

## ANDEAN AMERICAN REPORTS IMPROVED PRODUCTION RESULTS

Vancouver, BC, October 3, 2002 - Andean American Mining Corp. (TSX-V: AAG) is pleased to provide September 30, 2002 quarter ended production data for its 100% owned Santa Rosa Mine, Peru. The Santa Rosa Mine is located on the Company's 15,740 hectares (38,560 acres) property, along the southern intercordilleran belt of the Peruvian Andes, approximately 550 Km south of Peru.

While the quarterly financial results will be published shortly, the operating results quarter over quarter, are:

33% increase in tonnage.  
 43% increase in recoverable ounces of gold.  
 52% increase in ounces of gold shipped.

### ACTUAL COMMERCIAL PRODUCTION

Quarter ended	March 31	June 30	September 30
Tonnes to pads	13,308	64,353	85,427
Gold G/MT	2.95	2.54	2.71
Recoverable Ounces Produced	883	3636	5211
Ounces Shipped	536	1683	2556
Ounces Inventoried	347	1953	2655
Accumulative Gold Inventory	2241	4194	6849

*\* only one month's production*

In addition Production Budgets for the next 4 Quarters have been finalized and if achieved should result in substantial quarter over quarter growth in ounces produced, ounces sold, tonnes produced and inventory reduction. The operating plan calls for recycling 205,000 metric tonnes during the period October 2002 to May 2003. New production tonnage of 740,000 tonnes is budgeted to be achieved in quarterly increments of 90,000, 160,000, 210,000 and 280,000 metric tonnes per quarter respectively over the next 12 months.

The principal objectives of Andean American Mining Corp. that will be fully met by the successful completion of this plan include:

- Greater gold sales
- Sustainable commercial viability
- Retire all debts
- Lower cost for recovered ounces
- Low cost mine development
- Greatly expanded exploration programs.

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 out more about Andean American Mining Corp. (TSX-V: AAG), visit our website at [www.andeanamerican.com](http://www.andeanamerican.com)

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On behalf of Andean American Mining Corp.,

"John Huguet"  
John F. Huguet  
President & CEO

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