



Annual Information Form
December 31, 2007

All amounts are in United States dollars, unless otherwise noted

Annual Information Form
For the Year ended December 31, 2007

ANDINA MINERALS INC.



May 15, 2008



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ADDENDA

SCHEDULE 1
CHARTER OF THE AUDIT COMMITTEE



ITEM 1 – CORPORATE STRUCTURE

Corporate History

Andina Minerals Inc. (the “**Company**” or “**Andina**”) was incorporated on January 23, 2001, under the *Business Corporations Act (Alberta)* as CastleRock Capital Inc. and listed as a Capital Pool Company on the TSX Venture Exchange (“**TSXV**”). On completion of its Qualifying Transaction the Company changed its name to CastleRock Resources Inc. and ceased to be a Capital Pool Company.

Effective December 31, 2004, the Company completed a reverse-takeover transaction by acquiring all of the outstanding common shares of Andina Minerals Inc. (“**Andina Holdings**”), a company incorporated on December 3, 2003 under the *Canada Business Corporations Act*. In conjunction with the acquisition of Andina Holdings, the Company changed its name to Andina Minerals Inc., Andina Holdings changed its name to Andina Holdings Inc. and the Company’s common shares were consolidated on a 5 for 1 basis. After completion of the transaction the former shareholders of Andina Holdings owned approximately 70% of the common shares of the combined company.

Andina, through Andina Holdings, wholly owns Andina Minerals Chile Limitada (“**Andina Chile**”), a company with mineral property interests in Chile. Andina also owns the Quitovac Mining Company Limited, a company with mineral property interests in Mexico.

The registered office of Andina is located at 56 Temperance Street, Suite 300, Toronto, Ontario, Canada M5H 3V5.

Inter-corporate Relationships

Name	Jurisdiction of Incorporation	Percentage of Votes Attaching to all Voting Securities of the Subsidiary
Andina Holdings Inc.	Canada	100%
Quitovac Mining Company Limited	Ontario	100%
Andina Minerals Chile Limitada ¹	Chile	100%
Minera Aguila S.A de C.V. ²	Mexico	99.8%

ITEM 2 – GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Effective December 31, 2004, Andina completed a reverse-takeover transaction by acquiring all of the outstanding shares of Andina Holdings, consolidating its common shares on a 5 for 1 basis and changing its name to Andina Minerals Inc.

On December 30, 2004, Andina completed a brokered private placement of (on a post-consolidation basis) 15,833,334 subscription receipts at a price of CDN\$0.60 per subscription receipt for gross proceeds of CDN\$9.5 million. Each subscription receipt was exchangeable (on a post-consolidation basis) for one common share and one-half of one warrant, with each whole warrant being exercisable for

¹ Wholly-owned by Andina Holdings Inc.

² Subsidiary of Quitovac Mining Company Limited.



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one common share at a price of CDN\$0.70 per share until December 29, 2005 and thereafter at a price of CDN\$0.80 per share until December 29, 2006.

At the start of 2005, Andina's mineral properties consisted of the following properties, all of which were under option:

Property	Target	Location in Chile
Encrucijada	Gold epithermal vein system	Antofagasta
Gitana	Copper breccias and mantos	Copiapo
Volcan	Gold-copper porphyry	Copiapo
Anocarire	Gold-copper porphyry	Arica
Aroma	Gold-copper porphyry	Arica
Pampa Buenos Aires	Gold epithermal vein system	Antofagasta

In January 2005, Andina commenced a Phase I exploration program at its Volcan Gold Project, centrally located within the Maricunga gold belt, approximately 170 kilometres east of Copiapo, Chile. See "*Mineral Properties – Volcan Gold Project*". As well, Andina started exploration work on the Gitana, Aroma and Anocarire properties. See "*Other Properties*."

On May 10, 2005, Andina entered into an option agreement under which it had the right to acquire a 100% interest in the Domeyko property, located near the Gitana property.

In the second quarter of 2005, Andina determined not to proceed with further exploration on the Domeyko and Gitana properties and terminated the option agreements, writing off all of the related deferred exploration costs.

On October 27, 2005, Andina published its initial resource estimate for the Volcan Gold Project consisting of 12.3 million tonnes grading 1.04 grams per tonne gold ("**g/t Au**") for 411,700 ounces of gold in the inferred mineral resource category based on a cut-off grade of 0.5 g/t Au. In the fourth quarter of 2005 Andina commenced its Phase II exploration program at the Volcan Gold Project.

On February 22, 2006, Andina updated its resource estimate for the Volcan Gold Project to an indicated mineral resource of 14.33 million tonnes grading 1.00 g/t Au of gold containing 459,800 ounces of gold based on a cut-off grade of 0.5 g/t Au, and an inferred mineral resource estimate of 26.97 million tonnes grading 0.89 g/t Au containing 773,400 ounces of gold.

On April 12, 2006, Andina completed a CDN\$17.6 million brokered private placement offering of 16 million units at CDN\$1.10 per unit. Each unit consisted of one common share and one-half of a common share purchase warrant. Each whole warrant entitled the holder to purchase one common share at a price of CDN\$1.50 per share until April 12, 2008.

On April 26, 2006, Andina initially adopted a shareholder rights plan ("**Rights Plan**") as part of its procedures for dealing with any parties who may wish to acquire control of Andina. Rights were issued on the record date of April 25, 2006. The Rights Plan was subsequently ratified and approved by shareholders on May 25, 2006.

On August 28, 2006, Andina signed a letter of intent with Mena Resources Inc. ("**Mena**") whereby Mena could acquire a 50% interest in Andina's interest in the Pampa Buenos Aires property.



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On September 18, 2006, Andina updated its resource estimate for the Volcan Gold Project to an indicated mineral resource of 43.9 million tonnes grading 1.02 g/t Au for 1.44 million ounces of gold while the inferred mineral resource increased to 37.2 million tonnes grading 0.97 g/t Au for 1.16 million ounces of gold based on a cut-off grade of 0.5 g/t Au.

During the third quarter of 2006, all costs associated with the Aroma property were written off as Andina determined not to proceed with further exploration on this mineral property and terminated the option agreement.

In October 2006, Andina commenced a \$10 million, 40,000 metre, Phase III drill program on the Volcan Gold Project. An interim resource estimate from Andina's ongoing Phase III drilling campaign on the Volcan Gold Project was released in February 26, 2007. The project's indicated mineral resource increased by 38% to 62 million tonnes grading 0.99 g/t Au gold for 1.98 million ounces of gold and the inferred mineral resources increased by 26% to 46 million tonnes grading 1.00 g/t Au for 1.46 million ounces of gold based on a cut-off grade of 0.5 g/t Au.

On January 8, 2007, Andina entered into an option agreement to acquire the Valeriano property in Chile. Andina can earn a 100% interest in the Valeriano Project by issuing the vendor 350,000 Andina common shares by July 8, 2008 and a further 650,000 Andina common shares by July 8, 2009. Upon the signing of the option agreement, a cash payment of \$100,000 was made to the vendor. See "*Other Properties*."

On February 9, 2007, Andina completed a CDN\$24 million financing with a syndicate of underwriters under which the underwriters bought on a private placement, bought deal basis, 8 million units at a price of CDN\$3.00 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of CDN\$4.00 per share until August 9, 2009. See "*Material Contracts*".

On June 19, 2007, Andina announced that it prepaid the final two option payments for its Volcan Gold Project and that 100% ownership of the Volcan mining concessions had been transferred from the local vendors to Andina. Under the terms of the Volcan option agreement, the \$5 million payment, and due on or before June 30, 2007, was paid in cash. The final option payment of \$5.5 million, which was due on or before June 30, 2008, was made through the issuance of 1,796,396 Andina common shares. Transfer of the title has been appropriately registered and accepted by the Mine Registrar in Copiapo, Chile.

On June 21, 2007, Andina adopted an Amended and Restated Shareholder Rights Plan as part of its procedures for dealing with any parties who may wish to acquire control of Andina.

On July 25, 2007, Andina and Rusoro Mining Ltd. ("**Rusoro**") signed an agreement under which Rusoro (which acquired Mena) can earn a 50% interest (through the establishment of a contractual mining company) in the concessions that form 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 Andina by June 30, 2008. See "*Other Properties*."

In September 2007, Andina commenced a \$15.5 million exploration campaign on its Volcan Gold Project. The Phase IV program plans 50,000 metres of drilling with the primary focus of continuing to outline and increase the gold resource in the Dorado area of the Volcan Gold Project as well as following up on targets identified at the end of the Phase III exploration program such as those within the Ojo de Agua area.



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On October 22, 2007, Andina announced resource estimates from work done subsequent to Andina's February 2007 resource estimates, showing the measured and indicated mineral resources increased 48% to 2.93 million contained ounces of gold (115.1 million tonnes grading 0.79 g/t Au) while the inferred mineral resource increased 188% to 4.20 million ounces of gold (170.3 million tonnes grading 0.77 g/t Au) based on a 0.5 g/t Au cut-off. Central to the Volcan Gold Project deposits are higher grade core zones which, at a 0.7 g/t Au cut-off grade, host measured and indicated mineral resources of 61.7 million tonnes grading 0.97 g/t Au containing 1.92 million ounces of gold with a further 83.1 million tonnes grading 0.96 g/t Au giving 2.55 million ounces of gold in the inferred mineral resource category. This updated resource incorporated the results from 14,640 metres of drilling completed subsequent to the February 2007 resource update.

On November 21, 2007, Andina reported positive preliminary metallurgical test results from sulphide-bearing gold mineralization from its Volcan Gold Project. Gold recoveries from four column tests of Dorado West Zone deposit mineralization ranged from 57% to 77% with increasing recoveries directly correlated with increased gold grades. The column tests, conducted by McClelland Laboratories, Inc., Nevada, were run for 64 days with the recoveries showing a break out around four days and extraction generally levelling out after 26 days indicating very fast leach kinetics likely due to the high purity (~98%) and small grain size of the gold.

On January 2, 2008, Andina announced that it has entered into a letter agreement to acquire water rights, at a total volume of 340 litres per second, 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 TSXV, on May 30, 2008, Andina will issue to Recursos Hidricos 6.7 million Andina common shares for the purchase of the water rights. On April 30, 2008, Andina acknowledged completion of its technical due diligence.

On January 7, 2008, Andina announced that it had exercised its right of first refusal to repurchase various contractual rights owned by Newmont Mining Corporation ("**Newmont**") on Andina's Pampa Buenos Aires and Encrucijada properties. Andina's right of first refusal on the properties was triggered by Newmont's recent sale of its royalty assets to Franco-Nevada Corporation. The price paid was CDN\$715,137.

On February 11, 2008, Andina entered into an agreement with Hochschild Mining plc ("**Hochschild**") whereby Hochschild may earn up to a 60% interest in the Encrucijada property by spending \$3 million on exploration over three years and the first \$3.5 million of a feasibility study within the following three years. Hochschild paid Andina \$500,000 on signing of the agreement.

