

ANDINA MINERALS INC.

Consolidated Financial Statements

December 31, 2007

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Andina Minerals Inc. were prepared by management in accordance with Canadian generally accepted accounting principles (“GAAP”). Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company’s circumstances. The significant accounting policies of the Company are summarized in notes 2 and 3 to the consolidated financial statements.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

PricewaterhouseCoopers LLP, the Company’s independent auditors, conduct an audit of the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. As well, they make an assessment of the accounting principles used and significant estimates made by management and they evaluate the overall financial statement presentation.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The members of the Audit Committee are independent. The Audit Committee meets with management as well as with the independent auditors to review the internal controls over the financial reporting process, the consolidated financial statements and the auditors’ report. The Audit Committee also reviews the Company's Management’s Discussion and Analysis to ensure that the financial information reported therein is consistent with the information presented in the financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(Signed)

Carl B. Hansen
President and Chief Executive Officer

April 23, 2008

(Signed)

Thomas J. Pladsen
Chief Financial Officer

April 23, 2008

Auditors' Report

To the Shareholders of Andina Minerals Inc.

We have audited the consolidated balance sheets of **Andina Minerals Inc.** as at December 31, 2007 and 2006 and the consolidated statements of operations and comprehensive income, deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2007 and 2006 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants, Licensed Public Accountants

Toronto, Canada

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS
(United States Dollars)

	December 31, 2007	December 31, 2006
Assets		
Current assets		
Cash and cash equivalents	\$ 25,189,491	\$ 8,234,652
Marketable securities (note 4)	-	8,417,151
Amounts receivable and other current assets	48,118	14,764
	<u>25,237,609</u>	<u>16,666,567</u>
Mineral properties (notes 5 and 6)	37,019,982	11,619,599
Equipment (note 7)	62,052	118,488
	<u>\$ 62,319,643</u>	<u>\$ 28,404,654</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,514,369	\$ 1,046,598
Shareholders' Equity		
Capital stock (note 8(a))	54,032,727	28,179,252
Warrants (note 8(b))	6,419,233	2,973,561
Contributed surplus (note 8(b))	2,578,639	1,216,219
Deficit	<u>(3,225,325)</u>	<u>(5,010,976)</u>
	<u>59,805,274</u>	<u>27,358,056</u>
	<u>\$ 62,319,643</u>	<u>\$ 28,404,654</u>

Going concern (note 1), Subsequent events (note 14)

See accompanying notes to the consolidated financial statements

Approved on behalf of the Board of Directors

(Signed)

T. Sean Harvey
Director

(Signed)

Robert Whittall
Director

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME
(United States Dollars)

	Year Ended December 31, 2007	Year Ended December 31, 2006	Cumulative Since Inception
Expenses			
Payroll	\$ 549,579	\$ 184,906	\$ 829,785
Regulatory and shareholder information	209,979	92,252	347,158
Professional fees	157,487	152,337	498,600
Office	141,787	67,068	285,504
Travel	92,421	67,721	194,662
Rent	50,644	50,805	140,971
Consulting fees	46,978	116,377	303,561
Insurance	23,253	32,412	77,711
Amortization	3,899	34,607	52,724
Foreign exchange (gain) loss	(3,134,429)	241,082	(2,939,624)
Stock-based compensation (note 8(b))	1,174,882	782,811	2,317,328
Mineral properties written off (note 5)	-	785,987	3,404,862
	<u>(683,520)</u>	<u>2,608,365</u>	<u>5,513,242</u>
Interest income	<u>1,102,131</u>	<u>420,445</u>	<u>1,665,738</u>
Earnings (loss) for the year before taxes	1,785,651	(2,187,920)	(3,847,504)
Future income tax recovery	<u>-</u>	<u>-</u>	<u>622,179</u>
Earnings (loss) and comprehensive income for the year	<u>\$ 1,785,651</u>	<u>\$ (2,187,920)</u>	<u>\$ (3,225,325)</u>
Earnings (loss) per share (note 10)	\$0.03	\$(0.05)	

Going concern (note 1)

See accompanying notes to the consolidated financial statements

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF DEFICIT
(United States Dollars)

	Year Ended December 31, 2007	Year Ended December 31, 2006
Deficit, beginning of year	\$ (5,010,976)	\$ (2,823,056)
Earnings (loss) for the year	<u>1,785,651</u>	<u>(2,187,920)</u>
Deficit, end of year	\$ <u><u>(3,225,325)</u></u>	\$ <u><u>(5,010,976)</u></u>

See accompanying notes to the consolidated financial statements

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(United States Dollars)

