

August 6, 2019
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Executed Mandate Agreement with Scotiabank Chile to Refinance MVC Debt Facilities

VANCOUVER, BRITISH COLUMBIA – August 6, 2019/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 received a commitment letter from Scotiabank Chile ("the Commitment Letter") and has executed a financing mandate agreement with Scotiabank Chile (the "Financing Mandate Agreement") to refinance MVC's existing debt facilities, obtained in 2015 and 2017 to finance the Cauquenes expansion (the "Existing Loans"). The Existing Loans currently have a balance of US\$56.25 million plus interest accrued from July 1, 2019 and a term to December 31, 2021.

Under the proposed terms and conditions set out in the Commitment Letter, Scotiabank Chile is to arrange a four-year senior secured term loan facility (the "New Facility") of up to US\$56.5 million on a best efforts basis. Scotiabank Chile has committed to underwrite 50% of the New Facility, up to US\$28.25 million, as it has received firm credit approval. Closing of the New Facility is expected in Q3 2019.

Proceeds from the New Facility will be used to refinance the Existing Loans and to finance transaction related costs.

Rob Henderson, Amerigo's President and CEO, stated "We are pleased with the progress made to refinance MVC's existing debt facilities in a way that would provide more flexibility and reduce liquidity exposure to the Company. We value our strategic relationship with MVC's lenders and look forward to continuing our ongoing relationship with them."

The New Facility remains subject to the fulfillment of conditions including the following: a) completion of customary due diligence by the lenders; b) the preparation, execution and delivery of loan documentation that incorporates substantially the terms and conditions set out in the Commitment Letter; c) there having been no material adverse change in the business, financial condition, operational results and property of MVC or in the credit or financial markets of Chile and/or internationally which according to Scotiabank Chile may impede or affect substantially the ability of granting the New Facility; d) the payment by MVC of all applicable expenses, fees, commissions, taxes and levies related to the transaction; e) the accuracy and integrity in substance of all statements and information that MVC publishes or provides to Scotiabank Chile; f) compliance with all applicable laws and regulations; and g) the consummation of the transaction on terms and conditions and pursuant to documentation satisfactory to Scotiabank Chile.



About Amerigo and MVC

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 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.

For further information, please contact:

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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 Amerigo'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. Although Amerigo 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 Amerigo's control, Amerigo cannot assure that it will achieve or accomplish the expectations, beliefs or projections described in the forward-looking statements. 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. These forward-looking statements speak only as of the date of this news release. These forward-looking statements include but are not limited to, statements concerning the New Facility, including the securing of an additional lender for the New Facility, the expectation to close the New Facility during Q3 and the intended use of the proceeds from the New Facility.

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 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 DET'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. 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 a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- the proposed indicative terms for the New Facility being the terms ultimately agreed to between the parties;
- 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;
- the availability of and ability of the Company to obtain adequate funding on reasonable terms for expansions and acquisitions;
- 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;
- 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.

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. 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.