As at the date of this AIF, Andina's mineral properties in Chile are made of the following interests:

Property	Target	Location in Chile
Anocarire	Gold porphyry	Region I
Encrucijada	Gold-silver epithermal vein	Region III
Pampa Buenos Aires	Gold-silver epithermal vein	Region II
Volcan	Gold porphyry	Region III
Valeriano	Gold-silver	Region III



ITEM 3 - DESCRIPTION OF THE BUSINESS

General Overview

Summary. Andina is a Canadian incorporated exploration company with a portfolio of precious metals exploration properties in Chile and Mexico. Andina's principal mineral property is the Volcan Gold Project. See "*Mineral Properties – Volcan Gold Project.*" Andina also has interests in the following additional properties in Chile: Anocarire, Encrucijada, Pampa Buenos Aires and Valeriano, and in Mexico, Quitovac. See "*Mineral Properties – Other Properties.*"

Employees. As at December 31, 2007, Andina had 4 employees at its head office in Toronto, Canada, and 78 employees employed by Andina Chile at its exploration properties in Chile.

Exploration Activities. See "*Mineral Properties.*"

Canadian Operations. Andina's corporate office is located in Toronto, Ontario, although the principal mineral exploration operations are carried out in Chile.

Specialized Skill and Knowledge. The exploration for, and mining of, gold and other precious metals requires specialized skill and knowledge. Andina employs or contracts, directly and indirectly, consultants, contractors and specialists, engineers, scientists, technicians, and geologists.

Competitive Conditions. Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. Some of this competition is with large, established mining companies with substantial capabilities and greater financial and technical resources than Andina.

Foreign Operations. Andina conducts its exploration activities in Chile. Andina's foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries.

ITEM 4 – RISK FACTORS

Andina's gold exploration properties may not be successful and are highly speculative in nature.

Exploration for gold and other precious metals is highly speculative in nature. Andina's exploration activities in Chile and elsewhere involve many risks, and success in exploration is dependent upon a number of factors including, but not limited to, quality of management, quality and availability of geological expertise and the availability of exploration capital. Andina cannot give any assurance that its current or future exploration efforts will result in the discovery of a mineral reserve or new or additional mineral resources, the expansion of current resources or the conversion of mineral resources to mineral reserves or the discovery of new producing mines or ore bodies for the commercial extraction of minerals.

As well, mineral deposits, even though discovered, may be insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by Andina may be affected by additional factors which are beyond the control of Andina and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and other factors, which may make a mineral deposit unprofitable to exploit.

Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that the funds required for development can be obtained on a timely basis.



Andina's mineral properties are in the exploration stage only and are without known bodies of mineral reserves, although a mineral resource has been established on the Volcan Gold Project. Development of the Volcan Gold Project or any other of Andina's mineral properties will only follow upon obtaining satisfactory exploration results and the completion of feasibility or other economic studies.

Gold price volatility may adversely affect Andina.

Gold prices historically have fluctuated widely and are affected by numerous external factors beyond Andina's control. Between 2000 and 2007, the price of gold as quoted on the London Bullion Market ranged between a low of \$256 and a high of \$842 per ounce. There are numerous factors, all of which are outside of Andina's control, that may affect the price of gold, including industrial and retail demand, central bank lending, sales and purchases of gold, forward sales of gold by producers and speculators, levels of gold production, short-term changes in supply and demand because of speculative hedging activities, confidence in the global monetary system, expectations of the future rate of inflation, the strength of the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates, terrorism and war, and other global or regional political or economic events.

A decline in the market price of gold may also require Andina to write-down its mineral resources, or may result in Andina choosing to cease or limit exploration activities at any mineral property. Should any significant write-down in future reserves or current or future resources be required, material write-downs of Andina's investment in the affected mining properties and increased amortization charges may be required.

Andina's mineral resource estimates are only estimates and may not reflect the actual deposits or the economic viability of gold extraction.

The figures presented for mineral resources in this Annual Information Form are only estimates. The estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting engineering and geological information. There is significant uncertainty in any mineral resource estimate, and the actual deposits encountered and the economic viability of mining a deposit may differ materially from Andina's estimates. Estimated mineral resources may have to be re-estimated based on changes in gold or other metal prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates.

Andina has no mineral reserves.

All of the Andina mineral properties are in the exploration stage and do not contain a known body of economically extractable ore - a mineral reserve. Mineral resources are estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased capital, operations or production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a negative restatement of reserves.



Andina will require additional capital in the future and no assurance can be given that such capital will be available at all or available on terms acceptable to Andina.

Andina makes, and will continue to make, substantial capital and other expenditures related to exploration, and to future development and production. Historically, Andina has financed these expenditures primarily by offerings of its equity securities. Andina will have further capital requirements and exploration expenditures as it proceeds to expand exploration activities at any of its properties, develop any such properties, or take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to it. Andina may incur major unanticipated liabilities or expenses. There can be no assurance that Andina will be able to obtain necessary financing in a timely manner on acceptable terms, if at all. Where Andina issues shares in the future, such issuance will result in the then existing shareholders of Andina sustaining dilution to their relative proportion of the equity in Andina.

Andina's operations are subject to operational risks and hazards inherent in the mining industry.

Andina's operations are subject to operational risks and hazards inherent in the mineral exploitation and extraction industry, including, but not limited to, variations in grade, deposit size, earthquakes and other Acts of God, density and other geological problems, hydrological conditions (including a shortage of water), availability of power and hydroelectric sources, metallurgical and other processing problems, mechanical equipment performance problems, drill rig shortages the unavailability of materials and equipment including fuel, labour force disruptions, unanticipated transportation costs, unanticipated regulatory changes, unanticipated or significant changes in the costs of supplies including, but not limited to, petroleum, and adverse weather conditions. Should any of these risks and hazards affect any of Andina's exploration activities, it may cause delays or a complete stoppage in Andina's exploration activities, which would have a material and adverse effect on the business of Andina.

Andina has no history of mineral production.

Andina currently has no advanced exploration or development projects other than the Volcan Gold Project. The Volcan Gold Project is an advanced exploration project that has no operating history upon which to base estimates of future operating costs, future capital spending requirements or future site remediation costs or asset retirement obligations. Andina has limited experience with development stage mining operations and Andina can provide no assurance that the necessary expertise will be available if and when it seeks to place any of its mineral properties into production, including the Volcan Gold Project. Andina has limited experience in placing mineral properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with major mining companies that can provide such expertise. There can be no assurance that Andina will have available to it the necessary expertise when and if it places any of its mineral properties into production, including the Volcan Gold Project.

There is no assurance that title to mineral properties will not be challenged.

The acquisition of title to mineral properties is a very detailed and time consuming process. Title to and the area of mineral concessions and claims may be disputed. While Andina has diligently investigated title to the mineral concessions and claims underlying the Volcan Gold Project, and other properties over which it has acquired options to purchase the underlying mineral concessions and claims, Andina cannot guarantee that title to any such properties will not be challenged, or that title to such properties will not be affected by an unknown title defect. Andina has not surveyed the boundaries of all of its mineral properties and consequently the boundaries of the properties may be disputed.



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Andina, with only one advanced exploration project, is generally subject to a number of inherent exploration, and future development and operating risks.

Andina is an exploration stage company engaged in mineral exploration and development. Mineral exploration and development is highly speculative in nature and involves many risks and is frequently not economically successful. Increasing mineral resources or mineral reserves depends on a number of factors including, among others, the quality of Andina's management and their geological and technical expertise, and the quality of land available for exploration. Once mineralization is discovered, it may take several years of additional exploration and development until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling or drifting, to determine the optimal metallurgical process and to finance and construct mining and processing facilities. At each stage of exploration, development, construction and mine operation, various permits and authorizations are required. Applications for many permits require significant amounts of management time and the expenditure of substantial amounts for engineering, legal, environmental, social and other activities. At each stage of a project's life delays may be encountered because of permitting difficulties. Such delays add to the overall cost of a project and may reduce its economic viability. As a result of these uncertainties, there can be no assurance that mineral exploration and development programs will ultimately result in the profitable commercial production of metals or minerals.

Foreign investments and operations are subject to numerous risks associated with operating in foreign jurisdictions.

Andina conducts exploration activities entirely in Chile and Mexico. Andina's foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on Andina's profitability or the viability of its affected foreign operations, which could have a material and adverse effect on Andina's cash flows, earnings, results of operations and financial condition. Risks may include, among others, labour disputes, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, sovereign risk, war (including in neighbouring states), civil disturbances and terrorist actions, arbitrary changes in laws or policies of particular countries, the failure of foreign parties or governments to honour contractual relations, consents, rejections or waivers granted, corruption, arbitrary foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits (including export and/or customs approvals), opposition to mining from environmental or other nongovernmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold or other metals exports, and inadequate infrastructure. These risks may limit or disrupt Andina's operations and exploration activities, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation.

Changes in mining or investment policies or shifts in political attitudes in Chile or Mexico may adversely affect Andina's business. Operations may be affected by governmental regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted.



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Government regulations may have an adverse effect on Andina's exploration activities, and future development and operations.

Andina's exploration and future development activities are subject to laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, mine development and protection of endangered and protected species and other matters. Each jurisdiction in which Andina has properties regulates mining and mineral exploration activities. It is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms and conditions of existing permits and agreements applicable to Andina or its properties, which could have a material and adverse effect on Andina's current exploration activities or future development projects. Where required, obtaining necessary permits can be a complex, time consuming process and Andina cannot provide assurance whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Andina from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities.

Andina's insurance coverage does not cover all of its potential losses, liabilities and damage related to its business and certain risks are uninsured or uninsurable.

The mineral exploration and mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, and monetary losses and possible legal liability. No coverage is carried for environmental liabilities. Accordingly, the insurance policies of Andina and its subsidiaries do not provide coverage for all losses related to their business and the occurrence of losses, liabilities or damage not covered by such insurance policies could have a material and adverse effect on Andina's profitability, results of operation and financial condition.

Andina relies on its management team and outside contractors, and the loss of one or more of these persons may adversely affect Andina.

The success of the operations and exploration activities of Andina is dependent to a significant extent on the efforts and abilities of its management and outside contractors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of outside contractors. Andina does not have in place formal programs for succession of management and training of management. The loss of one or more of these key employees or contractors, if not replaced, could adversely affect Andina's business, results of operations and financial condition.

Andina has a limited operating history and no history of earnings, positive cash flow or dividend payments.

An investment in Andina common shares should be considered highly speculative due to the nature of Andina's business. Andina has no history of earnings, it has not paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. None of the Andina properties have commenced commercial production and Andina has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that Andina will be able to develop any of its properties profitably or that its activities will generate positive cash flow.



