

VERY HIGH GRADE GOLD & COPPER/GOLD PROJECTS

PLACEMENT DETAILS

Issuer	Andean Mining Corporation
Transaction	Placement of shares in unlisted company.
Details	20 mill. shares at 5¢ each (\$1m)
Use of Funds	To acquire two high-grade gold and silver projects in Colombia.
Term Sheet	See separate Term Sheet

CAPITAL STRUCTURE (Pre-ASX Listing)

Existing Shares	64.1 mill. ordinary shares (incl. CNs)
Shareholders	Approximately 100 shareholders today
New Shares	20 mill. (via placement)
Perform. Shares	20 mill. (on successful acquisition)
Acquisition Shares	8 mill. shares (part consideration)
Expanded Capital	112.1 mill. fully paid
Capitalisation	\$5.6m (on placement and acquisition)

PROPOSED BOARD (Post Seed Raising)

William Howe CEO/Managing Director	William has over 40 years' experience in the mining industry. He was a founding director of Straits Resources and has spent most of his career in mine development, operations management and corporate management in Southern and West Africa, South East Asia, Australia and South America. Most recently William was Managing Director of Metminco Limited from 2010 to 2018, and has over 4 years direct operating experience in Colombia.
Paul Ingram Non-Executive Director	Paul is a geologist with over 40 years' experience in mineral exploration and development. He was Managing Director of several publicly listed companies including Menzies Gold Ltd, Caledon Resources PLC and Polo Resources PLC. He is currently a non-executive director of two ASX listed companies, A-Cap Energy Pty Ltd and Impact Minerals Pty Ltd.
Warwick Grigor Non-Executive Chairman <i>(to be appointed on completion of raising)</i>	Warwick has had over 40 year's experience as a mining analyst in stockbroking and corporate advisory roles. He is principal of Far East Capital Ltd, having retired as Executive Chairman of Canaccord Genuity Australia .

CORPORATE STRATEGY

Andean is focusing on underground high-grade gold and gold/copper projects with a minimal environmental footprint, in Colombia. These are expected to offer higher profit margins and will be easier to permit than the huge porphyry-style projects that look good on paper, but can take years to permit due to environmental and social issues ... and expensive budgets. Upon the completion of the current transaction it will have 100% ownership of three projects;

- 1) the **Santa Barbara** high-grade gold project (20-25 gpt) with a 30 tpd pilot plant,
- 2) the **El Dovio** high-grade copper (3% Cu) and gold (5 gpt) VMS project and
- 3) the **Atocha** high-grade silver-gold exploration project.

Both El Dovio and Santa Barbara have been tested with underground workings but there are no JORC resources yet. Another two exploration licences, Alejandria and Anaime, have been applied for.

KEY POINTS

- Specialising in high-grade underground gold, copper and silver projects in Colombia, all 100% owned.
- **Santa Barbara** is a direct analogue for the impressive Buritica Gold mine, that started out as a promising exploration project 12 years ago with a 30 tpd pilot testing plant on site. Today it is producing in excess of 300,000 oz of gold p.a.
- Buritica, owned by Zinjin, was developed on the large Veta Sur Vein System that has been drilled along 1,100m of strike and to 1,400 vertical metres depth. This is an example of the type of gold mineralisation that Andean is targeting at Santa Barbara.
- The Santa Barbara pilot plant has been recovering > 24 gpt, but is currently on care and maintenance, awaiting its sale to Anean.
- **El Dovio** is an advanced exploration project with geological similarities to the rich De Grussa copper/gold project in WA. An adit has been excavated to expose a strike length of 200m. The Target Resource is at least 5 Mt of ore grading > 3% copper and 5 gpt gold, with favourable metallurgy. As a VMS style, Andean expects to find a number of orebodies.
- CEO is a geologist with four years of in-country operating experience
- In discussions with a number of ASX-listed companies with a view to achieving trading on the ASX within several months of the seed raising.

SUMMARY OF PROJECTS

1. Santa Barbara (100% being acquired)

Location	Central Cordillera, Colombia
Acquis'n Cost	C\$0.51m cash and 5 mill. shares (\$0.25m)
History	Malabar Gold completed exploration development of 200m on two veins and processed 500 tonnes, recovering 90%, on grades of 24 gpt Au and 56 gpt Ag. Unable to continue funding due to weak TSX market, so selling to Andean.
Style	Epithermal multiple high-grade veins
Target	Multi-million oz resource
Expl. Results	Underground channel sampling of two veins returned average grades of 38.9 gpt and 31 gpt gold.
Strategy	Expand pilot operation up to 250 tpd, to achieve 50,000 oz p.a. at capex of US\$15m. Potential to partially or fully fund exploration from processing development ore.
Status	30 tpd pilot plant on care & maintenance
Analogue to Buritica Gold Mine	The Buritica Gold Mine was in a similar position to Santa Barbara, 12 years ago. A 30 tpd pilot plant was testing high-grade mineralised vein systems. Diligent exploration led to the proving of M&I Resources of 4.48Moz of gold and 14 Moz of silver. Production commenced at a rate of 250,000 oz p.a. in 2020, in the same year that Zinjin bought control for C\$1.4Bn. Plant capacity is being expanded to 300-400,000 oz p.a. (see separate summary in Appendix.