	Year Ended December 31, 2007	Year Ended December 31, 2006	Cumulative Since Inception
Cash provided by (used in)			
Operating activities			
Earnings (loss) for the year	\$ 1,785,651	\$ (2,187,920)	\$ (3,225,325)
Items not involving cash:			
Amortization	3,899	34,607	52,724
Stock-based compensation	1,174,882	782,811	2,317,328
Unrealized foreign exchange (gain)	(3,040,301)	(96,692)	(3,040,301)
Mineral properties written off	-	785,987	3,404,862
Future income tax recovery	-	-	(622,179)
	<u>(75,869)</u>	<u>(681,207)</u>	<u>(1,112,891)</u>
Net change in non-cash working capital:			
Amounts receivable and other current assets	(33,354)	39,990	(7,346)
Accounts payable and accrued liabilities	42,245	85,550	586,746
	<u>(66,978)</u>	<u>(555,667)</u>	<u>(533,491)</u>
Financing activities			
Issue of common shares and warrants for cash	19,095,116	14,317,816	41,072,217
Exercise of warrants	3,909,130	7,540,656	11,449,786
Exercise of options	564,850	14,922	579,772
Loans	-	-	144,354
	<u>23,569,096</u>	<u>21,873,394</u>	<u>53,246,129</u>
Investing activities			
Exploration costs	(11,093,087)	(7,238,975)	(21,640,479)
Option payments and acquisition costs	(6,890,949)	(980,297)	(9,006,508)
Equipment	(20,695)	(52,995)	(188,008)
Marketable securities	8,417,151	(5,406,085)	-
Cash acquired on reverse takeover (note 1)	-	-	271,547
	<u>(9,587,580)</u>	<u>(13,678,352)</u>	<u>(30,563,448)</u>
Increase in cash and cash equivalents	<u>13,914,538</u>	<u>7,639,375</u>	<u>22,149,190</u>
Unrealized foreign exchange gain	3,040,301	96,692	3,040,301
Cash and cash equivalents, beginning of year	<u>8,234,652</u>	<u>498,585</u>	<u>-</u>
Cash and cash equivalents, end of year	<u>\$ 25,189,491</u>	<u>\$ 8,234,652</u>	<u>\$ 25,189,491</u>

Supplementary information (note 13)

See accompanying notes to the consolidated financial statements

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

1. Nature of Operations and Going Concern Basis of Accounting

Andina Minerals Inc. (the “Company”) was incorporated on January 23, 2001 under the Business Corporations Act (Alberta) as CastleRock Capital Inc. Effective December 31, 2004 the Company acquired all the outstanding shares of Andina Minerals Inc. (“Holdings”) in a reverse takeover transaction. In conjunction with the acquisition of Holdings, the Company changed its name to Andina Minerals Inc. and Holdings changed its name to Andina Holdings Inc.

The Company’s activities are directed toward exploring mineral properties in Chile. To date the Company has not earned any revenue and is considered to be in the exploration stage.

These financial statements have been prepared using Canadian GAAP applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business. However, the Company is in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage of development. These risks include, but are not limited to, dependence on key individuals, successful development and the ability to secure adequate financing to meet the minimum capital required to successfully develop economically recoverable reserves and complete the Company's business plan. As a result of these circumstances, there is substantial doubt as to the appropriateness of the going concern presumption. There is no assurance that the Company's funding initiatives will continue to be successful and these financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

2. New Accounting Policies and Recent Pronouncements

(a) New accounting policies

The Company has adopted the following Canadian Institute of Chartered Accountants (“CICA”) standards commencing January 1, 2007:

Financial Instruments – Recognition and Measurement, Section 3855 and Financial Instruments – Disclosure and Presentation, Section 3861: Section 3855 establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. All financial assets, with the exception of those classified as held to maturity and loans and receivables are initially recognized at fair value and then measured at amortized cost, and derivative financial instruments must be measured at fair value. All financial liabilities must be measured at fair value when they are classified as held for trading; if not, they are measured at amortized cost using the effective interest

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

method. The standard also specifies when gains and losses as a result of changes in fair value are to be recognized in the income statement. The Company has determined that no adjustments are currently required for the adoption of these new standards. Cash and cash equivalents are classified as held for trading and recorded at their fair value and their change in fair value are included in the statement of operations. Recorded at their amortized cost, accounts receivable will be classified as loans and receivables, accounts payable and accrued liabilities and advances for exploration work will be classified as other liabilities.

Comprehensive Income: Section 1530 “Comprehensive Income” requires that a company present comprehensive income and its components in a financial statement with the same prominence as other financial statements. Comprehensive income is the change in the net assets of a company during a period and transactions and other events and circumstances from non-owner sources. The Company has determined that no adjustments are currently required for the adoption of this new standard.

In accordance with the transitional provisions in these standards, these accounting policy changes were adopted on a prospective basis.

(b) Recent pronouncements

The CICA issued the following new accounting standards which the Company will adopt effective January 1, 2008 for interim and annual consolidated financial statements:

Financial Instruments – Disclosures, Section 3862 and Financial Instruments – Presentation, Section 3863: Section 3862 requires disclosures in the financial statements that will enable users to evaluate: the significance of financial instruments for a company’s financial position and performance; and the nature and extent of risks arising from financial instruments to which the company is exposed, and how a company manages those risks. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. These accounting standards are effective for fiscal years beginning on January 1, 2008 for the Company. This standard will impact the Company’s disclosures provided, but will not affect the Company’s consolidated results or financial position.

