

Appendix 3B

New Issue Announcement,

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000,30/9/2001,11/3/2002,1/1/2003.

Name of Entity

Andean Resources Ltd

ACN

064 494 319

We (the entity) give the ASX the following information.

Part 1 - All Issues

1	Class of securities issued or to be issued	Ordinary shares
2	Number of securities to be issued or to be issued (if known) or maximum number which may be issued	2,000,000
3	Principal terms of the securities	As per existing ordinary fully paid shares on issue
4	Do the securities rank equally in all respects from the date of allotment with an existing class of securities	Yes
5	Issue price or consideration	\$0.06 per share
6	Purpose of issue	For working capital and to assist in the settlement of the next instalment of the purchase price of the Company's Cerro Negro Project.

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7	Date of entering securities into uncertificated holdings or despatch of certificates	11 October 2004
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8	Number and class of all securities quoted on ASX	Number	Class
		171,650,629	ordinary fully paid shares
		34,416,621	options exercisable at \$0.20 on or before 30/11/04

9	Number and class of all securities not quoted on ASX	Number	Class
		7,000,000	Options exercisable at \$0.08 expiring 30/06/08
		4,166,666	Options exercisable at \$0.08 expiring 14/11/05

10	Dividend policy on the increased capital	
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Part 2 – Bonus issue or pro rata issue

11	Is security holder approval required?	
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12	Is the issue renounceable or non-renounceable	
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13	Ratio in which the securities will be offered	
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14	Class of securities to which the offer relates	
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15	Record date to determine entitlements	
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16	Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements	
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17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new issue documents	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements in full through a broker	

- 31 How do security holders sell part of their through a broker and accept for the balance
- 32 How do security holders dispose of their entitlements (except by sale through a broker)
- 33 Despatch date

Part 3 – Quotation of securities

- 34 Type of securities (tick one)
- (a) Securities described in Part 1
- (b) All other securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the securities are equity securities the names of the 20 largest holders of the additional securities, and the number and percentage of additional securities held by those holders
- 36 If the securities are equity securities a distribution schedule of the additional securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional securities

Entities that have ticked box 34(b)

- 38 Number of securities for which quotation is sought

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39 Class of securities for which quotation is sought

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40 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

 If the securities do not rank equally please state:

- the date from which they do
- the extent to which they participate for the next dividend or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or dividend payment

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41 Reason for request for quotation now (if issued upon conversion of another security, clearly identify that other security)

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Number	Class

42 Number and class of all securities quoted on ASX (including the securities in clause 38)

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Quotation agreement

- 1 Quotation of our additional securities is in ASX's absolute discretion. ASX may quote the securities on any conditions it decides.

2. We warrant the following to ASX:
 - The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why the securities should not be granted quotation.
 - An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and the no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the securities to be quoted, it has been provided at the time that we request that the securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.

Sign here:



Company Secretary

11/10/2004

Date

Print name

Ross James Arancini