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NEWS RELEASE
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ANDEAN AMERICAN MINING EXERCISES OPTION ON INVICTA PROPERTY

Andean American Mining Corporation (TSX.V-AAG) (hereinafter “Andean”) is pleased to announce the acquisition of 3,500 hectares of new highly prospective ground for the Invicta Project. The project area will therefore now comprise 17,400 hectares, of which 3,700 hectares are under option agreement from Barrick Gold Corporation (TSE ABX – NYSE ABX) (hereinafter, “Barrick”).

Andean has decided to exercise the option on the Invicta Project 18 months early and will be presenting a fully compliant NI 43-101 technical report and resource estimate to Barrick in order to facilitate a decision on their part relative to the back-in right. This report will include inferred resources for the first time. The infill drill program proposes to upgrade both the indicated and inferred into measured resources.

In its news release of February 14, 2006, Andean issued updated historical indicated resources (non NI 43-101 compliant) based on a 1.0 g/tonne cut off grade. “Historical indicated resources previously disclosed were approximately 1,720,000 tonnes, grading 6.16 grams/tonne gold, 1% copper and 54.43 grams/tonne silver. These historical indicated resources had been calculated using a cut-off grade of 3.0 grams/tonne gold. Andean issued the historical indicated resources as they were calculated by the previous operator using a 1.0 gram/tonne gold cut-off grade. These historical indicated resources were approximately 3,531,871 tonnes grading 3.58 grams/tonne gold, 0.68% copper and 33.46 grams/tonne silver.”

Mr. Victor Jaramillo, P. Geo, who is a Qualified Person as defined in NI 43-101 had reviewed the technical content of the February 14, 2006 news release quoted above.

As per Andean’s news release of October 20, 2005, the agreement with Barrick provides for the following principal terms:

- 2-year option period.
- In consideration for the option, regardless of whether Andean exercises the option,

Andean must:

- Within 10 days of signing – issue to Barrick 500,000 common shares of Andean American stock, exchangeable, at Barrick’s option, for US\$385,000 within 5 months after said shares are issued.
- Within 30 days of signing – pay US\$115,000 to Barrick.
- Within 365 days of signing – pay US\$200,000 to Barrick.

On exercising the option, Andean must:

- grant Barrick a 1% NSR, capped at US\$1 million or pay to Barrick US\$1 million in cash.
- pay to Barrick US\$100,000 yearly as advance royalty payments, beginning on the first anniversary of the option exercise until production from the mining concessions starts.
- pay to Barrick (a) a lump sum payment of US\$800,000 upon commencement of production, or (b) US\$50,000 per quarter for 16 quarters after commencement of production.

In addition, if Andean exercises its option to purchase Barrick's interest in the Invicta Project and Andean's drill program discovers more than 2 million ounces of gold, which are converted into proven or probable reserves, Barrick will have a back- in right to acquire up to 51% of the Project. Barrick must pay to Andean 150% of all exploration and project expenditures incurred by Andean on the Project in order to exercise its back- in right and may exercise this right at any time within 90 days following confirmation by Andean that probable or proven reserves of more than 2 million ounces have been located in the Invicta Project.

The Invicta Project is located on strategic ground that hosts low-sulphidation epithermal style gold-silver-copper mineralization in west Central Peru in the department of Lima, the province of Huaura, approximately 225 kilometers by road north east of the city of Lima, Peru. The Project is accessible by paved road for 200 kilometers, followed by steep, but firm, surfaced road access for the Project, which is at an altitude of 3,400 meters. Andean is currently constructing, with the communities, 31 kilometers of double lane-paved access roads.

Andean American Mining is focused on growth through acquisitions and organic increases. The company is actively pursuing new targets of potential early stage gold and silver prospects. Andean American continues to maintain excellent community relations and a commitment to responsible environmental practices. The company has a strong management team with over 40 years experience and an effective board dedicated to excellence in corporate governance. Andean American Mining is committed to continuing to be a low-cost, profitable producer with an objective of 200,000 ounces of gold by 2010. 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