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NEWS RELEASE
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ANDEAN AMERICAN MINING ANNOUNCES SHARE EXCHANGE AGREEMENT

Andean American Mining Corp. (TSX-V: AAG) (hereinafter the “Company” or “Andean”) is pleased to announce that it has reached an agreement (the “Agreement”) with Sinchao Metals Corp. (hereinafter “Sinchao Metals”), a newly formed Alberta company, to transfer to Sinchao Metals the shares of Corporacion Minera Sinchao S.A.C. (“C.M.S”), a wholly owned subsidiary of Andean which holds the Company’s interest in the Sinchao mineral property.

Under the terms of the Agreement the shares of C.M.S. are to be exchanged for 26,000,000 shares of Sinchao Metals in circumstances where Sinchao Metals has raised \$2,500,000 and received a written commitment from Jennings Capital to act as agent to Sinchao Metals in connection with an IPO to raise a minimum of a further \$1,250,000. It is intended that following the IPO the Company will hold at least 55% of Sinchao Metals on a fully diluted basis and have 3 of 5 representatives on the board of directors of Sinchao Metals.

Closing of the Agreement is currently scheduled for April 17, 2006 and remains subject to completion of satisfactory due diligence and acceptance by the TSX Venture Exchange.

Andean American Mining is committed to increasing shareholder value by continually assessing ways of maximizing the potential of its properties in order to realize significant returns on its investments. With this strategy in mind, Andean entered into this Agreement whereby shareholders of both companies will be able to gain by this division. Given the inherently diverse properties of polymetallic projects and precious metals projects, the creation of Sinchao Metals will allow the project to grow independently of the precious metals projects of Invicta, Mamara and the Santa Rosa Mine, which in turn will be able to focus their efforts solely in the precious metals area.

“This agreement is a positive step forward for our shareholders,” states John Huguet, President and CEO, “It will create value based on the differentiation of the properties as viewed by capital markets as well as allowing independent growth, exploration and development.”

The Sinchao property has four distinct styles of mineralization: a large copper-gold-zinc (silver) Skarn zone, a copper-gold-silver mineralized fault and breccia zone, a high sulphidation copper-gold epithermal mineralized zone and a copper-gold-silver replacement manto-type massive sulphides.

A recently published NI 43-101 report confirms high-grade massive sulphide (sphalerite-galena-chalcopyrite-pyrite) mineralization in widespread and diverse locations in the Skarn zone. The report also states that the mineralized fault and breccia zone has the potential to continue to be the highest gold-copper grade mineralization on the property and appears to be more consistent than previously interpreted. The Skarn zone has the potential to be the largest mineralized single portion of the Sinchao target and is of the same age and geological environment as the Antamina deposit, the largest known copper-zinc, silver, molybdenum and bismuth Skarn in the world.

The Qualified Person for this news release is Victor Jaramillo, P.Geol.

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, please visit our website at www.andeanamerican.com.

On behalf of Andean American Mining Corp.

“John Huguet”
John Huguet
President and CEO

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