



Media Release

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ANDEAN ANNOUNCES POSITIVE RESULTS FROM PHASE ONE DRILLING

Andean Resources Limited (ASX: AND) today announced that the Company has received highly encouraging results from its Phase One drill program at its 100%-owned Cerro Negro gold project in southern Argentina.

Andean has received initial drill results from 7 reverse circulation and 4 diamond drill holes at the Vein Zone, Cerro Negro (refer to ASX Announcement for additional specifics).

The drilling has confirmed wide, high-grade gold zones over a strike length of 250 metres. The best intersections included:

- **13 metres of 6.18 g/t gold** followed by **10 metres of 3.43g/t gold (VDD – 502)**
- **10 metres of 4.1 g/t gold** followed by **17 metres of 3.86 g/t gold (VRC – 505)**
- **23.1 metres of 2.09 g/t gold (VDD – 503)**
- **14.5 metres of 3.09 g/t gold (VDD – 505)**
- **39 metres of 2.45 g/t gold (VRC – 503)**
- **16 metres of 2.25 g/t gold (VRC – 504)**

The results also confirm interpretations from previous explorers with mineralisation contained in moderately-to-steeply dipping quartz veins remaining open, particularly to the east and down dip.

Andean Resources Director Warren Gilmour said the intersections in drill hole VDD-502 were highly encouraging and demonstrated a better grade and width than a previous intersection in MIM Limited's diamond hole located approximately 25 metres down-dip.

"We're extremely pleased with several aspects of these initial results," said Mr Gilmour. "These results highlight the quality of the emerging Cerro Negro gold project and in many areas, improve on the previous results obtained by the projects former owners, MIM Limited."

"We are also eagerly awaiting assay results from two deep diamond holes (VDD-506 & VDD 507) completed below previously known mineralisation which have intersected quartz stockwork mineralisation as predicted, over significant widths," he said.

An important feature of these results include the extension of mineralisation along strike towards the adjacent Heradura prospect where newly identified zones of quartz stockwork have been exposed by trenching some 300 metres east of the current drill program.

Commenting on the potential for continued continuity of mineralisation towards Heradura, Mr Gilmour said, "we have always believed there was potential for the main Vein Zone to extend beyond the areas delineated by MIM. These very encouraging trenching results will now allow us to test for possible extensions of mineralisation, towards Heradura, in the next phases of drilling"

“We look forward to updating our shareholders with the pending assay results and additional positive progress of our aggressive exploration program.”

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For more information, please refer to today’s ASX Announcement or contact:

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ABOUT ANDEAN RESOURCES

Andean Resources is an Australian listed public company (ASX: AND) focused on the exploration and development of gold projects in Patagonia, southern Argentina. The Company’s major prospect is the 100% owned Cerro Negro epithermal gold deposit which was acquired from MIM/Xstrata in January 2004. The project, which is located in the southern Argentinean province of Santa Cruz at an elevation of approximately 800 metres above sea level, contains a previously reported resource of approximately 620,000 ounces of gold (comprising 6.0 m tones at 3.2g/t gold).