

ANDEAN AMERICAN ANNOUNCES FINANCING

Vancouver, B.C., September 16, 2005. Andean American Mining Corporation (TSX-V:AAG) is pleased to announce that further to a price reservation form filed with the TSX on August 26, 2005 a private placement of 1,000,000 units at \$0.90 per unit has been finalized. 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. 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.

This completes the Company's immediate financing plans. The proceeds will be used for the diamond drilling program on the Sinchao property, and for general working capital.

All documentation has been received and all documents are being filed with the TSX to obtain final approvals to this financing.

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 1st 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

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.