



## **LUPAKA GOLD CORP. INCREASES RESOURCE GOLD OUNCES AND SUBSTANTIALLY IMPROVES GRADE AT CRUCERO GOLD PROJECT**

**VANCOUVER, BRITISH COLUMBIA, February 27, 2013 -- Lupaka Gold Corp.** ("Lupaka Gold" or "the Company") (TSX:LPK) (BVL:LPK) is pleased to report the Company's updated National Instrument 43-101 ("NI 43-101") compliant Indicated and Inferred mineral resource estimates for its 100% owned Crucero project located in southeastern Peru. The updated resource estimate has been prepared by Tetra Tech WEI Inc. ("Tetra Tech"), formerly Wardrop Engineering, of Vancouver, Canada (see Table 1 below).

The Company reports 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 at the A-1 Zone within the Crucero Gold project. In addition, the Company reports 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. Both the inferred and indicated categories now have a gold grade of 1 g/t or higher as a result of the 2012 drill results. As the Crucero mineralized zone continues to grow both in size and confidence levels, the Company has changed from the inverse distance squared method used previously, to the more conservative and appropriate ordinary kriging method for resource estimation. Using the more conservative methodology, estimated inferred gold ounces increased by 84% and inferred grade improved by 45% as compared to the last resource update completed March 5, 2012, primarily due to the inclusion of the 2012 drill results. The new estimation method did however result in estimated indicated ounces decreasing by 11% and indicated grade decreasing by 2%.

Eric Edwards, President and CEO of Lupaka Gold, commented, "We are extremely pleased with the growth in both gold ounces and grade of the A-1 Zone resource as announced in today's updated resource estimate. The A-1 resource is the cornerstone of what we believe is a district-style mining camp at Crucero. We are excited to continue testing additional anomalies at Crucero as we focus on increasing the total resource."

The following table summarizes resources estimated at a 0.4 g/t threshold (cut-off), effective as at February 27, 2013:

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

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

Resource estimates generated at varying threshold (cut-off) gold grades are presented in Table 1 at the end of this news release.

Mr. Edwards continued, "The A-1 Zone is continuing to grow, and continuing to show that the resource has a distinct higher-grade core clearly visible in the cut-off grade sensitivity table. The A-1 Zone remains the only zone significantly drilled of the 11 known exploration anomalies currently identified at the Crucero Gold Project. This year, we plan to focus field work and drilling on new target anomalies that have not been drilled previously. With our current geological understanding of the A-1 Zone, we look forward to an exciting exploration year ahead."

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 on December 31, 2012.

### **2013 Resource Estimate Methodology**

The updated resource estimate in this news release has been prepared by Gregory Mosher of Tetra Tech. Mr. Mosher is a Qualified Person for the purposes of NI 43-101. The geological interpretation of the A-1 Zone has not been substantially modified from the model used in previous resource estimates: the zone has been 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 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. 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). 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. 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 news release. Mr. Mosher has verified the technical and scientific information including sampling, analytical and test data underlying the information or opinions contained in this news release. A technical report supporting this disclosure will be filed under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) within 45 days of this news release.

### **Final Issuance of Shares under Assignment and Assumption Agreement**

Based on the results of this February 2013 resource update, Lupaka will issue 3,221,127 common shares to K-Rok Minerals Inc., under the terms of the Assignment and Assumption Agreement where Lupaka acquired its initial interest in the Crucero Project. The share issuance is 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 agreement. Upon issuing these shares, Lupaka will have no further payment obligations under the Assignment and Assumption Agreement. The Assignment and Assumption Agreement is described in the Company's prospectus dated June 15, 2011 which is available on SEDAR. The issuance of the shares is subject to approval by the Toronto Stock Exchange.

### **About the Company**

Lupaka Gold is a well-financed, Peru-focused gold explorer with geographic diversification and balance through its interest in asset-based resource projects spread across three regions of Peru.

Lupaka Gold's flagship project is the Crucero Gold Project, its 5,500 hectare gold property located in southern Peru. The Company, based in Vancouver, Canada, is project operator and holds a 100% indirect interest in the Crucero Gold Project. Since commencing active exploration in April 2010, the Company has reported annual NI 43-101 compliant gold resource estimate increases for the Crucero Gold Project in the first quarter of 2011, and 2012 (see the Company's most recent technical report on [www.sedar.com](http://www.sedar.com)).

As a result of the Company's 2012 acquisition of Andean American Gold Corp., Lupaka Gold's assets now include the 100% owned Invicta Gold Project (central Peru), which has near-term underground gold and poly-metallic development potential, and a strategic 17% stake in Southern Legacy Minerals Inc., owner of the AntaKori copper-gold deposit located in northern Peru.

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## Forward Looking Information

This news release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities regulations in Canada and the United States (collectively, "forward-looking information"). The forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation, to update this forward-looking information. Forward-looking information includes, but is not limited to, statements with respect to mineral resource estimates, the anticipated effect of completed drill results on the Crucero Gold Project, planned exploration, future upgrading of mineral resources and expected outcomes. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.

The forward-looking information contained in this news release is based on certain assumptions that the Company believes are reasonable, including, with respect to mineral resource estimates, the key assumptions and parameters on which such estimates are based, that the current price of and demand for gold will be sustained or will improve, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms, that supplies, equipment, personnel, permits and local community approvals required to conduct the Company's planned exploration and development activities will be available on reasonable terms, that results of exploration activities will be consistent with management's expectations and that the Company will not experience any material accident, labour dispute, or failure of equipment.

However, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risk that actual results of exploration activities will be different than anticipated, that cost of labour, equipment or materials will increase more than expected, that the future price of gold will decline, that the Canadian dollar will strengthen against the U.S. dollar, that mineral resources are not as estimated, unexpected variations in mineral resources, grade or recovery rates, risk of accidents, labour disputes and other risks generally associated with mineral exploration and unanticipated delays in obtaining or failure to obtain community, governmental or regulatory approvals or financing. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to not be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

**TABLE 1:  
CRUCERO A1 ZONE KRIGED FEBRUARY 23, 2013**

THRESHOLD G/T	TONNES	AU G/T UNCAPPED	AU G/T* CAPPED	AU OZ TROY UNCAPPED	AU OZ* TROY CAPPED
<b>INDICATED</b>					
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

THRESHOLD G/T	TONNES	AU G/T UNCAPPED	AU G/T* CAPPED	AU OZ TROY UNCAPPED	AU OZ* TROY CAPPED
<b>INFERRED</b>					
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