Environmental and other regulatory requirements may adversely affect Andina.

Andina's activities are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties.

The exploration operations of Andina and development and commencement of production on its properties, do and will require permits from various local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration or mining operations may be required to compensate those suffering loss or damage by reason of the exploration or mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Andina faces significant competition for attractive mineral properties.

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Andina, Andina may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Fluctuations in the value of the United States dollar may adversely affect Andina's financial position.

A portion of Andina's current and proposed activities are carried on in currencies other than the United States dollar. Accordingly, such activities are subject to risks associated with fluctuations of the rate of exchange of the United States dollar and foreign currencies, particularly the Canadian dollar and Chilean peso. Andina does not currently hedge its currency exposure.

Certain directors and officers may have conflicts of interest.

Certain of the directors and officers of Andina are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of Andina may become subject to conflicts of interest. The Business Corporations Act (Alberta) ("**ABCA**") provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA.

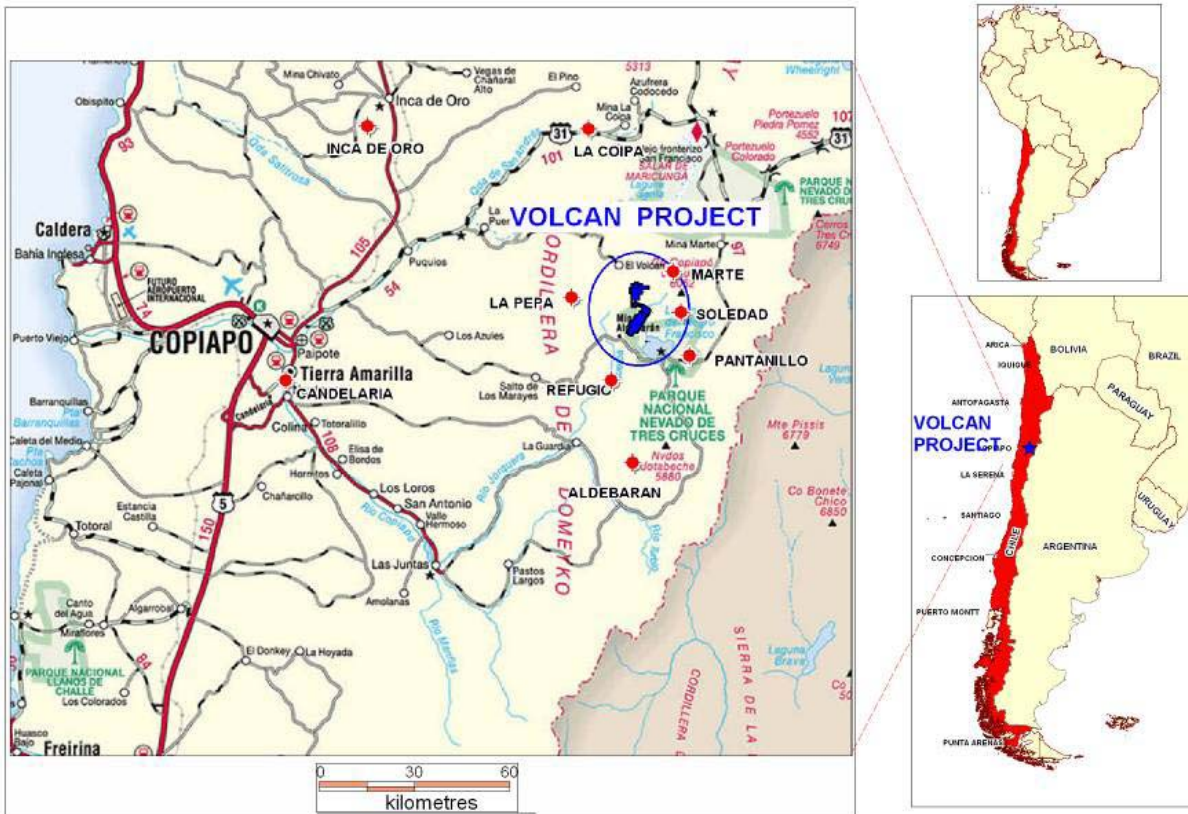
ITEM 5 - MINERAL PROPERTIES

Volcan Gold Project

Information in this section that is of a scientific or technical nature regarding the Volcan Gold Project is included in this AIF based on the Technical Report on the Volcan Gold Project titled: “Volcan Gold Project, Region III, Chile”, dated November 28, 2007, prepared by Mr. Ralph A Gonzalez and can be found at either www.sedar.com or on the company’s website www.andinaminerals.com.

Project Description and Location

The Volcan Gold Project is located approximately 700 kilometres north of Santiago, the capital of Chile, and approximately 170 kilometres by road east of the mining and agricultural city of Copiapo. The project is located within Region III of northern Chile in the Province of Copiapo and in the political subdivision known as the Comuna Tierra Amarilla.





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The Volcan Gold Project is located east of the headwaters of Quebrada de Paipote and lies between Laguna Santa Rosa and Laguna del Negro Francisco along the western flanks of the Chilean Andes. Andina's exploration and exploitation concessions are approximately centred on 27° 20' south latitude and 69° 8.5' west longitude and at UTM coordinates: North 6,972,500 and East 486,500.

The property is situated within the Maricunga (Au, Ag, Cu) Mineral Belt. Kinross Gold Corporation's Maricunga Mine (formerly known as the Refugio Mine) is located 23 kilometres southwest of Volcan, Yamana Gold Inc.'s advanced La Pepa Project is located 10 kilometres to the northwest and the Lobo-Marte Project, owned 60% Teck Cominco Limited and 40% by Anglo American plc, is located 20 kilometres to the northeast of the Volcan Gold Project. The Volcan Gold Project concessions are located at a mean elevation above sea level of approximately 4,800 metres.

The Volcan Gold Project encompasses a land position of 94.9 square kilometres comprising 4 contiguous exploitation concessions covering a total area of 54.5 square kilometres and 41 exploration concessions, partially overlapping the exploitation concession, covering an additional 40.4 square kilometres. These mining concessions were composed of the Volcan 1-30 and Maria Eliana 1-10 which encompassed the northern portion of the claim block, and the Demanda 1-20 and America del Sur 1-50 concessions which encompassed the southern portion of the claim block. The exploration concessions comprise Volcan 1 through 30, Demanda 1 through 5 and Demanda 8 through 10. As per the mining laws of Chile, mining concessions can be held in perpetuity provided that the appropriate annual payments have been made. There are no requirements that the property be put into production within a specified time frame. Also, there is no requirement to reduce concession sizes as the exploration process advances.

Prior to starting its Phase IV exploration program in September 2007 on the Volcan Gold Project, Andina had completed 53,547 metres of drilling on the property. Since commencing exploration in February 2005, Andina has outlined three gold deposits: the Dorado West Zone deposit, the Dorado Central Zone deposit and the Dorado East Zone deposit. In addition to the Dorado area gold deposits, the Company has conducted exploration drilling in the Ojo de Agua area of the property, located three kilometres to the northeast of the Dorado area gold deposits. Andina has also completed prospecting, bulldozer trenching, geological mapping and sampling, geochemical sampling and geophysical surveys (ground magnetics and induced polarization).

Name	Type of Concession	Location	Titleholder	Chilean Province
Volcan 1-30	Concession of Exploitation	District of Tierra Amarilla	Andina	Copiapo, Region III
Maria Eliana 1-10	Concession of Exploitation	District of Tierra Amarilla	Andina	Copiapo, Region III
Demanda 1-20	Concession of Exploitation	District of Tierra Amarilla	Andina	Copiapo, Region III
America Del Sur 1-50	Concession of Exploitation	District of Tierra Amarilla	Andina	Copiapo, Region III



Accessibility, Climate, Local resources, Infrastructure and Physiography

(i) Accessibility

Access from Santiago is by the paved Pan-American Highway approximately 500 kms by 4-lane toll highway to La Serena and thereafter to Copiapo by two-lane highway. Copiapo also has daily air service from Santiago and other Chilean cities. The property can be accessed from Copiapo from either the northern or southern end of the concessions and it is located approximately 170 road kilometres from Copiapo. Access to the property from the north is via paved Highway 31. The balance of the property to the south is accessed by (currently) maintained single lane dirt roads. Access from the south is by well maintained gravel roads that access the Maricunga Mine and which are accessed to the south of Tierra Amarillo. Currently, to use this access permission must be obtained from the Maricunga Mine which can result in delays. The drive to the exploration camp from Copiapo is approximately 2.5 hours and another 1.5 hours are required to reach the Dorado area of the property.

(ii) Climate and Physiography

Precipitation in the Volcan Gold Project area is approximately 100 mm per year consisting largely of snow during the winter months of June to August, with sporadic but intense rain storms of short duration occurring during the summer months (January to May). Precipitation in the Andes averages from 200 mm to 300 mm per annum at an elevation of 4,000 metres, while evaporation from surface water and soils varies between 1,500 mm and 2,000 mm per year resulting in the extremely arid (desert) conditions in this area. Vegetation is virtually non-existent. Because of the high altitudes, extremely strong winds frequently develop in the afternoons and evenings. White outs or "vientos blancos" can create hazardous conditions and occur most commonly during the summer months. The average annual temperature is on the order of 11° C and ranges between -30° C at night in the winter months with highs of 20° C during the summer months.

The Volcan Gold Project lies in the high Andes between 4,500 metres and 5,300 metres above sea level. The main drainage in the Dorado area is to the south into the Laguna del Negro Francisco at an elevation of 4,130 metres. The principal topographic features of the region are the result of a combination of the horst and graben block tectonics of the Cordillera Occidental and the Cenozoic to recent volcanism that produced the Volcán Copiapo volcano.

(iii) Local Resources and Infrastructure

There is little infrastructure in close proximity to the Volcan Gold Project area. Non-potable, artesian water is available on the property and feeds two small lagoons with indicated inflows on the order of 2 litres per second during the period February – May. Power lines access the Maricunga mine, Lobo-Marte deposit and the La Pepa property.

On January 2, 2008, Andina announced that it had signed a letter agreement to purchase water rights, at a total volume of 430 liters per second, from a local Chilean company, Recursos Hidricos, subject to the conclusion of technical and legal due diligence, drafting of definitive documentation and receipt of necessary approvals from the TSXV. The water rights are located 20 kilometres northeast of the Volcan Gold Project's Dorado area gold deposits.



History

The gold potential for the Volcan Gold Project area was recognized only around 1990 at which time the property was optioned to Minera Homestake (Chile) Limitada ("**Homestake**") which initiated a reconnaissance program oriented towards the discovery and development of gold targets. Homestake conducted an exploration program comprising geophysics, road construction, and trenching. This work resulted in the definition of three principal target areas: Homestake Main, Angelina Sur and Angelina Norte. The Homestake Main, Angelina Sur and Angelina Norte zones correspond to Andina's Dorado Central and West Zone areas. Homestake drilled a total of 17 RC holes (2,980 metres) in the three areas that they had previously defined, with limited results which apparently did not meet their objectives. Homestake did not identify the existence of the Dorado East Zone. Homestake dropped its option on the property in 1993.

