



June 30, 2021
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Amerigo Announces New Debt Facilities

(Amounts in U.S. dollars except if indicated otherwise)

VANCOUVER, BRITISH COLUMBIA – June 30, 2021/Amerigo Resources Ltd. (TSX: ARG; ARREF: OTC) (“Amerigo” or the “Company”) is pleased to provide the following update regarding the debt facilities of Minera Valle Central (“MVC”), the Company’s 100% owned operation located near Rancagua, Chile.

On June 30, 2021, MVC completed a restructuring of its debt facilities which included:

- a) Full repayment of the remaining principal amount of \$42.2 million which remained outstanding under MVC’s existing debt facility, along with accrued interest and fees.
- b) Entering into a new finance agreement (the “Loan Agreement”) with a syndicate of two banks domiciled in Chile, with Itaú Corpbanca (“Itaú”) as Lead Arranger, pursuant to which MVC has been provided with a replacement term loan and a working capital line of credit. Key terms of the Loan Agreement include the following:

A. Term Loan:

- Facility Amount: \$35 million, disbursed on June 30, 2020
- Term: Up to 5 years, with prepayments allowed
- Repayment: 10 equal and semi-annual payments of \$3.5 million each, commencing on December 31, 2021, and ending on June 30, 2026
- Interest rates: For 75% of the facility - 5.48% fixed through an interest rate swap
For 25% of the facility - Libor 6M plus a margin of 3.90%

B. Working Capital Line of Credit:

- Facility Amount: Up to \$15 million
- Availability: Multiple disbursements, through an availability period from June 30, 2021 to June 30, 2023
- Term: Up to 2 years for each disbursement, starting from each disbursement date
- Repayment: 4 equal and semi-annual payments for each disbursement, the first repayment payable within 6 months of the disbursement date.
- Interest rates: Libor 6M plus a margin to be defined on each disbursement date



“We are pleased to now have in place a comprehensive debt facility comprised of a 5-year term loan and a working capital line of credit to protect the Company against potential market cyclicality”, said Aurora Davidson, Amerigo’s President and CEO. She added, “The new facility meets our debt restructuring objectives to improve commercial terms and transition away from a project-finance debt facility with restrictive covenants, providing Amerigo with significant flexibility to access surplus cash generated from operations. We look forward to building a robust commercial relationship with two of Chile’s leading banks.”

About Amerigo

Amerigo Resources Ltd. is an innovative copper producer with a long-term relationship with Corporación Nacional del Cobre de Chile (“Codelco”), the world’s largest copper producer.

Amerigo produces copper concentrate and molybdenum concentrate as a by-product 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 Statement on 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 the Company’s 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. These forward-looking statements include but are not limited to, statements concerning the Company’s future ability to access surplus cash generated from operations and that the working capital line of credit may protect the Company against potential market cyclicality.

These forward-looking 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 statements. 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; risks related to the potential impact of global or national health concerns, including COVID-19, and the inability of employees to access sufficient healthcare; government or regulatory actions or inactions; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with availability of and our ability to obtain both tailings from Codelco’s Division El Teniente’s current production and historic tailings from tailings deposits; risks with respect to the ability of the Company to draw down funds from bank facilities and lines of credit and the availability of and ability of the Company to obtain adequate funding on reasonable terms for expansions and acquisitions; 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. Notwithstanding the efforts of the Company and MVC, there can be no guarantee that the Company's or MVC's staff will not contract COVID-19 or that the Company's and MVC's measures to protect staff from COVID-19 will be effective. Many of these risks and uncertainties apply not only to the Company and its operations, but also to Codelco and its operations. Codelco's ongoing mining operations provide a significant portion of the materials the Company processes and its resulting metals production, therefore these risks and uncertainties may also affect their operations and in turn have a material effect on the Company.

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 several assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates;
- 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 products used in our operations;
- the ongoing supply of material for processing from Codelco's current mining operations;
- the ability of the Company to profitably extract and process material from the Cauquenes tailings deposit;
- the timing of the receipt of and retention of permits and other regulatory and governmental approvals;
- our costs of production 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 preliminary economic assessment (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 and treatment and refining charge negotiations;
- the resolution of environmental and other proceedings or disputes;
- the future supply of reasonably priced power;
- rainfall in the vicinity of MVC continuing to trend towards normal levels;
- average recoveries for fresh tailings and Cauquenes tailings;
- our ability to obtain, comply with and renew permits and licenses in a timely manner; 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 levels. 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.

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 the Company's Annual Information Form. The forward-looking statements contained herein speak only as of the date of this news release and 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.