



NOTICE OF MEETING  
INFORMATION CIRCULAR  
FOR THE  
ANNUAL GENERAL MEETING  
OF  
AMERIGO RESOURCES LTD.

to be held on  
**June 22, 2005**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

TAKE NOTICE that the 2005 Annual General Meeting of the shareholders of **AMERIGO RESOURCES LTD.** (the "Company") will be held at the Kitsilano Room, Vancouver Marriott Pinnacle Hotel, 1128 West Hastings Street, Vancouver, British Columbia, on WEDNESDAY, JUNE 22, 2005 at 2:30 in the afternoon (Vancouver time) for the following purposes:

1. to receive the Report of the Directors;
2. to receive the financial statements of the Company for the fiscal year ended December 31, 2004 and the report of the auditor thereon;
3. to appoint an auditor for the ensuing year and to authorize the directors to fix the remuneration of the auditor;
4. to elect Class II directors;
5. to transact any other business that may properly come before the Meeting and any adjournment thereof.

Accompanying this notice is the Company's Annual Report for 2004 which contains the Company's audited consolidated financial statements and the Management's Discussion and Analysis for the fiscal year ended December 31, 2004, an Information Circular, a form of Proxy, and an Annual Return Card Form. The accompanying Information Circular provides information relating to the matters to be addressed at the meeting and is incorporated into this Notice.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxyholder to attend and vote in his stead. If you are unable to attend the Meeting or any adjournment thereof in person, please read the Notes accompanying the form of Proxy enclosed herewith and then complete and return the Proxy within the time set out in the Notes. The enclosed form of Proxy is solicited by Management but, as set out in the Notes, you may amend it if you so desire by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the Meeting.

Please advise the Company of any change in your address.

DATED at Vancouver, British Columbia, this 6th day of May, 2005.

**BY ORDER OF THE BOARD OF DIRECTORS**



Steven G. Dean  
Chairman

**AMERIGO RESOURCES LTD.**  
Suite 2684, 1055 Dunsmuir Street, Box 49298, Vancouver, B.C., V7X 1L3  
Telephone: (604) 681-2802, Facsimile: (604) 682-2802

**INFORMATION CIRCULAR FOR  
ANNUAL GENERAL MEETING**

(As at May 6, 2005, except as indicated)

The Company is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the Annual General Meeting (the "Meeting") of the Company to be held on June 22, 2005 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

**APPOINTMENT OF PROXYHOLDER**

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "Management Proxyholders").

**A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.**

**VOTING BY PROXY**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

**If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

**The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

**COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Pacific Corporate Trust Company, 10th Floor, 625 Howe Street, Vancouver, British Columbia, Canada V6B 3B8 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

## NON-REGISTERED HOLDERS

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting.** If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder’s name on the records of the Company. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers’ clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (ie. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to ADP Investor Communications Services (“ADP”). ADP typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to ADP, or otherwise communicate voting instructions to ADP (by way of the internet or telephone, for example). ADP then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives an ADP voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to ADP (or instructions respecting the voting of common shares must be communicated to ADP) well in advance of the Meeting in order to have the common shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“Objecting Beneficial Owners”, or “OBO’s”) and those who do not object to their identity being made known to the issuers of the securities they own (“Non-Objecting Beneficial Owners”, or “NOBO’s”). Subject to the provision of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“NI 54-101”) issuers may request and obtain a list of their NOBO’s from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers who obtain and use the NOBO list for distribution of proxy-related materials directly (not via ADP) to such NOBO’s. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

The Company has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its NOBO’s. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result if you are a NOBO of the Company, you can expect to receive a scannable Voting Instruction Form (“VIF”) from the Transfer Agent. Please complete and return the VIF to the Transfer Agent in the envelope provided or by facsimile. In addition, telephone voting and internet voting can be found in the VIF. The Transfer Agent will tabulate the results of the VIF’s received from the Company’s NOBO’s and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIF’s they receive.

