

NEW HIGH-GRADE MARIANA NORTE DISCOVERIES AT CERRO NEGRO

January 20, 2010, Fremantle, Australia -- Andean Resources (**AND:ASX; AND:TSX**) is pleased to report further encouraging results from the ongoing drilling program at its 100% owned Cerro Negro project in southern Argentina. Today's results include new high-grade discoveries at Mariana Norte and an update on the recently announced San Marcos discovery.

Mariana Norte is located about 2 km southwest of the newly discovered San Marcos veins (see Figure 1). Mariana Norte was discovered in 2009 as a result of field mapping of the Eureka-Mariana areas and is characterized by classic banded quartz vein float surrounding an outcropping silica cap. A total of 77 samples have been collected over a northwest-trending area of 2 x 0.5 kilometres. These include 40 vein quartz float samples with banded epithermal textures and average 6.6 g/t gold and 41 g/t silver.

Since the potential source of the vein was not exposed, Andean drilled a fence of 5 reverse circulation holes in a southeast direction, every 100 meters, in order to determine the location of the targeted vein. These 5 drill holes discovered at least 3 veins beneath the surface:

- MRC 905: 4m of 10.9 g/t gold and 6 g/t silver from 80m**
- MRC-906: 7m of 18.5 g/t gold and 87 g/t silver from 186m and;
18m of 20.6 g/t gold and 33 g/t silver from 205m**
- MRC-909: 6m of 11.0 g/t gold and 90 g/t silver from 77m**
- MRC-911: 7m of 12.3 g/t gold and 142 g/t silver from 131m and;
6m of 41.8 g/t gold and 81 g/t silver from 141m and;
2m of 15.1 g/t gold and 30 g/t silver from 153m**

This fence of holes is shown on the plan view map (see Figure 2). The cross section showing the three veins from this fence of drill-holes is presented in Figure 3.

The widths reported above are intersected widths. True widths are not known at this time and will be reported once additional drilling provides more information. Andean has assumed an underground cut-off grade of 2.5 g/t gold at Mariana Norte for all the interval summaries reported in this release.

A second fence of RC holes is in progress 250 meters to the southeast and parallel to the first fence. This second fence of holes focused on the area beneath mapped quartz vein float that occurs directly southeast of holes MRC-907 and MRC-908, where no significant mineralization was

intersected. MRC-912 and MRC-913 both intersected mineralized quartz veins in narrow intercepts which are listed below.

Hole ID	Depth	East	North	Azimuth	Angle	From	To	Intercept m	Au ppm	Ag ppm
MRC-905	250	2398517	4809495	230	55	80	84	4	10.93	5.50
						87	92	5	3.28	7.80
						95	97	2	2.63	93.50
MRC-906	250	2398601	4809564	230	55	117	118	1	4.98	49.00
						186	193	7	18.45	87.14
						201	202	1	4.82	18.00
						205	223	18	20.60	33.36
MRC-907	258	2398690	4809636	230	55	NSV				
MRC-908	250	2398770	4809706	230	55	NSV				
MRC-909	232	2398852	4809774	230	55	77	79	2	2.97	11.50
						96	102	6	10.97	90.17
MRC-911	255	2398922	4809831	230	55	131	138	7	12.26	141.90
						141	147	6	41.84	80.70
						153	155	2	15.11	29.50
MRC-912	250	2398963	4809531	230	55	99	100	1	9.30	103.00
MRC-913	250	2399011	4809582	230	55	220	221	1	2.82	16.00

San Marcos

On November 23, 2009 Andean announced the discovery of the new San Marcos veins. Andean drilled a further step-out hole, SRC-908, a 100m step-out to the east and intersected the following:

SRC-908: 3m of 13.7 g/t gold and 9 g/t silver from 183m

With this drill hole, the east-west vein at San Marcos remains open to the east, and further drilling on this vein is warranted. The northwest vein at San Marcos will also remain a target for exploration drilling.

Wayne Hubert, Andean's Chief Executive Officer commented, "Two months ago, we discovered new veins at San Marcos; today, we are announcing the discovery of three new veins at Mariana Norte. Cerro Negro is proving to be one of the most exciting high-grade precious metal districts in the Americas."

Next Steps

Four drill rigs are currently drilling on the Cerro Negro property. Since October, about 70 infill holes have been drilled at Bajo Negro confirming the existing mineralization. A resource update at Bajo Negro is planned for late March, and this resource update will provide the basis for the mine plans at Bajo Negro in the Feasibility Study, which is on schedule to be completed by the end of June of this year.