Capital Disclosures: Section 1535 “Capital Disclosures” establishes guidelines for the disclosure of information on an entity’s capital and how it is managed. Under this section the Company will be required to disclose qualitative information about its objectives for managing capital and the related policies and processes. Summary quantitative data describing what the Company manages as capital and whether during the period it complied with any externally imposed capital requirements and the consequences of non-compliance will be disclosed.

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

General standards on financial statement presentation: Section 1400 “General Standards on Financial Statement Presentation” has been amended to include requirements to assess and disclose an entity’s ability to continue as a going concern. The Company does not expect the adoption of these changes effective January 1, 2008, to have an impact on its consolidated financial statements.

Goodwill and intangible assets: Section 3064 “Goodwill and Intangible Assets” will replace Section 3062, “Goodwill and Intangible Assets”. The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred. The new standard applies to annual and interim financial statements relating to fiscal years beginning on or after October 1, 2008. The Company is currently assessing the impact of this standard on its consolidated financial statements.

3. Summary of Significant Accounting Policies

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada. A summary of the Company’s significant policies is set out below:

(a) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. The Company's principal subsidiary is located in Chile.

(b) Use of Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions, in particular in respect of mineral properties, warrants and stock-based compensation that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

c) Translation of Foreign Currencies

The accounts of the foreign operations have been translated using the temporal method for foreign integrated operations. The functional currency of the Company is United States dollars, as the Company considers the United States dollar to be the principal currency of its operations. Under the temporal method, monetary assets and liabilities have been translated at the end of year exchange rates. Non-monetary assets, which primarily comprise of mineral interests and capital assets, have been translated using

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

historic rates of exchange. Revenues and expenses have been translated at the average rates of exchange during the period. Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

(d) Cash and Cash Equivalents

Cash and cash equivalents includes bank balances and guaranteed investment certificates issued by major banks which, on acquisition, have an original term to maturity of three months or less.

(e) Mineral Properties

The Company considers its exploration costs to have the characteristics of property, plant and equipment. As such, the Company defers all exploration costs, including acquisition costs, field exploration and field supervisory costs relating to specific properties until those properties are brought into production, at which time, they will be amortized on a unit-of-production basis based on proven and probable reserves or until the properties are abandoned, sold or considered to be impaired in value, at which time, an appropriate charge will be made. The Company reviews the carrying values of its mineral properties on a regular basis by reference to project economics including the timing of the exploration and development work and the work programs and exploration results experienced by the Company and others. When an assessment is made that the carrying value of a property will not be recovered, then the carrying amount is written down to its fair value. An impairment loss charged to operations is measured as the amount by which the carrying value exceeds its fair value.

(f) Equipment and Amortization

Equipment is recorded at cost net of accumulated amortization. Amortization is recorded using a straight-line method based on the estimated future lives of the assets of two years for exploration equipment and four years for office equipment.

g) Warrants

The Company accounts for warrants using the fair value method. Under this method, the value of warrants is measured at fair value at the grant date using the Black-Scholes valuation model and recorded as share capital when the warrants are exercised.

(h) Stock-based Compensation

The Company has a stock-based compensation plan, which is described in note 8(c). The Company accounts for stock options using the fair value method. Under this method,

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

compensation expense for stock options granted is measured at fair value at the grant date using the Black-Scholes valuation model and recognized over the vesting period of the options granted.

(i) Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method of tax allocation, future income and mining tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax basis (temporary differences). Future income tax assets and liabilities are measured using the enacted tax rates expected to be in effect when the temporary differences are likely to reverse. The effect on future income tax assets and liabilities resulting from a change in tax rates is included in income in the year in which the change is enacted or substantively enacted. The amount of future income tax assets recognized is limited to the amount that is more likely than not to be realized.

(j) Financial Instruments

The carrying amount of cash and cash equivalents, marketable securities, amounts receivable, accounts payable and accrued liabilities represents their fair value due to their short-term nature.

(k) Per Share Information

Per share information is calculated using the weighted average number of common shares outstanding during the year. Diluted per share information is calculated using the treasury stock method for options and warrants. The treasury stock method assumes that any proceeds obtained upon the exercise of options and warrants be used to purchase common shares at an average market price during the year.

4. Marketable Securities

Marketable securities consist of guaranteed investment certificates issued by a Canadian chartered bank.

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

5. Mineral Properties

All of the Company's mineral properties, except the Quitovac property, are located in Chile.

During 2007 the Company made the last two option payments on the Volcan property by paying \$5,000,000 in cash and issuing the landowners common shares with a value of \$5,500,000. The number of common shares issued, 1,796,396, was calculated in accordance with the terms of the Volcan property agreement and was based on an average closing price for the Company's common shares over the prior thirty trading days. As a result, the Company owns a 100% interest in the Volcan property subject to the royalty payments listed in note 6.

During 2007 the Company acquired a 100% interest in the Pampa Buenos Aries and Encrucijada properties from the landowner by exercising a right of first refusal and making a payment of \$714,909 to the landowner.

The Anocarire and Valeriano properties are currently under option agreements whereby the Company may acquire, subject to certain payments, a 100% interest in the mineral properties from the landowners by making payments to the landowners described in note 6.

