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**NEWS RELEASE**

**August 6, 2009**

**Andean American Retains WestLB in Advisor Agreement and PCM in Sales Agency Agreement**

Andean American Mining Corp. (TSX.V-AAG) (FWB-AQN) is pleased to announce the signing of an advisor agreement with WestLB AG, New York Branch ('West LB').

The agreement appoints WestLB to act as Financial and/or Technical Advisor in connection with the development and financing of the Invicta Gold–Copper–Silver project in Peru.

The agreement covers two phases

- Phase I: Initial Financing, Project Analysis, Validation of Feasibility Study
- Phase II: Take-out Financing, Structuring, sourcing and evaluation of debt financing proposals for the Project.

In Phase II WestLB might also provide Senior Debt Financing for the project subject to internal credit approval and due diligence.

WestLB is a Global Project Finance house and a market leader in mining financing. It offers the full range of products and services of a universal bank, focusing on lending, corporate and structured finance, capital market and private equity products, and transaction services. WestLB's Metals and Mining team incorporates years of sector experience, with the institution global reach and local knowledge to deliver advisory, risk management and corporate and structured finance products in a timely, consistent and reliable manner. In 2009 alone, the Metals & Mining Group has Lead Arranged transactions amounting to over USD 1 billion in the sector.

WestLB has assigned a very senior and experienced team to the advisory and arranger role for the Invicta project. It is anticipated this assignment may require 12 weeks to complete. This is an exclusive role for WestLB during the term of the assignment.

Andean American is also pleased to advise the execution of a Sales Agency Agreement with Physical Commodities Merchants LLC (PCM), a Delaware Company, and its principal Mr. David Kaplan.

The agreement is for sales arranged for products produced or to be produced at the proposed Invicta Mine, located in Peru. PCM will act as the exclusive Agent of Andean American and on behalf of Andean American as a disclosed principal. This agreement was executed July 14, 2009.

PCM is a metals trading firm based in CT, USA which specializes in advising mining companies in the placement of their product to the market. PCM has substantial industry experience acting as principal, agent, and advisor to mines, smelter/refineries, trading companies and investment firms. As Agent for Andean American, PCM is focused on lowering the cost of capital for the Invicta mine start-up by utilizing the forthcoming off-take to attract financing. PCM's fees are all based on success to align the firm's incentive with that of the company.

Andean American Mining Corp. (TSX.V:AAG) (FWB:AQN) is an international mining and exploration company focused on growth. The Company is actively pursuing new targets of potential early stage gold and silver prospects in Peru and currently has two key assets: the 41,500 hectare Invicta gold-silver-copper advanced exploration stage project; 58% of Sinchao Metals Corp., owner of the Sinchao zinc-copper-silver-gold-lead mineralization project.

On behalf of Andean American Mining Corp.,

“John Huguet”

John Huguet  
Chairman & 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](http://www.sedar.com).

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