

The Carelo Zone : Drill Results for Carelo North

Vancouver, B.C., July 6, 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. These latest drill results show, in a comprehensive way the initial results of the CARELO NORTH ZONE. We are drilling on a 2 meter by 2 meter pattern (correction from 1.7 meter by 1.7 meter) from surface to establish the first bench at elevation 3,856. Drill depth varies by drill hole in these circumstances. The specific gravity for this rock averages 2.6 tonnes per cubic meter and 2.3 tonnes per cubic meter when in clays. The clays to date are less than 5% of the drill holes and seen to consistently yield lower results (1.4 g/t). Barren limestone is encountered as internal waste, again, less than 5% of the drill holes to date. When strong enrichment is encountered there are accompanying strong showings of manganese oxides, hematite, jarosite and jasperoids. (grades greater than 5 grams/tonnes)

These drill results represent 78 percussion drill holes (PDH). There were 11 holes drilled without sufficient recoveries to report. This is a high percentage (15%) representing 113.5 meters (369 feet) of the total 762 meters (2,500 feet) reported herein. The two attached charts show the full details.

IN RECAP FORM:

Total Drilling Results (762 meters or 2,500 feet)

No. of Holes	Aver. Depth	Au g/t	Au oz/t
78	9.77 meters or 32 feet	4.97 g/t	0.16 oz/t
Including total (531 meters or 1,741 feet)			
52	10.21 meters or 33.5 feet	5.73 g/t	0.18 oz/t

The company is highly encouraged by these drill results. The holes finished in mineralization and are open to the north and to the east. Further drill results will be available over the coming weeks and, if warranted, will be published. The Company intends to create an additional bench to the east at the 3,862 elevation.

All assays are by fire assay performed in the mine laboratory. All appropriate blanks, duplicates and standards are routinely employed. All quality assurance measures for the mine follow the norms for grade and quality control.

[Please click here to see the table with the North Carelo Drill Results.](#)

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

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