



## Andina's Measured & Indicated Resources Increase 126% at Volcan Dorado West Deposit Shows Continued Expansion

Toronto, Canada, July 21, 2008 - ANDINA Minerals Inc. (TSXV:ADM) ("Andina") is pleased to report an updated National Instrument 43-101 ("NI 43-101") compliant resource estimate for its wholly owned Volcan Gold Project, located in Chile's prolific Maricunga Gold Belt.

Measured and indicated resources increased 126% from 2.93 million to 6.62 million contained ounces of gold (241.7 million tonnes grading 0.85 grams per tonne gold ("g/t Au")) compared to the October 2007 resource estimate. Inferred resources declined to 2.76 million ounces of gold (95.4 million tonnes grading 0.90 g/t Au), a reduction of 1.43 million ounces, due to the conversion of inferred resource ounces to the measured and indicated category. A summary of the overall resource estimate by cut-off grade is provided in Table 1, below, while a summary by deposit is provided in Table 2, attached. Unless otherwise noted, mineral resources are reported at a 0.5 g/t Au cut-off.

**Table 1 Volcan Gold Project Resource Update – July 2008\***

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	31.5	1.37	23.8	1.43	55.3	1.39	<b>2,470</b>	27.2	1.47	<b>1,280</b>
0.7	82.0	1.03	53.7	1.10	135.7	1.06	<b>4,610</b>	55.5	1.14	<b>2,030</b>
0.6	111.5	0.93	69.1	1.00	180.6	0.96	<b>5,540</b>	69.3	1.04	<b>2,317</b>
<b>0.5</b>	<b>149.0</b>	<b>0.83</b>	<b>92.7</b>	<b>0.88</b>	<b>241.7</b>	<b>0.85</b>	<b>6,620</b>	<b>95.4</b>	<b>0.90</b>	<b>2,760</b>
0.4	202.3	0.73	131.7	0.75	334.0	0.74	<b>7,940</b>	142.7	0.75	<b>3,440</b>
0.3	269.3	0.64	195.0	0.62	464.3	0.63	<b>9,402</b>	223.6	0.60	<b>4,350</b>

\* See "Resource Estimation Methodology" for a summary of estimation procedures. Measured and Indicated category and Inferred category resources are reported separately.

"With the completion of another successful drill campaign, we have once again exceeded our objectives resulting in a significant increase in gold resources" said Carl B. Hansen, President and CEO of Andina. "Volcan's continuing resource expansion further enhances the viability of the project and will form the basis for our planned economic studies, to commence in the latter half of this year, for a large heap leach mining operation. With the Dorado West deposit remaining open along strike to the north and to depth, combined with the identified outstanding exploration targets throughout the entire 9,400 hectare property, the potential for further resource growth is high. We look forward to announcing an initial resource estimate from Volcan's Ojo de

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Agua area during the third quarter of 2008 which we expect will further improve the future potential of the property.”

All of the resource growth is attributable to the expansion of the Dorado West deposit where **measured and indicated resources increased 173% to 5.82 million ounces of gold** (208.7 million tonnes grading 0.87 g/t Au). **Inferred resources declined to 2.28 million ounces of gold** (72.7 million tonnes grading 0.98 g/t Au) (see Table 2). The relatively homogenous Dorado West deposit, which extends from surface, covered only by a thin layer of talus, to depth, has been traced along strike over a distance of 1,500 metres remaining open to the north and to depth. The deposit is 700 metres at its maximum width.

The Dorado West deposit resource increase was largely due to the following:

- the results from an additional 28,300 metres of drilling
- the discovery of additional gold mineralization along strike and in zones parallel to the main mineralized body
- the discovery of the NW Zone, a probable extension to the Dorado West deposit which remains open along strike
- infill drilling throughout the deposit
- the increased drill density accounts for the increased measured and indicated resource total through resource conversion from inferred category resources.

Central to the Dorado area Volcan gold deposits are higher grade core zones which (at the 0.7 g/t Au cut-off grade) host measured and indicated resources of 135.7 million tonnes grading 1.06 g/t Au containing 4.61 million ounces of gold with a further 55.5 million tonnes grading 1.14 g/t Au for 2.03 million ounces of gold in the inferred resource category.

## Looking Forward

With the successful completion of the Phase IV resource estimate, Andina is beginning to plan the Phase V exploration program anticipated to commence in October 2008. The Company has received preliminary commitments from drill contractors for 10 drill rigs for the upcoming campaign and a larger exploration camp is being constructed to accommodate the projected increased staffing requirements.

As the resource continues to expand, Andina is planning to commence economic studies during the second half of 2008. In anticipation of these studies, a 1,000 kilogram sample of Volcan mineralization has been forwarded to KHD Homboldt Wedag GmbH, Germany, for process test work to determine the size and potential throughput for a high pressure grinding roll system. Results are expected during the fourth quarter of 2008.