Currently 2 drill rigs are focused on condemnation and geotechnical drilling of the processing facility, and the remaining two rigs are focused on exploration drilling.

The contract to complete the underground development work at Eureka is in the process of being finalized with an Argentinean joint venture formed by the Argentinean Company Constructora Sudamericana and the experienced South American Contractor Mas Errazuriz. Mobilization should be initiated in the next weeks.

Quality Control and Assurance

The analytical results quoted in this release are derived from half drill core in the case of diamond drill holes. Samples are prepared and assayed by ACME Analytical Laboratories SA (Mendoza) in Mendoza, Argentina. Gold is determined initially by fire assay with AA finish. Samples assaying more than 10 ppm gold are re-assayed using a gravimetric finish. Silver is determined initially by AAS, and samples assaying more than 100 ppm silver are re-assayed by fire assay with gravimetric finish. Quality control of the analytical results is maintained by inserting standards, blanks, and duplicates into the sample run, approximately every twenty samples. Additional quality control is maintained by sending assay sample splits to a second laboratory from time to time. These checks are evaluated statistically at regular intervals. All analytical data are entered into a Microsoft Access database, with limited access and numerous checks to ensure integrity of the data.

Qualified Persons Statement

The information in this press release that relates to exploration results is based on information provided by William H. Wulfange, Vice President of Exploration for Andean Resources, who is a Licensed Professional Geologist (#5219574-2250) by the State of Utah and a Fellow of the Society of Economic Geologists. Mr. Wulfange has extensive experience relevant to the style and type of mineralization and deposits under consideration, and to the activity undertaken, to qualify as a Qualified Person as defined in Canadian National Instrument 43-101. Mr. Wulfange has reviewed and verified that the information presented in this release conforms to NI 43-101 standards and industry Best Practices.

