



AMERIGO RESOURCES LTD.

TSX Venture Symbol: ARG

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NEWS RELEASE

ISLAND COPPER DRILLING UPDATE AND CLOSING OF PRIVATE PLACEMENT

Amerigo Resources Ltd. (**ARG.TSX Venture**) is pleased to announce the completion of the Island Copper diamond-drilling program near Sault Ste. Marie, Ontario. A total of 992 metres of drilling in four holes tested the depth extent and continuity of previously outlined copper and gold mineralization as well as coincident chargeability and residual gravity anomalies. The target of exploration at Island Copper is Olympic Dam-style copper-gold mineralization associated with brecciated albite granite.

Drilling intersected sulfide mineralization in all four holes, with chalcopyrite, commonly accompanied by hematite, present in three of the four holes. Well-developed potassic and iron-oxide alteration, as well as localized albitic (sodium-rich) alteration was observed in the drill holes. This style of alteration and mineralization is consistent with that associated with Iron Oxide Copper Gold (IOCG) deposits elsewhere in the world. An altered quartz feldspar porphyry dike, containing chalcopyrite and pyrite, observed at depth in Hole IC02-2 gives further evidence for an intrusion-related mineralization event. Samples have been submitted to Actlabs of Ancaster, Ontario for analysis. Results are expected in two to three weeks.

Amerigo is earning a 55% interest in the Island Copper project from Falconbridge Limited over a three-year period.

In other news, Amerigo has completed a previously announced (December 20, 2002) private placement for gross proceeds of \$163,500. A second private placement, with Canadian Gold and Diamonds Limited Partnership, has not closed. A finders' fee is payable in connection with a portion of the completed private placement. The transaction is subject to acceptance by the TSX Venture Exchange.

Amerigo Resources Ltd. is a Canadian junior exploration company with properties in Ontario and Quebec. Amerigo is currently exploring for Olympic Dam-style deposits on four properties in the Sault Ste. Marie area of Ontario.

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