseCoopers LLP, the Company's Independent Registered Chartered Accountants, in the fiscal years ended December 31, 2012 and 2011 for professional services rendered by PricewaterhouseCoopers LLP for the audit of the Company's annual consolidated financial statements and internal control over financial reporting, and services that are normally provided by PricewaterhouseCoopers LLP in connection with statutory and regulatory filings or engagements for those years were $90,000 and $47,500, respectively.

(2) The aggregate fees billed by PricewaterhouseCoopers LLP in the fiscal years ended December 31, 2012 and 2011 for services provided by it for quarterly review of unaudited interim consolidated financial statements were $31,300 and $21,500, respectively.

(3) The aggregate fees billed by PricewaterhouseCoopers LLP in the fiscal year ended December 31, 2012 for services provided by PricewaterhouseCoopers LLP, other than the services reported in the preceding two paragraphs, was $123,000, and was for services performed in connection with the Company's acquisition of Andean American. The aggregate fees billed by PricewaterhouseCoopers LLP in the fiscal year ended December 31, 2011 for services provided by PricewaterhouseCoopers LLP, other than the services reported in the preceding two paragraphs, was $60,000, and was for services performed in connection with the Company's IPO.

PROMOTERS

Gordon Ellis and Geoff Courtnall may be considered promoters of the Company, as that term is defined in the *Securities Act* (British Columbia).

Mr. Ellis directly holds 91,500 Common Shares and indirectly holds 2,293,164 Common Shares through Gordann , 2,295,368 Common Shares through ABE, 7,221,127 Common Shares through K-Rok and 100,000 Common Shares held by Loadxi Minerals Limited. Mr. Ellis has also been granted 415,000 stock options in Lupaka Gold.

Pursuant to the terms of a consulting services agreement as amended January 31, 2013 between Lupaka Gold and Gordann, Gordann receives a consulting fee of $5,000 per month for Executive Chairman services provided by Mr. Ellis. For the year ended December 31, 2012, Gordann has been paid or accrued aggregate consulting fees of $60,000 from the Company.

Mr. Courtnall holds 154,200 Common Shares and indirectly holds through Havilah and Courtco Developments Ltd. 3,041,134 and 57,000 Common Shares, respectively. Mr. Courtnall has also been granted 397,000 stock options of Lupaka Gold.

Pursuant to the terms of a consulting services agreement as amended January 31, 2013 between Lupaka Gold and Havilah, Havilah receives a consulting fee of $10,000 per month for corporate and investor relations services provided by Mr. Courtnall. For the year ended December 31, 20120, Havilah has been paid or accrued consulting fees of $120,000.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not the subject of, or party to, any legal proceedings that may be considered material to the Company, and it is not and has not been subject to any penalties or sanctions imposed by a court or a securities regulatory authority.

AUDITORS, TRANSFER AGENTS AND REGISTRAR

The auditors of the Company are the firm of PricewaterhouseCoopers LLP, Chartered Accountants, of 250 Howe Street, Suite 700, Vancouver, British Columbia, V6C 3S7.

The Registrar and Transfer Agent for the Common Shares and Warrants of Lupaka Gold is Computershare Investor Services Inc., 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

MATERIAL CONTRACTS

There are no contracts that may be considered material to the Company that were entered into by the Company in the past fiscal year.

Material contracts entered into by the Company in a previous fiscal year, which are still in effect, are the Assignment and Assumption Agreement, and the MP Purchase Agreement. See "*Agreements with K-Rok*".

INTERESTS OF EXPERTS

The auditors of the Company are PricewaterhouseCoopers LLP, Chartered Accountants, of Vancouver, British Columbia. PricewaterhouseCoopers LLP, Chartered Accountants, report that they are independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

None of the following companies, partnerships or persons, each of whom are named in this AIF as having prepared reports or having been responsible for reporting exploration results relating to our mineral properties and whose profession or business gives authority to such reports, or any director, officer, partner, or employee thereof, as applicable, received or has received a direct or indirect interest in our property or of any of our associates or affiliates. As at the date hereof, and except as noted below, such persons, and the directors, officers, partners and employees, as applicable, of each of the following companies and partnerships beneficially own, directly or indirectly, in the aggregate, less than one percent of the securities of the Company:

1. William Burstow, P. Geo
2. Greg Mosher, P. Geo, an employee of Tetra Tech.

None of such persons, or any director, officer or employee, as applicable, of any such companies or partnerships, is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any of our associates or affiliates.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Additional information with respect to directors' and officers' remuneration and indebtedness, principal holders of Lupaka Gold's securities and securities authorized for issuance under equity compensation plans is contained in the management information circular for our next meeting of shareholders.

