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Andean American Reallocates a Portion of the Private Placement

Andean American Mining Corp. (TSX-V: AAG) wishes to announce that it has reallocated a portion of the Private Placement as announced on December 8th, 2003.

A total of 600 thousand units have been reallocated from the brokered portion into the non brokered portion of the referred private placement. The units are at \$ 1.25 per unit with each unit comprising a share and a share purchase warrant. The warrants will entitle the holder to acquire one common share of the company for \$ 1.50 in the first six months and \$1.75 in the second months. The warrants will carry a forced conversion feature commencing at the beginning of the fifth month whereby should the common shares of the Company trade at or above \$2.50 for twenty consecutive trading days then the warrants must be exercised within the next 30 calendar days. Unexercised warrants will expire thereafter.

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 TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.