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Amerigo Reports 2021 Production Results and Provides 2022 Guidance

2021 results beat production and cost guidance

Copper production of 63.4 million pounds, 4% over guidance

Cash cost¹ of \$1.75/lb, 2% below guidance

VANCOUVER, BRITISH COLUMBIA – January 13, 2022/Amerigo Resources Ltd. (TSX: ARG; ARREF: OTC) (“Amerigo” or the “Company”) is pleased to announce production results for the year ended December 31, 2021 from Minera Valle Central (“MVC”), the Company’s 100% owned operation located near Rancagua, Chile. Dollar amounts in this news release are in U.S. dollars unless indicated otherwise.

“We are pleased to report annual copper production of 63.4 million pounds. MVC’s strong operational performance, together with an annual robust average LME copper price of \$4.22/lb resulted in a transformative year for Amerigo under which the Company put in place quarterly dividends and share repurchase initiatives”, said Aurora Davidson, Amerigo’s President and CEO. “We would like to thank the Company’s employees for their continued commitment to meeting corporate goals. We look forward to another year of strong performance and robust markets under which the Company will continue returning capital to shareholders”, stated Ms. Davidson.

In 2021, MVC produced 63.4 million pounds (“M lbs”) of copper at a cash cost¹ of \$1.75 per pound (“/lb”) and 1.3 M lbs of molybdenum.

Annual copper production was 4% over guidance, due to higher fresh tailings tonnage and grade. During the year, MVC successfully completed a series of plant modifications to take advantage of the higher throughput of fresh tailings coming from El Teniente. Production from fresh tailings increased from 45% of copper production in Q1-2021 to 55% of copper production in Q4-2021. To the extent that a higher percentage of production comes from fresh tailings, historical tailings are depleted at a lower rate.

Amerigo’s 2021 cash cost¹ of \$1.75/lb was 2% lower than the Company’s cash cost¹ guidance of \$1.79/lb mostly due to higher than projected production.

Annual molybdenum production was 11% below guidance, driven by the lower molybdenum content found in fresh tailings.

Water reserves at Colihues at year end 2021 were 5.8 million cubic meters, which are sufficient for MVC to maintain the Cauquenes tonnage processing projected in Amerigo’s 2022 production guidance.

MVC’s operations have continued without any significant disruptions due to Covid-19.

In Q4-2021, the Company returned \$11.8 million to shareholders. \$9.0 million was returned from the purchase of 8.7 million common shares for cancellation (7.1 million shares repurchased through a Substantial Issuer Bid completed on November 12, 2021, and 1.6 million shares repurchased through an ongoing Normal Course Issuer

Bid). \$2.8 million was returned through Amerigo's Q4-2021 quarterly dividend of Cdn\$0.02 per share. In 2022, Amerigo may repurchase for cancellation a further 9.2 million shares under the Normal Course Issuer Bid.

On December 31, 2021, the Company's cash and restricted cash balance was \$63.8 million (a decrease of \$7.6 million from September 30, 2021) and outstanding bank debt was \$31.5 million (a decrease of \$3.5 million from September 30, 2021).

| | 2021 | Q4-2021 | Q3-2021 | Q2-2021 | Q1-2021 |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Fresh tailings | | | | | |
| Tonnes per day | 135,531 | 147,047 | 137,650 | 129,153 | 128,238 |
| Operating days | 354 | 91 | 84 | 89 | 90 |
| Tonnes processed | 48,018,661 | 13,381,267 | 11,562,611 | 11,533,405 | 11,541,378 |
| Copper grade | 0.147% | 0.149% | 0.152% | 0.144% | 0.143% |
| Copper recovery | 20.7% | 20.9% | 22.3% | 20.2% | 19.3% |
| Copper produced (M lbs) | 32.28 | 9.26 | 8.62 | 7.37 | 7.03 |
| Cauquenes tailings | | | | | |
| Tonnes per day | 52,209 | 46,869 | 52,981 | 54,026 | 55,457 |
| Operating days | 346 | 91 | 81 | 87 | 87 |
| Tonnes processed | 18,073,067 | 4,293,218 | 4,267,203 | 4,701,475 | 4,811,171 |
| Copper grade | 0.238% | 0.242% | 0.238% | 0.230% | 0.242% |
| Copper recovery | 32.8% | 33.6% | 33.0% | 31.9% | 33.1% |
| Copper produced (M lbs) | 31.09 | 7.64 | 7.37 | 7.61 | 8.47 |
| Copper produced (M lbs) | 63.38 | 16.90 | 15.99 | 14.99 | 15.50 |
| Copper delivered (M lbs) | 63.86 | 16.72 | 16.90 | 15.13 | 15.11 |
| Cash cost¹ (\$/lb) | 1.75 | 1.68 | 1.61 | 1.81 | 1.88 |
| Molybdenum produced (M lbs) | 1.34 | 0.30 | 0.32 | 0.33 | 0.40 |
| Molybdenum sold (M lbs) | 1.32 | 0.30 | 0.34 | 0.33 | 0.36 |

2022 Guidance

Based on MVC's mine plan for 2022, Amerigo's annual production guidance is 61.9 M lbs of copper and 1.2 M lbs of molybdenum.