The Quitovac property is located in Mexico and is under option to another mineral exploration company.

The Anocarire and Quitovac contracts are under negotiation to modify the terms and extend the terms of the payments.

Property	Balance December 31, 2006	Option payments and acquisition costs	Exploration costs	Costs written off	Balance December 31, 2007
Anocarire	\$ 639,791	\$ 288,474	\$ 16,527	\$ -	\$ 944,792
Encrucijada (i)	372,086	511,669	207,849	-	1,091,604
Pampa Buenos Aires (ii)	265,481	835,874	62,000	-	1,163,355
Valeriano (iii)	-	177,466	25,064	-	202,530
Volcan	10,247,241	10,577,466	12,697,994	-	33,522,701
	11,524,599	12,390,949	13,009,434	-	36,924,982
Quitovac (iv)	95,000	-	-	-	95,000
	\$ 11,619,599	\$ 12,390,949	\$ 13,009,434	\$ -	\$ 37,019,982

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

Property	Balance December 31, 2005	Option payments and acquisition costs	Exploration costs	Costs written off	Balance December 31, 2006
Aroma (v)	\$ 324,433	\$ 74,431	\$ 294,880	\$ (693,744)	\$ -
Anocarire	264,708	91,955	283,128	-	639,791
Encrucijada	208,925	128,478	34,683	-	372,086
Pampa Buenos Aires	164,960	28,478	72,043	-	265,481
Volcan	2,881,274	656,955	6,709,012	-	10,247,241
	<u>3,844,300</u>	<u>980,297</u>	<u>7,393,746</u>	<u>(693,744)</u>	<u>11,524,599</u>
Quitovac	95,000	-	92,243	(92,243)	95,000
	<u>\$ 3,939,300</u>	<u>\$ 980,297</u>	<u>\$ 7,485,989</u>	<u>\$ (785,987)</u>	<u>\$ 11,619,599</u>

- (i) Subsequent to year end the Company entered into an agreement with Hochschild Mining plc, whereby Hochschild can earn up to a 60% interest in the Encrucijada property (note 14).
- (ii) In 2006, the Company signed a letter of intent with Mena Resources Inc. (“Mena”) whereby Mena could acquire a 50% interest in the Company’s interest in the Pampa Buenos Aires property. Subsequent to entering into the letter of intent, Mena was acquired by Rusoro Mining Ltd. (“Rusoro”). On July 25, 2007 the Company and Rusoro signed an agreement under which Rusoro can earn a 50% interest in the Pampa Buenos Aires property by completing exploration expenditures of \$250,000 on the Pampa Buenos Aires property and issuing 176,479 Rusoro common shares to the Company by June 30, 2008.
- (iii) On January 8, 2007 the Company entered into an option agreement to acquire Valeriano property. The Company can earn a 100% interest in the Valeriano property by issuing the landowner 350,000 common shares of the Company by July 8, 2008 and a further 650,000 shares by July 8, 2009. There are no minimum exploration expenditures. Upon the signing of the option agreement, a cash payment of \$100,000 was made to the landowner.
- (iv) The Quitovac property was acquired on the acquisition of the Company by Holdings (note 1). The Company, through its Mexican subsidiary, owns a 100% interest in the Quitovac property, located in Mexico. On December 5, 2003, the Company signed an option agreement (the “Copper Ridge Option”) with Copper Ridge Explorations Inc. and Cuesta del Cobra S.A. de C.V. (“Copper Ridge”) which granted Copper Ridge the option to acquire a 55% interest in the Quitovac property during the five-year option period and thereafter up to a 75% interest. Under the terms of the Copper Ridge Option, Copper Ridge is required to make payments of \$370,000, issue the Company 1,000,000 Copper Ridge common shares and incur exploration expenditures of not less than \$1,500,000 by December 5, 2008.

On review of the carrying value at December 31, 2005 the Company wrote down the carrying

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

value of the property to its estimated fair value of \$95,000. The Quitovac contract is under negotiation to modify the terms and extend the terms of the payments. Property taxes and fees of \$92,243 were paid in 2006 and written off.

- (v) All costs associated with the Aroma property were written off in 2006 as the Company determined not to proceed with further exploration on this mineral property.

Deferred exploration costs on the Chilean mineral properties are comprised as follows:

Deferred Exploration Costs For The Year Ended December 31, 2007

	Drilling (\$)	Exploration staff (\$)	Trenching (\$)	Value Added Tax (\$)	Assaying (\$)	Field costs (\$)	Other (\$)	Total (\$)
Anocarire	-	3,215	-	67	-	92	13,153	16,527
Encrucijada	-	12,858	26,330	11,885	81,131	17,836	57,809	207,849
Pampa Buenos								
Aires	-	64	-	-	-	110	61,826	62,000
Valeriano	-	-	-	124	-	724	24,216	25,064
Volcan	4,783,995	2,314,883	1,010,383	1,634,239	678,507	1,159,047	1,116,940	12,697,994
	<u>4,783,995</u>	<u>2,331,020</u>	<u>1,036,713</u>	<u>1,646,315</u>	<u>759,638</u>	<u>1,177,809</u>	<u>1,273,944</u>	<u>13,009,434</u>

