

Andean Announces Full RePayment of One Year Term Production Debenture

Vancouver, B.C., April 16, 2003. Andean American Mining Corp. (TSX-V:AAG) is pleased to provide this corporate update.

The one year production debentures bearing 12% interest have been fully paid and retired as of this date. The original principal plus interest represented \$887,875 Canadian Dollars of debt to the Company. The debt was maturing April 24, 2003. The Company has the right to prepay at anytime without penalty.

The two-year production debenture also bearing 12% interest is due and payable April 24, 2004. The original debt was \$4,261,837 principal plus interest. Currently principal of \$3,414,355 is outstanding, interest of \$534,898 is compounding quarterly.

At present, one third of the original debt has been repaid. An accomplishment the Company considers as significant given the difficulties with the Contractor's crushing equipment and the severe rains encountered in the recent quarter. The El Nino effect had caused a state of emergency to be declared in the Apurimac Province for parts of February, all of March and early April. The Company had considered invoking a "Force Majeure" delay on repayment. However as reported April 14th, bridge financing on a low cost basis was obtained to allow this repayment to proceed. The Company wishes to thank the creditors of the Company for the continuing support through the aforementioned climatic difficulties.

The newly commissioned crushing plant is up and running and has produced just over 20,000 tonnes at 2.24 g/t for the first 8 days of continuous operations. This production represents almost three times all the fresh production in March, when heavy rains forced plant shutdowns for almost the entire month.

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. , The 18,700 hectares (45,815 acres) Santa Rosa Property is 100% wholly owned by Andean American (previously optioned).

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. 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, which are both 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 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.,

“John Huguet”
President & CEO

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