

VANCOUVER, British Columbia, March 30, 2017 (GLOBE NEWSWIRE) -- [Amerigo Resources Ltd.](#) (TSX:ARG) ("Amerigo" or the "Company") is pleased to announce that it has filed a technical report (the "Report") prepared for Minera Valle Central, S.A. ("MVC"), Amerigo's Chilean subsidiary in conjunction with Amerigo's intention to commence the Cauquenes Phase Two Expansion project ("Phase Two"). Phase Two is planned to improve flotation recovery efficiency and expand the existing facilities to an output of 85 to 90 million pounds of copper per year. Phase Two is expected to be completed in the second half of 2018 at an estimated cost of US\$30 million.

Robert D. Henderson, P. Eng, President and CEO of Amerigo, is the author of the Report and is responsible for the technical comments related to the resource estimate and its parameters. Mr. Henderson is a "qualified person" for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators and has verified the data disclosed in this release. He has also prepared the information that forms the basis for the disclosure in this release, and he has approved the disclosure in this release.

In 2016, MVC produced a record of 56.8 million pounds of copper. MVC's plant is located approximately 90 kilometres south of Santiago, Chile and has been in operation since 1992. MVC processes tailings from the current production of the El Teniente mine ("Fresh Tailings") and tailings from the historic Cauquenes tailings deposit. El Teniente is the world's largest underground copper mine and has been in production since 1904.

In Mr. Henderson's opinion, there is sufficient geological and economic evidence to conclude that MVC's contracts for the processing of Fresh Tailings, and tailings from the Cauquenes and Colihues tailings impoundments (collectively, the "Fresh, Cauquenes and Colihues Tailings"), constitute an inferred mineral resource. Historical records of El Teniente's mill tailings represent a detailed account of the tonnage and grade of material stored in the Cauquenes and Colihues impoundments. A total of 30 holes have been drilled on the Cauquenes deposit in four separate campaigns. MVC has a long operating record of economic extraction of copper and molybdenum from El Teniente's tailings and MVC's December 2016 development plan presents an economic assessment of producing 1,461 million pounds of copper and 38 million pounds of molybdenum over the period 2017 to 2037.

MVC's total inferred mineral resource estimate for the Fresh, Cauquenes and Colihues Tailings and after application of mining and mill recovery losses, is 1,179 million tonnes at a grade of 0.159% Cu and 0.010% Mo with 1,461 million pounds of recoverable copper and 38 million pounds of recoverable molybdenum, as set out in the following tables:

Table 1-1 MVC Copper Inferred Mineral Resource Estimate – Dec 31, 2016

Tailings Deposit	Tonnes (t)	Grade (% Cu)	Mill Recovery (%)	Recoverable Copper (M lbs)
Colihues	77,280,000	0.229	37	145
Cauquenes	305,000,000	0.267	47	847
Fresh	796,267,115	0.111	24	469
Total	1,178,547,115	0.159	35	1,461

Table 1-2 MVC Molybdenum Inferred Mineral Resource Estimate – Dec 31, 2016

Tailings Deposit	Tonnes (t)	Grade (% Mo)	Mill Recovery (%)	Recoverable Molybdenum (M lbs)
Colihues	77,280,000	0.010	21	4
Cauquenes	305,000,000	0.021	20	28
Fresh	796,267,115	0.005	7	6
Total	1,178,547,115	0.010	15	38

The Environmental Impact Assessment study for the Cauquenes Expansion project (the "Cauquenes Project") was filed with the Chilean authorities in 2013, requesting an increase in historic tailings processing rate via an expansion to the MVC plant. Environmental approval was received in 2014. MVC has the necessary sectorial permits to commence construction of Phase Two. Phase One of the Cauquenes Project was completed in 2015 and has enabled MVC to extract Cauquenes tailings and process them at MVC's existing plant. Phase Two is planned to improve flotation recovery efficiency.

Annual production over the initial ten-year period (2019-2028) is estimated to be 85 to 90 million pounds of copper per year at a cash cost of production of approximately \$1.51/lb Cu, excluding royalties. Royalties are estimated to be \$0.88/lb Cu at the base case metal prices used in the Report's economic analysis. At a 7% discount rate, the unlevered after tax net present value for MVC's operations is estimated to be approximately US\$480 million at an assumed long term copper price of \$3.30/lb. Over the life of the contract, total EBITDA for MVC is estimated to be \$2.5 billion, of which \$1.2 billion are the estimated El Teniente royalties.

Using these parameters, the preliminary financial analysis summary presented in Table 1-3 of the Report indicates that MVC has a positive net cash flow and supports the further development of the Cauquenes deposit.