Deferred Exploration Costs For The Year Ended December 31, 2006

	Drilling (\$)	Exploration staff (\$)	Trenching (\$)	Value Added Tax (\$)	Assaying (\$)	Field costs (\$)	Other (\$)	Total (\$)
Aroma	153,604	18,400	39,520	41,902	8,325	18,311	14,818	294,880
Anocarire	72,584	32,220	105,667	39,751	919	16,820	15,167	283,128
Encrucijada	-	-	-	1,405	-	137	33,141	34,683
Pampa Buenos								
Aires	-	-	-	288	-	232	71,523	72,043
Volcan	1,736,217	1,408,154	836,406	815,014	299,660	879,911	733,650	6,709,012
	<u>1,962,405</u>	<u>1,458,774</u>	<u>981,593</u>	<u>898,360</u>	<u>308,904</u>	<u>915,411</u>	<u>868,299</u>	<u>7,393,746</u>

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

6. Mineral Property Option Agreements

The Company has entered into option agreements to purchase mineral properties in Chile with payments due as follows:

Property	2008	2009	Total
Anocarire (i)	\$ 1,000,000	\$ 3,500,000	\$ 4,500,000
Valeriano (ii)	-	-	-
Volcan (iii)	-	-	-
	\$ 1,000,000	\$3,500,000	\$ 4,500,000

- (i) Subject to a net smelter return royalty of 0.75%. The Anocarire contract is under negotiation to modify the terms and extend the terms of the payments.
- (ii) No cash payments are due on this property; however under the terms of the agreement the Company must issue the landowner 350,000 common shares of the Company by July 8, 2008 and a further 650,000 shares by July 8, 2009.
- (iii) There is no payment or royalty payable on the first 2 million ounces of gold produced from the Volcan property. A payment of \$5 per ounce is due on any mineable ounces of gold between 2 million and 4 million ounces. A net smelter return royalty of 1.0% is payable on production exceeding 4 million ounces of gold.

None of the above properties have exploration expenditure commitments.

7. Equipment

	Cost	Accumulated Amortization	Net book value December 31, 2007	Net book value December 31, 2006
Exploration equipment	\$ 133,953	\$ 77,814	\$ 56,139	\$ 86,809
Exploration vehicles	36,223	35,397	826	22,693
Office equipment	14,407	9,320	5,087	8,986
	\$184,583	\$ 122,531	\$ 62,052	\$ 118,488

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

8. Capital stock

(a) Common Shares

Authorized -

Unlimited common shares
 Unlimited preferred shares, issuable in series

Issued -

	Number of shares	Capital stock
Balance – December 31, 2005	25,740,963	\$ 7,537,840
Private placement	16,000,000	12,556,278
Issue costs	-	(1,416,862)
Exercise of 2004 broker warrants	1,583,333	1,474,421
Exercise of 2004 warrants	8,708,315	7,229,107
Exercise of 2006 broker warrants	138,600	236,973
Exercise of 2006 warrants	332,800	540,523
Exercise of stock options	23,500	20,972
	<hr/>	
Balance – December 31, 2006	52,527,511	28,179,252
Private placement	8,000,000	16,196,117
Issue costs	-	(1,490,365)
Issued for Volcan property (note 5)	1,796,396	5,500,000
Exercise of 2006 broker warrants	5,880	10,963
Exercise of 2006 warrants	1,833,500	3,196,673
Exercise of 2007 broker warrants	57,600	297,853
Exercise of 2007 warrants	267,500	1,347,333
Shares issued on exercise of stock options	640,500	794,901
	<hr/>	
Balance – December 31, 2007	<u>65,128,887</u>	<u>\$ 54,032,727</u>

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

On April 12, 2006, the Company completed a brokered private placement of 16,000,000 units at a price of CDN\$1.10 (\$0.96) for gross proceeds of CDN\$17,600,000 (\$15,333,681). Each unit consists of one common share and one-half of a common share purchase warrant. Agents acted on behalf of the Company with respect to the offering and received a total cash commission equal to 6.0% of the gross proceeds of the offering and broker warrants to purchase up to 960,000 units. The net proceeds of the financing of \$13,603,415 were allocated \$11,139,416 as to the common shares and \$2,463,999 as to the warrants.

Each of the 8,000,000 whole warrants issued on April 12, 2006 in connection with the brokered private placement entitles the holder to purchase one additional common share at a price of CDN\$1.50 until April 11, 2008. Each of the 960,000 broker warrants issued on April 12, 2006 in connection with the brokered private placement are exercisable at a price of CDN\$1.10 per unit until April 11, 2008. Each unit consists of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of CDN\$1.50 until April 11, 2008.

As at December 31, 2007 815,520 of the 2006 broker warrants and 6,313,700 of the 2006 warrants (including the 2006 warrants issuable on the exercise of the 2006 broker warrants) were outstanding. Subsequent to year end all of these unexercised 2006 broker warrants and 2006 warrants were exercised (note 14).