The Company's OBO's can expect to be contacted by ADP or their brokers or their broker's agents as set out above.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. **Beneficial shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

#### REVOCABILITY OF PROXY

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least 7 days before the Meeting, arrange for their respective Nominees to revoke the proxy on their behalf.**

#### VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the "shares"), of which 71,328,500 shares are issued and outstanding as at the date of this Information Circular. Persons who are registered shareholders at the close of business on May 6, 2005 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company the following beneficially own, directly or indirectly, or exercise control or direction, over shares carrying more than 10% of the voting rights attached to any class of voting securities of the Company:

Member	Number of Common Shares	Percentage of Issued Shares
Merill Lynch Investment Managers	13,810,000	19.4%
Natcan Investment Management Inc.	8,774,633	12.3%

#### ELECTION OF DIRECTORS

Pursuant to the Articles of the Company, Directors are elected for three year terms, and are divided into Class I, Class II, and Class III with terms expiring at the Annual General Meeting in 2007, 2005 and 2006 respectively.

The Directors have set the number of directors of the Company at five (5).

The Company is required to have an audit committee. Members of this committee are as set out below.

## ELECTION OF CLASS II DIRECTORS

The term of office the Class II directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees. Management does not contemplate that the nominees will be unable to serve as directors. Each director elected will hold office for a term of three years, or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or with the provisions of the *Business Corporations Act* (British Columbia). Each of the directors has been classified by the Board of Directors as a Class I, Class II or Class III director.

The following table sets out the names of the nominees for election as Class II directors, their province and country of residence, their principal occupation, the period of time by which they have been a director of the Company, and the number of common shares of the Company beneficially owned by them, directly or indirectly, or over which control or direction is exercised, as at the date hereof.

Name, province and country of Residence and Position <sup>(1)</sup>	Principal occupation or employment and, if not a previously elected director, occupation during the past 5 years <sup>(1)</sup>	Date of appointment/election as a Director	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed <sup>(2)</sup>
Klaus M. Zeitler British Columbia, Canada President & Class II Director	President of the Company	April 1, 2003	2,265,417 common shares
Ruston Goepel <sup>(3)</sup> British Columbia, Canada Class II Director	Senior Vice President of Raymond James, Canada, a full service investment dealer	August 5, 2004	100,000 common shares

(1) The information as to country and province of residence, and principal occupation, not being within the knowledge of the Company, has been furnished by the respective nominees.

(2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 6, 2005, based upon information furnished to the Company by the individual directors. Unless otherwise indicated, such shares are held directly.

(3) Member of the Audit and Compensation Committees and Chairman of the Nominating Committee.

The following directors are Class I and Class III directors, the terms for which expire after the 2007 and 2006 Annual General Meeting respectively.

Name, province and country of Residence and Position <sup>(1)</sup>	Principal occupation or employment and, if not a previously elected director, occupation during the past 5 years <sup>(1)</sup>	Date of appointment/election as a Director	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed <sup>(2)</sup>
Steven G. Dean British Columbia, Canada Chairman & Class III Director	Chairman of the Company	April 1, 2003	2,731,417 common shares
Sidney Robinson <sup>(3)</sup> Ontario, Canada Class III Director	Corporate Director and Consultant	May 8, 2003	465,000 common shares

Name, province and country of Residence and Position <sup>(1)</sup>	Principal occupation or employment and, if not a previously elected director, occupation during the past 5 years <sup>(1)</sup>	Date of appointment/election as a Director	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed <sup>(2)</sup>
Robert Gayton <sup>(4)</sup> British Columbia, Canada Class I Director	Chartered Accountant; Vice-President Finance of Western Silver Corporation (1995 to January 2004); financial consultant to mineral exploration and development companies since 1990	August 5, 2004	Nil

- (1) The information as to country and province of residence, and principal occupation, not being within the knowledge of the Company, has been furnished by the respective nominees.
- (2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 6, 2005, based upon information furnished to the Company by the individual directors. Unless otherwise indicated, such shares are held directly.
- (3) Member of the Audit and Nominating Committees and Chairman of the Compensation Committee.
- (4) Member of the Compensation and Nominating Committees and Chairman of the Audit Committee.

