



NEWS RELEASE
August 30, 2007

TSX-V:AAG
SEDAR Profile # 00003879

ANDEAN AMERICAN MINING REPORTS FIRST QUARTER FINANCIAL RESULTS

VANCOUVER, BRITISH COLUMBIA-Andean American Mining Corp. (TSX.V-AAG) (FWB-AQN)

The Board of Directors of Andean American Mining Corp. announces that its Consolidated Interim Financial Statements and Management Discussion and Analysis for the quarter ended June 30, 2007 have been filed with SEDAR at www.sedar.com. Highlights of these statements are discussed below:

- The net loss for the period was \$497,045 or \$0.008 per share compared with net income of \$115,891 or \$0.002 per share in the comparable period last year. The increased net loss in this period was due to an increase in operating expenses, general and administrative expenses and a decrease in revenue from the sale of metals.
- The loss from operations in this quarter amounting to \$943,882, compared with earnings of \$129,700 in the comparable period last year, was due to low recoveries from recycled materials and increased operating costs offset in part by rising prices for gold and silver.
- Cash used in operations in the quarter before changes to non-cash working capital items was \$273,841 compared with positive cash flow of \$166,432 in last year's quarter. The decrease was primarily due to the increase in the cost of sales mainly as a result of poor recoveries and lower volumes of recycled material and the reduction of non cash working capital relating to an increase in inventories and reduction of accounts payables.
- Revenues for the three month period ending June 30, 2007 were \$1,128,552 in 2007 compared with \$1,233,620 in the comparative period in fiscal 2007. Sales of gold and gold equivalents in the quarter were 1,771 ounces compared to 1,755 ounces in the comparable period last year.
- A 10,700 metre drill program is underway at the Invicta project. Some detailed engineering is currently underway. More metallurgical tests are planned for the fall.
- At Sinchao, a 5,000 metre drill program is continuing to test the limits and continuity of the Breccia Zone and will test the high grade zinc in the Skarn Zone. Additional targets defined by the geophysical surveys will be tested and an estimate of inferred resources is expected to be completed in late 2007.
- At Santa Rosa, metal production during the quarter was 1,849 gold equivalent ounces compared to 2,084 gold equivalent ounces for the comparative period in fiscal 2007.

Outlook:

Gold and silver prices are showing continued strength and at the date of this report are greater than US\$650 and US\$12.50 per ounce, respectively. The Company's revenues will be negatively affected by any further strengthening of the Canadian dollar against the US dollar. Metal prices and currencies are subject to fluctuation due to changes in global economic conditions. The Company is experiencing rising production costs due to increasing prices for fuel, chemicals and maintenance supplies. These rising prices, driven by the global economic boom, are expected to continue throughout calendar 2007.

For the complete Management's Discussion and Analysis and Financial Statements, please refer to the Company's filings at www.sedar.com.

On behalf of Andean American Mining Corp.,

"John Huguet"
John Huguet
President & CEO

This news release may contain forward-looking information within the meaning of the Securities Act (Ontario) ("forward-looking statements"). Such forward-looking statements may include the Company's plans for its mineral projects, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risks involving the Company's operations in a foreign jurisdiction, uncertainty of production and costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, currency fluctuations, fluctuations in the price of gold and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Financial Statements, Management Discussion and Analysis and Material Change Reports filed with the Canadian Securities Administrators and available at www.sedar.com.

This news release may use terms such as "inferred resources", "indicated resources", "measured resources", and "mineral resources". These terms are recognized and required by Canadian securities regulations (under National Instrument 43-101 "Standards of Disclosures for Mineral Projects"). Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, "inferred resources" have a great amount of uncertainty as to their existence, and economic and legal feasibility. It cannot be assumed that any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Estimates of Inferred Mineral Resources may not form the basis of feasibility of pre-feasibility studies, or economic studies except for a Preliminary Assessment as defined under National Instrument 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

Mr. Andrew Gourlay, P. Geol., President of Sinchao Metals Corp. is a "Qualified Person" as defined in the Canadian Securities Administrators National Instrument 43-101 with the ability and authority to verify the authenticity and validity of the data.

Andean American Mining Corp. (TSX.V:AAG)(FWB:AQN) is an international mining and exploration company focused on growth both organically and through acquisitions. The Company is actively pursuing new targets of potential early stage gold and silver prospects in Peru and currently has three key assets: the 16,900 hectare Invicta gold-silver-copper advanced exploration stage project; 67% of Sinchao Metals Corp., owner of the Sinchao zinc-copper-silver-gold-lead mineralization project; and the 9,000 hectare Santa Rosa property, which is a small producing open-pit mine.

