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NEWS RELEASE

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TSX-V: AAG

Sedar Profile # 00003879

Invicta Project Gets Green Light

Andean American Mining Corp. (TSX-V: AAG) has a green light to proceed, on a fast track basis, with the Invicta Project. The recent filing of the 43-101 Technical Report outlining indicated and inferred mineral resources containing gold, copper, zinc, silver and lead were not sufficient to trigger the Barrick Gold Corp. (TSE ABX – NYSE ABX) back-in clause which states that 2 million ounces of proven and probable reserves for gold only would create a right for Barrick to have 90 days to decide if they would like to buy 51% of the Invicta Project.

Metallurgical Progress:

Andean American has retained the services of Engineer Juan Zegarra West; one of Peru's most experienced metallurgists, certainly a very welcome addition to the Andean Team.

Over 2,000 kilograms of mineralized samples for metallurgical test work have been taken and completed this year. Three distinct laboratories working independently have now completed their work. This was complementary to the initial work performed by Lakefield Research for Pangea Goldfields in 1998. Lakefield Research and their project manager Dan Imeson have also been retained to complement the metallurgical team and complete the next two phases. The guiding philosophy is "maximum metal recovery".

Recoveries have been very encouraging to date. Given these high-end results, basic engineering has been able to move forward quickly with relatively low risk capacity decisions.

Basic Engineering Completed:

Fundamental to the engineering approach are the production capacities Andean is targeting.

Target Production Capacities:		
First 12 months	-	Average 800 tonnes per day
Second 12 months	-	Average 2,000 tonnes per day, on going
Fourth 12 months	-	Increase to 3,000 tonnes per day

Earlier this year Andean had retained Goltec S.A.C. to help develop the basic engineering, help finalize the closed circuit flow sheet, and procurement activities for the initiation of the long delivery items.

With this basic engineering completed (May 15, 2006) Andean can now initiate many project activities:

MINE MILL:

- Environmental Impact Study
 - Initiate May 2006 – Concluded December 2006
- Detailed Engineering
 - Initiate May 2006
- Project Procurement
 - Long Delivery items identified
- Detail Project Planning
 - Underway
- Water Supply
 - Underway
- Power Supply
 - Underway
- Permanent Access
 - Underway
- Finalize first 3 years detailed mine plan
 - Underway
- Initial Pit Design
 - Underway

GEOLOGICAL:

- Infill Drilling
 - To start in June 2006
- Regional exploration
 - Underway

- Geophysical Program
 - To begin in 3rd Quarter Early
- District Exploration
 - 4th Quarter Early
- Expanded Drilling Program
 - Following infill and geophysical program
- Project Manager – Senior Geologist, William Caceres.
- Overall Team Leader – Luis Vela, Economic Geologist.

All geological work is being performed under the direction of Mr. Victor Jaramillo, P. Geo, Qualified Person.

“There are many reasons to move quickly to bring the Invicta project into production, the excellent Co-operation with the communities in just one of them” stated J. Huguet, President and CEO, Andean American Mining Corp”.

On behalf of Andean American Mining Corp.

“John Huguet”
John Huguet
President & CEO

Andean American Mining Corp. (TSX.V-AAG) is focused on growth both organically and through acquisitions. The company is actively pursuing new properties with potential for early stage gold and silver targets. Andean American continues to maintain excellent community relations and a commitment to responsible environmental practices. The company has a strong management team with over 60 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 producing 200,000 ounces of gold by 2010.

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

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.