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Amerigo Executes Mandate Agreement with BBVA to Arrange Financing for Phase Two of the Cauquenes Expansion

VANCOUVER, BRITISH COLUMBIA – February 21, 2017/Amerigo Resources Ltd. (TSX: ARG) ("Amerigo" or the "Company") is pleased to announce that its wholly-owned Chilean subsidiary, Minera Valle Central S.A. ("MVC"), has executed a financing mandate agreement (the "Mandate Agreement") with BBVA Chile and BBVA Securities Inc. (collectively "BBVA").

The Mandate Agreement sets out an exclusive arrangement with BBVA describing the activities needed to arrange a loan facility (the "Loan Facility") for the second phase of the planned expansion of MVC's operations for the processing of tailings from the historic Cauquenes deposit (the "Cauquenes Phase Two Expansion"). BBVA has agreed to seek credit approval to provide up to 50% of the amount of the Loan Facility, and to act as mandated lead arranger and fronting hedge bank.

The Cauquenes Phase Two Expansion will consist of the installation of additional flotation cells and associated plant required to increase recovery rates and enable MVC to reach an estimated annual production of 87 million pounds of copper. The estimated cost of the Cauquenes Phase Two Expansion is US\$30 million, to be financed by the Loan Facility. Construction of Phase Two is expected to be completed in the second half of 2018.

The Mandate Agreement contemplates the completion of technical, environmental, market, insurance, fiscal and legal due diligence and is subject to customary representations, warranties and conditions precedent, including agreement on final terms and conditions and requisite documentation for the loan, completion of due diligence and procurement of credit approvals.

Indicated terms of the Loan Facility have been received and are expected to be finalized on completion of due diligence which is now underway.

Rob Henderson, Amerigo's President and CEO stated "We are extremely pleased to work again with BBVA in the next phase of MVC's production expansion, and look forward to starting construction in Q2-2017."

About the Company:

Amerigo Resources Ltd. is an innovative copper producer with a long-term relationship 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.

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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:

- the Cauquenes Phase Two Expansion, including, but not limited to, the estimated production of copper and the increase in recovery rates as a result of such expansion, and the estimated cost of such expansion;
- the successful negotiation of terms of the Loan Facility;
- the commencement of construction in respect of the Cauquenes Phase Two Expansion in Q2-2017; and
- our strategies and objectives.

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 to the Amerigo and its subsidiaries (collectively, the "Group") and their 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:

- the availability of, and ability of the Company to obtain, the Loan Facility for the Cauquenes Phase Two Expansion on reasonable terms;
- 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;
- 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;
- 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.