

## **ANDEAN AMERICAN ANNOUNCES THE CLOSING OF \$4.05 MILLION FINANCING AND RETIREMENT OF OUTSTANDING DEBENTURES**

Vancouver, BC, September 13, 2005- The Board of Directors of Andean American Mining Corp. (TSX-VAAG) is pleased to announce that it has successfully completed the \$4.05 million non brokered private placement first announced on August 22, 2005. The unit financing consists of one common share and one half warrant. Two half warrants entitle the holder to acquire one share at the price of \$1.20 for the first six months and \$1.50 for the second six months.

With this closing the Company has issued or will issue 4.5 million units comprised of one common share and one half warrant. The warrants also carry a forced conversion feature such that if the company's shares trade at or above \$2.00 for a 20 day period, then the warrants must be exercised within 30 days or they will automatically expire.

The use of proceeds is in accordance with our August 22 News Release. On September 8 the company exercised its right to retire all the outstanding convertible debentures, recently renewed as per the company's news release of July 19, 2005. The remaining proceeds will be used for the diamond drilling program on the Sinchao property, and for general working capital.

With the retirement of the production debenture, the 25% of metal sales, which was used to pay down the production debenture, will be used first to strengthen the balance sheet and then to explore the Rio and Mamara prospects on the Santa Rosa properties adjacent to the Santa Rosa Mine.

Andean American Mining Corp. (TSX-V-AAG) is focused on gold mining, exploration and development with its head office in Vancouver and operations in Peru. The company is a low cost, profitable producer whose net income rose 114% in the 1<sup>st</sup> Quarter ended June 30, 2005. With its current and new properties, with its strong management team and with a commitment to steady growth and financial viability, Andean is well positioned to become a leading organization in the mining industry.

For further information, please visit our website at [www.andeanamerican.com](http://www.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.