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Amerigo Announces Q3-2013 Financial Results

- **Revenues of \$32 million**
- **Operating cash flow of \$4.9 million**
- **Net Profit of \$1 million**

VANCOUVER, BRITISH COLUMBIA – November 8, 2013/Amerigo Resources Ltd. (TSX:ARG) (“Amerigo” or the “Company”) reported today results for the quarter ended September 30, 2013.

Amerigo's Chairman and CEO, Dr. Klaus Zeitler, stated "Despite ongoing production challenges resulting from the Colihues pit slide in Q2 and lower copper prices in the quarter, the Company's financial position continued to improve with \$4.9 million in cash flow and an increase in the Company's cash balance to \$5.4 million at quarter end. We expect improved results in Q4, and our outlook for full year 2013 production is 45 million pounds of copper. We are also pleased to report that due diligence is proceeding with BBVA relating to the financing for the Cauquenes expansion project, and that we are continuing to work on the finalization of the Cauquenes formal agreement."

Rob Henderson, President and COO, added, "The cost control measures initiated this year are having a positive impact on operating results, with Q3 cash costs at \$1.93/lb which are 25% lower than the 2012 Q3 cash costs. Total capex for 2013, including the Cauquenes expansion, is anticipated to be \$11 million which is less than half of the capex incurred in 2012."

**Comparative Quarterly Overview**

	Three months ended September 30,			
	2013	2012	Change \$	%
Copper produced, million pounds	11.04	12.70	(1.66)	(13%)
Copper sold, million pounds	10.86	13.02	(2.16)	(17%)
Molybdenum produced, pounds	193,138	321,788	(128,650)	(40%)
Molybdenum sold, pounds	206,645	337,818	(131,173)	(39%)
Percentage of copper production from old tailings	37%	47%		(10%)
Revenue (\$ thousands)	31,950	44,231	(12,281)	(28%)
Cost of sales ¹ (\$ thousands)	30,202	46,285	(16,083)	(35%)
EI Teniente royalty costs (\$ thousands)	7,257	10,179	(2,922)	(29%)
Gross profit (loss) (\$ thousands)	1,748	(2,054)	3,802	
Net profit (loss) (\$ thousands)	1,039	(4,189)	5,228	(125%)
Operating cash flow (\$ thousands)	4,872	2,707	2,165	80%
Cash flow paid for plant expansion (\$ thousands)	(2,533)	(4,606)	2,073	(45%)
Cash and cash equivalents (\$ thousands)	5,368	35,649	(30,281)	(85%)
Bank debt (\$ thousands)	-	2,501	(2,501)	(100%)
Average realized copper price per pound	3.19	3.52	(0.33)	(9%)
Cash cost per pound ²	1.93	2.57	(0.64)	(25%)
Total cost per pound ³	2.96	3.69	(0.73)	(20%)

¹ Includes EI Teniente royalty costs

^{2,3} Cash cost and total cost per pound are non-GAAP measures. Please refer to the September 30, 2013 Company's MD&A for a reconciliation of these measures to GAAP

Financial results

- Revenue was \$32 million, compared to \$44.2 million in Q3-2012. Revenues decreased 28% due to lower copper and molybdenum sales volume and lower average metal prices.
- Cost of sales was \$30.2 million, compared to \$46.3 million in Q3-2012, a decrease of 35% driven by lower production levels and substantially reduced power costs mainly as a result of the change in the Company's power contract from a variable to a lower fixed rate.
- Gross profit was \$1.7 million, compared to a gross loss of \$2 million in Q3-2012.
- Net profit was \$1 million, compared to a net loss of \$4.2 million in Q3-2012.

Production

- The Company produced 11.04 million pounds of copper, 13% lower than the 12.70 million pounds produced in Q3-2012. Production was affected by challenging mining conditions in Colihues which resulted in lower recovery rates.
- Molybdenum production was 193,138 pounds, 40% lower than the 321,788 pounds produced in Q3-2012, as a result of the Colihues mine sequence delivering lower molybdenum grades to the MVC plant.



Revenue

- Revenue decreased to \$32 million from \$44.2 million in Q3-2012, due to lower production levels and lower metal prices. The Company's copper selling price before smelting, refining and other charges was \$3.19/lb compared to \$3.52/lb in Q3-2012, and the Company's molybdenum selling price was \$9.41/lb compared to \$11.64/lb in Q3-2012.

