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CANADA

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Amerigo Resources Ltd. Reports Operating Profit up 88% on Q2-2003 to US\$1,164,960

AMERIGO RESOURCES LTD. (Vancouver, British Columbia) reported its third quarter results today. Highlights are as follows:

- **Net Earnings after tax** for the third quarter were **US\$1,017,089** up from earnings of **US\$47,921** in the previous corresponding quarter.
- **Amerigo acquired** the Chilean MVC copper project on July 3, 2003. As Amerigo has a February year-end, the third quarter is the period September 1 to November 30, 2003. Accordingly this report includes the first full quarter of Operating results from MVC
- **Amerigo produced** and sold **7.13 million pounds** of Copper in the quarter, for a cash cost before El Teniente royalty of **57.5c** per pound, and a total cost after royalty and depreciation of **63.9c** per pound.
- The average copper price **received** during the quarter was **86.6c** per pound.
- **Copper production** for the quarter represents an annualized rate of approximately 13,000 tonnes, **up 18%** on production rates prior to Amerigo's acquisition.
- **Operating cashflow** from MVC for the quarter ended November 30 was **US\$1,331,429**, up 73% on Q2-2003.
- **Earnings per share** were **US1.77c** (2.30c Canadian) for the quarter and **US4.20c** (5.46c Canadian) for the year to date.
- **US Dollar Reporting and Year-end Change** - due to the change in the Amerigo asset base, all financial reports are expressed in US dollars. Amerigo has received regulatory approval to change to a December 31 year-end effective December 31, 2003.
- **Warrant Listing** - On December 18, 2003, certain warrants issued by Amerigo in June and July 2003 began trading on the TSX Venture Exchange under the symbol ARG.WT. Each warrant is exercisable into a common share of Amerigo until June 20, 2005 at an exercise price of CDN\$0.70.
- **Production expansion plans** remain on track with the installation and commissioning of the additional classification and flotation equipment in the first

quarter of 2004 and a budgeted production rate for 2004 of 16,000 tonnes of refined copper.

- **Further production increases** – Planning is well underway for Stage 2 of the expansion which will increase copper production further in 2005 to an annual level of approximately 20,000 tonnes. Preliminary indications are that this stage will also require less investment than originally budgeted. Both stages of expansion position Amerigo well to take advantage of current higher prices due to strong demand from China and improving economies in other parts of Asia, the US, and Europe.

This Stage 2 production increase will be generated from the higher rate of extraction from the Colihues tailings project from the present 2000 tonnes of plant feed per day trial operation to a fully commercial rate of 10,000 tonnes per day. Further studies are planned for 2004 to examine the potential to increase production from Colihues beyond this rate.

- **New business** – Amerigo is in discussions with several parties regarding acquisition opportunities in both sulphide and oxide copper projects within Chile. Chile is the world's largest copper producer, and for several years this region has been short of capital to develop projects which typically are not large enough to capture the attention of the world's major copper producers. Amerigo believes it can participate in such opportunities provided they offer similar potential for rates of return to the Company's MVC acquisition.
- **Disposition of Canadian Exploration Properties** – Amerigo has entered into an agreement to sell its Canadian exploration properties to Nikos Explorations Ltd. (NIK-TSX-V) for 5,000,000 shares of Nikos, and the requirement to issue an additional 5,000,000 shares to Amerigo if Nikos holds any interest in the properties after June 2005. The transaction is subject to stock exchange approval. The sale will enable Amerigo to focus on its Chilean copper production at Minera Valle Central, while maintaining an interest in the upside in the Coppercorp, Island Copper and Bellevue properties.

Complete financial statements may be found with the Company's filings on SEDAR.

Amerigo Resources Ltd. is a Canadian junior copper production company currently producing approximately 13,000 tonnes of copper per annum from its MVC operations near Santiago, Chile. Tel: (604) 681-2802; Fax: (604) 682-2802; Web: www.amerigoresources.com; Listing: ARG:TSX-V

For further information, please contact:

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Amerigo Resources Ltd.

(604) 697-6201

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Amerigo Resources Ltd.

Consolidated Balance Sheet

(expressed in U.S. dollars)

	November 30, 2003	February 28, 2003
	\$	\$
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	3,344,515	91,654
Accounts receivable	1,395,074	13,049
Prepaid expenses	23,661	3,490
Plant supplies and inventory	844,677	-
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	5,607,927	108,193
Deferred charges	33,120	-
Mineral property, plant and equipment - net	23,175,043	254,498
Future income tax	1,348,315	-
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	30,164,405	362,691
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Liabilities		
Current liabilities		
Accounts payable	1,667,548	16,546
Notes payable	3,400,000	-
Enami loan	1,895,381	-
El Teniente royalty payable	320,070	-
Other payables	513,467	-
Minority interest	1,000	-
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	7,797,466	16,546
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Shareholders' Equity		
Capital stock	24,010,506	3,390,897
Contributed surplus	1,747	1,747
Deficit	(1,538,107)	(3,046,499)
Cumulative translation adjustment	(107,206)	-
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	22,366,940	346,145
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	30,164,405	362,691
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Approved by the Board of Directors

"Steven G. Dean"

Director

"Ian Gallie"

Director

Amerigo Resources Ltd.

