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## Amerigo Reports Strong Q3-2012 Production Results Year to date Copper Production of 38.15 million pounds

VANCOUVER, BRITISH COLUMBIA – October 16, 2012/CNW/ - Amerigo Resources Ltd. (TSX: ARG, "Amerigo" or the "Company") is pleased to announce production results for the third quarter of 2012 ("Q3-2012") from Minera Valle Central, S.A. ("MVC"), the Company's operations located near Rancagua, Chile. MVC produced 12.70 million pounds of copper and 321,788 pounds of molybdenum in Q3-2012.

Dr. Klaus Zeitler, Amerigo's President and CEO, stated "MVC's copper production in Q3-2012 was 15% higher than that of Q3-2011, and year to date 2012 is more than 20% higher than the comparable period in 2011. Molybdenum production was almost 73% higher than Q3-2011, and year to date is more than 30% higher than in 2011. The Company's production outlook for full year 2012 remains at 50 million pounds of copper and close to one million pounds of molybdenum".

Dr. Zeitler added "Production was strong in the quarter and we expect it to remain so during Q4-2012. MVC successfully concluded labour negotiations with its work force and a new four year agreement is now in place with MVC's unionized workers. Although power costs have once again reached high levels as Chile moves into the drier spring and summer seasons, the Company continues to look forward to the change in MVC's power contract that, effective January 1, 2013, will result in substantial annual savings through to the end of 2017".

Key operating and sales metrics are shown below.

| <b>Production Metrics:</b>   | Q3-2012 | Q2-2012 | Q1-2012 | Q4-2011 | Q3-2011 |
|--|---------|---------|---------|---------|---------|
| Copper Production (million lbs)  | 12.70   | 11.57   | 13.88   | 12.09   | 11.01   |
| Molybdenum Production (lbs)  | 321,788 | 228,932 | 216,292 | 195,729 | 186,297 |
| Ore milled (Tonnes 000's)  | 14,139  | 13,631  | 13,617  | 15,449  | 13,313  |
| Copper Grade (%)   | 0.149   | 0.156   | 0.168   | 0.154   | 0.147   |
| Copper Recovery (%)  | 27.26   | 24.7    | 27.5    | 23.0    | 25.5    |
| Molybdenum Grade in copper concentrates (%)                                    | 0.88    | 0.76    | 0.68    | 0.69    | 0.69    |
| Molybdenum Recovery (%)  | 84.1    | 75.5    | 68.8    | 68.4    | 71.2    |
| <b>Sales Metrics:</b>  | Q3-2012 | Q2-2012 | Q1-2012 | Q4-2011 | Q3-2011 |
| Copper sales <sup>1</sup> (Million lbs)  | 13.02   | 10.76   | 14.08   | 12.42   | 10.80   |
| Copper price at end of period (\$US/lb)  | 3.75    | 3.37    | 3.85    | 3.43    | 3.23    |
| Prior period copper sales subject to final pricing during period (Million lbs) | N/A     | N/A     | 4.42    | 0.87    | 1.33    |

|  |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|
| Average final settlement price for prior period copper sales (\$US/lb) | N/A      | N/A      | 3.6485   | 3.3328   | 4.362    |
| Company's Recorded Copper Price (\$US/lb) <sup>2</sup>                 | 3.52     | 3.74     | 3.55     | 3.40     | 3.93     |
| Molybdenum sales (lbs)   | 337,818  | 243,263  | 303,547  | 164,059  | 148,940  |
| Molybdenum price at end of period (\$US/lb)                            | 11.513   | 13.10    | 14.570   | 13.413   | 14.340   |
| <b>Power Costs</b> (per kwh)   | \$0.1659 | \$0.1947 | \$0.2151 | \$0.1813 | \$0.1790 |

<sup>1</sup> Copper sales per the Company's records, which may differ from copper sales per the smelter. All differences between Company and smelter records for a quarter will be recorded as settlement adjustments in subsequent quarters until settled.

