

## **Private Placement; Corporate Update; Santa Rosa Project**

Vancouver, BC, February 1, 2001 - The Board of Directors of Andean American Mining Corp. is pleased to announce a non-brokered private placement. The placement is for one million units at a price of \$0.30 per unit. Each unit will consist of one common share and one non-transferable share purchase warrant. Each non-transferable share purchase warrant will entitle the holder to purchase one additional share in the Company for a period of one year at a price of \$0.35 per share. The use of proceeds will be for Santa Rosa field work, contingency for the Pilot Plant start up costs and general working capital purposes. The placement is subject to acceptance for filing with the Canadian Venture Exchange. A finder's fee of 10% is payable on \$200,000 of the placement amount.

### **CORPORATE UPDATE:**

The Company is pleased to announce the addition of Mr. Ronald Shorr to the Advisory Board of Andean American. A graduate of Harvard Business School and Columbia University (Henry Krumb School of Mines), Mr. Shorr has over 35 years industry experience working for Bear Stearns, E.F. Hutton and Morgan Stanley Dean Witter. Mr. Shorr currently advises mining companies internationally on corporate financing, mergers, joint ventures, mine exploration/development and public relations.

### **SANTA ROSA PROJECT:**

Further to our news release of January 3, 2001, field work at Santa Rosa is under way consisting of mapping, site infrastructure upgrade and geological reconnaissance. Further to our news release of January 10, 2001, the pilot trials for the stockpiled material in the Open Pit Zone of the Santa Rosa Dome are proceeding on schedule; mining equipment has now been dispatched to site. Pilot plant process equipment will arrive over the next several weeks and site preparation is underway. The installation of the main transmission line to site, including transformer, is complete and on schedule. This portion of the Santa Rosa Project is under the control of Andean American.

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