

# 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	Unlisted Options
2	Number of securities to be issued or to be issued (if known) or maximum number which may be issued	4,000,000
3	Principal terms of the securities	1,000,000 expiring 31 October 2007 exercisable at \$0.20 1,000,000 expiring 31 October 2009 exercisable at \$0.25 1,000,000 expiring 30 April 2010 exercisable at \$0.30 vesting on 30 November 2006 1,000,000 expiring 31 October 2010 exercisable at \$0.35 vesting on 30 November 2006
4	Do the securities rank equally in all respects from the date of allotment with an existing class of securities	N/a
5	Issue price or consideration	Nil

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6	Purpose of issue	Issued to a director related entity as approved by shareholders at the Company's 2005 annual general meeting
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7	Date of entering securities into uncertificated holdings or despatch of certificates	13 March 2006
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8	Number and class of all securities quoted on ASX	<table border="1"><thead><tr><th style="width: 50%;"><b>Number</b></th><th style="width: 50%;"><b>Class</b></th></tr></thead><tbody><tr><td style="text-align: center;">268,289,686</td><td>ordinary fully paid shares</td></tr></tbody></table>	<b>Number</b>	<b>Class</b>	268,289,686	ordinary fully paid shares
<b>Number</b>	<b>Class</b>					
268,289,686	ordinary fully paid shares					

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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
9,000,000	Options exercisable at \$0.08 expiring 30/04/06
5,000,000	Options exercisable at \$0.15 expiring 31/10/06
6,000,000	Options exercisable at \$0.20 expiring 31/10/07
6,000,000	Options exercisable at \$0.25 expiring 31/10/09
3,000,000	Options exercisable at \$0.20 expiring 31/12/08
1,000,000	Options exercisable at \$0.30 expiring 30/04/10
1,000,000	Options exercisable at \$0.35 expiring 31/10/10

10            Dividend policy on the increased capital

**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	<input type="text"/>
13	Ratio in which the securities will be offered	<input type="text"/>
14	Class of securities to which the offer relates	<input type="text"/>
15	Record date to determine entitlements	<input type="text"/>
16	Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements	<input type="text"/>
17	Policy for deciding entitlements in relation to fractions	<input type="text"/>
18	Names of countries in which the entity has security holders who will not be sent new issue documents	<input type="text"/>
19	Closing date for receipt of acceptances or renunciations	<input type="text"/>
20	Names of any underwriters	<input type="text"/>
21	Amount of any underwriting fee or commission	<input type="text"/>
22	Names of any brokers to the issue	<input type="text"/>
23	Fee or commission payable to the broker to the issue	<input type="text"/>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	<input type="text"/>
25	If the issue is contingent on security holders' approval, the date of the meeting	<input type="text"/>
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	<input type="text"/>

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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

39 Class of securities for which quotation is sought

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

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

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

**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

13/03/2006  
Date

Print name

**Ross James Arancini**