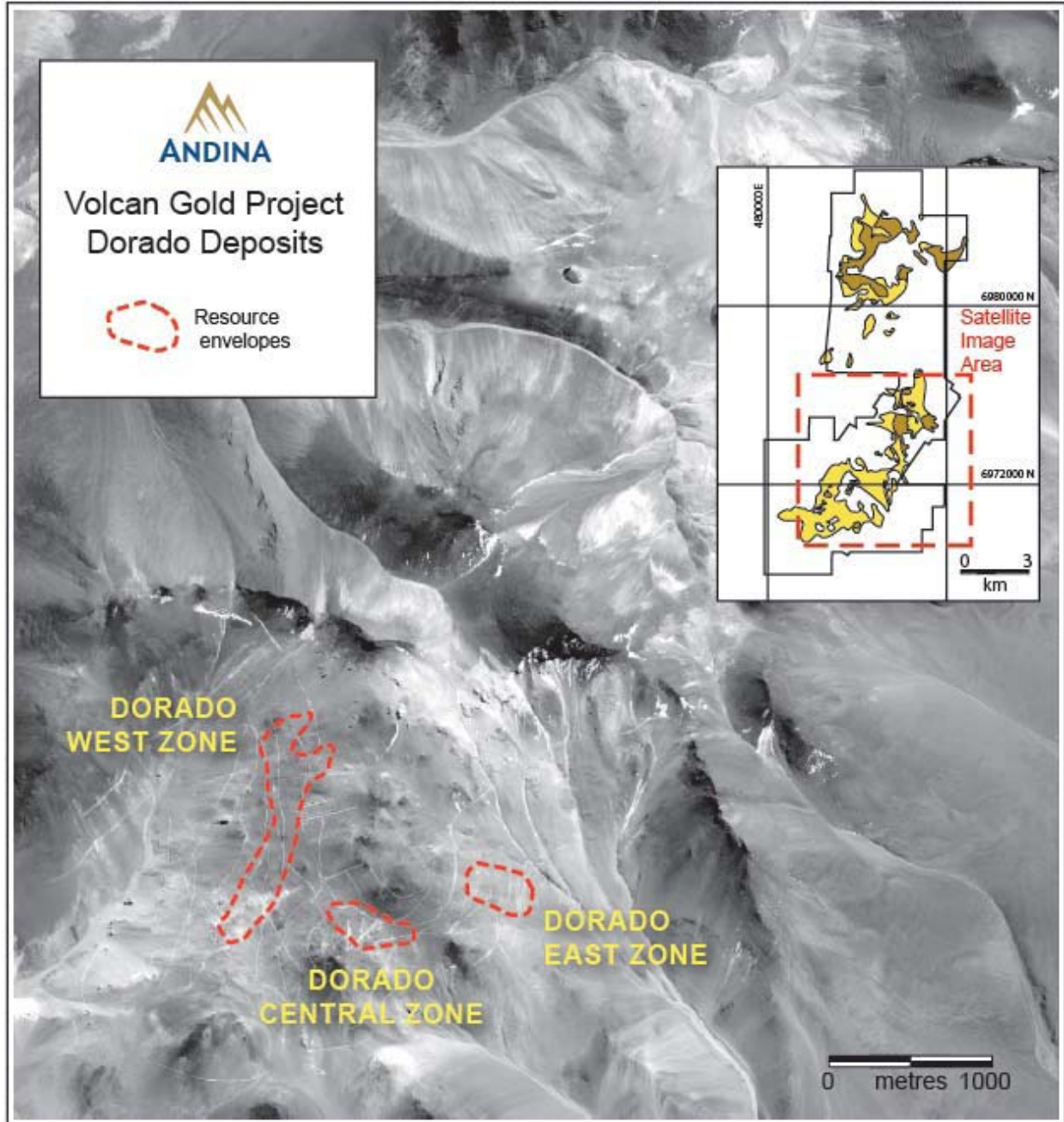
Cameco Corporation ("**Cameco**") subsequently optioned the property and initiated an exploration program consisting of geological studies that included sampling road cuts, re-logging the Homestake cuttings and extensive geochemical sampling. Cameco drilled a total of 17 RC (3,984 metres) holes and 18 diamond drill (2,893.4 metres) holes. Of these holes, 15 RC and 10 diamond drill holes were drilled in the Dorado East Zone area, 3 RC holes were drilled in the Dorado Central Zone, and 2 diamond drill holes were completed in the Dorado West Zone area. Cameco also conducted preliminary metallurgical tests which suggested that at fine crushes the mineralization is amenable to direct cyanidation. It found that gold recovery levels of 82-89% were achievable within a period of 72 hours. In 1997, Cameco dropped its option on the property.

In May 2004, Andina optioned the Volcan Gold property and initiated exploration activities in February 2005. See "*Exploration*" section for further details.



Annual Information Form
December 31, 2007

All amounts are in United States dollars, unless otherwise noted





Dorado Area Gold Deposits, Volcan Gold Project

Regional Geological Setting

The Maricunga Belt comprises a metallogenic unit that occurs in the high Andes proximal to, and crossing, the Chilean border with Argentina located approximately between latitudes 26° and 28° south, or plus 150 kms in a north-south direction and approximately 30 kms wide. Included within this northerly trending belt are a large number of Au, Au-Ag and Au-Cu deposits such as La Coipa, Maricunga, Lobo-Marte, Volcan, Cerro Casale, and Cavancha (La Pepa).

Precious metal mineralization is related to the emplacement of early to late Miocene andesitic to dacitic volcanic and sub-volcanic units over Paleozoic-Cenozoic basement rocks. The basement rocks in the Maricunga Belt comprise a series of volcanic-plutonic-sedimentary arcs of Mesozoic-Cenozoic age which are associated with the subduction of the Pacific Plate beneath the South American Plate. A large volcanic caldera complex developed over basement rocks of Paleozoic-Triassic and Mesozoic-Early Tertiary age and beginning with the development of large andesitic (dacitic) strato-volcanoes starting in the Oligocene-Miocene. High angle reverse faulting occurred between the two epochs in response to regional compression induced by subduction zone flattening. A second structural trend consists of northwest-striking normal faults, dikes, and veins, suggesting southwest-northeast extension. These structures are found in many of the late Oligocene to early Miocene volcanic centers including Volcan.

Several hydrothermal systems developed during the late Oligocene – late Miocene resulting in the formation of one or more of the currently known Au-(Ag, Cu) deposits noted above. The porphyry-type mineralization is considered to be related to deeper seated (telescoped) K-silicate alteration which is preserved at Refugio and Cerro Casale and which is most typically overprinted and obliterated by sericite-clay-chlorite assemblages of intermediate argillic type.

Subsequently, the explosive extrusion of large volumes of ignimbrites with the resultant development of crater/caldera type structures covered and truncated hydrothermally altered rocks in many areas and resulted in the formation of a volcanic plateau to the east of Volcan. These ignimbrites are considered to be coeval with the San Andres ignimbrites and extend to as far as La Puerta and Puquios to the north where +100 metres of weakly consolidated ashes are preserved overlying Miocene terrace gravels.

The Maricunga porphyry-style of mineralization is significantly different from that of the gigantic porphyry copper deposits located to the west and in older rocks than those of the Maricunga. The Maricunga mineralization and events are associated with shallower (subvolcanic) and more basic rocks than is the mineralization of the porphyry copper deposits. The subvolcanic porphyritic intrusive complexes appear to be located principally in the nuclei of the eroded compound volcanoes in association with areas of hydrothermal alteration.

Property Geology

The Volcan property is for the most part covered with a one to two metre layer of colluvial material which has made mapping difficult. A good portion of the exposed outcrop in the Dorado and Ojo de Agua areas is intensely altered (acid-leached) such that the pre-altered lithology is difficult to determine.

The rock types on the property have been divided into five generalized units, each with sub-units. The main rock types are: 1) dacite and rhyodacite and andesite lavas; 2) flow and dome complex; 3) pyroclastic flows; 4) hydrothermal breccias; and 5) sub-volcanic porphyry.



Alteration in various forms is common throughout the property and can be divided into the following characteristic types: 1) acid leaching with silica, alunite, gypsum, pyrophyllite and sulphur; 2) intermediate to advanced argillic alteration represented by the mineral association, quartz-alunite-illite-smectite-kaolinite-chlorite; 3) silicification comprised of moderate to intense cryptocrystalline silica with subordinate amounts of alunite and clay minerals; 4) transitional alteration between potassic, chloritic, and argillic alteration which is most commonly visible in the feldspars in the dacite and andesite volcanic rocks; 5) potassic alteration, presence of remnant secondary biotite and potassic feldspar as halos about quartz veinlets; and 6) propylitic alteration, but only present in volcanic (flows) rocks surrounding the principal alteration zones; gold is not associated with this phase of alteration.

The occurrence of gold is related to the occurrence of quartz (silica) veins that show incipient development of opaline haloes and with opaline silica-alunite. Silica veins are generally dark grey in colour and are present in all of the 5 principal rock types. However, silica veins, containing potentially economic grades, are most prolific in prepared host rocks, usually brecciated monomictic and polymictic porphyry intrusives. In brecciated volcanic rocks, silica veins occur as both clusters of close-spaced, parallel veins and as rimming features surrounding breccia fragments suggesting considerable open space filling before the host rocks were completely consolidated.

The structural setting within the Volcan property is related to and associated with the formation of the Copiapo strata volcano (Volcan Copiapo). This setting may also be related to the regional northerly trending high angle reverse (compressional) faulting which appears to precede a period of relaxation which produced the regional horst and graben character so common in this part of the Andes. The current interpretation is that the mineralization in the Dorado area is associated with the development of dilation structures which may be related to the dominant northerly to north-westerly trend of two or more structures.

Dorado Area Mineralization

The mineralization in the Dorado West Zone gold deposit is considered to be characteristic of a high sulfidation deposit with extensive and intense advanced argillic and argillic-silica alteration systems emplaced in one or more sub-volcanic intrusives which are related to quartz diorite magma. The bulk of the gold mineralization is emplaced in strongly brecciated porphyritic dacite. The mineralization appears to be continuous over a north-south trending strike of 1 kilometre with indications that the Dorado West Zone mineralization may extend a further 300 metres to the north. The width of the zone varies from 100 to up to 700 metres.

