

SINCHAO PROJECT PROCEEDS

Andean American Mining Corp. (TSX-V: AAG) is pleased to advise that the final community agreements with the community of Chugur are now in place to allow the Sinchao exploration program to begin.

A delicate aspect of the community agreement was the clean up of the environment caused by others in the area but affecting the rivers and streams in our areas. The community now knows that we did not create the problem and our exploration plans will proceed parallel to the plans to remediate the existing environmental problems.

Today, December 12, 2005, we have dispatched to the Sinchao project:

- a 4 person geological team
- a 22 person geophysical team
- a 4 person survey team

plus helpers, drivers and kitchen staff for the camp.


We anticipate having a full 3 dimensional model of the ore body down to 300 or 350 meters for early January 2006. This model will serve to communicate visually on the continuity of the ore body. The 3 D model will also be used to position some of the drill holes in our 5,000 meter drill program.

The drill program will complement both the geophysical and the metallurgical programs. The results of the 5,000 meters of drilling will be added to the previous 8,450 meters of drilling to create an economic model of tonnes and grades to support our scoping study and resource estimates performed to NI 43-101 standards. This is a much anticipated day for Andean American. We should have tangible results on the continuity of the Sinchao body in early January.

Sinchao is a 100% owned exploration project located in the Yanacocha Hualgayoc Mining District in Northern Peru. This mining district is one of the most heavily mineralized in all of Peru and is home to the world's largest gold mine, the Yanacocha Mine.

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
President & CEO

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