

Santa Rosa Pilot Plant

Vancouver, BC, February 7, 2002 - Production Report December 31, 2001 Andean American Mining Corp. (the 'Company') is pleased to provide mine production information for the year ended December 31, 2001 for our Santa Rosa Pilot Plant Project.

Pilot Plant - Operational issues:

- Mine Pit Development

This quarter we have set an objective to create a one week stockpile for quality control and grade assurance purposes. The clay lenses encountered on bench 4000 S have continued and appear to be present on a 6 to 15 meter thickness on the south and east sides of the Santa Rosa Dome. This necessitates ongoing blending. Production geology has been mapped in detail for the next 200,000 tonnes of mineralization. (6 months budgeted production). Waste to ore ratios have stabilized at 1.1 to 1.0 and are within budget of 1.5 to 1.0. To date all waste has been utilized for site infrastructure development and preparation or expansion of site roads.

- Plant Development

This quarter has seen 23 modifications to the process plant accomplished. The new screening plant has been tested and is ready for operations early in the quarter. Additionally the fines circuit will be utilized consistently. During the rainy season (Nov-March) this new capacity should allow operation at 700 - 1000 tonnes per day. Once the rainy season concludes production levels should reflect the additional capacity, and benefit from consistent operations. Grade continues to hold at 3 grams gold and 2.5 ounces silver per tonne..

Gold Sales

The Company is selling all gold production into the New York spot market through the Central Bank of Peru.

Production data: period ended December 31, 2001 Pit Production 181,279 Metric tonnes 93,542 For infrastructure development 87,737 Mineral of which 2,087 were sulphides, balance all oxide material 23,252 Pit stock pile @ December 31, 2001

Crushing & Agglomeration 62,398 Metric tonnes received from pit 41,117 Processed and agglomerated to Pads 21,281 Crushing stock pile @ December 31, 2001 Pads, Adsorption & Desorption 41,117 Metric tonnes from agglomeration containing 3,906 ounces of gold 1,354 ounces of gold produced and sold @ December 31, 2001 2,554 ounces of gold in stock pile @ December 31, 2001 2,615 Ounces of silver were produced and sold @ December 31, 2001 8,997 Ounces of silver in stock pile @ December 31, 2001

Commentary

The compaction of agglomerated pellets on the pads caused problems affecting recovery of gold on the pads. This was largely resolved from a process perspective in late December 2001 early January of 2002. As a consequence Modules 1 - 11 containing 2,020 ounces of gold will be reprocessed in the first quarter of 2002. Module 12 thru'17 are fine and do not require reprocessing. Our optimal production rate for the 1st quarter is to reach 2 kilograms per day (64 ounces) by March.

The low recoveries and low production rates in combination created a small loss at operations (less than \$15,000) for the year to date at December 31, 2001. Had recoveries alone met the budgeted rate, the production would have operated at a budgeted profit. (Administration and management costs will be added and reflected in the quarterly report increasing these numbers).

The production rates and recovery rates are budgeted to improve substantially on a quarter over quarter basis throughout calendar 2002 due to process capacity coming on line and efficiency

improvements in the process and recovery plants. (Silver recoveries have not yet begun on a dedicated basis).

Additional information will be forthcoming on the production budgets and actual production results as they become available. The Company is pleased with the progress to date and looks forward to realizing in this quarter, the production improvements achieved in the previous quarter.

To find out more about Andean American Mining Corp. (CDNX: AAG), visit our website at www.andeanamerican.com. For further information, please contact: John Devlin at 1-866-885-0484 and jdevlin@andeanamerican.com or the Company at: (604) 681-6186 or toll free: 1-888-356-4784 and email: info@andeanamerican.com

On behalf of Andean American Mining Corp.,

'John F. Huguet'

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