The dominant sulphide mineral in the Dorado West Zone is pyrite which occurs spatially associated with banded grey to black coloured silica veinlets and as very-fine disseminated grains in the breccia host. The average pyrite content is estimated at 2 percent, and ranges from less than 1 percent to over 10 percent. There appears to be a direct correlation that high-grade gold values occur where greater than 5 percent fine-grained pyrite is identified. Typically flanking and outside of the grey to black banded veinlets zone, the pyrite content decreases in direct relationship to the gold assays. At the approximate 0.1 ppm limit of the gold mineralization, the pyrite content has dropped to below 1 percent.

The Dorado Central Zone gold deposit is hosted within dacitic domes, dacitic tuffs, and dacite porphyry flows with the accompanying and localized development of hydrothermal breccias. Both geochemical sampling and geophysical surveys have suggested that this zone is part of the roughly east-west dilation "jog" zone as seen at the Dorado East Zone but which is offset approximately 600 metres to the southwest of the eastern zone and is located approximately 200-300 metres west of the Dorado East



Zone. The 0.2 g/t gold contour line suggests that the anomalous zone is approximately 1,000 metres long and up to 500 metres wide. Andina established higher grade gold mineralization over a strike length in excess of 400 metres.

The Dorado East Zone gold deposit is contained within dacitic tuffs and dacite porphyries which have shown extensive advanced argillic and argillic-silica alteration and with the development of a generally centrally located, irregularly shaped, hydrothermal breccia pipe. Rock lithologies, alteration, and mineralization indicate that the mineralization is grossly banded in an east-west direction and that the mineralization dips variably but steeply easterly through the vertical plain and then rolls with depth to a westerly dip. The western extension of the mineralization may also be partially limited by a post mineral intrusive which is located approximately 200 metres to the west of the currently defined western limit of the deposit. Mineralization, although appearing to weaken to the east and to the west, is still opening in both the east and west directions. The general limits of this zone of mineralization, appears to now be confined by surface drilling, although mineralization appears to continue with depth.

Copper has been identified locally in the three gold deposits as fine-grained disseminated chalcopyrite and as very-fine grained fracture filling, and as copper oxides near the surface or in near surface fault and fracture zones. Rarely, chalcocite rims the chalcopyrite. Total copper content, throughout the deposits, averages about 400 ppm.

Drill-hole samples are occasionally anomalous with respect to molybdenum but no molybdenite has yet been identified in the Dorado West Zone. However, molybdenite is known from the area between Dorado West and Dorado Central Zones where it appears to average 138 ppm molybdenum. The host rock is a monomictic breccia, which appears to be related to a femoral source. The mineralization appears to have formed in two coalescing pipe-like bodies. Preliminary drilling suggested that there might be upwards of 30 million tonnes within the drill tested area.

Exploration

All exploration work conducted in Andina's Phase I through Phase III drilling programs, summarized below, has been considered in the development of the Volcan Gold Project mineral resource presented in this AIF. Andina has initiated the Phase IV drilling program as discussed below.

Andina commenced exploration activities on the Volcan Gold Project in February 2005. Activities comprised geological mapping, bulldozer trenching, channel sampling and the drilling of a single 360 metre diamond drill hole into the Dorado East Zone deposit which returned 146 metres grading 1.27 g/t gold. Bulldozer trenching and associated channel sampling resulted in the discovery of the Dorado Central Zone located 700 metres to the west of the Dorado East Zone deposit. In October 2005, Andina reported the first resource estimate from the Volcan Project.



Andina Phase I, Phase II, and Phase III Drill Hole Summary

Total Drilling	Andina 2004-2005 (Phase I)	Andina 2005-2006 (Phase II)	Andina 2006-2007 (Phase III)	Andina Total
Number of Drill Holes	1	69	89	159
Reverse Circulation Holes (m)	0	11,568	15,432	27,000
Diamond Drill Holes (m)	360	7,809	18,379	26,548
Total Metres Drilled	360	19,377	33,811	53,548

In October 2005, Andina initiated a more extensive Phase II (2005/06) exploration campaign which included drilling 16 drill holes (4,538 metres) into the Dorado East Zone deposit, 31 drill holes into the Dorado Central Zone deposit and 22 drill holes into the Dorado West Zone deposit which had been discovered midway through the Phase II program. In addition to exploration activities in the Dorado area of the Volcan Gold Project, Andina commenced a program of bulldozer trenching and channel sampling in the Ojo de Agua area, located 4 kilometres northeast of the Dorado area, identifying a broad zone of gold mineralization, 605 metres grading 0.34 g/t Au including a 205 metre section grading 0.67 g/t Au, referred to as the Andrea Zone.

Andina reported a final Phase II resource estimate update on September 18, 2006 which gave an indicated resource of 43.9 million tonnes grading 1.02 g/t Au for 1.44 million contained ounces of gold with a further inferred resource of 37.2 million tonnes grading 0.97 g/t Au for 1.16 million contained ounces of gold (at a 0.5 g/t cut off grade).

Andina's Phase III (2006/07) program, in the Dorado area, was designed for the purpose of defining the limits of mineralization and to increase the level of confidence in the mineral resource by infill drilling. Apart from a limited exploration drill program at Ojo de Agua (10 drill holes totalling 2,647 metres) all drilling was confined to the Dorado area and, in particular, the Dorado West Zone. Phase III drilling consisted of 65 drill holes (26,737 metres) in the Dorado West Zone deposit, 6 drill holes (1,912 metres) in the Dorado Central Zone deposit and 8 drill holes (2,515 metres) in the Dorado East Zone deposit.

The results from the Dorado West Zone infill drilling campaign confirmed and locally increased the dimensions of the breccia-hosted gold mineralization between sections 200 and 1150 as well as defining the down dip extension of the mineralization from surface to depths in excess of 300 metres. The gold mineralization remains open along strike to the north and to depth.

On February 24, 2007, Andina published an interim Phase III resource estimate which was followed up by a final Phase III resource estimate published on October 22, 2007, see "*Volcan Gold Project – Mineral Resource Estimate*". Compared to the final Phase II resource estimate, the final Phase III estimate saw measured and indicated resources increase 200% to 2.93 million ounces of contained gold (115.1 million tonnes grading 0.79 g/t Au) while indicated resources increased 360% to 4.20 million ounces of contained gold (170.3 million tonnes grading 0.77 g/t Au) based on a 0.5 g/t Au cut off grade. The resource increase was due to the expansion of the Dorado West Zone deposit as a result of Andina's program of infill drilling and extensional drilling along strike to the northeast.

Wide-spaced drilling in the Andrea Zone (Ojo de Agua area), previously outlined by surface trenching, traced the mineralization to depth along a 400 metre strike length. Drill results included 104 metres grading 0.81 g/t Au (drill hole RODA-634) and 54 metres grading 0.65 g/t Au (drill hole RODA-637)



Phase IV Drilling Program. Andina commenced the Phase IV, \$15.5 million exploration campaign on the Volcan Gold Project in October, 2007. The Phase IV program was initially budgeted to include 50,000 metres of drilling, however, due to poor drilling conditions in the Ojo de Agua area combined with poor weather the drilling budget was reduced to the 35,000 to 40,000 metre range. The Phase IV program is expected to continue through to May 2008. Approximately two thirds of the drilling will be directed towards increasing the size of the resource base, particularly in the area of the Dorado West Zone, as well as upgrading the confidence level of the existing resource by converting resources to the measured and indicated category. The remaining drilling will focus on exploration targets including those in the Ojo de Agua area as well as new targets identified in the northern section of the Volcan property.

As at this date of AIF, more than 40,000 metres of drilling have been completed in the Phase IV exploration program. In the Dorado area, drilling has been successful in extending the NW zone to the north, confirming continuity of the deposit to the north and northeast.

Sampling and Analysis

The sampling methods employed by Andina are industry-standard methods for handling drill core and cuttings. Two metre intervals were selected for both DD core and RC cuttings. However, at the discretion of the geologist logging the diamond drill core, sampling intervals can be reduced. Diamond drill core recovery for the most part is very good, exceeding 98 percent on average. For reverse circulation recovery, two metre sample runs are routinely weighed and back-calculated to compare with the theoretical recovery and the results indicate full recovery of the cuttings.

Diamond-drill core is extracted from the core barrel, the drilling company places the core into galvanized, pressed metal core trays and wires the box closed for transportation to the campsite. This is done under the direct supervision and control of either a trained Andina geo-technician or the project geologist in charge of the drill hole. Once the target depth is reached, it is the sole responsibility of the project geologist to determine if the hole is to be continued or abandoned. The core is transported to the field camp where it is promptly mapped before being transported to Andina's preparation and logging facilities in Copiapo.

Samples exiting the Reverse Circulation drill rig cyclone are collected in 20 litre plastic pails and passed twice through a mechanical riffle splitter to obtain approximately 15 kg of material for analytical work. A representative split is also collected for ultimate storage in clear plastic bags, under cover in several, very-large, roofed warehouses at Copiapo. Sampling handling, at the drill site, is by an Andina geo-technician under supervision of an experienced geologist. A geologist logs the cuttings, usually with the aid of a binocular microscope, at the field camp. A representative sample is collected and stored as a permanent record in small, plastic "chip trays", also ultimately stored in the warehouse at Copiapo.

Security of Samples

Andina has initiated a campaign to carefully control and maintain a Quality Control and Quality Assurance ("QC/QA") program. This program is designed to insure that all samples, be they soil samples, trench channel or chip samples, or drill hole samples, are fully maintained and handled only by SBX Asesorias Inversiones Ltda. or Andina-contracted personnel from the moment they are collected until delivered to a laboratory processing facility. Andina is very conscious of sample preparation, security and storage and maintains a tight control of all sample collection, transportation, processing and storage. Because of the high volume of samples and the importance of sample integrity, Andina monitors a system of careful checks and balances. Once a sample is received at Copiapo, and regardless of its field or identity



number, it is assigned a new internal number so that all sample preparation is done with impartiality. At no time, or in any aspect, is an officer, director or associate of Andina involved in the sample preparation.

Andina personnel are at the drill rigs at all times while they are in operation, and the core/cuttings are boxed/split and bagged under Andina supervision and control. All the core boxes and drill-hole cuttings are taken to the Volcan Gold Project campsite and stored under cover until there are sufficient samples to justify trucking the material to the secure logging/storage facility at Copiapo.

Diamond drill core is shipped in sealed (wired down) clam-shell style core boxes. On receipt at Copiapo, a geologist completes a detailed log and marks the core for its sampling interval (nominally every two metres) and at every 50 metres a ten centimetre whole-core sample is marked for specific gravity testing at the University of Chile in Santiago. The project geologist, while logging the core, aligns the core (aligns fractures so that the core is as straight as possible) and draws a straight line lengthwise to assist the technicians charged with cutting the core into two halves. The technicians are trained to always place the right half in a plastic bag for laboratory preparation and the left half back into the core box for permanent storage at Copiapo. This technique is possible because the rock being cored is very competent and core recovery is in excess of 98 percent. Once the core has been cut, standards, duplicates and blanks are added to the sample stream and delivered to the Geoanalitica preparation facility for further processing. Geoanalitica has been in operation for approximately 10 years. A number of major companies including Codelco and Escondida use Geoanalitica; and, it is in the process of being ISO 9001:2000 certified.

