

The Santa Rosa Property Grows by an Additional 20%

Vancouver, B.C., January 16, 2003. Andean American Mining Corp. is pleased to report that the Company has staked an additional 3,100 hectares of land adjoining the Santa Rosa Property. The Santa Rosa Property is within the southern Intercordilleran Belt of the Peruvian Andes and is approximately 550 kilometres southeast of Lima. The addition of this 3,100 hectares increases the size of the Santa Rosa Property to approximately 18,800 hectares (an increase of 20% in total area). In 3 years Andean has now doubled the size of the Santa Rosa Property.

This 3,100 hectares of new ground is in two different areas: 1,800 hectares was staked surrounding the newly recognized Mamara Zone and 1,300 hectares was acquired adjoining the southwestern margins of the property, immediately south of the Santa Rosa Mine, some 8 km away.

The 1,800 hectares that augments the eastern portion of the property adds to the coverage surrounding the Mamara Zone, which is much larger than previously thought when Andean staked 2,300 hectares covering the area. The Mamara zone is still poorly understood but is, by far, the largest known target area within the property. The zone consists of approximately a 3 km by 3 km area with strong to intensely silica altered and replaced volcanics of the Tacaza Group (equivalent to the prolific Calipuy Volcanics in northern Peru). This central area is surrounded by an argillic halo that is approximately 1 km in width. Little is understood regarding this zone but recent wide spread sampling has returned local anomalous values of arsenic, antimony, mercury, molybdenum, bismuth, and barium. Follow-up mapping, prospecting and sampling of this area is planned to commence shortly.

The area surrounding the Santa Rosa Mine has been termed the Central Area. The central area is an approximately 3 by 4 km portion of the property in which a vast majority of the exploration has been performed to date. This newly acquired 1,300 hectares of ground joining to the south of this area overlaps the current boundary of the property. The topography of this new land is very steep as it is made up of higher ridges with elevations greater than 4,500 metres.

There are currently twenty (20) known mineralized targets within the Santa Rosa Property and Andean is pleased to be able to add significantly to size and potential of the property. This brings the total holdings to greater than 1,850 sq. km. Perhaps, this dimension would allow an appreciation of the size of the required exploration program. A fully integrated exploration program for the year 2003 is in the initial stages of planning and budgeting. This program will now be expanded to incorporate this newly acquired 3,100 hectares of land.

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.

[Map of new additions to the Santa Rosa Property](#)

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 Windward Communications at 1-866-583-6300 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.,

"Ian Foreman, P.Geo."

Chief Geologist.

This news release may contain forward-looking statements regarding upcoming work programs and events. Actual results may differ materially from those anticipated in such statements. The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.