## Resource Estimation Methodology

The resource was estimated using the ordinary kriging geostatistical analysis. The Dorado West Deposit model was estimated using 31,097 samples. There were no changes to the



Dorado East deposit and Dorado Central deposit models. Since commencing exploration in 2005, Andina has completed over 95,022 metres of drilling on the Volcan Gold Project with 80,046 metres targeting the Dorado area.

Geologically constrained wire frame envelopes were constructed to confine each block model. Kriging search parameters, reduced to 85% of the variogram established figures, were calculated for each of the deposits. A density value, based upon 367 measurements, of 2.47 tonnes/m<sup>3</sup> was used to estimate the tonnages. The parent cell dimension for all deposits is 10 metres in all three axis directions.

Two geological envelopes were employed in the estimation of the Dorado West deposit resource: one envelope enclosing the central quartz vein-related mineralization surrounded by a second envelope enclosing the mineralization above approximately 0.1 g/t gold. Variograms were very well behaved with effective ranges for the quartz vein-related envelope of 150 metres, 100 metres and 50 metres along the vertical, strike and perpendicular to strike directions (strike direction being N 25°E) respectively. Kriging was done in 4 passes with increasing search ellipsoids oriented according to the main continuity directions revealed by the variography. Samples associated with the quartz vein-related mineralization assaying greater than 6.5 g/t Au were given a limited 5 metre range of influence. Samples located outside the quartz vein-related mineralization assaying greater than 1.0 g/t Au were given a limited 5 metre influence.

Three different methods were used to validate the block model: comparison of block and sample statistics, plans and sections showing block and sample grades and drift analyses along the three main directions. All validations returned satisfactory results. Geological resources were classified according to the following criteria: blocks located within a 50 metre by 50 metre grid of inclined drill holes were placed in the measured category, blocks located within a 50 metre by 100 metre grid of inclined drill holes were classed as indicated (sections 50 metres apart with drill holes every 100 metres), the rest of the blocks within the mineralized envelope were classed as inferred. Resource categories were smoothed in order to avoid, as much as possible, anomalies such as having small groups of inferred blocks within large areas of indicated blocks. Results show that the vast majority, 99%, of the Dorado West deposit geological resources, at a 0.5 g/t Au cut off, are associated with the quartz-vein related mineralization.

The resource parameters for the Dorado Central deposit and Dorado East deposit may be found in the NI 43-101 compliant technical report titled “Phase III – Volcan Gold Project, Dorado West, Central and East Zones, Region III, Chile” filed December 5, 2007 on the Canadian Securities Administrators’ “System for Electronic Document Analysis and Retrieval” at [www.sedar.com](http://www.sedar.com).

It cannot be assumed that the inferred mineral resources will be upgraded to an indicated mineral resource as a result of continued exploration. Furthermore, it cannot be assured that measured and indicated or inferred mineral resources will be converted to a “reserve” category at such time as feasibility studies are initiated.



## Quality Assurance / Quality Control Program

Reverse circulation (“RC”) chips and diamond drill core from Andina’s Volcan Gold Project drilling campaign were collected at the drill under the direct supervision of Andina staff. Both the RC samples and drill core are appropriately tagged, secured and transported to the Andina exploration camp and then to Andina’s secure sample logging and preparation site at Copiapo, Chile. RC chip samples were riffle split to obtain a 15 kilogram sample for assay purposes. Representative chips were collected from each sample for logging purposes. Drill core was logged, marked at two metre intervals for sampling and split longitudinally with a diamond drill saw. One half of the core was bagged and sample tags attached and the second half of the core was returned to the core boxes and stored in a secure storage facility. All samples were appropriately tagged and securely stored prior to shipping to Asesoría Minera Geoanalítica Ltda.’s (“Geoanalítica”) laboratory in La Serena, Chile. Samples were processed and analyzed for gold using fire assay techniques with atomic absorption finish. Samples which returned gold values greater than 1.00 g/t Au were re-analyzed by Geoanalítica using fire assay techniques with a gravimetric finish. Duplicate samples were inserted at a rate of approximately 5% and standard samples inserted at a rate of approximately 5% within each sample batch to ensure laboratory quality control procedures. Duplicates, standards, and blanks amount to nearly 15% of the samples assayed. In addition, the laboratory re-analyzes approximately 10% of all samples.