Additional financial information is provided in the Company's financial statements and MD&A for its most recently completed consolidated financial statements, also filed on SEDAR. In addition, copies of these documents may be obtained from Lupaka Gold by contacting Lupaka Gold at #428 – 800 West Pender Street, Vancouver, British Columbia V6C 2V6, telephone: (604) 681-5900, fax: (604) 637-8794.

SCHEDULE A

AUDIT COMMITTEE CHARTER

I. Purpose

The purpose of the Audit Committee (the "Committee") is to assist the Board of Directors of the Company (the "Board") in fulfilling its oversight responsibilities by reviewing the financial information which will be provided to the shareholders and others, identifying and monitoring the management of the principal risks that could impact the financial reports of the Company, reviewing the systems of corporate controls which management and the Board have established, and monitoring auditor independence and the audit process. The Committee is directly responsible for overseeing the work of the external auditors. The Committee also provides an avenue of communication among the external auditor, management and the Board.

More specifically the purpose of the Committee is to satisfy itself that:

A. The Company's annual financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company and are suitable to recommend to the Board for its approval.

B. The financial information contained in the Company's quarterly financial statements, Annual Report and other financial publications such as Management's Discussion and Analysis, the Annual Information Form and financial information contained in any other material disclosure document, is fairly presented in all material respects and is suitable to recommend to the Board for its approval.

C. The Company has appropriate systems of internal control over the safeguarding of assets and financial reporting to ensure compliance with legal and regulatory requirements. This would include appropriate disclosure controls and procedures that enable financial information to be recorded, processed, summarized and reported within the time periods required by law.

D. The external auditor is independent and qualified; the external audit function has been effectively carried out; and, any matter which the external auditors wish to bring to the attention of the Board has been addressed. The Committee will also recommend to the Board the re-appointment or appointment of auditors and their remuneration.

II. Composition and Terms of Office

A. Following each annual meeting of shareholders of the Company, the Board shall appoint not less than two members and if there are three or more independent directors than at least three to the Committee. Each member of the Committee shall be independent[1].

B. All members shall be financially literate, (as defined by applicable legislation). At least one member shall have accounting or related financial management expertise and, if required by applicable legislation, at least one member shall be a financial expert.

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[1] [1] A director is **independent** if he or she would be independent for the purposes of (i) Canadian Securities Administrators Multilateral Instrument 52-110 – Audit Committees; and (ii) any other applicable legislation or policy.

C. The Committee Chair shall be appointed by the Board.

D. Any Committee member may be removed or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director of the Company. Each member shall hold office until the close of the next annual meeting of shareholders of the Company or until the member resigns or is replaced, whichever first occurs.

E. The Committee Chair shall, in consultation with the Committee members, determine the schedule and frequency of meetings, provided that the Committee meets at least four times per year. Additional meetings may be held as deemed necessary by the Committee Chair or as requested by any member, the Board or by the external auditors.

F. A quorum for the transaction of business at all meetings of the Committee shall be a majority of the appointed members. Resolutions arising at any meeting shall be passed by a majority of votes of the members present, and in case of an equality of votes the Chair does not have a second or casting vote.

G. The Committee may invite any person it sees fit to attend meetings and assist in the discussion and consideration of the business of the Committee, but without voting rights.

H. The Committee may retain, at the Company's expense, outside consultants or advisors to assist the Committee in the performance of its duties when it considers this action necessary or advisable.

I. The Committee will meet regularly with management and the external auditors in separate sessions.

J. The Committee shall meet in camera, without management present, at the end of each regularly scheduled Committee meeting.

K. The Committee shall keep regular minutes of proceedings and shall cause them to be recorded in the books kept for that purpose, and shall report on its activities to the Board as such times as the Board may require, but no later than the next meeting of the Board.

L. Information reviewed by the Committee will be available for examination by any director upon request to the Corporate Secretary of the Company.

III. Duties and Responsibilities

A. Audit Committee Charter

The Committee shall review and assess the adequacy of its Audit Committee Charter at least annually and submit any changes to the Board for approval.