On January 17, 2007, the Company entered into an agreement with a syndicate of underwriters under which the underwriters bought on a private placement, bought deal basis, 8,000,000 units at a price of CDN\$3.00 per unit for gross proceeds of CDN\$24,000,000 (\$20,470,829). This private placement financing closed on February 9, 2007. Each unit consists of one common share and one-half of one common share purchase warrant. The underwriters received a total cash commission equal to 6.0% of the gross proceeds of the offering and broker warrants to purchase up to 240,000 units. The net proceeds of the financing of \$18,587,257 were allocated \$14,705,752 as to the common shares and \$3,881,505 as to the warrants.

Each of the 4,000,000 whole warrants entitles the holder to purchase one additional common share at a price of CDN\$4.00 until August 9, 2009. Each of the 240,000 broker warrants are exercisable at a price of CDN\$3.00 per unit until August 9, 2009. Each unit consists of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of CDN\$4.00 until August 9, 2009.

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

As at December 31, 2007, 182,400 of the 2007 broker warrants and 3,852,500 of the 2007 warrants (including the 2007 warrants issuable on the exercise of the 2007 broker warrants) remain outstanding.

During 2007 the Company made the last two option payments on the Volcan property by paying \$5,000,000 in cash and issuing the landowners common shares with a value of \$5,500,000. The number of common shares issued, 1,796,396, was calculated in accordance with the terms of the Volcan property agreement and was based on an average closing price for the Company's common shares over the prior thirty trading days (note 5). As a result the Company owns the Volcan property subject to certain royalty payments (note 6).

(b) Warrants and Contributed Surplus

Warrants	Number of warrants	Number of broker warrants	
Balance – December 31, 2005	7,916,667	1,583,333	\$ 1,735,529
Exercise of 2004 broker warrants	791,667	(1,583,333)	(635,677)
Exercise of 2004 warrants	(8,708,334)	-	(1,099,852)
Warrants issued in connection with 2006 brokered private placement	8,000,000	-	2,777,403
Issue costs	-	-	(313,404)
2006 broker warrants	-	960,000	714,401
Exercise of 2006 broker warrants	69,300	(138,600)	(101,697)
Exercise of 2006 warrants	(332,800)	-	(103,142)
Balance – December 31, 2006	7,736,500	821,400	2,973,561
Exercise of 2006 broker warrants	2,940	(5,880)	(4,376)
Exercise of 2006 warrants	(1,833,500)	-	(559,710)
Warrants issued in connection with 2007 brokered private placement	4,000,000	-	4,274,712
Issue costs	-	-	(393,207)
2007 broker warrants	-	240,000	507,859
Exercise of 2007 broker warrants	28,800	(57,600)	(121,886)
Exercise of 2007 warrants	(267,500)	-	(257,720)
Balance – December 31, 2007	9,667,240	997,920	\$ 6,419,233

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

Contributed surplus

Balance – December 31, 2005	\$ 439,458
Stock-based compensation	782,811
Exercise of stock options	<u>(6,050)</u>
Balance – December 31, 2006	\$ 1,216,219
Stock-based compensation	1,592,471
Exercise of stock options	<u>(230,051)</u>
Balance – December 31, 2007	<u><u>\$ 2,578,639</u></u>

During 2007 the following warrants were issued and valued using the Black-Scholes option pricing model parameters listed below (in each case with no dividends):

Black-Scholes Option Pricing Model Parameters					
Issue Date	Number of warrants	Exercise Price (CDN\$)	Risk-free Interest Rate	Expected Life	Volatility Factor
January 17, 2007					
Warrants	4,000,000	\$4.00	4.07%	2.6	98%
Broker warrants	240,000	\$3.00	4.07%	2.6	98%

(c) Stock Options

The Company has a stock option plan under which stock options may be granted to the Company's directors, senior officers, employees, consultants and consultant companies. The stock option plan: (i) provides that the number of common shares reserved for issuance, within a one year period, to any one optionee, shall not exceed 5% of the outstanding common shares; (ii) provides the maximum number of common shares reserved for issuance pursuant to options granted may not exceed 10% of the issued common shares; (iii) generally provides for a maximum vesting period of 18 months; and (iv) contains other provisions to ensure the stock option plan is compliant with stock exchange regulations.

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

Options

	Number of options	Weighted average exercise price (CDN\$)
Balance – December 31, 2005	2,394,500	\$0.85
Granted	1,716,000	\$1.44
Exercised	(23,500)	\$0.73
Expired or cancelled	<u>(40,000)</u>	\$1.12
Balance – December 31, 2006	4,047,000	\$1.10
Granted	1,215,000	\$3.36
Exercised	(640,500)	\$0.93
Expired or cancelled	<u>(77,500)</u>	\$3.49
Balance – December 31, 2007	<u><u>4,544,000</u></u>	\$1.69

During 2007 and 2006 the following stock options were issued and valued using the Black-Scholes option pricing model parameters listed below (in each case with no dividends):

