

The Carelo Zone : First Drill Results

Vancouver, B.C., June 26, 2003. Andean American Mining Corp. (TSX-V:AAG) is pleased to provide the first drill results from the Carelo Zone of the Santa Rosa properties in Southern Peru. The Santa Rosa properties and the contained Santa Rosa Mine are located approximately 550 kms south east of Lima, Peru and are within the Southern Intercordilleran belt of the Peruvian Andes. The Santa Rosa Mine is currently mining at a daily rate of 2,000 tpd fresh minerals and 800 tpd recycled in the Open Pit Zone, a structurally controlled epithermal deposit. The 21,559 hectares (52,917 acre) is 100% wholly owned by Andean American Mining Corp. through its Peruvian subsidiaries.

The Carelo Zone is contained within the 3,300 hectare (8,085 acre) area, as referenced in the June 11, 2003 news release, totally within the area controlled by Andean and not joint ventured. The Carelo Zone is only 0.8 kilometres by road from the new crushing plant. This latest work shows the drill results from 336 meters of drilling June 23rd and June 24th 2003. All drilling is set on a 1.7 meter by 1.7 meter grid and all results represent 6 meter sections (approx. 20 feet) . All drilling is on the 3,856 elevation, the very top of the Carelo Zone. In recap of the 56 holes, 51 returned gold values, 5 were barren limestone. 40 drill holes are considered mineable and 16 holes are are considered waste.

On June 23rd, 21 holes were drilled, 9 holes averaging 5.74 g/t gold (0.18 ounces per tonne) over 6 meters depth, 5 holes were barren limestone and 7 holes were less than 1 g/t of gold. On June 24th, 35 holes were drilled 31 holes averaged 4.92 g/tgold (0.16 oz/t) average 6 meters depth. 1 hole was barren limestone and 3 holes were less than 1 g/t gold.

All assays are by fire assay in the mine laboratory. All appropriate blanks, duplicates and standards are routinely employed. Further results will be forthcoming over the coming weeks.

June 23, 2003 – All elevations 3856 meters above sea level

Sample No.	Drill hole numbers	Au (gram)/ Tonne
1.	85	9.70
2.	93	8.77
3.	102	7.53
4.	112	6.00
5.	129	5.70
6.	132	6.35
7.	143	2.30
8.	159	0.53
9.	154	0.33
10.	158	0.45
11.	166	Barren
12.	167	Limestone
13.	169	183
14.	170	Limestone
15.	180	0.53
16.	193	3.43

17.	201	0.53
18.	202	0.40
19.	204	0.57
20.	291	Limestone
21.	S/N	Limestone

June 24, 2003 All elevations 3856 meters above sea level

Sample No.	Drill Hole numbers	Au (gram)/tonne	Sample No.	Drill Hole numbers	Au (gram)/tonne
1.	75	6.36	17.	117	7.43
2.	82	5.06	18.	118	4.90
3.	89	5.60	19.	119	4.20
4.	90	4.80	20.	121	8.26
5.	92	5.13	21.	123	6.23
6.	93	3.76	22.	127	Limestone
7.	96	5.36	23.	128	4.23
8.	99	5.83	24.	131	4.63
9.	101	8.23	25.	138	3.53
10.	106	6.36	26.	144	1.70
11.	107	10.96	27.	147	2.08
12.	108	6.80	28.	156	3.46
13.	109	8.76	29.	157	1.90
14.	112	5.73	30.	168	3.43
15.	113	3.70	31.	170	0.73
16.	116	0.03	32.	171	1.00
			33.	181	0.56
			34.	192	1.28
			35.	203	0.33

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 1-866-238-1185 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.,

**“John Huguet”
President & CEO**

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.