Currently, Andina is requesting that all samples be analyzed for Au by fire assaying, and total Cu and Mo by Atomic Absorption. All samples analyzed for gold are processed by standard assaying techniques with Atomic Absorption finish. Geoanalitica uses standard fire assaying procedures to determine gold content. Andina is requesting two assay/tonne samples (about 50 gram) for fire assay analyses with an Atomic Absorption Spectrographic (“**AAS**”) finish for a sensitivity of 5 ppb (.005 ppm) Au. Samples which returned gold values greater than 1.0 g/t Au are re-analyzed using standard fire assay techniques with a gravimetric finish. For copper and molybdenum, Geoanalitica dissolves the samples in a four-acid digestion and processes the liquate by AAS techniques. This gives a copper and molybdenum sensitivity of 3 ppm. At the discretion of the project geologist, additional elements can be requested. In the case of additional elements, the pulp is forwarded to Acme Analytical Laboratories in Santiago for standard ICP analysis.



Mineral Resource and Mineral Reserve Estimates

Volcan Gold Project Mineral Resources (October, 2007*)

Cut-off (g/t Au)	Measured Category		Indicated Category		Measured and Indicated Category			Inferred Category		
	Tonnes (millions)	Grade (g/t Au)	Tonnes (millions)	Grade (g/t Au)	Tonnes (millions)	Grade (g/t Au)	Gold Ounces (000's)	Tonnes (millions)	Grade (g/t Au)	Gold Ounces (000's)
1.0	4.1	1.37	17.0	1.29	21.1	1.23	840	25.6	1.25	1,030
0.7	12.6	1.02	49.1	0.99	61.7	0.98	1,920	83.1	0.96	2,550
0.5	23.3	0.82	91.8	0.79	115.1	0.79	2,930	170.3	0.77	4,200
0.3	41.1	0.63	181.1	0.59	222.2	0.60	4,270	392.6	0.55	6,920

Note: Resource estimated by ordinary kriging. Cutting factors vary by deposit and mineralization style. Mineral resources that are not mineral reserves do not have demonstrated economic viability

** All figures are rounded*

In January 2008, Andina entered into a letter agreement to acquire water rights, at a total volume of 340 litres per second, from Recursos Hidricos. Subject to the conclusion of legal and technical due diligence, drafting of definitive documentation, and receipt of necessary approvals from the TSXV, on May 30, 2008, Andina will issue to Recursos Hidricos 6.7 million common shares for the purchase of the water rights. The water rights are located approximately 20 kilometres northeast of Andina's Volcan property. On April 30, 2008, Andina accepted the positive results of its technical due diligence.

Mining Operations

Andina does not conduct any mining operations on the properties that it explores.

Exploration and Development

See above.

Other Properties

The following properties are at an early stage of exploration by Andina. No mineral resource or mineral reserve has been estimated on any of these properties. There can be no assurance that any mineral resource or mineral reserve will ever be identified on any of these properties, or that the extraction of minerals will ever be economically viable.

Anocarire property - Exploration activities in 2005 at the Anocarire property, located 120 kilometres east of Arica, outlined a large steam-heated alteration system, with characteristics similar to alteration systems associated with major gold deposits in the Andes. The property overlies a prominent collapsed stratovolcano approximately six kilometres in diameter. Andina completed bulldozer trenching and collected channel samples across a portion of the alteration system. Results showed widespread anomalous mercury values and gold values ranged between 10 and 100 ppb – these values are typical for steam-heated (acid-leached) alteration zones.



In the third quarter of 2006, Andina conducted a diamond drilling program on the Anocarire property to determine the nature of the geological environment underlying the large alteration system. The holes returned elevated gold values along with elevated barium and mercury values. The presence of elevated gold, barium and mercury assay results associated with a high sulphidation-type alteration system is encouraging as such systems classically overlie large high sulphidation systems elsewhere in the Chilean Andes. Andina re-established the access road to the property and is reviewing plans for further exploration activities on the property and the contract is under negotiation to modify the terms and extend the terms of the payments.

Encrucijada property – This property has been subject to geological, geochemical and geophysical surveys in the past. Surface trenching and limited reverse circulation drilling programs have confirmed the presence of epithermal gold mineralization at Encrucijada. Andina undertook a limited exploration program in 2007 and after acquiring 100% of the property with no royalties or other back-in rights Andina entered into an agreement with 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 Andina \$500,000 upon signing (completed) and spending \$3 million on exploration over the following 36 months. Hochschild may then increase its interest in the partnership to 60% by funding the first \$3.5 million towards a feasibility study within the next 36 months.

Pampa Buenos Aires property - The Pampa Buenos Aires is a broad plain underlain primarily by andesitic volcanic rocks but mostly covered by gravels. A number of zones of hydrothermal alteration occur on the mineral concessions and one highly silicified zone on the southwest of the concession block has been mined in the past for silica used as flux in smelting operations. These silicified zones are indicative of the volcanic-hydrothermal and structural history of the area. Andina currently owns 100% of the concessions that form the Pampa Buenos Aires property. On July 25, 2007, Andina and Rusoro signed an agreement under which Rusoro can earn a 50% interest (through the establishment of a contractual mining company) in the concessions that form 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 Andina by June 30, 2008. Rusoro is expected to start drilling on the Pampa Buenos Aires property in May 2008.

Valeriano property – Early in 2007, Andina entered into an option agreement to acquire the 3,000 hectare Valeriano property located 120 kilometres east of Vallenar and 30 kilometres north of Barrick Gold's Pascua-Lama Project. Since the early 1980's, the Valeriano property has been the focus of a number of exploration programs by senior mining companies. Between 1996 and 1999, Barrick Gold was engaged in an exploration project on the property which included 12,600 metres of drilling. Andina believes the combined results from the previous exploration campaigns are sufficient to warrant further exploration.

The target of the previous exploration programs was a series of alteration systems cutting Palaeozoic to Triassic volcanics and Tertiary volcanics and intrusives which underlie the Valeriano Property. A number of geochemical anomalies associated with alteration systems, possibly related to Maricunga-style gold porphyry systems, remain untested and will be the initial focus of Andina's exploration activities at Valeriano.

Andina can earn a 100% interest in the Valeriano property by issuing the vendor 350,000 Andina common shares by July 8, 2008 and a further 650,000 common 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 vendor. Andina's geologists have examined the property and additional prospecting is planned for April 2008. A budget for 1,500 metres of diamond drilling has been approved for the Valeriano property.



Quitovac. The Quitovac property is located in the Sonora area of Mexico. On December 5, 2003, Andina signed an option agreement with Copper Ridge Explorations Inc. (“**Copper Ridge**”) and Cuesta del Cobra S.A. de C.V. 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. No exploration activities are currently ongoing, and Andina may dispose of the property in due course.

ITEM 6 – DIVIDENDS

No dividends have ever been paid on any class of securities of Andina. Andina currently intends to retain all its earnings, if any, for use in its ongoing business, and does not anticipate paying any dividends in the near or foreseeable future. There are no restrictions on Andina’s ability to pay dividends.

ITEM 7 – DESCRIPTION OF CAPITAL STRUCTURE

Andina has an authorized share capital consisting of an unlimited number of common shares and an unlimited number of preference shares, issuable in series. The following table summarizes Andina’s shares structure.

	Number of Common Shares
Common shares outstanding – December 31, 2007	65,128,887
Exercise of 2006 broker warrants	815,520
Exercise of 2006 warrants	6,313,700
Exercise of 2007 broker warrants	-
Exercise of 2007 warrants	83,800
Shares issued on exercise of stock options	285,000
Common shares currently outstanding	72,626,907
Unexercised warrants – 2007 private placement	3,768,700
Unexercised broker warrants – 2007 private placement	182,400
Unexercised stock options	4,234,000
Fully diluted common shares outstanding	80,812,007

No preferred shares have been issued.

All the issued common shares are fully paid and are not subject to any future call or assessment. All the issued common shares rank equally as to voting rights, participation and a distribution of Andina’s assets on liquidation, dissolution or winding-up and the entitlement to dividends. Holders of common shares are entitled to receive notice of, attend and vote at all meetings of shareholders of Andina. Each common share carries one vote at such meetings. Holders of common shares are entitled to dividends if and when declared by the directors and, upon liquidation, to receive such portion of the assets of Andina as may be distributable to such holders.

ITEM 8 – MARKET FOR SECURITIES

Andina’s common shares are listed for trading on the TSXV under the symbol “ADM”.



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December 31, 2007

All amounts are in United States dollars, unless otherwise noted

The monthly trading price range and volume of Andina's common shares for the financial year ended December 31, 2006 to April, 2008 is as follows:

Month	Open (CDN\$)	High (CDN\$)	Low (CDN\$)	Close (CDN\$)	Volume
January 2006	\$0.53	\$0.90	\$0.50	\$0.83	3,243,227
February 2006	\$0.87	\$0.94	\$0.75	\$0.93	1,375,517
March 2006	\$0.98	\$1.40	\$0.82	\$1.24	4,703,191
April 2006	\$1.30	\$1.69	\$1.15	\$1.60	3,608,138
May 2006	\$1.75	\$1.80	\$1.05	\$1.20	1,804,667
June 2006	\$1.05	\$1.69	\$0.85	\$1.50	1,577,537
July 2006	\$1.63	\$1.69	\$1.26	\$1.50	734,107
August 2006	\$1.50	\$1.95	\$1.33	\$1.70	1,328,173
September 2006	\$1.70	\$2.43	\$1.64	\$2.09	3,397,573
October 2006	\$2.09	\$2.45	\$1.90	\$2.42	2,084,359
November 2006	\$2.42	\$2.84	\$2.25	\$2.70	5,618,572
December 2006	\$2.78	\$3.00	\$2.58	\$2.99	2,033,185
January 2007	\$3.00	\$3.65	\$2.50	\$3.60	6,467,772
February 2007	\$3.64	\$4.25	\$3.50	\$3.95	3,700,085
March 2007	\$4.10	\$4.10	\$3.13	\$3.23	2,814,366
April 2007	\$3.19	\$4.00	\$3.00	\$3.44	10,777,075
May 2007	\$3.23	\$3.55	\$3.01	\$3.20	5,094,017
June 2007	\$3.20	\$3.40	\$2.78	\$3.06	4,944,531
July 2007	\$3.07	\$3.49	\$2.99	\$3.10	2,027,099
August 2007	\$3.24	\$3.29	\$2.12	\$2.64	2,608,250
September 2007	\$2.67	\$3.55	\$2.67	\$3.50	6,537,592
October 2007	\$3.50	\$5.50	\$3.38	\$4.70	11,351,570
November 2007	\$4.65	\$5.33	\$4.00	\$4.58	7,574,714
December 2007	\$4.62	\$4.75	\$4.08	\$4.60	2,162,634
January 2008	\$4.61	\$5.29	\$4.15	\$4.91	6,587,154
February 2008	\$4.98	\$4.98	\$4.32	\$4.48	1,133,790
March 2008	\$4.33	\$4.40	\$3.27	\$3.58	5,274,465
April 2008	\$3.55	\$3.63	\$2.90	\$3.12	5,542,044

ITEM 9 – ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

No securities are held in escrow or subject to a contractual restriction on transfer.



