

The Santa Rosa Mine The Carelo Zone additional significant values intersected

Vancouver, BC, October 10, 2002 - Andean American Mining Corp. (TSX-V:AAG) is pleased to provide additional information on highly significant values intersected from its ongoing exploration of the Carelo zone of the Santa Rosa property in the southern Peru. The Santa Rosa Property is within the southern intercordilleran belt of the Peruvian Andes and is approximately 550 km southeast of Lima. The Santa Rosa Mine is currently mining the Open Pit Zone, a structurally controlled epithermal deposit, at a rate of 1,500 tonnes per day. (Production 1,000 TPD and stockpile 500 TPD). The 15,700 hectares Santa Rosa Property is 100% wholly owned by Andean American (previously optioned).

The Carelo Zone is one of the 20 known mineralized gold and silver targets that has been identified on the property and is located immediately to the north east of the current mining operations, between the mine and the processing facilities and only 0.6 km by road from the new crusher. The zone currently measures 300 by 300 meters and forms a small hill with mineralized zones exposed on three sides.

The styles of epithermal mineralization identified within the Carelo zone are similar to the open pit zone in that there are Northwest trending sub vertical silica structures surrounded by sub horizontal clay rich mineralization. An additional similarity between the two zones is that the mineralization is hosted within limestones immediately below the contact with the overlying volcanics. It is thought that the Carelo zone is a fault offset northeast continuation of the open pit zone as there are several north-south striking faults that appear to cut off the eastern extensions of the open pit zone.

The latest exploration within Carelo involved the digging of 42 shallow exploration pits and 148 meters of trenching. The pits were excavated in areas of low outcrop exposure to identify areas for follow-up trenching. Three separate areas of mineralization have been identified in Carelo, the eastern area, the central area, and the southern area. In each area there is clay alteration that flanks mineralization in association with structurally controlled silica mineralization.

In the eastern area, West Northwest trending silica veins in limestones can be traced for 30 meters along strike. An x-shaped trench was dug at the eastern edge of this exposure and returned 0.52 g/t gold and 7.8 g/t silver over a width of 10 meters and 0.97 g/t gold and 6.4 g/t silver over a length of 14 meters (see attached table).

The southern area has very little outcrop. Here, two parallel trenches were dug to follow up on the mineralization uncovered from an earlier trenching program. (9 meters grading 19.9 g/t gold and 43.1 g/t silver (see News Release dated March 07, 2002). These two trenches were 10 and 52.3 meters in length respectively. The second trench retained values of 8.92 g/t gold and 25.0 g/t silver over a 12 meter interval. The northern and southern contact zones graded 0.59 g/t gold and 6.5 g/t silver over 4 meters and 0.46 g/t gold and 6.0 g/t silver over 2 meters respectively. The parallel trench, dug 6 meters to the east, returned 6 meters grading 7.13 g/t gold and 7.0 g/t silver. The adjoining two meters of the connecting trench returned 5.42 g/t gold and 5.9 g/t silver (see attached table)

The mineralization of the central area of Carelo was not trenched and is the subject of the current ongoing exploration program, which is designed to further define the extent and grade of the mineralization. If success continues in Carelo the next step would be to identify drill targets.

Field work in February of this year (see News Release dated March 07 2002) identified very encouraging results from the central area of Carelo, measuring approximately 140 by 160 meters. From that stage of sampling 36 of the 58 samples taken were above 0.4 g/t gold and had an

arithmetic average grade of 3.35 g/t gold and 19.5 g/t silver. This is significant in that this is a similar gold grade to that of the current resources being mined in the Open Pit Zone.

The Carelo zone is targeted as the first of several zones that could potentially add additional years to the mine life for the expanded Santa Rosa production facility.

Continuous Disclosure Review

Recently, the BC Securities Commission (“BCSC”) completed a review of the Company’s quarterly reports for the periods ended June 30, 2002, March 31, 2002, December 2001, September 30, 2001, June 30, 2001 and March 31, 2001. As a result of the BCSC’s review, the Company has filed, on SEDAR, amended quarterly reports for the above periods. The substantive changes made include a breakdown of cost of sales, and certain administrative and exploration expenditures and additional discussion on the operating activities during the subject periods. The amended quarterly reports supersede and replace the previous filings.

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 new website at www.andeanamerican.com . For further information, please contact: John Devlin at 1-866-885-0484 and jdevlin@andeanamerican.com or inward Communications at 1-866-238-1185 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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President & CEO Chief Geologist

Significant Trenching Assay Results in the Carelo Zone					
Trench	From (m)	To (m)	Au (g/t)	Ag (g/t)	Weighted averages
Southern area trench 2	4	6	0.50	5.30	
	6	8	0.68	7.8	
	8	10	6.15	19.7	From 8 to 20 metres
	10	12	16.92	34.4	8.92 g/t Au
	12	14	13.0	35.5	25.0 g/t Ag
	14	16	10.95	35.6	Over 12 m
	16	18	3.61	15.0	
	18	20	2.87	9.9	
	20	22	0.46	6.0	
Southern area trench 1	0	2	11.85	5.5	From 0 to 4 metres
	2	4	11.86	9.9	7.13 g/t Au

	4	6	2.02	4.0	6.5g/t Ag
					Over 6 m
Northern area trench (sampled along strike)	0	2	0.82	3.9	From 0 to 14 metres
	2	4	0.64	3.3	0.97 g/t Au
	4	6	1.37	6.0	6.4g/t Ag
	6	8	1.15	9.6	Over 14 m
	8	10	0.69	7.4	
	10	12	1.2	8.3	
	12	14	0.89	6.1	
Northern area trench (sampled along strike)	18	20	0.61	5.0	From 18 to 28metres
	20	22	0.49	5.4	0.52 g/t Au
	22	24	0.59	11.0	7.8 g/t Ag
	24	26	0.64	10	Over 10 m
	26	28	0.27	7.5	