Robert Gayton was a director and an officer of Newcoast Silver Mines Ltd. at the date of a Cease Trade Order issued by the Alberta Securities Commission on October 31, 2003 for failure to file financial statements. The order was revoked on March 25, 2004.

Other than set out above, to the knowledge of the Company, no proposed director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity,
- (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (iii) or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

## EXECUTIVE COMPENSATION

The following table (presented in accordance with National Instrument 51-102 ("NI 51-102")) sets forth all compensation for services in all capacities to the Company and its subsidiaries for the three most recently completed financial years (to the extent required by the NI 51-102) in respect of each of the individuals serving as the Chief Executive Officer and the Chief Financial Officer as at December 31, 2004 and the other three most highly compensated executive officers of the Company as at December 31, 2004 whose individual total salary and bonus for the most recently completed financial year exceeded \$150,000 and any individual who would have satisfied these criteria but for the fact that individual was not serving as such an officer at the end of the most recently completed financial year (collectively the "Named Executive Officers" or "NEOs").

Summary Compensation Table

NEO Name and Principal Position	Year <sup>(1)</sup>	Annual Compensation			Long Term Compensation			All Other Compensation (\$)
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Option/SAR's Granted <sup>(2)</sup> (#)	Shares/Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$)	
Steven G. Dean <sup>(3)</sup> Chairman & Director	2004	Nil	120,000 <sup>(4)</sup>	120,000 <sup>(4)</sup>	Nil	Nil	N/A	Nil
	2003	Nil	Nil	50,000 <sup>(4)</sup>	430,000	Nil	N/A	Nil
Klaus M. Zeitler <sup>(5)</sup> President & Director	2004	Nil	120,000 <sup>(7)</sup>	120,000 <sup>(6)</sup>	Nil	Nil	N/A	Nil
	2003	Nil	Nil	50,000 <sup>(7)</sup>	430,000	Nil	N/A	Nil
Aurora Davidson CFO	2004	Nil	Nil	58,700 <sup>(8)</sup>	75,000	Nil	N/A	Nil
	2003	Nil	Nil	4,550 <sup>(8)</sup>	Nil	Nil	N/A	Nil
Raul Poblete <sup>(9)</sup> Operations Manager, MVC	2004	151,668	Nil	1,220	Nil	Nil	Nil	Nil
Roger Moss <sup>(10)</sup> Former President/ Director	2003	Nil	Nil	64,200 <sup>(11)</sup>	Nil	Nil	N/A	Nil
	2002	Nil	Nil	30,000	100,000	Nil	N/A	Nil
Brian Hall <sup>(12)</sup> Former President/ Director	2002	20,000	Nil	Nil	Nil	Nil	N/A	Nil

(1) Fiscal years ending December 31, 2004 and 2003, and February 28, 2003 and 2002

(2) The Company does not have any Stock Appreciation Rights

(3) Chairman from April 1, 2003 to present

(4) Paid to Sirocco Advisory Services Limited, a company associated with Mr. Dean, pursuant to an arrangement effective July 15, 2003

(5) President from April 1, 2003 to present

(6) Paid \$60,000 to Klaus Zeitler and \$60,000 to Zeitler Holdings Corp., a company associated Dr. Zeitler, pursuant to an arrangement effective July 15, 2003

(7) Paid Klaus Zeitler

(8) Paid to Delphis Financial Strategies Inc. of which Ms. Davidson is the principal, pursuant to a consulting agreement effective December 2003

(9) Operations Manager at Minera Valle Central S.A., Company's subsidiary in Chile

(10) President from August 31, 2001 to April 1, 2003

(11) Paid to Moss Exploration Services, a private company controlled by Roger Moss, for geological and management consulting

(12) President from January 15, 1999 to August 31, 2001



Long Term Incentive Plan

A long term incentive plan (“LTIP”) is any plan providing compensation intended to motivate performance over a period greater than one financial year whether performance is measured by reference to financial performance of the Company or any affiliate, or the price of the Company’s shares but does not include option or stock appreciation rights or plans for compensation through restricted shares or units. The Company did not have an LTIP during the most recently completed financial year.

