

## **Production Expansion - Update**

Vancouver, BC, March 6, 2002 - Andean American Mining Corp is pleased to update the progress on our announced (Nov 2001) expansion to the Santa Rosa Production Facility. While the rainy season has hampered operations severely for the past two months and will probably continue throughout March, sufficient progress has been made to allow necessary additional infrastructure to proceed and plant design to be finalised. The expansion plan was originally to be financed internally from production cash flows. It has now become apparent at least part of the expansion will require some equity financing.

Exploration programs are underway at Carelo and the Santa Rosa Dome with an objective to add mineable tonnage. Naturally the actual results will define the success of the exploration programs and any subsequent benefit will be disclosed as results become available. The first stage of the planned expansion to 3,250 tpd will take place next quarter, with 2,000 tpd as the production objective.

Andean announces a small non brokered private placement of up to 550,000 units consisting of one full share and one full non transferable share purchase warrant at a price of \$0.60 per unit. One share purchase warrant will entitle the holder to acquire one common share of the Company for \$0.60 within 2 years of regulatory approval.

The financing is fully subscribed with the majority of funds received. The financing will be used for plant facilities of the expanded Santa Rosa Plant Project in Peru and for general working capital purposes.

The financing is subject to acceptance for filing with the regulatory authorities

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

'John F. Huguet'

President & CEO