

NEWS RELEASE

April 7, 2004

TSX-V:AAG

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Additional Diamond Drill Results from the Carelo Zone

Andean American Mining Corp. (TSX-V: AAG) is pleased to announce the second set of results from its 4,200 metre first phase diamond drill program at their Santa Rosa Mine located in Southern Peru, 550 kilometers south east of Lima.

To date six holes have been drilled in Carelo on three parallel sections with two holes per section:

Section 752400 = holes SR04-28 and SR04-30

Section 752440 = holes SR04-32 and SR04-33

Section 752500 = holes SR04-35 and SR04-36

The results from all six holes are now in. The results from holes SR04-28, 30, and 32 were previously released (please see news release dated March 5, 2004). The following results are from SR04-33, 35 and 36 respectively. The mineralization within the Carelo Zone now has a minimum strike length of 100 metres and remains open down dip.

Hole SR04-33 is down dip from SR04-32, which was previously released and graded 3.23 g/t gold and 3.0 g/t silver over 15.80 metres. The mineralized horizon expands to a total width of 22.8 metres in hole SR04-33 and has two mineralized intervals that grade as follows:

	From (m)	To (m)	Width	Au (g/t)	Ag (g/t)
SR-04-33-CA	41.10	48.00	6.90	2.44	40.1
and	48.00	57.43	9.43	0.59	1.7
and	57.43	63.70	6.27	3.60	55.4

Sixty metres to the west (section 752500) holes SR04-35 and SR04-36 intersected the following grades:

	From (m)	To (m)	Width	Au (g/t)	Ag (g/t)
SR-04-35-CA	57.50	59.00	1.50	1.47	1.0

	From (m)	To (m)	Width	Au (g/t)	Ag (g/t)
SR-04-36-CA	67.75	69.48	1.73	1.45	37.3
and	77.00	86.95	9.95	2.02	1.7
and	94.80	100.50	5.70	2.87	34.4

The mineralization intersected in Carelo has many similarities to the 'southern structure' of the Open Pit Zone in that it occurs as a shallow to moderately dipping zone immediately below the contact between limestones of the Ferrobamba Formation and the overlying volcanic rocks. The mineralization is made up of a strongly oxidized silica-rich breccia as well as silicified and fractured limestone. From the sections it appears that a small fault has offset the mineralized structure both down and to the south between sections 752440 and 752500.

A drill has been re-mobilized to Carelo in order to drill a line of additional holes to the south to test the down dip extensions of this mineralization. The goal of this portion of the program is to define sufficient potential for Carelo such that a resource can be estimated.

Andean American Mining Corp.
News Release
April 7, 2004
Page 2

The Company also would like to correct a small oversight regarding the first hole drilled in Carelo, SR04-28. The intersection was not completely sampled during the first pass and sampling from successive holes indicated that sections of altered limestone previously thought to be barren actually contain gold mineralization. Secondary sampling now shows the mineralized intercept of SR04-28 to actually be wider. The intersection was previously reported as being 4.58 g/t gold and 109.1 g/t silver over 7.44 metres and is now:

	From (m)	To (m)	Width	Au (g/t)	Ag (g/t)
SR-04-28-CA	36.80	46.68	9.88	4.20	82.1

For this reason the Company is checking and re-assaying local sections of mineralization of up to eight recently completed holes from within the Open Pit Zone, which has caused delays in the reporting the results of these drill holes. Upon receipt and compilation of these results, they will be released in a timely manor. There were no problems with the other two previously released holes in Carelo, which had the following intercepts:

	From (m)	To (m)	Width	Au (g/t)	Ag (g/t)
SR-04-30-CA	34.66	48.79	14.13	6.19	4.2

and

	From (m)	To (m)	Width	Au (g/t)	Ag (g/t)
SR-04-32-CA	41.00	56.80	15.80	3.23	3.0

The quality control/quality assurance program for this phase of the drilling was set up by and is being monitored by AMEC (Peru) S.A. based in Lima.

Andean American's objective is to create shareholder value through low cost mine development and exploration. 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. Andean American; producing, profitable, expanding and exploring.

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 1-866-583-6300 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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