

Andean Announces Quarterly Profit

Corporate Update:

Vancouver, B.C., August 28, 2003. Andean American Mining Corp. (TSX-V:AAG) is pleased to provide this corporate update.

The filing of the Quarterly Statement for the Period ended June 30, 2003 has now been completed. The correction of U.S. dollar and Swiss Franc based loans resulted in a gain on foreign exchange due to the increase in the period over period value of the Canadian Dollar visa vi those currencies. The net effect is a \$140,358 Canadian favorable adjustment resulting in a \$ 78,324 profit for the quarter (0.002 cents per share). (This corrects the previously published \$62,034 loss).

Full details are available on our website at www.andeanamerican.com or from the SEDAR filing.

Operation Update:

As the focus on Gold Recoveries is seen as the key indicator of operation success, Rolando Davila, General Manager reports as follows:

Module 86, 30 days	57.75% Gold Recovery
Module 87, 24 days	48.4% Gold Recovery
Module 88, 8 days	31.63% Gold Recovery
	As of August 25, 2003

This bodes well for the budgetted 55% gold recovery for the first stage (pre-recycle) of leaching. Second stage (first recycle) will utilize a slightly different leachate and lower module height designed to attack any remaining clays and greatly enhance percolation and permeability.

Santa Rosa Property- Update

Land Acquisition:

The Public Mine Registry has confirmed the acquisition of 1,000 hectares (2,450 acres) of highly prospective ground to the immediate south of the current pit and Carelo zones. This new acquisition brings to 4,300 hectares of land controlled 100% by Andean American Mining Corp. within the Santa Rosa Properties. (The balance, 18,259 hectares are under option agreement to Newmont Peru). The land was acquired for cash, (essentially staking costs), and will not require the issuance of any securities.

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.