

## **ANDEAN RESOURCES ANNOUNCES BOUGHT DEAL FINANCING**

*(All dollars in US currency except where noted)*

**July 21, 2010, Salt Lake City, UT** -- Andean Resources (**ASX/TSX: AND**) has announced today that it has entered into an agreement with a syndicate of underwriters with BMO Capital Markets and RBC Capital Markets as joint-bookrunners, under which the underwriters have agreed to buy on bought deal basis by way of a short form prospectus, 70,000,000 common shares (the "Common Shares"), at a price of C\$3.35 per Common Share for gross proceeds of C\$234,500,000. The net proceeds will be used to advance the exploration and development of the Cerro Negro project in Argentina and for general working capital purposes. The offering is expected to close on or about August 11, 2010 and is subject to Andean receiving all necessary regulatory approvals.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

*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 province of Santa Cruz, in southern Argentina, and contains a growing resource base of over 3.1 million ounces of gold and 25 million ounces of silver. 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:

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