

ANDEAN AMERICAN EXPANDS EXPLORATION PLANS IN PERU

Andean American Announces 80% average continuous mineralization to date for Sinchao Project

Vancouver, B.C., August 22, 2005. The Board of Directors of Andean American Mining Corp. (TSX-V-AAG) is pleased to announce, further to our news release of July 18, 2005 and August 3, 2005, the activation of our Sinchao Project.

“This is a day I have waited on since being elected to the executive of the Company. The continuity of the mineralization is just too strong to be ignored. This property is worthy of all the questions and deserves a program to be put into place to find the answers,” stated John Huguet, Chairman.

The Company has patiently waited clarification of all the land titles for the Sinchao project. In March of 2004 Valle de Sinchao numbers 1 and 3 were granted to the Company. The recent acquisition from ABX – PERU (a subsidiary of Barrick ABX-Z) of Sinchao numbers 1, 2 and 3, and the assurance from the Mines Registry Office in Peru on the petitions for Valle de Sinchao numbers 2 and 4 has allowed the Company to proceed with exploration plans for Sinchao.

The Company has completed the required environmental review and filed it with the appropriate authorities. The Company has reached an agreement with the communities of Tingo and Chugur for up to a 28-hole drill program, documentation for which should be completed by the end of August, 2005 this month. The Company is relying heavily on a non 43-101 Compliant Technical Report filed in June of 1999 and the results of their previous drill programs from 1997 and 1998 totaling approximately 8,500 meters.

The mineralization encountered to date is a true polymetallic with copper, gold, silver, zinc and molybdenum. No one value is particularly high but the CONTINUITY OF MINERALIZATION is the outstanding feature of the deposit.

The focus will be on a 1,300 meter by 900 meter magnetic and induced polarity anomaly which has been diamond drill tested to over 700 meters depth. The mineralization in this anomaly has averaged 80% to date from our previous drill programs. This is a sulfides deposit with specific gravity running approximately 3.2 tonnes per cubic meter.

SOME SIGNIFICANT INTERCEPTS								
Hole #	From	To	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Mineralized (%)
SDH-05	104	452	348	0.37	14.7	0.52	0.44	348/452 = 77%
including:	230	452	222	0.42	17.4	0.68	0.34	
SDH-06	68	88	20	0.24	14.4	0.31	1.18	582/720 = 81%
and	158	720	562	0.26	4.6	0.27	0.31	
including:	158	466	308	0.31	5.8	0.26	0.51	
including:	356	466	110	0.62	5.8	0.30	0.74	
SDH-07	11	387	376	0.55	14.1	0.31	0.29	376/387 = 97%
including:	189	387	198	0.88	24.6	0.58	0.34	

including:	305	373	68	1.00	46.4	1.11	0.25	
SDH-10	78	406	328	0.60	18.0	0.45	0.32	328/406 = 81%
including:	78	294	216	0.63	20.4	0.55	0.47	
SRC-7	8	76	68	1.20	45.8	1.97	0.54	68/76 = 89%
SRC-11	98	300	202	0.60	17.3	0.45	0.82	202/300 = 67%
including:	240	300	60	1.11	26.5	0.95	0.97	

The Company intends to further define the extent of mineralization with a new 5000-meter diamond drill program scheduled for this fall.

In addition the Company will continue with metallurgical and in house scoping, studies, which were refreshed in 2004 based on new proven recovery methods and modular manufactured plant components. Previously the Molybdenum values were not, based on market factors, considered viable. Today's environment with molybdenum at \$29.00 per pound represents added value worth investigating.

Price sensitivities will be explored over the term of the scoping study, scheduled for completion following the Drill Program (approximately six months thereafter).

"No one mineral in a true polymetallic has dominant values but collectively, if continuity holds together, can form the basis for robust mine economics," stated Rolando Davila, General Manager, Peru Operations.

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 with sales up 111% in 2005. Andean is actively pursuing new opportunities and has recently acquired lands from Barrick. 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

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