For further information call (604) 681-6186 or toll free: 1-888-356-4784 or visit www.andeanamerican.com

This release was prepared by management of the Company who takes full responsibility for its contents. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

ANDEAN AMERICAN MINING CORP.
INTERIM CONSOLIDATED BALANCE SHEETS
(Expressed in Canadian Dollars, except where noted)

	June 30, 2007	March 31, 2007
	(unaudited)	(audited)
ASSETS		
Current		
Cash and cash equivalents	\$ 5,273,400	\$ 174,484
Accounts receivable (Note 3)	803,163	714,350
Prepaid expenses	268,931	207,053
Mineral on pads and inventories (Note 4)	2,849,141	2,546,590
	9,194,635	3,642,477
Mineral on pads (Note 4)	3,281,576	3,454,861
Mineral properties and deferred costs (Note 5)	30,820,093	30,453,207
Property, plant and equipment (Note 6)	1,085,287	1,188,152
	\$ 44,381,591	\$ 38,738,697
LIABILITIES		
Current		
Bank indebtedness	\$ 27,496	\$ 218,715
Accounts payable and accrued liabilities	2,695,726	3,440,277
Deferred income	225,824	303,054
Loans payable (Note 7)	40,941	44,387
Current portion of long term debt (Note 8)	466,701	543,615
	3,456,688	4,550,048
Long term debt (Note 8)	101,217	101,217
Future income tax liabilities	5,146,772	5,723,679
Provision for reclamation and closure costs (Note 9)	120,055	130,159
	8,824,732	10,505,103
Minority interest	3,481,928	2,642,331
	12,306,660	13,147,434
SHAREHOLDERS EQUITY		
Share capital (Note 10)	64,652,879	59,127,821
Contributed surplus (Note 11)	3,823,604	2,367,949
Deficit	(36,401,552)	(35,904,507)
	32,074,931	25,591,263
	\$ 44,381,591	\$ 38,738,697
Going concern (Note 1)		
Contingency (Note 15)		

"JOHN HUGUET"

DIRECTOR

"BRYAN MORRIS"

DIRECTOR

ANDEAN AMERICAN MINING CORP.
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS,
COMPREHENSIVE INCOME (LOSS) AND DEFICIT
(unaudited)
(Expressed in Canadian Dollars, except where noted)

	Three Months Ended	
	June 30, 2007	June 30, 2006
REVENUE		
Sales of metals	\$ 1,128,552	\$ 1,233,620
OPERATING EXPENSES		
Direct operating costs	1,180,438	904,888
Royalty expense	20,469	20,938
Amortization and depletion	433,903	142,400
Selling expenses	41,886	30,946
Stock based compensation	392,314	-
Provision for reclamation	3,424	4,748
	2,072,434	1,103,920
GROSS PROFIT (LOSS)	(943,882)	129,700
OTHER (INCOME) EXPENSE		
General and administrative expenses	402,926	84,568
Interest expense	14,842	25,848
Other expense	12,257	-
Foreign exchange gain	(913,488)	(96,607)
Minority interest	36,626	-
	(446,837)	13,809
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(497,045)	115,891
DEFICIT, BEGINNING OF PERIOD	(35,904,507)	(16,357,225)
DEFICIT, END OF PERIOD	\$ (36,401,552)	\$ (16,241,334)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		
BASIC	61,940,074	47,938,089
DILUTED	62,119,494	48,409,451
NET INCOME (LOSS) PER COMMON SHARE		
BASIC	\$ (0.008)	\$ 0.002
DILUTED	\$ (0.008)	\$ 0.002

ANDEAN AMERICAN MINING CORP.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW
(unaudited)
(Expressed in Canadian Dollars, except where noted)

	Three Months Ended	
	June 30, 2007	June 30, 2006
CASH PROVIDED FROM (USED FOR):		
OPERATING ACTIVITIES		
Net income (loss) for the period	\$ (497,045)	\$ 115,891
Adjustments for items not affecting cash:		
Amortization and depletion	433,903	142,400
Stock based compensation	392,314	-
Minority interest	36,626	-
Provision for reclamation	3,424	4,748
Unrealized foreign exchange gain on long-term monetary assets and liabilities	(643,063)	(96,607)
	(273,841)	166,432
Net changes in non-cash working capital items:		
Accounts receivable	(88,813)	139,115
Mineral on pads and inventories	(129,266)	272,393
Prepaid expenses	(61,878)	(41,026)
Accounts payable and accrued liabilities	(744,551)	(556,609)
Deferred income	(77,230)	79,946
	(1,375,579)	60,251
INVESTING ACTIVITIES		
Mineral properties and deferred costs	(602,925)	(1,440,862)
Property, plant and equipment	(94,999)	-
	(697,924)	(1,440,862)
FINANCING ACTIVITIES		
Sale of Sunchao (OMS)	-	2,500,000
Change in restricted cash	-	133,492
Private placement of units, net of issue costs	6,686,370	17,500
Shares issued by subsidiary to minority interest	705,000	-
Payment of long term debt	(27,732)	(78,100)
Payment of loans payable	-	(27,386)
	7,363,638	2,545,506
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	5,290,135	1,164,895
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	(44,231)	810,500
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 5,245,904	\$ 1,975,395
CASH AND CASH EQUIVALENTS IS COMPRISED OF:		
Cash	\$ 5,273,400	\$ 2,144,565
Bank indebtedness	(27,496)	(169,170)
	\$ 5,245,904	\$ 1,975,395