

Andean American Finalizes Debenture Restructuring

Vancouver, BC, January 24, 2002 - ANDEAN AMERICAN MINING CORP. is pleased to advise that it has finalized the documentation with respect to the restructuring of its Series D debentures (the 'Debentures').

Under the terms of the proposed restructuring, which remains subject to regulatory approval, the outstanding interest owing on the Debentures will be capitalized, resulting in a total principal amount owing under the Debentures of \$5,200,000. As restructured, the term of the Debentures would also be extended to December 31, 2002 and the interest rate adjusted to 12%. The Debentures would no longer be convertible, however Debenture holders would receive warrants equal in number to the principal amount of the Debentures, said warrants having a term of 2 years and an exercise price of \$0.50 per share in the first year and \$0.60 per share in the second year.

Further, during the term of the Debentures, principal and interest are to be paid down through direct allocation of 25% of metal sales revenue or \$10 Canadian per tonne of initial production placed on the leach pads (this is to distinguish from reprocessed tonnage). It is anticipated production will be sufficient to retire the entire amount during calendar 2002.

Series C Convertible Debentures

The last of the Series C Convertible debentures has been converted from debt to equity. The conversion rate of \$0.55 Canadian was the stipulated rate and resulted in the Company issuing 930,215 free trading shares of the Company.

A debt settlement agreement has also been reached with respect to the outstanding interest payable on a previously converted Series C debenture. Under the terms of the settlement, which also remains subject to regulatory acceptance, the Company will issue 148,060 shares at a deemed price of \$0.50 per share to satisfy \$74,030 of outstanding interest. This brings to a close the full Series C Convertible debentures, all having converted to equity and all interest settled.

On behalf of Andean American Mining Corp.,
John F. Huguet

President & CEO