

NEWS RELEASE

April 8, 2004

TSX-V:AAG

Sedar Profile # 00003879

SILVER PRECIPITATE CIRCUIT FOR SANTA ROSA

The Board of Directors of Andean American Mining Corp. (TSX-V: AAG) is pleased to provide this update for production and Production Planning at its Santa Rosa Mine located in South Eastern Peru at 4,000 meters above sea levels.

NEW SILVER PRECIPITATE CIRCUIT

The Santa Rosa Open Pit Zone has proven productive and predictable for both gold and silver. However, until now Andean American had been content with simply storing silver on the pads due to capacity constraints in the carbon in column recovery system. A newly designed silver precipitate circuit (the circuit) has been completed and acquisition of principle components has begun to allow the company to begin construction of the new circuit. Design criteria was first to optimize silver solubility and then maximize recovery. It is believed silver can contribute in a very real sense to the economics of the Mine. To date, silver averages 44 grams per tonne. At March 31, 2004, greater than 700,000 (approx) ounces of silver are on the pads at Santa Rosa awaiting recovery. 65% is considered soluble, so greater than 450,000 ounces should be recoverable.

As an example

During the current quarter, production at the mine site is planned as follows:

Planned Production	Metric Tonnes			Gold Ounces			Silver Ounces		
	Wet	Dry	% Humidity	Produced 85.2% soluble	Sales 55%	Inventoried (70% max)	Produced 65% soluble	Sales 6%	Inventoried (63% max)
April	60,700	53,416	12%	2,970	1,917	523	49,162	4,538	43,111
May	75,000	69,000	8%	4,725	3,050	832	63,447	5,856	55,638
June	100,000	92,000	8%	5,670	3,660	998	84,596	7,808	74,185
Quarter	235,700	214,416		13,365	8,627	2,353	197,205	18,203	172,934

The new silver circuit, scheduled to be operational for the late 3rd or early 4th Quarter, should provide 98 – 99% recovery of soluble silvers.

The revised numbers in the above example for June would be – Silver sales of 83,295 ounces, inventory zero.

The economics of the silver recovery at \$8.00/ounce silver and \$420/ounce gold are very strong given our to date experience of 2.6 g/t gold and 44 grams/tonne silver.

Andean American Mining Corp.
News Release
April 8, 2004
Page 2

One way of looking at the effects of the enhanced silver credits is as a credit to operating costs. If all costs of production are charged to gold, then silver sales are most often (by industry standards) credited to operating costs. If operating costs per tonne are \$4.00 and silver credits per tonne are (1.43 ozs x 63% x 8.00/ounce), \$7.20, it can be seen as silver contributing a net \$3.20 per tonne profit to operating costs. In gross on a 92,000 tonne month, an advantage of greater than \$660,000.

Yet another way, expressed in gold ounces, using June's Planned Production gold produced is 16.225 tonnes for a Produced Ounce, or 25,136 tonnes for a sold ounce of gold. In 25,136 tonnes there is also 22.4 ounces of sold silver. Economically each \$420.00 ounce of gold would be accompanied by \$179.20 from the sale of 22.4 ounces of silver. A 42% benefit. Or an additional \$420.00 from silver sales for every 2.34 ounces of gold sold, IF the silver circuit functions as designed.

The circuit design also allows an innovative approach to recycling through the use of a new side pad design and facilities very low cost handling. With this side extension all recycling for both gold and silver can now be accomplished using backhoes at costs below 40¢ per tonne. An additional benefit is an improvement of 5 to 6% in gold recoveries in the carbon in column system once the silvers go out in first stage precipitation.

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”
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.