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

Issue Date	Number of options	Exercise Price (CDN\$)	Grant- Date Stock Price (CDN\$)	Black-Scholes Option Pricing Model Parameters		
				Risk-free Interest Rate	Expected Life	Volatility Factor
2007						
January 17, 2007	230,000	\$3.00	\$2.85	4.07%	2.5	97%
May 9, 2007	760,000	\$3.25	\$3.25	4.19%	2.5	92%
September 4, 2007	50,000	\$2.65	\$2.64	4.35%	2.5	87%
November 29, 2007	<u>175,000</u>	\$4.60	\$4.60	3.70%	2.5	83%
	<u>1,215,000</u>					
2006						
April 18, 2006	1,566,000	\$1.35	\$1.30	4.26%	2.5	92%
August 25, 2006	50,000	\$1.60	\$1.60	4.33%	2.5	87%
December 5, 2006	<u>100,000</u>	\$2.74	\$2.74	3.90%	2.5	80%
	<u>1,716,000</u>					

The weighted average exercise price in 2007 was CDN\$3.37 (2006 - CDN\$1.44) and the weighted average grant date fair value in 2007 was CDN\$1.83 (2006 - CDN\$0.75). The unamortized stock option expense related to the grant of the options listed above at December 31, 2007 was \$966,799 (2006 - \$514,114).

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

A summary of the Company's stock options at December 31, 2007 is presented below:

Issue Date	Options Outstanding	Options Exercisable	Exercise Price (CDN\$)	Expiry Date
February 28, 2003	30,000	30,000	\$1.50	February 28, 2008
December 22, 2003	30,000	30,000	\$4.50	December 22, 2008
January 6, 2005	1,125,000	1,125,000	\$0.70	January 6, 2010
March 4, 2005	37,500	37,500	\$0.70	March 4, 2010
April 21, 2005	73,000	73,000	\$0.74	April 21, 2010
August 24, 2005	100,000	100,000	\$0.70	August 24, 2010
September 27, 2005	391,500	391,500	\$0.70	September 27, 2010
April 18, 2006	1,447,000	1,447,000	\$1.35	April 18, 2011
August 25, 2006	12,500	-	\$1.60	August 25, 2011
December 5, 2006	100,000	75,000	\$2.74	December 5, 2011
January 16, 2007	225,000	112,500	\$3.00	January 15, 2012
May 9, 2007	747,500	373,750	\$3.25	May 9, 2012
September 4, 2007	50,000	12,500	\$2.65	September 4, 2012
November 29, 2007	175,000	43,750	\$4.60	November 29, 2012
	4,544,000	3,851,500		

The weighted average exercise price of these options was CDN\$1.69 for options outstanding and CDN\$1.39 for options exercisable. The weighted average remaining contractual life of outstanding options is 3.16 years.

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

9. Income taxes

The Company's income tax provision (recovery) has been calculated as follows:

	2007	2006
Earnings (loss) for the year	<u>\$ 1,785,651</u>	<u>\$ (2,187,920)</u>
Canadian combined federal and provincial income tax rate	36.12%	36.12%
Expected income tax expense (recovery) at Canadian statutory rates	\$ 644,977	\$ (790,277)
Permanent differences	(725,770)	282,752
Increase in valuation allowance	391,396	846,675
Benefit of utilization of tax losses not previously recognized	(38,039)	-
Book to tax adjustments	(285,265)	(494,998)
Foreign tax rate variance	<u>12,701</u>	<u>155,848</u>
Provision for income tax	<u>\$ -</u>	<u>\$ -</u>

The Company's future income tax assets at December 31, 2007 are summarized as follows:

	2007	2006
Exploration and development	\$ 397,684	\$ 624,492
Losses carried forward	1,635,434	1,164,149
Share issue costs	835,769	619,775
Property, plant and equipment	<u>1,257</u>	<u>7,776</u>
Net future income tax assets	2,870,144	2,416,192
Valuation allowance	<u>(2,870,144)</u>	<u>(2,416,192)</u>
	<u>\$ -</u>	<u>\$ -</u>

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

At December 31, 2007, the Company had unclaimed share issue costs of \$2,881,961 which do not expire. The Company also has unclaimed non-capital losses of \$4,532,726 that expire as follows:

Year of Expiry	\$
2008	15,615
2009	26,287
2010	486,316
2014	684,757
2015	744,650
2026	1,225,458
2027	1,349,643

10. Earnings Per Share

Earnings per share have been calculated using the weighted average number of shares outstanding during the year.

	2007	2006
Earnings (loss) for the year	\$ 1,785,651	\$ (2,187,920)
Basic weighted average shares outstanding	61,589,981	40,694,281
Diluted ⁽ⁱ⁾	68,789,948	n/a
Basic earnings (loss) per share	\$0.03	\$(0.05)
Diluted	\$ 0.03	-

(i) No adjustment to diluted per share information for 2006 was made as the result of these calculations is anti-dilutive

11. Related Party Transactions

The option on the Anocarire property was acquired from landowners which included SBX Asesorias Inversiones Ltda. ("SBX"), a company that is 51% owned by a shareholder of the Company. During 2007 the Company paid a total of \$208,496 (2006 - \$142,360) to SBX for geological and administrative services. As well, 50% of the \$211,008 2007 property payment and the \$35,000 2006 property payment on the Anocarire property were made to SBX.