Costs

- Cash cost (the aggregate of smelting, refining and other charges, production costs net of inventory adjustments and molybdenum-related net benefits, administration and transportation costs) before El Teniente royalty was \$1.93/lb, compared to \$2.57/lb in Q3-2012. Cash costs decreased in Q3-2013 mostly as a result of a \$0.44/lb reduction in power costs.
- Total cost (the aggregate of cash cost, El Teniente royalty, depreciation and accretion) was \$2.96/lb compared to \$3.69/lb in Q3-2012.
- Power costs in Q3-2013 were \$5.1 million (\$0.0802/kwh) compared to \$11.5 million (\$0.1790/kwh) in Q3-2012. Similar lower power cost levels are expected to December 31, 2017, the end of the term of MVC's current power contract.
- Total El Teniente royalties were \$7.3 million in Q3-2013, compared to \$10.2 million in Q3-2012, due to lower production and metal prices.

Cash and Financing Activities

- Cash balance was \$5.4 million at September 30, 2013 compared to \$3.9 million at June 30, 2013 and \$9.3 million at December 31, 2012.

Investments

- Cash payments for capital expenditures ("Capex") were \$2.5million, compared to \$4.6 million in Q3-2012, and were funded from operating cash flow and cash at hand. YTD cash payments for Capex were \$9.9 million, compared to \$20.9 million in 2012.
- Capex incurred in Q3-2013 totaled \$2.2 million (Q3-2012: \$3.4 million) and included project investments in connection with Cauquenes engineering and permitting and sustaining Capex projects. YTD-2013 incurred Capex totaled \$7.2 million (YTD-2012: \$19.2 million).
- The Company's investments in Candente Copper Corp. and Los Andes Copper Ltd. had an aggregate fair value of \$3.1 million at September 30, 2013 (December 31, 2012: \$4.1 million).



Outlook

- Management guidance for 2013 production is 45 million pounds of copper and 800,000 pounds of molybdenum.
- Projected cash cost for 2013 is between \$1.95/lb and \$2.15/lb Cu.
- Excluding the Cauquenes project, 2013 estimated Capex at MVC continues to be approximately \$7.2 million. The 2013 Cauquenes engineering and permitting costs have been revised from \$2.4 million to \$3.8 million.

The information in this news release and the Selected Financial Information contained in the following page should be read in conjunction with the Unaudited Condensed Consolidated Interim Financial Statements and Management's Discussion and Analysis for the three and nine months ended September 30, 2013 and the Audited Consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2012, which will be available at the Company's website at www.amerigoresources.com and at www.sedar.com.

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; Listing: ARG:TSX

For further information, please contact:

Dr. Klaus Zeitler, Chairman & CEO (604) 218-7013
Amerigo Resources Ltd. (604) 697-6201

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 and in Management's Discussion and Analysis in the Company's financial statements. 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.



AMERIGO RESOURCES LTD.
SELECTED FINANCIAL INFORMATION

QUARTERS ENDED SEPTEMBER, 2013 AND 2012
All figures expressed in US Dollars and presented under IFRS

Consolidated Statements of Financial Position

	September 30, 2013 \$	December 31, 2012 \$
Cash and cash equivalents	5,368	9,250
Property, plant and equipment	123,877	138,337
Other assets	53,784	56,829
Total assets	183,029	204,416
Total liabilities	54,358	72,218
Shareholders' equity	128,671	132,198
Total liabilities and shareholders' equity	183,029	204,416

Consolidated Statements of Comprehensive Income

	Quarter ended September 30, 2013 \$	Quarter ended September 30, 2012 \$
Revenue	31,950	44,231
Cost of sales	(30,202)	(46,285)
Other (expenses) gains	(233)	530
Finance expense	(166)	(250)
Income tax expense	(310)	(2,415)
Loss for the period	1,039	(4,189)
Other comprehensive income	683	7,377
Comprehensive income	1,722	3,188
EPS (LPS) - Basic and Diluted	0.01	(0.02)

Consolidated Statements of Cash Flows

	Quarter ended September 30, 2013 \$	Quarter ended September 30, 2012 \$
Net cash provided by operating activities	4,164	33,350
Net cash used in investing activities	(2,533)	(4,606)
Net cash used in financing activities	-	(1,150)
Net cash outflow during the period	1,631	27,594