The Company's 2022 cash cost¹ is expected to be \$1.90/lb, driven by higher market-driven treatment and refinery charges (\$0.06/lb). Amerigo also anticipates an increase in steel prices which would impact grinding costs (\$0.04/lb), projected lower moly by-product credits (\$0.02/lb) and a projected escalation of all other costs combined (\$0.02/lb).

The Company's 2022 guidance in this news release assumes an average market copper price of \$3.90/lb, an average molybdenum market price of \$17/lb and an exchange rate of the CLP to the USD of \$800. A 10% change in molybdenum price could have a \$0.03/lb impact on cash cost¹, and a 10% change on the CLP to USD foreign exchange rate could have an impact of \$0.07/lb on cash cost¹.

At these assumed variables, the royalty to Codelco's El Teniente Division ("DET") would be \$1.09/lb in 2022. The DET royalty is calculated on a sliding scale based on copper prices. A 10% increase in copper price could have a \$0.21/lb impact on the DET royalty.

Projected 2022 EBITDA¹ considering these combined variables is expected to be \$50 million (including 2021 settlement adjustments). A 10% increase in copper price could have an impact on EBITDA¹ of \$17 million.

The annual plant maintenance shutdown at MVC and El Teniente is currently expected to last 8 days and take place in Q2-2022. The dates of the plant shutdowns could potentially be moved forward. Amerigo's 2022 annual production guidance factors in lower production from the annual maintenance shutdown, whichever quarter it occurs.

In 2022, MVC will undertake 29 sustaining capital expenditure projects ("Capex") at a target cost of \$6.0 million, including water supply and storage improvements, reallocation of an additional mill to grind fresh tailings, improvements to the moly plant and electrical lines, implementation of an ERP system and others. MVC will also undertake 2 additional Capex projects at a target cost of \$4.7 million to reinforce the slurry and water lines between Cauquenes and the MVC concentrator plant and to upgrade the aerial tailings channel within the MVC facilities in response to higher throughput from fresh tailings. Capitalizable maintenance and strategic spares are expected to be \$2.8 million.

With respect to financial obligations, MVC will make two semi-annual bank debt repayments of \$3.5 million plus interest (in June and December 2022) and will make payments of approximately \$1.3 million in connection with its molybdenum plant lease.

Release of 2021 results on February 24, 2022

Amerigo will release 2021 financial results at market open on Thursday, February 24, 2022.

Investor conference call on February 28, 2022

Amerigo's quarterly investor conference call will take place on Monday, February 28, 2022 at 11:00 am Pacific Standard Time/2:00 pm Eastern Standard Time. To join the call, please dial 1-888-664-6392 (Toll-Free North America) and enter **confirmation number 49146972**.

About Amerigo and MVC

Amerigo 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; Web: www.amerigoresources.com; Listing: ARG:TSX.

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1 Non-IFRS Measures

This news release includes references to two performance measures not defined under International Financial Reporting Standards ("IFRS"): cash cost and EBITDA.

Cash cost is a performance measure commonly used in the mining industry. In Amerigo's case, cash cost is the aggregate of smelting and refining charges, tolling/production costs net of inventory adjustments and administration costs, net of by-product credits. Cash cost per pound produced is based on pounds of copper produced and is calculated by dividing cash cost over the number of pounds of copper produced.

EBITDA refers to earnings before interest, taxes, depreciation and administration and is calculated by adding back depreciation expense to the Company's gross margin.

The Company provides a reconciliation of cash cost and EBITDA against IFRS measures on a quarterly basis when financial results are reported.

Cash cost and EBITDA are included in this news release because they provide key performance measures used by management to monitor operating performance, assess corporate performance, and to plan and assess the overall effectiveness and efficiency of Amerigo's operations. Performance measures such as cash cost and EBITDA are not standardized financial measures under IFRS and, therefore, amounts presented may not be comparable to similar financial measures disclosed by other companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

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 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:

- forecasted 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;
- our estimates in respect of capital expenditures to be incurred during 2022;
- the sufficiency of Colihues water reserves to maintain the Cauquenes tonnage processing projected in Amerigo's 2022 production guidance;
- prices and price volatility for copper, molybdenum and other commodities and of materials we use in our operations;
- the demand for and supply of copper, molybdenum 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 and our expected ability to meet our obligations for the next 12 months;
- interest and other expenses;
- domestic and foreign laws affecting our operations;
- our tax position and the tax rates applicable to us;
- our ability 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
- estimates of asset retirement obligations and other costs related to environmental protection;
- 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;
- disruptions to the Company's information technology systems, including those related to cybersecurity;
- our dividend policy; and
- general business and economic conditions.

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 deposit; 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 and currency exchange 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, molybdenum and other commodities and products used in our operations;
- the ongoing supply of material for processing from Codelco's current mining operations;
- the grade and projected recoveries of tailings processed by MVC;
- 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;
- 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.