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

These transactions have been recorded at the exchange amount, which is the consideration paid as established and agreed to by the related parties.

12. Segmented Information

The Company has one operating segment, which is the exploration of mineral properties. The Company's principal operations are carried out in Chile. All of the investment income is earned in Canada. The Company's geographic segments are located as follows:

- (a) the Company's mineral properties in Chile;
- (b) the Quitovac property in Mexico;
- (c) corporate offices in Canada.

As at and for the years ended December 31, 2007 and 2006, segmented information is presented as follows:

2007

	Chile	Mexico	Corporate	Total
Cash and cash equivalents	\$ 1,290,950	\$ -	\$ 23,898,541	\$ 25,189,491
Other current assets	8,070	-	40,048	48,118
Mineral properties and equipment	36,981,946	95,000	5,088	37,082,034
Total assets	\$ 38,280,966	\$ 95,000	\$ 23,943,677	\$ 62,319,643
Current liabilities	\$ 2,337,232	\$ -	\$ 177,137	\$ 2,514,369
Amortization	\$ -	\$ -	\$ (3,899)	\$ (3,899)
Interest income	-	-	1,102,131	1,102,131
Foreign exchange	(66,426)	-	3,200,855	3,134,429
Other expenses	-	-	(2,447,010)	(2,447,010)
Earnings (loss)	\$ (66,426)	\$ -	\$ 1,852,077	\$ 1,785,651
Mineral property expenditures	\$ 17,984,036	\$ -	\$ -	\$ 17,984,036

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

2006

	Chile	Mexico	Corporate	Total
Cash and cash equivalents	\$ 746,874	\$ -	\$ 7,487,778	\$ 8,234,652
Other current assets	6,961	-	8,424,954	8,431,915
Mineral properties and equipment	11,634,101	95,000	8,986	11,738,087
Total assets	\$ 12,387,936	\$ 95,000	\$ 15,921,718	\$ 28,404,654
Current liabilities	\$ 911,706	\$ -	\$ 134,892	\$ 1,046,598
Amortization Mineral properties written off	\$ (30,915)	\$ -	\$ (3,692)	\$ (34,607)
Interest income	(693,744)	(92,243)	-	(785,987)
Foreign exchange	-	-	420,445	420,445
Other expenses	(80,220)	-	(160,862)	(241,082)
	-	-	(1,546,689)	(1,546,689)
Earnings (loss)	\$ (804,879)	\$ (92,243)	\$ (1,290,798)	\$ (2,187,920)
Mineral property expenditures	\$ 8,127,029	\$92,243	\$ -	\$ 8,219,272

13. Consolidated Statements of Cash Flows Supplementary Information

Supplementary information with respect to the consolidated statements of cash flows is as follows:

	2007	2006
Interest received during the year	\$ 1,102,131	\$ 420,445

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

Non-cash investing and financing activities include the following:

	2007	2006
Shares issued for Volcan property (note 5)	\$5,500,000	\$ -
Stock-based compensation included in mineral properties	\$ 417,589	\$ -
Amortization included in mineral properties	\$73,232	\$ -

14. Subsequent Events

Subsequent to year end the Company entered into a letter agreement to acquire water rights from Inversiones y Asesorias en Recursos Hidricos S.A. (“Recursos Hidricos”). Subject to the conclusion of legal and technical due diligence, drafting of definitive documentation, and receipt of necessary approvals from the TSX Venture Exchange, on May 30, 2008 the Company will issue to Recursos Hidricos 6.7 million common shares for the purchase of the water rights.

Subsequent to year end the Company entered into an agreement with Hochschild Mining plc, (“Hochschild”) whereby Hochschild can earn up to a 60% interest in the Encrucijada property.

Hochschild can earn a 51% interest in the Encrucijada property by paying the Company \$500,000 upon signing and spending \$3,000,000 on exploration over the following 36 months. Hochschild is committed to spending \$800,000 on exploration within the first 12 months of the agreement and, in order to attain their 51% interest, is required to spend a further \$1,000,000 prior to the second anniversary and \$1,200,000 prior to the third anniversary of signing the agreement.

Upon completion of the exploration expenditures, the two companies may form a partnership to continue exploring the property with Hochschild owning a 51% interest and the Company having a 49% interest. Hochschild may increase its interest in the partnership to 60% by funding the first \$3,500,000 towards a feasibility study within 36 months of the formation of the partnership.

As at December 31, 2007 815,520 of the 2006 broker warrants exercisable at CDN\$1.10 and 6,313,700 of the 2006 warrants (including the 2006 warrants issuable on the exercise of the 2006 broker warrants) exercisable at CDN\$1.50 were outstanding. Subsequent to year end all of these unexercised 2006 broker warrants and 2006 warrants were exercised for gross proceeds of CDN\$10,367,622.

ANDINA MINERALS INC.
(AN EXPLORATION STAGE COMPANY)
AS AT DECEMBER 31, 2007 AND 2006
AND FOR YEARS ENDED DECEMBER 31, 2007 AND 2006
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(United States Dollars)

15. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's consolidated financial statement presentation.