Consolidated Statement of Operations and Retained Earnings

(expressed in U.S. dollars)

	Three months ended November 30,		Nine months ended November,	
	2003	2002	2003	2002
	\$	\$	\$	\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	5,869,049	68,335	9,405,260	68,335
Costs				
Production costs	1,984,545	-	3,592,584	-
Smelter refinery and other charges	1,280,211	-	2,191,849	-
Maintenance and services	598,222	-	970,306	-
Depreciation and amortization	166,469	-	315,827	-
El Teniente royalty	319,593	-	-	-
Administration	224,666	-	335,417	-
Transportation	130,383	-	215,119	-
Cost of sales	4,704,089	-	7,621,102	-
Operating profit	1,164,960	68,335	1,784,158	68,335
Other income and expenses				
Professional fees	41,833	8,580	100,378	24,496
Interest expense	70,649	-	112,115	-
Management fees	45,150	7,330	76,418	25,803
Office expense	41,805	2,816	56,130	10,470
Shareholder and investor information	4,550	142	11,346	2,758
General prospecting	-	280	-	18,464
Transfer agent and filing fees	5,208	1,180	21,621	14,161
Interest income	(52,646)	(307)	(65,334)	(567)
Foreign exchange gain	(115,671)	393	(189,377)	335
	40,879	20,414	123,337	95,920
Earnings (loss) before minority interest	1,124,081	47,921	1,660,821	(27,585)
Minority interest	106,992	-	152,429	-
Net earnings (loss) for the period	1,017,089	47,921	1,508,392	(27,585)
Deficit - Beginning of period	(2,555,196)	(3,059,670)	(3,046,499)	(2,984,164)
Deficit - End period	(1,538,107)	(3,011,749)	(1,538,107)	(3,011,749)
Weighted average number of shares outstanding	57,220,139	4,139,055	35,863,905	5,623,819
Earnings (loss) per share				
Basic	0.0177	0.01	0.0420	-
Diluted	0.0120	0.01	0.0147	-

Amerigo Resources Ltd.

Consolidated Statement of Cash Flows

(expressed in U.S. dollars)

	Three months ended November 30,		Nine months ended November,	
	2003	2002	2003	2002
	\$	\$	\$	\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flows from operating activities				
Net earnings (loss) for the period	1,017,089	47,921	1,508,392	(27,585)
Items not affecting cash – Depreciation and amortization	166,469	-	315,827	-
	1,183,558	47,921	1,824,219	(27,585)
Changes in non-cash working capital - net of effects of acquisition of subsidiary				
Accounts receivable	(160,131)	22,636	(905,853)	(572)
Share subscriptions received in advance	-	-	-	(57,501)
Prepaid expenses	34,399	(2,200)	6,958	(2,198)
Plant, supplies and inventory	341,247	-	(296,838)	-
Accounts payable	(1,864,992)	(5,801)	(448,381)	(36,299)
Due to related parties	-	-	-	-
Net cash used in operating activities	(465,919)	62,556	180,105	(124,155)
Cash flows from investing activities				
Acquisition of subsidiary - net of \$31,083 cash acquired	-	-	(428,770)	-
Purchase of mineral property, plant and equipment	(73,547)	(100,875)	(148,162)	(112,577)
Net cash used in investing activities	(73,547)	(100,875)	(576,932)	(112,577)
Cash flows from financing activities				
Repayment of Enami loan	(464,984)	-	(557,841)	-
Repayment of former owner loans	-	-	(16,600,000)	-
Deferred charges	-	-	(37,500)	-
Issuance of shares for cash - net of share issue costs	748,105	24,597	20,610,826	353,709
El Teniente Royalty	320,070	-	320,070	-
Other payables	142,607	-	193,939	-
Net cash provided by financing activities	745,798	24,597	3,929,494	353,709
Cumulative translation adjustment	161,990	(6,570)	(279,806)	3,331
Net increase in cash and cash equivalents	368,322	(20,292)	3,252,861	120,308
Cash and cash equivalents - Beginning of period	2,976,193	143,084	91,654	2,483
Cash and cash equivalents - End of period	3,344,515	122,792	3,344,515	122,792
Non-cash transactions				
Issuance of shares for mineral properties	-	-	8,783	-
Mineral properties for minority interest	-	-	1,000	-
Note payable on acquisition	-	-	1,854,589	-