<sup>2</sup> Copper price recorded for the Company's financial statements for the quarter before smelter and refinery charges and settlement adjustments to prior periods' sales. The Company calculates this number by dividing quarterly dollar sales as recorded in its financial statements (calculated based on copper deliveries per the smelter) over quarterly copper sales per the Company's own records.

The Company will release Q3-2012 financial results at market open on Thursday November 8, 2012 and will hold an investor conference call to discuss the results on Friday November 9, 2012 at 11:00 am Pacific Standard Time/2:00 pm Eastern Standard Time.

To participate in the call, please dial the following number:

1-800-355-4959 (Toll-Free North America)

Please let the operator know you wish to participate in the Amerigo Resources conference call.

Media are invited to attend on a listen-only basis.

Following management's discussion of the quarterly results, the analyst and investment community will be invited to ask questions.

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Amerigo Resources Ltd., through its Chilean subsidiary MVC, produces copper and molybdenum at its plant south of Santiago, Chile by processing tailings from Codelco's El Teniente, the world's largest underground copper mine. MVC treats both the fresh tailings from El Teniente's current production and the old tailings from a tailings pond close to MVC's plant pursuant to long term contracts with Codelco, the world's largest copper producer. Tel: (604) 681-2802; Fax: (604) 682-2802; Web: [www.amerigoresources.com](http://www.amerigoresources.com); Listing: ARG:TSX

**For further information, please contact:**

Dr. Klaus Zeitler, President (604) 218-7013  
 Amerigo Resources Ltd. (604) 697-6201

*Certain of the information and statements contained herein that are not historical facts, constitute "forward-looking information" within the meaning of the Securities Act (British Columbia), Securities Act (Ontario) and the Securities Act (Alberta) ("Forward-Looking Information"). Forward-Looking Information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend"; statements that an event or result is "due" on or "may", "will", "should", "could", or "might" occur or be achieved; and, other similar expressions. More specifically, Forward-Looking Information contained herein includes, without limitation, information concerning future tailings production volumes and the Company's copper and molybdenum production, all of which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such Forward-Looking Information; including, without limitation, material factors and assumptions relating to, and risks and uncertainties associated with, the supply of tailings from El Teniente and extraction of tailings from the Colihues tailings impoundment, the achievement and maintenance of planned production rates, the evolving legal and political policies of Chile, the volatility in the Chilean economy, military unrest or terrorist actions, metal price fluctuations, favourable governmental relations, the availability of financing for activities when required and on acceptable terms, the estimation of mineral resources and reserves, current and future environmental and regulatory requirements, the availability and timely receipt of permits, approvals and licenses, industrial or environmental accidents, equipment breakdowns, availability of and competition for future mineral acquisition opportunities, availability and cost of insurance, labour disputes, land claims, the inherent uncertainty of production and cost estimates, currency fluctuations, expectations and beliefs of management and other risks and uncertainties, including those described under Risk Factors in the Company's Annual Information Form dated March 31, 2008, and*

*in each subsequent Management's Discussion and Analysis. Such Forward-Looking Information is based upon the Company's assumptions regarding global and Chilean economic, political and market conditions and the price of metals, including copper and molybdenum, and future tailings production volumes and the Company's copper and molybdenum production. Among the factors that have a direct bearing on the Company's future results of operations and financial conditions are changes in project parameters as plans continue to be refined, interruptions in the supply of fresh tailings from El Teniente, further delays in the extraction of tailings from the Colihues tailings impoundment, a change in government policies, competition, currency fluctuations and restrictions and technological changes, among other things. Should one or more of any of the aforementioned risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from any conclusions, forecasts or projections described in the Forward-Looking Information. Accordingly, readers are advised not to place undue reliance on Forward-Looking Information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise Forward-Looking Information, whether as a result of new information, future events or otherwise.*