ITEM 10 – DIRECTORS AND OFFICERS

Directors and Officers

The board of directors of Andina consists of five directors. The following table provides information concerning them, and Andina's senior officers.

Name and Municipality of Residence	Present Office	Principal Occupation if Different from Office Held	Common Shares Beneficially Owned or Over Which Control is Exercised ⁽¹⁾
CARL B. HANSEN Mississauga, Ontario	President & Chief Executive Officer, Director since 2004	n/a	1,106,199 ⁽³⁾
THOMAS J. PLADSEN Toronto, Ontario	Chief Financial Officer	n/a	112,000
T. SEAN HARVEY ⁽²⁾ Toronto, Ontario	Non-Executive Chairman, Director since 2004	Businessman	2,218,439 ⁽⁴⁾
ROBERT WHITTALL ⁽²⁾ Toronto, Ontario	Director since 2004	Vice-President, Finance and Chief Financial Officer, Volta Resources Inc.	657,108
R. GREGORY LAING ⁽²⁾ Oakville, Ontario	Director since 2005	General Counsel, Senior Vice President, Legal & Corporate Secretary, Agnico-Eagle Mines Limited	104,361
J. EDUARDO ROSSELOT Santiago, Chile	Director since 2005	Consulting Mining Engineer	162,442

(1) The information as to common shares beneficially owned or over which they exercise control or direction (not being within the knowledge of Andina) has been furnished by the respective nominees individually, or obtained from public disclosures made by such individuals.

(2) Member of the Audit Committee and the Human Resources and Corporate Governance Committee.

(3) 115,589 of these common shares are registered in the name of Susan Hansen.

(4) 60,000 of these common shares are registered in the name of Heather Mills.

Each director will hold office until the close of the next annual meeting of shareholders of Andina following his election unless his office is earlier vacated in accordance with Andina's by-laws.

Relevant Education and Experience. Mr. Hansen is a geologist with almost 20 years experience in the exploration and mining industry. He has held various exploration, operation and head office positions with junior exploration to senior mining companies including INCO Limited and TVX Gold Inc. In December 2003, Mr. Hansen and a group of international mining professionals, formed Andina Holdings, to explore for gold, silver and copper in the Americas. Effective December 31, 2004 Andina completed a reverse-takeover transaction by acquiring all the outstanding shares of Andina Holdings and changing its name to Andina Minerals Inc.

Mr. Pladsen was admitted to the Institute of Chartered Accountants of Ontario in 1985 and moved to KPMG's London, England office. On his return to Canada, he joined Northfield Capital Corporation and



has spent the past 20 years working in a financial capacity with public and private resource companies. Currently he is the CFO of Andina and CEO of Merc International Minerals Inc. (a public mineral exploration company). Mr. Pladsen has a B.B.A.

Mr. Rosselot is a mining engineer with almost 20 years of mining industry experience having worked for major mining companies, consulting companies and contracting companies. Recently, Mr. Rosselot was employed by Orvana Minerals Corp. as V.P. Business Development and Special Projects. Prior to that Mr. Rosselot held senior mining engineering positions with a number of gold and base metal mining companies including, from 1996 to 2003, TVX Gold Inc. where he was Technical Services Superintendent at TVX Hellas. Mr. Rosselot received his university degree in Mining Engineering from the Universidad de Chile.

Audit Committee

Audit Committee Charter. See Schedule 1 attached hereto.

Composition of the Audit Committee. The Audit Committee is currently comprised of Messrs. Whittall (Chairman), Harvey and Laing. Each member of the Audit Committee is independent and financially literate within the meaning of Multilateral Instrument 52-110 – *Audit Committees*.

Relevant Education and Experience. Mr. Harvey has two university degrees in economics, an M.B.A. and a law degree and spent ten years working in the investment banking industry. For the last 7 years, Mr. Harvey has held senior executive and board positions with various mining companies. Currently an independent businessman, Mr. Harvey was the President and CEO of Orvana Minerals Corp. (a Toronto Stock Exchange (“**TSX**”) listed company) from 2005 to 2006. Previously, he was President and CEO of TVX Gold Inc. (a TSX and NYSE listed company) at the time of its sale to Kinross Gold in 2003 and, subsequent to that, was President and CEO of Atlantico Gold Inc., a private company involved in the development of the Amapari Gold Project in Brazil, that was sold to Wheaton River Minerals Ltd. (now Goldcorp Inc.). Mr. Harvey is a member of the audit committees of (i) Moto Goldmines Limited (a TSX listed company); (ii) Nord Resources Corp. (a TSX listed company); (iii) Australian Solomons Gold Limited (a TSX listed company); (iv) Victoria Resources Corporation (a TSXV listed company); and (v) Polaris Geothermal Inc. (a TSX listed company). Mr. Harvey is the chairman of the audit committees of Australian Solomons Gold Limited, Polaris Geothermal Inc. and Victoria Resources Corporation.

Mr. Laing is currently General Counsel, Senior Vice President, Legal and Corporate Secretary for Agnico-Eagle Mines Limited (a TSX and NYSE listed company). From 2003 to 2005, Mr. Laing was V.P. Legal for Goldcorp Inc. (a TSX and NYSE listed company) and managed, among other matters, the legal issues relating to the business combination of Goldcorp and Wheaton River Minerals Ltd. Prior to his involvement with Goldcorp, Mr. Laing was General Counsel, Vice President and Corporate Secretary for TVX Gold Inc. During his tenure in the mining industry, Mr. Laing has dealt with a variety of complex transactions including acquisitions and divestitures, equity and project financing and has been involved with all aspects of being a member of the Board of Directors, including being a corporate secretary for all Board and Committee meetings. Mr. Laing is currently a member of the Audit Committee and Chair of the Corporate Governance Committee of New Gold Inc., a TSX and AMEX listed company. Mr. Laing has a Bachelor of Arts degree and a law degree and spent nine years in private practice as a corporate/securities lawyer.

Mr. Whittall is a chartered accountant and a professional engineer with over 20 years experience in the mining industry including nine years experience in public accounting. Since 2003 Mr. Whittall has been the VP Finance and CFO of Volta Resources Inc. (formerly Goldcrest Resources Ltd.) (a TSX listed



company) and has held various finance-related positions with companies in the mining industry. In 2003, Mr. Whittall was Vice President Finance and Chief Financial Officer of Glencairn Gold Corporation (a TSX listed company) and from 2001 to 2003, Vice President, Finance of TVX Gold Inc. Mr. Whittall is the Chairman of the Audit Committees of First Nickel Inc. (a TSX listed company) and Viking Gold Exploration Inc. (a TSXV listed company). Mr. Whittall has a B.Sc. (Eng).

Audit Fees. PricewaterhouseCoopers LLP, Andina's external auditor, charged Andina CDN\$49,500 for audit services in 2007 and CDN\$51,000 for audit services for 2006 and CDN\$47,000 for audit services for 2005.

Audit Related Fees. PricewaterhouseCoopers LLP charged Andina CDN\$17,500 for audit related services in 2007. They did not charge Andina any such fees in 2006 or 2005.

Tax Fees. PricewaterhouseCoopers LLP did not charge Andina for tax services in 2007 or 2006 and CDN\$15,000 in 2005.

All Other Fees. CDN\$32,140 in fees related to Andina's financing activities and other matters were charged by PricewaterhouseCoopers LLP in 2007. CDN\$20,996 in fees related to Andina's financing activities and regulatory compliance were charged by PricewaterhouseCoopers LLP in 2006. No fees were charged in 2005.

Exemption. As a venture issuer, Andina has the benefit of the exemption in section 6.1 of MI 52-110.

Human Resources and Corporate Governance ("HRCG") Committee

Composition of the HRCG Committee. The HRCG Committee is comprised of Messrs. Laing (Chairman), Harvey and Whittall, all of whom are independent directors. The HRCG Committee meets at least once per annum or more frequently as circumstances require.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders or Bankruptcies. To the knowledge of Andina, in the last ten years, no director or executive officer of Andina is or has been a director or executive officer of any company that, while that person was acting in that capacity:

- 1) was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemptions under securities legislation, for a period of more than 30 consecutive days,
- 2) was the subject of an event that resulted, after that person ceased to be a director or executive officer, in Andina being the subject of a cease trade order or similar order or an order that denied the relevant company access to an exemption under securities legislation, for a period of more than 30 consecutive days, or
- 3) or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions. To the knowledge of Andina, no director or executive officer of Andina, (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a



securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies. To the knowledge of Andina, in the last ten years, no director or executive officer has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

ITEM 11 – PROMOTERS

Messrs. Hansen and Harvey can be considered promoters of Andina as both took initiative in founding, organizing and substantially reorganizing the business of Andina in 2004. Except as set forth elsewhere in this Annual Information Form, no assets, services or other considerations have been received or are presently contemplated to be received by Messrs. Hansen or Harvey from Andina.

The number and percentage of each class of voting and equity securities beneficially owned by Messrs. Hansen and Harvey are as follows:

1. Mr. Hansen beneficially owns 1,106,199 common shares or 1.5% of the issued common shares, and
2. Mr. Harvey beneficially owns 2,218,439 common shares or 3.1% of the issued common shares.

ITEM 12 – LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Neither Andina nor any of its subsidiaries is a party to any legal proceedings or regulatory actions, or to the best of its knowledge, threatened or contemplated legal proceedings or regulatory actions, before any court or agency.

ITEM 13 – INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein or in Andina's audited annual financial statements for the year ended December 31, 2007 or previously disclosed in an information circular, no member of management or any director of Andina, or any of their associates or affiliates, has any interest in any material transactions, or proposed material transactions, involving Andina, which has materially affected or would materially affect Andina.

ITEM 14 – TRANSFER AGENT AND REGISTRARS

The transfer agent and registrar for the common shares is Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto Ontario, M5H 4H1.

