



SRC-8	<b>0</b>	<b>12</b>	<b>12</b>	<b>2.18</b>	<b>54.5</b>	<b>1.06</b>	<b>0.23</b>	Massive sulphides
.	.	.	.	.	.	.	.	.
SRC-9	<b>12</b>	<b>24</b>	<b>12</b>	<b>0.92</b>	<b>39.4</b>	<b>2.87</b>	<b>0.94</b>	Massive sulphides
.	.	.	.	.	.	.	.	.
SRC-10	148	170	22	0.32	5.5	0.20	0.22	Skam
.	.	.	.	.	.	.	.	.
SRC-11	<b>98</b>	<b>300</b>	<b>202</b>	<b>0.60</b>	<b>17.3</b>	<b>0.45</b>	<b>0.82</b>	Skam and Fault zone
.	including:	.	.	.	.	.	.	.
.	240	300	60	1.11	26.5	0.95	0.97	Skam
.	.	.	.	.	.	.	.	.
SRC-12A	<b>130</b>	<b>194</b>	<b>64</b>	<b>0.41</b>	<b>20.4</b>	<b>0.40</b>	<b>0.36</b>	Skam and Fault zone
.	.	.	.	.	.	.	.	.
SRC-13	<b>56</b>	<b>114</b>	<b>58</b>	<b>0.26</b>	<b>31.9</b>	<b>1.71</b>	<b>1.92</b>	Skarn and massive sulphides
.	.	.	.	.	.	.	.	.
SRC-14	144	150	6	0.63	24.7	1.08	0.49	Skarn and massive sulphides

Table 5

Average grades for 1998 diamond drill holes at Sinchao

Hole #	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Target intersected
.	.	.	.	.	.	.	.	.
SDH-02	<b>216</b>	<b>470</b>	<b>254</b>	<b>0.37</b>	<b>7.8</b>	<b>0.44</b>	<b>0.10</b>	High sulphidation
.	including:	.	.	.	.	.	.	.
.	376	470	94	0.74	11.3	0.48	0.22	High sulphidation
.	.	.	.	.	.	.	.	.
SDH-03	<b>131.4</b>	<b>233.4</b>	<b>102</b>	<b>0.60</b>	<b>2.4</b>	<b>0.03</b>	<b>0.16</b>	Mineralized fault zone

.	and	.	.	.	.	.	.	.	.
.	<b>294.3</b>	<b>402.8</b>	<b>108.5</b>	<b>0.31</b>	<b>14.0</b>	<b>0.15</b>	<b>0.45</b>	.	Skarn
.	.	.	.	.	.	.	.	.	.
SDH-05	<b>104</b>	<b>452</b>	<b>348</b>	<b>0.37</b>	<b>14.7</b>	<b>0.52</b>	<b>0.44</b>	.	Skarn and Fault/breccia zone
.	including:	.	.	.	.	.	.	.	.
.	230	452	222	0.42	17.4	0.68	0.34	.	Skarn and Fault/breccia zone
.	.	.	.	.	.	.	.	.	.
SDH-06	50	466	416	0.26	6.32	0.26	0.44	.	Volcanics and Skarn
.	including:	.	.	.	.	.	.	.	.
.	68	88	20	0.24	14.4	0.31	1.18	.	Volcanics
.	and	.	.	.	.	.	.	.	.
.	<b>158</b>	<b>466</b>	<b>308</b>	<b>0.31</b>	<b>5.8</b>	<b>0.26</b>	<b>0.51</b>	.	Skarn
.	including:	.	.	.	.	.	.	.	.
.	356	466	110	0.62	5.8	0.30	0.74	.	Skarn
.	.	.	.	.	.	.	.	.	.
SDH-07	11	563	552	0.42	11.9	0.30	0.20	.	Fault/breccia zone and skarn
.	including:	.	.	.	.	.	.	.	.
.	<b>11</b>	<b>387</b>	<b>376</b>	<b>0.55</b>	<b>14.1</b>	<b>0.30</b>	<b>0.29</b>	.	Fault/breccia zone and skarn
.	including:	.	.	.	.	.	.	.	.
.	189	387	198	0.88	24.6	0.58	0.34	.	Fault/breccia zone and skarn
.	including:	.	.	.	.	.	.	.	.
.	305	373	68	1.00	46.4	1.11	0.25	.	Fault/breccia zone and skarn
.	.	.	.	.	.	.	.	.	.
SDH-09	<b>86</b>	<b>136</b>	<b>50</b>	<b>0.67</b>	<b>14.1</b>	<b>0.20</b>	<b>0.73</b>	.	Fault zone
.	.	.	.	.	.	.	.	.	.
SDH-10	<b>78</b>	<b>406</b>	<b>328</b>	<b>0.60</b>	<b>18.0</b>	<b>0.45</b>	<b>0.32</b>	.	Fault/breccia zone
.	including:	.	.	.	.	.	.	.	.

.	78	294	216	0.63	20.4	0.55	0.47	.	Fault/breccia zone
.	including:	.	.	.	.	.	.	.	.
.	78	176	98	0.76	22.6	0.35	0.94	.	Fault/breccia zone

Of particular note from the 1998 diamond drill program, is the continuation of mineralization throughout six of the seven holes. From 2,895.8 meters of drilling, 2,158.5 meter showed mineralization in true polymetallic form.

A full technical report, fully 43-101 compliant, is available through the company. The report outlines drill ready targets exceeding 500 million tonnes of geological potential. The report was prepared by Ian J. Foreman, B.Sc.H., P.Geo and Victor A. Jaramillo,, M.Sc. (A), P. Geo.

The Sinchao Property is located within the Yanacocha – Hualgayoc Mining District in the Department of Cajamarca, Northern Peru. The Sinchao project is comprised of four exploration rights (Valle de Sinchao 1 to 4) that overlie 16 mining concessions. Sinchao lies approximately 30 kms northwest of the Yanacocha Gold Mine, between 3,725 and 4,000 meters above sea level and straddles the continental divide. Access to Sinchao is by loose surface road from Cajamarca. There are daily flights between Lima, Peru and Cajamarca. The Sinchao property is 100% undivided interest to Andean American.

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](http://www.andeanamerican.com) . For further information, please contact: John Devlin at 1-866-885-0484 and [jdevlin@andeanamerican.com](mailto: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](mailto: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.