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Amerigo in Negotiations for Expansion of Production

VANCOUVER, BRITISH COLUMBIA – May 8, 2012/Amerigo Resources Ltd. (TSX:ARG) ("Amerigo" or the "Company") announced today that its Chilean subsidiary, Minera Valle Central, S.A. ("MVC"), is in discussions to enter into a contract which will allow MVC to significantly increase production from the processing of sulphide and oxide materials in the Colihues and Cauquenes tailings impoundments in Chile. In anticipation of obtaining the rights to process these materials, which originate from the El Teniente mine owned by Corporación Nacional del Cobre de Chile ("Codelco"), MVC has started work on the design, engineering and environmental permitting for a three stage expansion that is expected to double MVC's production capacity. In the event that MVC and Codelco are unable to reach a definitive agreement for the processing of tailings from Cauquenes, Codelco has agreed to reimburse costs incurred by MVC for this stage of the project. Codelco is the world's largest copper producer.

Dr. Klaus Zeitler, Amerigo's President and CEO, stated "We are very pleased to be discussing with Codelco this important agreement leading to a significant increase in Amerigo's production capacity. Management believes that the tailings from the Cauquenes tailings pond, which were deposited decades earlier than those in Colihues, will contain grades equal to or higher than the Colihues grades of 0.262% copper and 0.01% molybdenum as reported in the Company's 43-101 compliant technical report dated March 11, 2006 and filed on SEDAR. In particular Amerigo expects the molybdenum grades to be higher as Codelco extracted molybdenum from only a portion of the tailings deposited in Cauquenes. Amerigo and MVC expect to begin to work in the near future with their partner Codelco in the exploitation of this enormous resource in a manner that is beneficial to both parties."

This news release has been reviewed by Roger Moss, Ph.D, P.Geo, the qualified person in respect of the March 11, 2006 technical report. Dr. Moss is a shareholder of Amerigo.

Amerigo Resources Ltd. is a Canadian junior company producing copper and molybdenum from its MVC operations near Santiago, Chile. Tel: (604) 681-2802; Fax: (604) 682-2802; Web: www.amerigoresources.com; Listing: ARG:TSX

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The Toronto Stock Exchange has not reviewed nor accepted responsibility for the adequacy or accuracy of the contents of this news release, which has been prepared by management. Statements contained in this news release that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from estimated results. Such risks and uncertainties are detailed in the Company's filings with the TSX and on SEDAR. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date



the statements are made. The Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change.