Option/Stock Appreciation Rights  
Grants During the Most Recently Completed Financial Year

A stock appreciation right (“SAR”) is a right granted by an issuer or any of its subsidiaries as compensation for employment services or office to receive cash or an issue or transfer of securities based wholly or in part on changes in the trading price of the Company’s shares. The Company did not grant SARs under a SAR Plan or otherwise during the most recently completed financial year to the Named Executive Officers and directors.

The following table sets forth information concerning stock options granted under the Company's Stock Option Plan during the most recently completed financial year to each of the Named Executive Officers.

<b>NEO Name</b>	<b>Securities Under Option/SARs Granted (#)</b>	<b>% of Total Options/SARs Granted to Employees in Financial Year</b>	<b>Exercise or Base Price<sup>(1)</sup> (\$/Security)</b>	<b>Market Value of Securities Underlying Options/SARs on Date of Grant (\$/Security)</b>	<b>Expiration Date</b>
Steven G. Dean Chairman	Nil	Nil	Nil	Nil	Nil
Klaus Zeitler President	Nil	Nil	Nil	Nil	Nil
Aurora Davidson CFO	75,000	33.33%	\$1.55/share	\$1.55/share	May 11, 2009

- (1) The exercise price of stock options was determined by the Board of Directors and is not less than the trading price of the common shares of the Company on each stock exchange on which the shares of the Company are listed at the time of the grant of the option.

Aggregated Option/SAR Exercises During The Most Recently Completed  
Financial Year and Financial Year-End Option/SAR Values

The following table sets forth details of all exercises of stock options during the most recently completed financial year by each of the Named Executive Officers, the number of unexercised options held by the Named Executive Officers and the financial year-end value of unexercised options on an aggregated basis.

NEO Name	Securities Acquired on Exercise (#)	Aggregate Value Realized <sup>(1)</sup> (\$)	Unexercised Options/SARs at Financial Year-End (#) Exercisable/Unexercisable	Value of Unexercised In-the-Money Options/SARs at Financial Year-End <sup>(2)</sup> (\$) Exercisable/Unexercisable
Steven G. Dean Chairman	Nil	Nil	430,000/Nil	\$414,100/N/A
Klaus Zeitler President	Nil	Nil	430,000/Nil	\$414,100/N/A
Aurora Davidson CFO	Nil	Nil	75,000/Nil	\$28,500/N/A
Raul Poblete Operations Manager, MVC	Nil	Nil	113,000/Nil	\$79,190/NA

- (1) Dollar value is equal to the number of securities acquired on exercise multiplied by the difference between the market value of the securities underlying the options at exercise and the exercise price of the options.
- (2) Dollar value is equal to the number of unexercised options at year end multiplied by the difference between the market value of the securities underlying the options at financial year-end (\$1.93), and the exercise price of the options.

#### Option and SAR Repricings

The Company did not reprice any stock options during the most recently completed financial year.

#### Defined Benefit or Actuarial Plan Disclosure

The Company does not have any defined benefit or actuarial plans under which benefits are determined primarily by final compensation (or average final compensation) and years of service of the Named Executive Officers.

#### Termination of Employment, Changes in Responsibility and Employment Contracts

During 2004, the Company paid Sirocco Advisory Services Limited, a company associated with Steven G. Dean, Chairman and Director, and Zeitler Holdings Corp., a company associated with Klaus M. Zeitler, President and Director, \$10,000 per month each in compensation for consulting services in connection with the management of operations at Minera Valle Central S.A. ("MVC") and the administration of the Company. Effective January 1, 2005, this rate was increased to \$12,500 per month. In the event of the termination of their respective consulting arrangements upon the change of control of the Company, each will receive a payment equivalent to 2 years of compensation in lieu of notice.