The results of the preliminary economic assessment represent forward-looking information that is subject to a number of known

and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such information. This information speaks only as of the date of this Technical Report, and is based on a number of assumptions which are believed to be true but which may prove to be incorrect in future. The preliminary economic assessment is preliminary in nature and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

In Mr. Henderson's opinion, the data supporting the inferred mineral resource estimates were appropriately collected, evaluated and estimated, and the objective of identifying tailings mineralization that could potentially support future processing operations has been achieved. Mr. Henderson's recommendation is to proceed with construction of Phase Two.

About the Company:

[Amerigo Resources Ltd.](#) is an innovative copper producer with a long-term partnership with Codelco, the world's largest copper producer. Amerigo produces copper concentrate at the MVC operation in Chile by processing fresh and historic tailings from Codelco's El Teniente mine, the world's largest underground copper mine. Tel: (604) 681-2802; Fax: (604) 682-2802; Web: www.amerigoresources.com; Listing: ARG:TSX.

Cautionary Note Regarding Forward-Looking Information:

This news release contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond the Company's control, the Company cannot assure that it will achieve or accomplish the expectations, beliefs or projections described in the forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this news release. These forward-looking statements include but are not limited to, statements concerning:

- forecast production and operating costs;
- our strategies and objectives;
- our estimates of the availability and quantity of tailings, and the quality of our mine plan estimates;
- the extension of El Teniente's useful life and the extent of its remaining ore reserves;
- prices and price volatility for copper and other commodities and of materials we use in our operations;
- the demand for and supply of copper and other commodities and materials that we produce, sell and use;
- sensitivity of our financial results and share price to changes in commodity prices;
- our financial resources;
- interest and other expenses;
- domestic and foreign laws affecting our operations;
- our tax position and the tax rates applicable to us;
- the timing and costs of construction and tolling/production, and the issuance and maintenance of the necessary permits and other authorizations required for, our expansion projects, including the expansion for the Cauquenes deposit and the timing of ramp up to full production from Cauquenes;
- our ability to procure or have access to financing (including the full funding for Phase Two of the Cauquenes project) and to comply with our loan covenants;
- the production capacity of our operations, our planned production levels and future production;
- potential impact of production and transportation disruptions;
- hazards inherent in the mining industry causing personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties and suspension of operations
- our planned capital expenditures (including our plan to upgrade our existing plant and operations as part of Phase Two of the Cauquenes Project) and estimates of asset retirement, royalty, severance and other obligations;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- repudiation, nullification, modification or renegotiation of contracts;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be involved;
- the outcome of negotiations concerning metal sales, treatment charges and royalties;
- our capital expenditures, including the timing and cost of completion of capital projects;
- disruptions to the information technology systems of the Company and its subsidiaries (collectively, the "Group"), including those related to cyber-security;
- our dividend policy; and
- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that

may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral projects such as unusual or unexpected geological formations, negotiations with government and other third parties, unanticipated metallurgical difficulties, delays associated with permits, approvals and permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks associated with the availability and pricing of materials used in our operations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with availability of tailings and mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; title risks; social and political risks associated with operations in foreign countries; risks of changes in laws affecting our operations or their interpretation, including foreign exchange controls; and risks associated with tax reassessments and legal proceedings. All of these risks and uncertainties apply not only the Group and its operations, but also to Codelco and its operations. Codelco's ongoing mining operations provide a significant portion of the materials the Group processes and its resulting production and therefore these risks and uncertainties may also affect their operations and in turn have a material effect on the Group.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about;

- general business and economic conditions;
- interest rates;
- levels of and changes in commodity and power prices;
- acts of foreign governments and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of prices of copper and other commodities and of the products used in our operations;
- the ongoing supply of material for processing from Codelco's current mining operations;
- MVC's ability to profitably extract and process material from the Colihues and Cauquenes tailings deposits;
- the timing of the receipt and ongoing retention of permits and other regulatory and governmental approvals;
- the availability of and ability of the Company to obtain adequate financing for expansions and acquisitions, including the Phase Two Cauquenes expansion;
- our tolling/production costs and our production and productivity levels, as well as those of our competitors;
- changes in credit market conditions and conditions in financial markets generally;
- the availability of funding on reasonable terms, including financing for the Group's expansions and acquisitions;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- the satisfactory negotiation of collective agreements with unionized employees;
- the impact of changes in foreign exchange rates and capital repatriation on our costs and results;
- engineering and construction timetables and capital costs for our expansion projects;
- costs of closure of various operations;
- market competition;
- the accuracy of our mine plan estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the outcome of our copper concentrate sales, treatment and refining charge negotiations;
- the resolution of environmental and other proceedings or disputes;
- the future supply of reasonably priced power;
- our ability to obtain, comply with and renew permits in a timely manner;
- our ability to meet production and cost budgets and plans; and
- our ongoing relations with our employees and entities with which we do business.

Future production levels and cost estimates assume there are no adverse mining or other events which significantly affect budgeted production.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. You should also carefully consider the matters discussed under "Risk Factors" in our Annual Information Form. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.

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