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## Amerigo Announces Record Q1 2011 Production Results

VANCOUVER, BRITISH COLUMBIA – May 5, 2011/CNW/ - Amerigo Resources Ltd. (TSX: ARG, "Amerigo" or the "Company") is pleased to announce production results for the first quarter of 2011 from Minera Valle Central ("MVC"), the Company's operations located near Rancagua, Chile. MVC produced 11.14 million pounds of copper and 212,125 pounds of molybdenum during the three months ended March 31, 2011.

Amerigo's President and CEO, Dr. Klaus Zeitler, stated "MVC's production in Q1-2011 of both copper and molybdenum were the highest of any first quarter in the Company's history. Copper and molybdenum production for the quarter were 30% and 20% higher, respectively, than previous first quarter production records. Management is confident that these excellent results put the Company well on its way to meeting projected production for both metals in 2011. We congratulate all of our team for their excellent work."

Dr. Zeitler continued, "Power costs remain at high levels due to Chile's ongoing drought, but MVC's long term contract with its energy supplier provides for a price ceiling that is lower than current marginal energy costs until 2013 when our power contract provides for a fixed price that is less than one-half of our present power costs. MVC's generating plant also contributes to the containment of power costs. In addition, MVC is in the process of obtaining additional water rights which will allow it to continue to maximize production despite the effects of the drought."

Key operating and sales metrics are shown below.

<b>Production Metrics:</b>	Q1-2010	Q2-2010	Q3-2010	Q4-2010	Q1-2011
Copper Production (million lbs)	8.59	11.51	13.39	13.11	11.15
Molybdenum Production (lbs)	143,371	155,755	233,266	244,912	212,125
Ore milled (Tonnes 000's)	11,582	12,942	14,016	14,045	14,168
Copper Grade (%)	0.144	0.148	0.155	0.150	0.146
Copper Recovery (%)	23.40	27.20	27.92	28.24	24.36
Molybdenum Grade in copper concentrates (%)	0.56	0.48	0.65	0.70	0.72
Molybdenum Recovery (%)	85.70	84.04	81.92	79.70	77.5
<b>Sales Metrics:</b>	Q1-2010	Q2-2010	Q3-2010	Q4-2010	Q1-2011
Copper sales <sup>1</sup> (Million lbs)	8.50	11.35	13.38	13.07	10.88
Copper price at end of period (\$US/lb)	3.56	2.96	3.65	4.42	4.19
Prior period copper sales subject to final pricing during period (Million lbs)	2.15	3.66	5.49	—	0.45
Average final settlement price for prior period copper sales (\$US/lb)	3.2872	3.0248	3.2853	—	4.4759

Company's Recorded Copper Price (\$US/lb) <sup>2</sup>	3.20	3.09	2.92	3.75	4.22
Molybdenum sales (lbs)	137,094	156,514	231,837	222,533	185,404
Molybdenum price at end of period (\$US/lb)	17.18	14.325	15.360	16.020	16.900
<b>Power Costs</b> (per kwh)	\$0.1479	\$0.1533	\$0.1590	\$0.1729	\$0.1982

<sup>1</sup> Copper sales per the Company's records, which may differ from copper sales per the smelter. All differences between Company and smelter records for a quarter will be recorded as settlement adjustments in subsequent quarters until settled.

<sup>2</sup> Copper price recorded for the Company's financial statements for the quarter before smelter and refinery charges and settlement adjustments to prior periods' sales and after hedging. The Company calculates this number by dividing quarterly dollar sales as recorded in its financial statements (calculated based on copper deliveries per the smelter) over quarterly copper sales per the Company's own records.

<sup>3</sup> Calculated from dividing the dollar value of gross copper quarterly sales over copper sales per the Company's records. If the calculation was done using copper sales per the smelter, the normalized recorded copper price would be \$3.12/lb.

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Amerigo Resources Ltd. produces copper and molybdenum under a long term partnership with the world's largest copper producer, Codelco, by means of processing fresh and old tailings from the world's largest underground copper mine, El Teniente near Santiago, Chile. Tel: (604) 681-2802; Fax: (604) 682-2802; Web: [www.amerigoresources.com](http://www.amerigoresources.com); Listing: ARG:TSX

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*Certain of the information and statements contained herein that are not historical facts, constitute "forward-looking information" within the meaning of the Securities Act (British Columbia), Securities Act (Ontario) and the Securities Act (Alberta) ("Forward-Looking Information"). Forward-Looking Information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend"; statements that an event or result is "due" on or "may", "will", "should", "could", or "might" occur or be achieved; and, other similar expressions. More specifically, Forward-Looking Information contained herein includes, without limitation, information concerning future tailings production volumes and the Company's copper and molybdenum production, all of which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such Forward-Looking Information; including, without limitation, material factors and assumptions relating to, and risks and uncertainties associated with, the supply of tailings from El Teniente and extraction of tailings from the Colihues tailings impoundment, the achievement and maintenance of planned production rates, the evolving legal and political policies of Chile, the volatility in the Chilean economy, military unrest or terrorist actions, metal price fluctuations, favourable governmental relations, the availability of financing for activities when required and on acceptable terms, the estimation of mineral resources and reserves, current and future environmental and regulatory requirements, the availability and timely receipt of permits, approvals and licenses, industrial or environmental accidents, equipment breakdowns, availability of and competition for future mineral acquisition opportunities, availability and cost of insurance, labour disputes, land claims, the inherent uncertainty of production and cost estimates, currency fluctuations, expectations and beliefs of management and other risks and uncertainties, including those described under Risk Factors in the Company's Annual Information Form dated March 31, 2008, and in each subsequent Management's Discussion and Analysis. Such Forward-Looking Information is based upon the Company's assumptions regarding global and Chilean economic, political and market conditions and the price of metals, including copper and molybdenum, and future tailings production volumes and the Company's copper and molybdenum production. Among the factors that have a direct bearing on the Company's future results of operations and financial conditions are changes in project parameters as plans continue to be refined, interruptions in the supply of fresh tailings from El Teniente, further delays in the extraction of tailings from the Colihues tailings impoundment, a change in government policies, competition, currency fluctuations and restrictions and technological changes, among other things. Should one or more of any of the aforementioned risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from any conclusions, forecasts or projections described in the Forward-Looking Information. Accordingly, readers are advised not to place undue reliance on Forward-Looking Information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise Forward-Looking Information, whether as a result of new information, future events or otherwise.*