

Santa Rosa Gold Property, Peru Exploration Update

Vancouver, BC, June 13, 2002 - Andean American Mining Corp. ("Andean" or The "Company") is pleased to provide an update on its 100% owned Santa Rosa Property, Peru. The Santa Rosa Property which recently commenced commercial gold production is comprised of 13,440 hectares (32,830 acres) located approximately 500 kilometres southeast of Lima, within the Southern Intercordillian Gold Belt of the Peruvian Andes.

The Company is currently mining the high grade Santa Rosa Dome, which is one of 19 mineralized gold anomalies identified to date. Fourteen of these occur within a 15 kilometre long by 4 kilometre wide mineralized zone that is coincident with the regional Matara Fault. Andean American plans to aggressively explore these other anomalies as well as commence a "grass roots" exploration program on other areas of the Santa Rosa Property, which remains essentially unexplored. (see Table 1 attached).

The following is an update of recent exploration successes achieved during the past month and the Company's plans for the next month.

The Santa Rosa Dome

The Santa Rosa Dome comprises 3 high grade surface zones within an area of interest of 700 metres by 450 meters by greater than 90 metres. The first zone currently being mined is the Open Pit Zone which is a structurally controlled high grade epithermal gold-silver deposit. Current exploration and pit development has identified this zone approximately being 400 meters long by 250 meters wide and over 60 metres deep . The Northeast Zone and the North Zone are both within 300 meters of the Open Pit Zone and have similar mineralization and similar grades to the Open Pit Zone. All three zones remain open in all directions as well as at depth.

The North Zone

A new area of mineralization was recently sampled within the North Zone of the Santa Rosa Dome. This mineralization is 300 meters north-northwest of the Open Pit Zone. An area approximately 70 to 50 meters was sampled by ten shallow (average depth – 1.5 meters) test pits. A total of fourteen shallow samples were taken and analyzed (fire assay) for gold and silver at the mine's on-site laboratory. The three western pits encountered strongly altered limestone with anomalous values up to 0.35 g/t gold. One pit intersected an argillically altered fine grained intrusive similar to that which underlies the Open Pit Zone, while the remaining six pits encountered strongly altered clay-rich mineralization. The mineralization contains oxides such as hematite and goethite as well as manganese oxides. Silica fragments in addition to scorodite and jarosite occur sporadically throughout the area.

An area of greater than 1 g/t gold measuring 35 by 55 meters has been defined and is open to both the north and east as well as to depth. The average gold grade for this area is 2.15 g/t with the highest grade being 8.96 g/t gold. All of the samples were vertical. The silver grades however, are much more erratic and vary from 1 to 205 g/t.

The next stage of exploration within the North Zone will be to make an access road through the area that will also serve to open the areas up and expose the mineralization on a larger scale. The sample results will determine the next steps.

Northeast Zone

Recent bulldozer work has cleared accesses and uncovered silica mineralization that graded 2.69 g/t gold and 247.1 g/t silver over 2.0 metres. An additional sample on a lower road cut intersected 6.00 g/t gold and 128.1 g/t silver over 5.0 metres. This limited new sampling cannot be considered as representative for the area but as both these samples are higher grade than any previous sampling they have refocused the Company's attention onto the area.

The Northeast Zone has been defined as a potential area approximately 200 m by 200m and is host to large (greater than 40m) road cuts of predominately clay-rich mineralization that was originally thought to occur as five distinct stratabound bodies but it is now thought that the three central areas could, in fact, belong to one larger mineralized body.

The area requires additional bulldozer work. This will then be followed by selected drilling.

Carelo Zone

The epithermal style mineralization encountered is identical to the Santa Rosa Dome. Large bodies of clay rich mineralization surrounding structurally controlled quartz/silica bodies hosted by limestones. The Carelo Zone was the subject of a very successful exploration program in February of this year. The success in Carelo has given the exploration staff geological model confirmation and the necessary tools to take these exploration techniques and apply them to other targets. See March 7, 2002 news release – significant values intersected.

Virundo Zone - Area of interest 2.2 kilometres by 1.1 kilometres by greater than 100 metres
Virundo is a grass roots exploration programs that may turn into a major discovery for Andean American. The road access to the Virundo Zone has recently been improved with previous mineralization and alteration in road cuts now amplified. The Virundo Zone is the largest surface anomaly identified to date at the Santa Rosa Property. Approximately 2.2 km by 1.1 km, Virundo is host to a thick sequence of the Cretaceous-aged Ferrobamba limestones and has the shape of an elongated antiform. In October 2000, trenching exposed a large area of strong argillic/sicaceous alteration. This area measures 1,200m by 900m metres and remains open in all directions. Virundo is a significant target containing similar mineralization to the Santa Rosa Dome as determined throughout the trenching, exploration pits and adit exploration programs. Contained within this 1200 x 900m area is a 300m x 300m (central zone) area currently being focused on.

This week, we have confirmed there is an additional 210 metres of continuous favourably altered limestone and/or mineralization exposed in the road cut. This large exposure coincides with the previously identified (Oct 2000) central area very similar to that within the Open Pit Zone of the Santa Rosa Dome. The Virundo area was a priority for Andean American before the signing of the Joint Venture with Placer Dome del Peru S.A.C. a subsidiary of Placer Dome Inc. (NYSE: PDG, TSE: PDG). This is the first time since October of 2000 that the Company has been able to recommence its exploration of this area. The upcoming program for Virundo will consist of digging by hand a series of trenches and exploration pits as well as additional bulldozer work. This work will also include the reopening and expanding of previous trenches. All exposed mineralization will be sampled. Results will then be made public.

The program to date has been so visually available for identification no geophysical work has as yet been necessitated. The physical dimensions of the Virundo Prospect will be determined over the coming months. However it is clear the Company will mount a significant effort to define the required program as the cubic are of interest continues to grow.

Summary

These are very early days for the exploration program at the Santa Rosa Gold Project. We have many more questions to be answered today than last year at this time.

Exploration has been focused on mine production requirements for the newly expanded production facilities (planned start-up in July 2002). While these activities will continue for some time, the Exploration Department will continue to grow to be able to methodically define both the current targets and the regional geology.

Andean American's objective is to create shareholder value through low cost mine development. At Santa Rosa, through higher process rates and continued process refinements the aim is to

have production costs in the lowest quartile for the industry. The mine is now in commercial production and this is seen as a realistic goal as Peru is host to two of the world's lowest cost producers of gold, Yanacocha and Pierina- both of which are high altitude heap leach operations.

To find more about Andean American Mining Corp. (TSX: AAG), visit our website at www.andeanamerican.com. For further information, please contact: John Devlin at 1-8667-885-0484 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.,

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