Sirocco Advisory Services Limited, a company associated with Steven G. Dean, Chairman and Director, and Zeitler Holdings Corp., a company associated with Klaus M. Zeitler, President and Director, receive a royalty on production from MVC, pursuant to an assignment agreement completed in March 2003 which gave the Company the right to purchase MVC. This agreement was approved by shareholders in June 2003. Particulars of the transaction and production royalty paid on MVC's production of copper equivalent may be found in the Company's Annual Information Form dated March 28, 2005 and filed on SEDAR on March 31, 2005 at [www.sedar.com](http://www.sedar.com) and in the Company's subsequent disclosure. The Company will promptly provide a copy of the Annual Information Form free of charge to any shareholder of the Company who requests a copy.

### Composition of the Compensation Committee

The members of the Company's Compensation Committee are Sidney Robinson (Chairman), Ruston Goepel and Robert Gayton. This committee is responsible for determining the compensation to be paid to the Company's Board of Directors and executive officers and for reviewing the corporate goals and objectives of the executive officers.

### Report on Executive Compensation

The Compensation Committee has the responsibility to administer the compensation policies related to the executive management of the Company, being the President and Chairman. Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy.

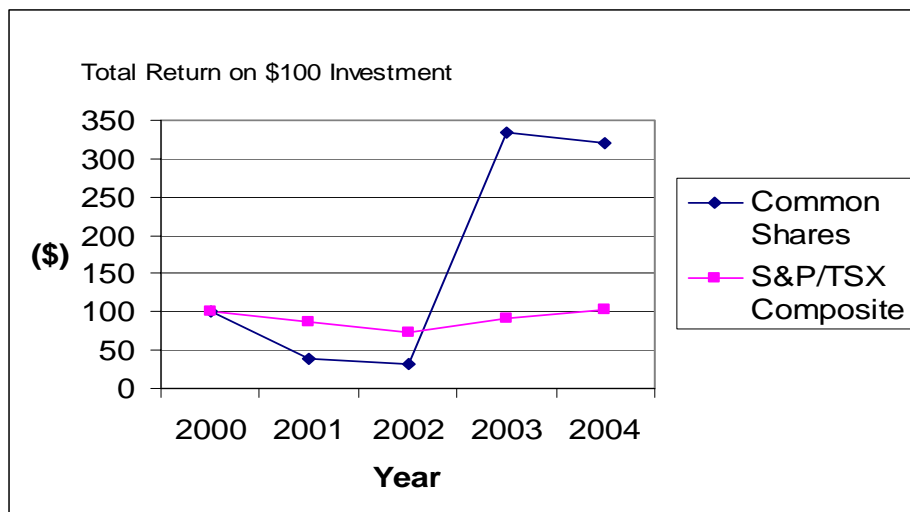
Compensation for the 2004 and prior fiscal years has historically been based upon negotiated consulting rates, with stock options and bonus being issued and paid as an incentive for performance. The shareholders have approved a stock option plan pursuant to which the Board has granted stock options to executive officers. The stock option plan allow compensation of participants while providing additional incentive to work toward long term Company performance.

The stock option plan have been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as their impact and/or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX, and closely align the interests of the executive officers with the interests of shareholders. The total number of stock options issued by the Company is low compared to many similar companies.

Bonus paid to senior executives is based on the Compensation Committee's assessment of the Company's financial and operation performance, as compared to the Company's peers and objectives approved by the Board of Directors.

### Performance Graph

The following graph compares the yearly percentage change in the cumulative total shareholder return on the common shares of the Company, for the last five years, with the cumulative total return of the S&P/TSX composite index. The common share trading data is as reported by the TSX. The value for each year represents the closing price as of December 31 on that year.



### Compensation of Directors

The Company pays each of the independent Directors (Mr. Robinson, Dr. Gayton and Mr. Goepel) \$10,000 per year for their services in their capacity as Directors, an additional \$5,000 per year to each Committee chair, and \$1,000 per day for meetings.

In addition, Dr. Gayton and Mr. Goepel received a total of 150,000 stock options during the last completed financial year exercisable at \$2.00 per share. All options are exercisable for a period of 5 years.

