

# AFFINITY GOLD CORP.

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**Symbol: AFYG – Pinksheets**

**March 18<sup>th</sup>, 2014**

## NEWS RELEASE

### **AFFINITY GOLD CORP. ANNOUNCES FIRST ROUND OF ORE SHIPMENT AND PRELIMINARY SALE OF SILVER-LEAD (Ag-Pb) CONCENTRATE PRODUCED FROM ITS CAMBALACHE PROJECT**

**Maple Grove, Minnesota – March 18<sup>th</sup>, 2014** – Affinity Gold Corp. (AFYG.pk) (“Affinity” or “the Company”) is pleased to announce Compania Minera RyCor, S.A.C. (“Minera RyCor”), 49.9% owned by Affinity Gold Corp., has completed its first round of ore shipment totaling 333 metric tons. The ore was shipped from the Cambalache site to a nearby plant for processing which produced 22.6 tons of silver-lead (Ag-Pb) concentrate.

#### HIGHLIGHTS:

- On March 13 Cia. Minera RYCOR, SAC made its first Ag-Pb concentrate sale from the February production of the Cambalache mine located in Huancavelica, Peru.
- The sale was preliminary, with final grades, humidity, pricing values and deductions to be determined. We are expecting additional assays from the concentrate samples late this week which will give us further indication as to the quality of the concentrate.
- The ore tonnage was 333 T, it was processed at a third party mill, and 22.6 T of concentrate was generated, a 14.7:1 concentration ratio.
- The final sale on the concentrate will be completed in early April.

“As we continue to increase ore shipments, our next focus will be towards the design and build of our own 300 TPD plant on site which will reduce shipping and processing costs, strengthen quality control and further increase our profit margins on concentrate sales. We continue working to further streamline the production operations as well as sale of concentrate. We recently began the process of talking to additional potential concentrate buyers with interest in developing a more strategic relationship which would possibly result in a long-term off-take agreement” stated Mr. Sandberg, President & CEO.

Mr. Sandberg went on to say, “the process to produce, sell and receive full payment for a concentrate product is typically a 30-day cycle-time from the time the ore shipment arrives at the plant. We will be slightly over that timeline on this round but that’s okay considering this is our first run since taking over

the project. Overall, we're doing very well and I'm extremely pleased with our progress. Affinity Gold can officially claim it's producing and generating revenue!"

### **About Project Cambalache:**

The project is a silver (Ag) and lead (Pb) producing, low sulphidation polymetallic lode deposit, located in District of Lircay, Province of Angaraes, Department of Huancavelica to the southeast of Lima, Peru. The project is located at an elevation of 3,466 – 4,790 m.a.s.l. approximately 519 Km from Lima, capital of Peru, via the South-PanAmerican Highway.

- Current production rate of 12 TPD produces approximately 1 ton of concentrate with a head grade of 8%.
- Project was previously producing until being shut down in early 1990's and only recently re-opened in late 2011. Located in a great silver mining area and just 12 km from Buenaventura's famous Julcani Mine
- Reported Grades from Assays – (*Report: February, 2013*)
  - 11% Pb/T , 15 oz./T Ag (466 g/T Ag)
  - Varying levels of Zn and Cu as potential products
- Reported high grade Ag ore shoot was developed at depth. It has been reported that on portal at 3,455 m.a.s.l., a high grade ore shoot, of direct shipping ore, was encountered. Some of the waste dumps found at the caved 3,455 m.a.s.l. portal have shown to be mineralized and are being economically exploited today.
- The 3,515 m.a.s.l crosscut has intercepted two of the three known veins that comprise the Veta Dos vein structure. Fresh cuts across the veins, showing they are there.
- Three identified low sulfidation veins with demonstrated 0.5 m – 10 m widths, 500 m lengths, and 250 m heights
- Project is easily accessible via Pan-American and Libertadores highways
- Project has mining, environmental, social, and plant permits

### **About Affinity Gold Corp.:**

Affinity Gold Corp. is a mineral exploration and development company engaged in the acquisition and development of near-term precious mineral production properties within Peru. Affinity Gold Corp.'s primary focus is on developing assets that have demonstrated historical production, contain documented and reliable data and can reasonably begin producing within 12-18 months at a cost of less than \$900 per gold equivalent ounce.

[www.affinitygold.com](http://www.affinitygold.com)

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*For further information please refer to the Company's filings with the SEC on EDGAR available at [www.sec.gov](http://www.sec.gov)*

**FORWARD-LOOKING STATEMENTS**

This news release may include "forward-looking statements" regarding Affinity Gold Corp., and its subsidiaries, business and project plans. Such forward-looking statements are within the meaning of Section 27A of the Securities Act of 1933, as amended, and section 21E of the United States Securities and Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor created by such sections. Where Affinity Gold Corp. expresses or implies an expectation or belief as to future events or results, such expectation or belief is believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Affinity Gold Corp. does not undertake any obligation to update any forward-looking statement, except as required under applicable law.