Figure 1: Mariana Norte Location

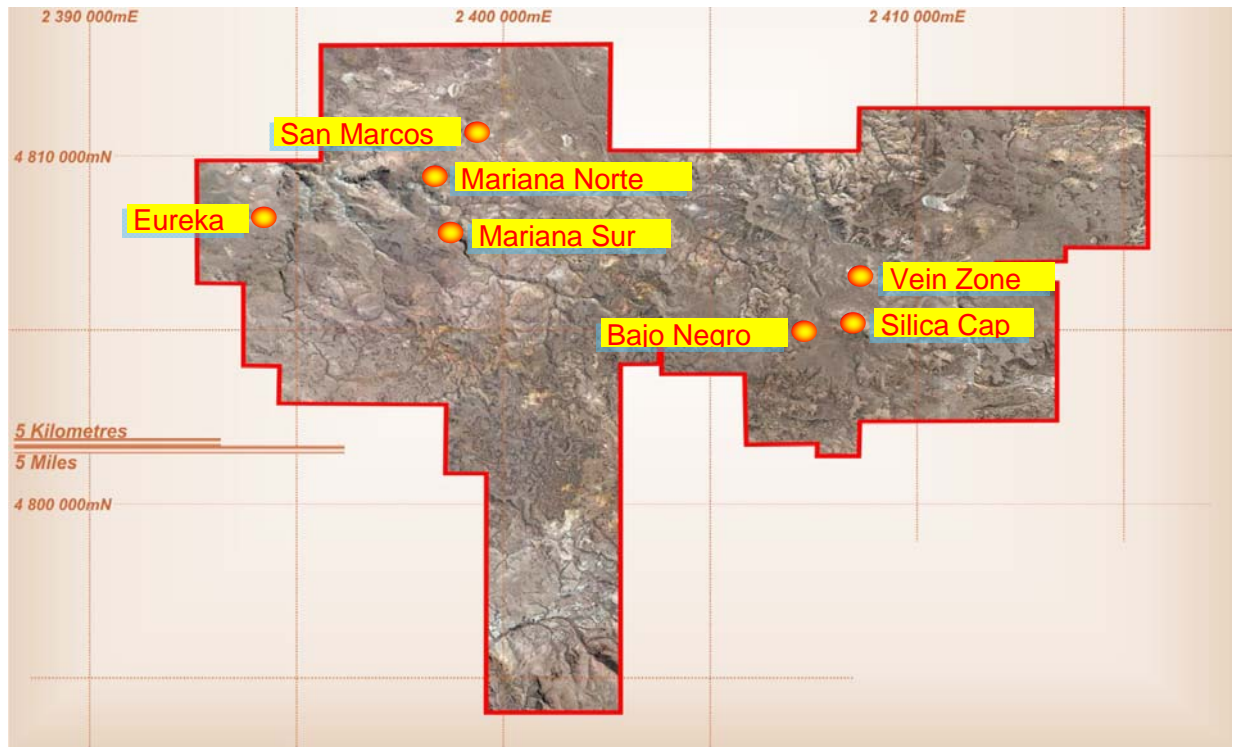


Figure 2: Plan view map of the Mariana Norte area

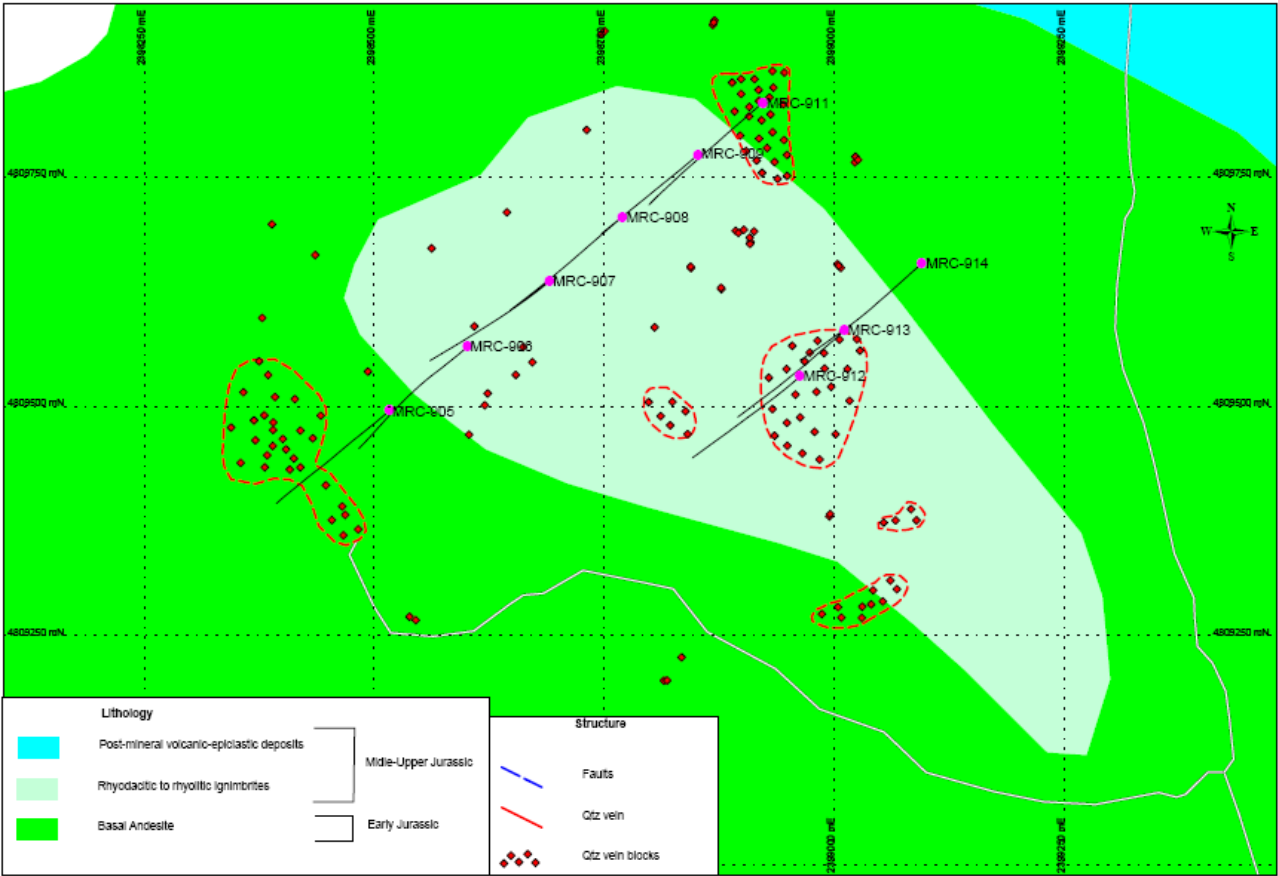
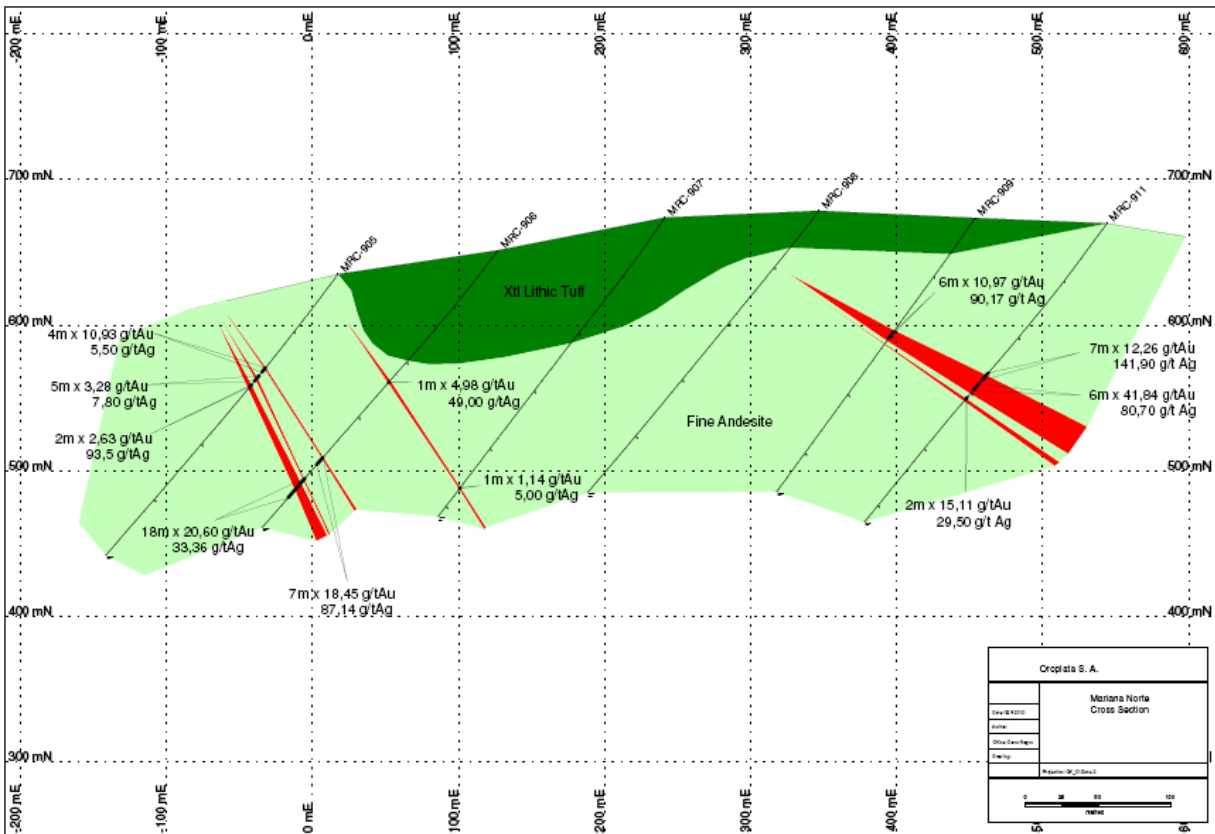


Figure 3: Mariana Norte Cross Section



Andean Resources Ltd. is a dual listed company (ASX/TSX:AND), actively and aggressively exploring for gold resources in Argentina. The company is well positioned to become a mid-tier gold producer over the next two years as it commences production from its 100% owned Cerro Negro project. This high-grade, world-class deposit is located in the mining-friendly province of Santa Cruz, in southern Argentina, and contains a growing resource base of over 2.5 million ounces of gold. In order to expand its resource base and add to the future production profile, Andean is committed to ongoing exploration and building its resource inventory at the Cerro Negro project and, in the process, generating enhanced returns for its shareholders as a platform for future growth.

FOR FURTHER INFORMATION CONTACT:

Krista Muhr
 Director of Investor Relations
 In North America: +1.647.330.1478
 In Australia: +61 (0) 448.886.460
 krista.muhr@andeangold.com

Andean Resources Limited
 1/1 Nairn Street, Fremantle
 Western Australia 6160
 Tel: + 61 (8) 9430.9966
 Fax: + 61 (8) 9430.9965

www.AndeanGold.com