ITEM 15 – MATERIAL CONTRACTS

The only material contracts entered into by Andina during the current financial year or prior financial year ending December 31, 2007, other than in the ordinary course of business:



1. The Underwriting Agreement dated February 9, 2007 between Andina, BMO Nesbitt Burns Inc. and Haywood Securities Inc. provided for the sale of up to 8 million units (each unit consisting of one common share and one-half of one common share purchase warrant) at CDN\$3.00 per unit.
2. The Warrant Indenture dated February 9, 2007 between Andina and Equity Transfer & Trust Company providing for the creation and issuance of 4,120,000 warrants.
3. The amended and restated shareholder rights plan entered into with Equity Transfer Services Inc. (now Equity Transfer & Trust Company).

Amended and Restated Shareholder Rights Plan

Information on the amended and restated shareholder rights plan can be found in the Management Information Circular dated May 9, 2007 and is incorporated herein by reference. This can be obtained at www.sedar.com.

ITEM 16 – INTERESTS OF EXPERTS

The Corporation's auditors are PricewaterhouseCoopers LLP, Chartered Accountants, who have prepared an independent auditors' report dated **April 23, 2008** in respect of the Corporation's consolidated financial statements as at December 31, 2007 and December 31, 2006 and for each of the years ended **December 31, 2007 and December 31, 2006**. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Corporation within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

Mr. Ralph Gonzalez prepared the Technical Report on the Volcan Gold Project titled: *Volcan Gold Project, Region III, Chile*, dated November 28, 2007. Mr. Gonzalez is independent of Andina within the meaning of NI 43-101, does not have any direct or indirect interest in the Volcan Gold Project and he does not own, directly or indirectly, nor does he expect to receive, any interest in the properties or securities of Andina or any associated or affiliated companies.

ITEM 17 – ADDITIONAL INFORMATION

Additional information relating to Andina may be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness and principal holders of Andina's common shares is contained in the Andina's information circular prepared in connection with its annual meeting of shareholders held on June 21, 2007. Additional financial information is provided in Andina's annual audited financial statements and management's discussion & analysis for the year ending December 31, 2006.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS AND FORWARD LOOKING INFORMATION

This AIF contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial and operating performance of Andina, its subsidiaries and affiliated companies, and its mineral properties, the future price of gold and other metals, the estimation of mineral resources, the realization of mineral resource estimates, exploration expenditures, costs and timing of the development of new deposits, costs and timing of the development of new mines, timing of economic and scoping-level studies, costs and timing of future exploration, requirements for additional capital,



government regulation of mining operations and exploration operations, timing and receipt of approvals and licence under mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements in this AIF include among others: the conclusion of a water rights agreement; preliminary drilling suggests that there might be upwards of 30 million tonnes within the drill tested area between the Dorado West and Dorado Central Zones; achieving 50,000 metres of drilling during Phase IV of the Volcan Gold Project; and the continuation of the Phase IV Drilling program to May 2008. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Andina and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations and studies; currency fluctuations; future prices of gold and other metals; possible variations of ore grade or recovery rates; failure of equipment to operate as anticipated; accidents, political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled “Risk Factors” in this AIF. Such forward-looking statements are based on a number of material factors and assumptions, including: that contracted parties provide goods and/or services on the agreed timeframes; the conclusion of technical and legal due diligence; the drafting of definitive documentation; the receipt of necessary approvals from the TSXV; that on-going contractual negotiations will be completely successful and progressed and/or completed in a timely manner; that no unusual geological or technical problems occur. Although Andina has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this prospectus and Andina disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

NATIONAL INSTRUMENT 43-101 STATEMENT

Data, of a scientific or technical nature, regarding mineral resources of Andina’s Volcan Gold Project in Chile included in this Annual Information Form, has been verified by Ralph A. Gonzalez, a Chilean independent mining industry consultant, a “qualified person” within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”).

SCHEDULE 1

CHARTER OF THE AUDIT COMMITTEE

I. PURPOSE

The Audit Committee is a committee of the Board of Directors (the "Board") of Andina Minerals Inc. (the "Company"). The primary function of the Audit Committee is to assist the Board in fulfilling its financial reporting and controls responsibilities to the shareholders of the Company and the investment community. The external auditors will report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities are:

- overseeing the integrity of the Company's financial statements and reviewing the financial reports and other financial information provided by the Company to any governmental body or the public and other relevant documents;
- recommending the appointment and reviewing and appraising the audit efforts of the Company's external auditor, overseeing the external auditor's qualifications and independence and providing an open avenue of communication among the external auditor, financial and senior management and the Boards;
- serving as an external and objective party to oversee and monitor the Company's financial reporting process and internal controls, the Company's processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements;
- encouraging continuous improvement of, and fostering adherence to, the Company's policies, procedures and practices at all levels.

II. COMPOSITION

The Audit Committee shall consist of a minimum of three Directors of the Company, including the Chair of the Audit Committee, all of whom shall be "independent" Directors as such term is defined in Schedule "A". All members shall, to the satisfaction of the Boards, be "financially literate" as defined in Schedule "A".

The members of the Audit Committee shall be elected by the Boards at the annual organizational meeting of the Board or until their successors are duly elected and qualified. The Board may remove a member of the Audit Committee at any time in its sole discretion by resolution of the Board. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by majority vote of the full membership of the Audit Committee.

III. DUTIES AND RESPONSIBILITIES

1. The Audit Committee shall review and recommend to the Board for approval:
 - (a) The annual audited consolidated financial statements.
 - (b) Review with financial management and the external auditor the Company's financial statements, MD&A's and earnings releases to be filed with regulatory bodies such as securities commissions prior to filing or prior to the release of earnings.
 - (c) Documents referencing, containing or incorporating by reference the annual audited consolidated financial statements or interim financial results (e.g., prospectuses, press releases with financial results and Annual Information Form - when applicable) prior to their release.
2. The Audit Committee, in fulfilling its mandate, will:
 - (a) Satisfy itself that adequate internal controls and procedures are in place to allow the Chief Executive Officer and the Chief Financial Officer to certify financial statements and other disclosure documents as required under

- securities laws. Review with management relationships with regulators, and the accuracy and timeliness of filing with regulatory authorities (when and if applicable).
- (b) Recommend to the Board the selection of the external auditor, consider the independence and effectiveness and approve the fees and other compensation to be paid to the external auditor. Review the performance of the external auditor and approve any proposed discharge and replacement of the external auditor when circumstances warrant. Review the annual audit plans of the internal and external auditors of the Company.
 - (c) Monitor the relationship between management and the external auditor including reviewing any management letters or other reports of the external auditor and discussing any material differences of opinion or disagreements between management and the external auditor.
 - (d) Periodically consult with the external auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the organization's financial statements. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.
 - (e) Arrange for the external auditor to be available to the Audit Committee and the full Board as needed. Ensure that the auditors report directly to the Audit Committee and are made accountable to the Board and the Audit Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.
 - (f) Ensure that the external auditors are prohibited from providing non-audit services and approve any permissible non-audit engagements of the external auditors, in accordance with applicable legislation.
 - (g) Review with management and the external auditor of the Company's major accounting policies, including the impact of alternative accounting policies and key management estimates and judgments that can materially affect the financial results.
 - (h) Review with management their approach to controlling and securing corporate assets (including intellectual property) and information systems, the adequacy of staffing of key functions and their plans for improvements.
 - (i) Review the expenses of the Chair and President of the Company annually.
 - (j) Perform such other duties as required by the Company's incorporating statute and applicable securities legislation and policies.
 - (k) Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls, or auditing matters
3. The Audit Committee may engage and communicate directly and independently with outside legal and other advisors for the Audit Committee as required in conjunction with the Human Resources and Corporate Governance Committee, who will assess and manage such engagement.

IV. SECRETARY

The Secretary of the Audit Committee will be appointed by the Chair.

V. MEETINGS

1. The Audit Committee shall meet at such times and places as the Audit Committee may determine, but no less than four times per year. At least annually, the Audit Committee shall meet separately with management and with the external auditors.
2. Meetings may be conducted with members in attendance in person, by telephone or by video conference facilities.
3. A resolution in writing signed by all the members of the Audit Committee is valid as if it had been passed at a meeting of the Audit Committee.
4. The external auditors or any member of the Audit Committee may call a meeting of the Audit Committee.

5. The external auditors of the Company will receive notice of every meeting of the Audit Committee.
6. The Board shall be kept informed of the Audit Committee's activities by a report following each Audit Committee meeting, within 20 business days.

VI. QUORUM

A quorum is established with a majority on the Audit Committee Members in attendance.

Schedule "A" to the Audit Committee Charter

Independence Requirement of Multilateral Instrument 52-110

A member of the Audit Committee shall be considered "independent", in accordance with *Multilateral Instrument 52-110 - Audit Committees* ("MI 52-110") if that member has no direct or indirect relationship with the Company, which could reasonably interfere with the exercise of the member's external judgment. The following persons are considered to have a material relationship with the Company and, as such, can not be a member of the Audit Committee:

- (a) an individual who is, or has been, an employee or executive officer of the Company, unless the "prescribed period" has elapsed since the end of the service or employment;
- (b) an individual whose immediate family member is, or has been, an executive officer of the Company, unless the "prescribed period" has elapsed since the end of the service or employment;
- (c) an individual who is, or has been, an affiliated entity of, a partner of, or employed by, a current or former internal or external auditor of the Company, unless the "prescribed period" has elapsed since the person's relationship with the internal or external auditor, or the auditing relationship, has ended;
- (d) an individual whose immediate family member is, or has been, an affiliated entity of, a partner of, or employed in a professional capacity by, a current or former internal or external auditor of the Company, unless the "prescribed period" has elapsed since the person's relationship with the internal or external auditor, or the auditing relationship, has ended;
- (e) an individual who is, or has been, or whose immediate family member is or has been, an executive officer of an entity if any of the Company's current executive officers serve on the entity's compensation committee, unless the "prescribed period" has elapsed since the end of the service or employment;
- (f) an individual who
 - (i) has a relationship with the Company pursuant to which the individual may accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any subsidiary entity of the Company, other than as remuneration for acting in his or her capacity as a member of the Board or any Board committee, or as a part-time chair or vice-chair of the Board or any Board committee; or
 - (ii) receives, or whose immediate family member receives, more than \$75,000 per year in direct compensation from the Company, other than as remuneration for acting in his or her capacity as a member of the Board or any board committee, or as a part-time chair or vice-chair of the Board or any Board committee, unless the "prescribed period" has elapsed since he or she ceased to receive more than \$75,000 per year in such compensation.
- (g) an individual who is an affiliated entity of the Company or any of its subsidiary entities.

Prescribed Period Under Multilateral Instrument 52-110

The "prescribed period" means the shorter of:

- (a) the period commencing on March 30, 2004 and ending prior to the date the determination as to the independence of the individual by the Board is made; and
- (b) the three year period ending immediately prior to the date the determination as to the independence of the individual by the Board is made.

Financial Literacy Under Multilateral Instrument 52-110

"Financially literate", in accordance with MI 52-110, means that the Director has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.