B. Financial Reporting Control Systems

The Committee shall:

(i) review the Company's disclosure controls and internal controls, and related CEO and CFO certifications, including any significant changes or deficiencies in such controls;

(ii) review the management letter of the external auditors and the Company's responses to suggestions made;

(iii) review any new appointments to senior positions with financial reporting responsibilities and pre-approve the hiring to a financial reporting oversight role of any person who had been employed by the Company’s external auditors within one year prior to the commencement of procedures for the current audit engagement; and

(iv) review, in consultation with management, significant financial risks and the steps management has taken to monitor, control, and report such risks and review any significant recommendations prepared by the external auditors, together with management’s responses.

C. Interim Financial Statements

The Committee shall:

(i) review interim financial statements with Company officers prior to their release and recommend their approval to the Board; this will include a detailed review of quarterly and year-to-date results and management’s discussion and analysis; and

(ii) review narrative comments and associated press releases accompanying interim financial statements.

D. Annual Financial Statements and Other Financial Information

The Committee shall:

(i) review any changes in accounting policies or financial reporting requirements that may affect the current year’s financial statements;

(ii) obtain summaries of significant issues regarding accounting principles, practices and significant management estimates and judgments, and other potentially difficult matters whose treatment in the annual financial statements merits advance consideration;

(iii) obtain draft annual financial statements in advance of the Committee meeting and assess, on a preliminary basis, the reasonableness of the financial statements in light of information provided by the Company officers;

(iv) review and discuss reports from external auditors on:

(a) all critical accounting policies and practices to be used;

(b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor;

(c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences; and

(d) the external auditors attestation of management’s internal control report if required by applicable law.

(v) review disclosures made to the Committee by the CEO and CFO during their certification process for any statutory documents about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company’s internal controls;

(vi) review with management, including the CEO and CFO, management's internal control report required to be included in any statutory document;

(vii) review and investigate complaints and confidential submissions to the Company or the Committee regarding internal controls or questionable accounting or auditing matters;

(viii) review a summary provided by the Company's legal counsel of the status of any material pending or threatened litigation, claims and assessments;

(ix) review and discuss the annual financial statements and the auditors' report thereon with the Company's officers and the auditors;

(x) review the Annual Report and other annual public information documents including the Annual Information Form, Management's Discussion and Analysis and any related press releases, prior to their release;

(xi) provide to the Board a recommendation as to whether the annual financial statements should be approved;

(xii) ensure that appropriate disclosure controls and procedures are in place and annually assess the adequacy of such procedures; and

(xiii) review the Company's various sources of risk and management's plans to mitigate such risk including insurance, hedging, etc.

E. External Audit Terms of Reference, Reports, Planning and Appointment

The external auditor shall report directly to the Committee. The Committee shall:

(i) review the audit plan with the external auditors and oversee the work of the external auditors in preparing and issuing the auditors' report and performing other audit, review or attest services for the Company;

(ii) annually review and discuss with the external auditors all significant relationships they have with the Company that could impair the external auditors' independence;

(iii) discuss with the external auditors, without management present, matters affecting the conduct of their audit and other corporate matters;

(iv) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles;

(v) recommend to the Board each year the retention or replacement of the external auditors; if there is a plan to change auditors, review all issues related to the change and the steps planned for an orderly transition;

(vi) annually review and recommend for approval to the Board the terms of engagement and the remuneration of the external auditors;

(vii) pre-approve all non-audit services to be performed by the external auditors that are not prohibited by law (unless such approval is not required by applicable law);

(viii) ensure the rotation of the lead or coordinating audit partner having primary responsibility for the audit as required by law; and

(ix) review and approve the Company’s hiring policies regarding employees and former employees of the Company’s present and former external auditors.

F. Whistleblower Policy

The Committee shall establish procedures for:

(i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters; and

(ii) the confidential, anonymous submission by employees of the Company of concerns regarding fraudulent or dishonest use of the Company's resources or questionable accounting or auditing matters.

G. Material Disclosure Documents

The Committee shall review any financial information within any prospectus, information circular or other material disclosure documents prior to their release and recommend to the Board whether these materials should be approved.

H. Other

The Committee shall:

(i) keep themselves current with industry trends, developments and accounting practices.

(ii) have such other powers and duties as delegated to it by the Board.

Approved by the Board of Directors on the 8th Day of November, 2012.

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