### Securities Authorized for Issuance Under Equity Compensation Plans

The following table summarizes relevant information as of December 31, 2004 with respect to compensation plans under which equity securities are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights  (a)	Weighted average exercise price of outstanding options, warrants and rights  (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))  (c)
Equity compensation plans approved by security holders	1,675,000	\$1.28	3,519,569
Equity compensation plans not approved by security holders	Nil	Nil	Nil
<b>Total</b>	<b>1,675,000</b>		<b>3,519,569</b>

### **INDEBTEDNESS TO COMPANY OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, executive officer, employee, proposed nominee for election as a director of the Company nor any associate of such director, executive officer, employee, or proposed nominee for election as a director of the Company or any former director, executive officer, employee of the Company or any of its subsidiaries is or has been indebted to the Company or any of its subsidiaries or is or has been indebted to another entity where such indebtedness or has been subject of a guarantee, support agreement, letter of credit or other similar arrangement or other understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed herein, no informed person of the Company or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

### **APPOINTMENT OF AUDITOR**

PricewaterhouseCoopers LLP, Chartered Accountants, of Vancouver, British Columbia is the auditor of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of PricewaterhouseCoopers LLP as the auditor of the Company to hold office for the ensuing year at a remuneration to be fixed by the Directors.

PricewaterhouseCoopers LLP, Chartered Accountants, were first appointed as auditors on July 15, 2003.

## **MANAGEMENT CONTRACTS**

No management functions of the Company are performed to any substantial degree by a person other than the directors or executive officers of the Company. Please see "Interest of Informed Persons in Material Transactions" above for a summary of the management contracts of the Company.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board is of the view that the Company's general approach to corporate governance is appropriate and substantially consistent with objectives reflected in the guidelines for improved corporate governance in Canada adopted by The Toronto Stock Exchange (the "Exchange Guidelines"). The charter for the Company's Audit Committee is attached as Schedule "A" to the Company's Annual Information Form dated March 28, 2005 and filed March 31, 2005 at [www.sedar.com](http://www.sedar.com). The Company will promptly provide a copy of this document free of charge to any shareholder of the Company who requests a copy. More detailed information regarding the Company's approach to corporate governance in the context of the fourteen specific Exchange Guidelines is set out in Schedule "A" hereto.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at Ste. 2684, 1055 Dunsmuir Street, Vancouver, BC, V7X 1L3 (Telephone: 604-681-2802) to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, which financial statements and MD&A are filed on SEDAR.

## **OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

**SCHEDULE "A"**  
**TO THE INFORMATION CIRCULAR**  
**OF AMERIGO RESOURCES LTD.**

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Company is committed to the highest practical standards of Corporate Governance, and to meeting or exceeding the standards set by the Toronto Stock Exchange and the securities regulators. In this regard, the Board of Directors has set a number of Committees to assist in the discharge of its Corporate Governance obligations. A brief description of each of the Committees and the members of the Committees are set out below.

*Audit Committee*

The members of the Company's Audit Committee are Robert Gayton (Chairman), Ruston Goepel and Sidney Robinson, all three of whom are independent directors. The Audit Committee oversees the Company's financial reporting obligations, financial system and disclosure. It reviews the annual financial statements, monitors and assesses the integrity of the Company's internal control systems, meets regularly with the Company's auditors and liaises between the Board of Directors and the auditors. The Company's auditors, PricewaterhouseCoopers LLC, report directly to the Audit Committee.

*Nomination Committee*

The members of the Company's Nomination Committee are Ruston Goepel (Chairman), Robert Gayton and Sidney Robinson, all three of whom are independent directors. The Nomination Committee is responsible for assessing the effectiveness of the Board as a whole, and individual directors. The committee also oversees the orientation program for new recruits to the Board. In its report to the Board of Directors, the committee recommends nominees for election to the Board of Directors and from time to time recommends candidates to fill Board vacancies and newly created Director positions.

*Compensation Committee*

The members of the Company's Compensation Committee are Sidney Robinson (Chairman), Robert Gayton and Ruston Goepel. This committee is responsible for determining the compensation to be paid to Directors and executive officers and for reviewing the corporate goals and objectives of the executive officers.