## NATIONAL INSTRUMENT 43-101 COMPLIANCE

Under NI 43-101 of the Canadian Securities Administrators, the qualified person for the Volcan Gold Project is Micheal Easdon, a resident of Santiago, Chile. Mr. Easdon is a Professional Geologist registered with the State of Oregon, USA. The July 2008 resource estimate was prepared by Maptek Sudamérica, Viña del Mar, Chile in conjunction with Andina staff and Eduardo Magri, Ph.D. in mining engineering (Witwatersrand) and a Fellow of the SAIMM with over 30 years of industry experience. Mr. Easdon is an independent qualified person as defined by NI 43-101 and has reviewed the contents of this press release. A NI 43-101 compliant technical report is being prepared and will be filed on the SEDAR system ([www.sedar.com](http://www.sedar.com)) within forty five days of this release.

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## FORWARD LOOKING STATEMENTS

This release contains forward-looking statements, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to, statements with respect to exploration



results, the timing and success of exploration activities generally, permitting time lines, government regulation of exploration and mining operations, environmental risks, title disputes or claims, limitations on insurance coverage, timing and possible outcome of any pending litigation and timing and results of future resource estimates or future economic studies and in particular include statements with respect to the commencement of planned economic studies in the latter half of 2008, and the announcement of an initial resource from Volcan's Ojo de Agua area during the third quarter of 2008.. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "planning", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or "belief", or describes a "goal", or variation 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 are based on a number of material factors and assumptions, including, the result of drilling and exploration activities, that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other related services are available and perform as contracted.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the company's publicly filed documents. 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 not to be as anticipated, estimated or intended. 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.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.



**Table 2 Volcan Resource Estimate by Deposit – July 2008**

<b>Dorado West Deposit</b>										
	<b>Measured Category</b>		<b>Indicated Category</b>		<b>Measured and Indicated Category</b>			<b>Inferred Category</b>		
<b>Cut-off (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>
1.0	29.4	1.36	21.6	1.45	51.1	1.40	2,300	26.1	1.48	1,240
0.8	54.8	1.14	35.5	1.23	90.3	1.18	3,420	38.2	1.29	1,580
0.7	74.5	1.04	46.1	1.12	120.6	1.07	4,150	48.4	1.18	1,830
0.6	100.6	0.94	57.7	1.02	158.3	0.97	4,930	57.3	1.09	2,020
<b>0.5</b>	<b>133.9</b>	<b>0.84</b>	<b>74.8</b>	<b>0.91</b>	<b>208.7</b>	<b>0.87</b>	<b>5,820</b>	<b>72.7</b>	<b>0.98</b>	<b>2,280</b>
0.4	181.2	0.74	102.2	0.79	283.3	0.76	6,890	104.2	0.82	2,740
0.3	241.2	0.64	144.8	0.66	386.0	0.65	8,040	146.4	0.68	3,210

<b>Dorado East Deposit</b>										
	<b>Measured Category</b>		<b>Indicated Category</b>		<b>Measured and Indicated Category</b>			<b>Inferred Category</b>		
<b>Cut-off (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>
1.0	1.7	1.24	0.6	1.26	2.3	1.25	90	0.3	1.32	10
0.8	4.3	1.03	1.4	1.04	5.7	1.03	190	0.7	1.07	20
0.7	6.5	0.93	2.4	0.92	8.9	0.93	260	1.1	0.93	30
0.6	9.6	0.84	3.8	0.82	13.4	0.83	360	2.0	0.81	50
<b>0.5</b>	<b>13.3</b>	<b>0.76</b>	<b>6.3</b>	<b>0.71</b>	<b>19.6</b>	<b>0.74</b>	<b>470</b>	<b>3.5</b>	<b>0.69</b>	<b>80</b>
0.4	18.5	0.67	11.2	0.59	29.8	0.64	610	6.1	0.59	120
0.3	24.4	0.59	20.9	0.48	45.4	0.54	790	14.4	0.45	210

<b>Dorado Central Deposit</b>										
	<b>Measured Category</b>		<b>Indicated Category</b>		<b>Measured and Indicated Category</b>			<b>Inferred Category</b>		
<b>Cut-off (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>
1.0	0.4	1.24	1.6	1.29	2.0	1.28	80	0.8	1.20	30
0.8	0.7	1.08	3.7	1.06	4.4	1.07	150	3.6	0.95	110
0.7	1.0	1.00	5.2	0.97	6.2	0.98	190	6.0	0.87	170
0.6	1.4	0.90	7.6	0.87	9.0	0.87	250	10.1	0.78	250
<b>0.5</b>	<b>1.8</b>	<b>0.81</b>	<b>11.5</b>	<b>0.76</b>	<b>13.4</b>	<b>0.77</b>	<b>330</b>	<b>19.2</b>	<b>0.67</b>	<b>410</b>
0.4	2.6	0.70	18.2	0.64	20.9	0.65	440	32.4	0.58	600
0.3	3.7	0.59	29.3	0.53	33.0	0.54	570	62.8	0.46	940