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Unionized Employees Strike at Amerigo's MVC

Vancouver, British Columbia – October 6, 2016/CNW/ - Amerigo Resources Ltd. ("Amerigo" or the "Company") (TSX: ARG) announced today that unionized employees have initiated strike action at Minera Valle Central ("MVC"), the Company's operation located near Rancagua, Chile.

As announced in the Company's news release dated September 30, 2016, MVC has been conducting negotiations with its 216-member union to renew the previous collective agreement which expired on September 30, 2016. MVC requested the mediation services (*Buenos Oficios*) of the Labor Authority (*Inspección del Trabajo*) and negotiations continued through October 5, 2016, when the majority of the members of the union voted not to accept MVC's final best offer.

Rob Henderson, Amerigo's President and CEO commented "We are disappointed with the union vote and we will be working hard to have a sustainable labour agreement in place at MVC that supports our long-term commitment to our employees in Chile."

MVC remains open to re-commencing negotiations on a new collective agreement and will be taking steps to ensure the safety and security of its personnel and plant facilities. Amerigo expects that copper production at MVC will be reduced as a consequence of the strike.

About the Company:

Amerigo Resources Ltd. is an innovative copper producer with a long-term partnership with 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:

Rob Henderson, President and CEO (604) 697-6203

Aurora Davidson, Executive Vice-President and CFO (604) 697-6207