Under the Company's Corporate Governance Charter, matters relating to Corporate Governance remain the responsibility of the entire Board of Directors.

The following table describes the Company's approach to corporate governance with reference to the specifically enumerated Guidelines.

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1. The Board should explicitly assume responsibility for stewardship of the Company and, as part of the overall stewardship, assume responsibility for:

The mandate of the Board is to supervise the management of the business and affairs of the Company. The Board's principal responsibilities as set out in the Corporate Governance Charter are to adopt a strategic planning process, identify the principal business risks and assess risk management, plan for Board and management succession, assess and monitor corporate communications, and review internal controls and management systems. The Board is to carry out its mandate in a manner consistent with the fundamental objective of enhancing shareholder value. Every director is required to act honestly and in good faith in the best interests of the Company and to exercise the care, diligence and skill of a reasonably prudent person. Responsibilities not delegated to senior management or to a committee of the Board remain those of the full Board.

(a) Adoption of a strategic planning process

The Board reviews strategic plans as presented by management at regularly scheduled Board meetings.

(b) The identification of the principal risks of the corporation's business and ensuring the implementation of appropriate systems to manage these risk

The Audit Committee and the Board as a whole are responsible for identification of the Company's principal risks and review those risks and the management thereof on an ongoing basis.

(c) succession planning, including appointing, training and monitoring management

The Board is responsible for choosing the president and chairman and appointing committees of the Board, based on recommendations from the Nomination Committee. The Board approves the president and chairman's corporate objectives and compensation, and is responsible for monitoring their performance. The Board, based on recommendations from the Nominating Committee also ensures that processes are in place to recruit senior managers with the highest standards of training, integrity and competence, and to develop and retain them.

(d) a communications policy

The Board as a whole is responsible for ensuring disclosure is made as required by securities laws and stock exchange policy. The Board has formalized, in the Corporate Governance Charter, the process for approval of corporate communications and those persons who are authorized to speak to shareholders and analysts.

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| <p>(e) the integrity of internal control and management information systems</p>  | <p>The Board, through its Audit Committee, examines the effectiveness of the Company's internal control processes and management information systems with regard to financial and related controls. The Board consults with the Company's auditor and management of the Company to ensure the integrity of these systems. Any control and management systems which are not considered by the Audit Committee are reviewed by the Board as a whole.</p>  |
| <p>2. The Board should be constituted with a majority of individuals who qualify as unrelated directors. An unrelated director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Company.</p> | <p>The Board of the Company is currently composed of five directors, three of whom are unrelated.</p>   |
| <p>3. The Board is required to disclose on an annual basis whether the Board has a majority of unrelated directors and the analysis of the application of the principles supporting this conclusion.</p>   | <p>The Board of the Company is currently composed of five directors, three outside directors, being directors who are not officers or employees of the Company, and two inside directors. The Board has further determined that all of its outside directors are unrelated directors: Sidney Robinson, Ruston Goepel and Robert Gayton. The two inside directors, Steven G. Dean and Klaus M. Zeitler, being officers, are by definition also related directors.</p>  |
| <p>4. The Board should appoint a committee, composed exclusively of non-management directors and the majority of whom are unrelated directors, with responsibility for proposing new nominees to the Board and assessing directors.</p>  | <p>In accordance with the Corporate Governance Charter, the Board has a Nominating Committee consisting entirely of unrelated directors. The Nominating Committee makes recommendations to the Board, and all members of the Board are encouraged to address issues of Board size and new nominees. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's strategic objectives, and a willingness to serve.</p> |



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| 5. Every Board should implement a process for assessing the effectiveness of the Board as a whole, the Board's committees and individual directors.                           | In accordance with the Corporate Governance Charter, the Nominating Committee is responsible for assessing the effectiveness of the Board as a whole and individual directors. The Nominating Committee considers the effectiveness of the processes the Board follows and the quality of information provided to the directors by management.   |
| 6. Every Company should provide an orientation and education program for new recruits to the Board.   | In accordance with the Corporate Governance Charter, it is the responsibility of the Nominating Committee to ensure that appropriate orientation and education programs are in place. Past appointments of new directors have occurred relatively infrequently, allowing the Company to provide orientation and education to new directors as needed. New directors are provided with considerable information regarding the industry and the Company, and all directors are given an on-site review of Company operations.  |
| 7. Every Board should examine its size and, where appropriate, undertake a program to reduce the number of directors.   | In accordance with the Corporate Governance Charter, it is the responsibility of the Nominating Committee to consider this guideline on an annual basis. Given the relatively small size of the Company and the relative simplicity of the business, the Board considers that the current structure provides a reasonable number of directors at this time. The members of the Board of Directors have been chosen on the basis of their skill, expertise and experience in the mining industry and other businesses as well as their ability to actively contribute on a broad range of issues. |
| 8. The Board should review the compensation of directors to ensure it adequately reflects the responsibilities and risks involved in being an effective director.             | The Compensation Committee reviews directors' compensation on an ongoing basis. The Compensation Committee takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.  |
| 9. Committees of the Board should generally be composed of outside directors, a majority of whom are unrelated directors.   | The Board has established three committees: the Audit Committee, the Nomination Committee and the Compensation Committee. All Committees are comprised of Robert Gayton, Ruston Goepel and Sidney Robinson, all of whom are outside and unrelated directors.   |
| 10. Every Board should expressly assume responsibility for, or assign to a committee, the general responsibility for, developing the Company's approach to governance issues. | In accordance with the Corporate Governance Charter, the Board has assumed responsibility for the Company's approach to corporate governance. The Board as a whole is involved in developing and adapting the Corporate Governance Charter and the Company's approach with consideration to the Company's relatively small size and complexity. The Board continually monitors changes in the law and practice in this area, and is committed to ensuring that the Company continues to carry out high standards of corporate governance.  |

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11. The Board, together with the CEO, should develop position descriptions for the Board and for the CEO, involving the definition of the limits to management's responsibilities. In addition, the Board should approve or develop the corporate objective which the CEO is responsible for meeting.

The Board of Directors is responsible for the overall governance of the Company. This includes communicating position parameters to senior management. Given the relatively early stage of development of the Company and the relative simplicity of the Company's business, the Board has not formalized position descriptions for management. However, there is a clear understanding between senior management and the Board that all strategic decisions will be presented by management to the Board for approval. The Board requires management to assist the Board and provide information with respect to:

- reviewing the Company's strategies and their implementation in all key areas of the Company's activities
- carrying out a comprehensive budgeting process and monitoring the Company's financial performance against the budget
- identifying opportunities and risks affecting the Company's business and find ways of dealing with them

12. Every Board should have in place appropriate structures and procedures to ensure that the Board can function independently of management.

The Board currently consists of three unrelated and independent directors, and two related directors. The Audit Committee, Compensation Committee and Nominating Committee all consist entirely of directors who are unrelated to the Company's management. The Board meets regularly without management present.

13. The audit committee of every Board of directors should be composed of only outside directors. The roles and responsibilities of the audit committee should be specifically defined.

The Audit Committee is comprised of three directors, Robert Gayton, Sidney Robinson and Ruston Goepel, all of whom are unrelated directors. The Audit Committee reviews the annual and quarterly financial statements, management discussion and analysis and quarterly related disclosure of the Company, oversees the annual audit process, the Company's internal accounting controls and the resolution of issues identified by the Company's auditors and recommends to the Board the firm of independent auditors to be nominated for appointment by the shareholders at the next Annual General Meeting.

All members of the Audit Committee are financially literate (are able to read and understand a balance sheet, an income statement, a cash flow statement and the notes attached thereto). Robert Gayton is a chartered accountant. The Company's external auditors have a direct line of communication with the committee at all times and meet regularly without management and without the related member of the audit committee present. The Audit Committee approves any non-audit work performed by the external auditors.

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14. The Board of directors should implement a system which enables an individual director to engage an outside advisor at the expense of the Company.

In accordance with the Corporate Governance Charter, any Board member is authorized to engage outside advisors at the expense of the Company up to a certain limit, after which the engagement must be authorized by the Audit Committee.