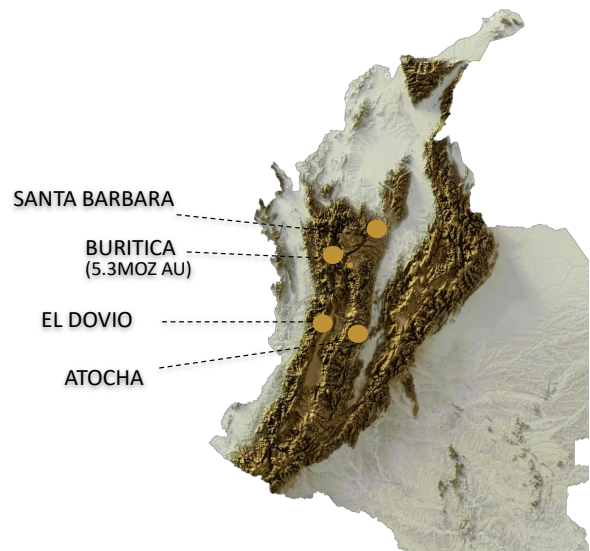


Figure 1. Location of Gold Projects in Colombia

Pilot Processing Plant & Bulk Sampling Facility



Figure 2. Photos of 30 tpd Pilot Plant at Santa Barbara

2. El Dovio (100% owned)

Location	Western Cordillera, Colombia
Acquis'n Cost	Purchased for US\$1m in 2019
History	Early exploration by Japanese company completed underground development, exposing the Sabana Blanca Zone. NewRange Gold Corp. completed 32 diamond holes, mostly on surface but a few underground, targeting the VMS Feeder Zone in 2006-2014.
Style	High-grade copper-gold VMS system
Target	5 Mt at 3% Cu and 5 gpt Au
Exploration Results	Sabana Blanca mineralised stockwork strike of at least 300m and width of up to 68m confirmed by surface trenching and diamond drilling; 32 drill holes completed for > 3,000m. Within stockwork seven high grade mineralised lenses identified between 3 and 6 metres in width.
Exploration Adit developed to access orebody	Adit developed on structure confirming halo of medium-grade gold mineralisation surrounding the high-grade copper-gold lenses within the stockwork system.
Positive Metallurgical Work	Excellent metallurgical recoveries with 95% of gold and 86% of silver reporting to the copper concentrate.
Strategy	Continue drilling with potential for high grade low tonnage development or medium grade high tonnage development
Status	Awaiting granting of drilling permit.
Geologically Similar to De Grussa, in WA	Parallels can be drawn with Sandfire's De Grussa orebody in WA. Both are VMS systems and both are high grade. Whereas De Grussa only recovered about 45% of the contained gold due to complex metallurgy, Testwork suggests 95% of El Dovio gold is recoverable to a copper concentrate.

3. Atocha (100% being acquired)

Location	The Atocha project consists of 2,585 ha of highly prospective ground in northern Tolima Department - within the core of the Santa Ana-Frías colonial silver mining district, the richest primary silver district in Colombia. Excellent road accessibility and located in area with gentle topography.
Acquis'n Cost	C\$0.35m cash and 3 mill. shares (\$0.15m)
History	Strong mining community with more than 300 years of activity, but Atocha itself is largely unexplored with many drill targets untested. Previous licence holder drilled 13 diamond holes.
Style	Epithermal multiple high-grade silver and gold veins
Target	High grade silver and gold bearing veins which have returned up to 2,233 gpt Ag or 27.7 gpt AuEq in drilling.
Expl. Results	Favourable regional structures produce clusters of very high vein density with extensive high-grade silver/gold exposures at surface. Some 30 km cumulative strike length of silver-gold bearing veins identified from surface exposures. Historical rock chip vein samples returned silver values up to 3.5 kg/t silver and high-grade gold. Over 30 new drill targets were identified by the previous operator, within three large vein systems. These are awaiting drill testing.
Status	Following completion of the acquisition, exploration programs will resume with diamond drilling to establish a JORC resource.

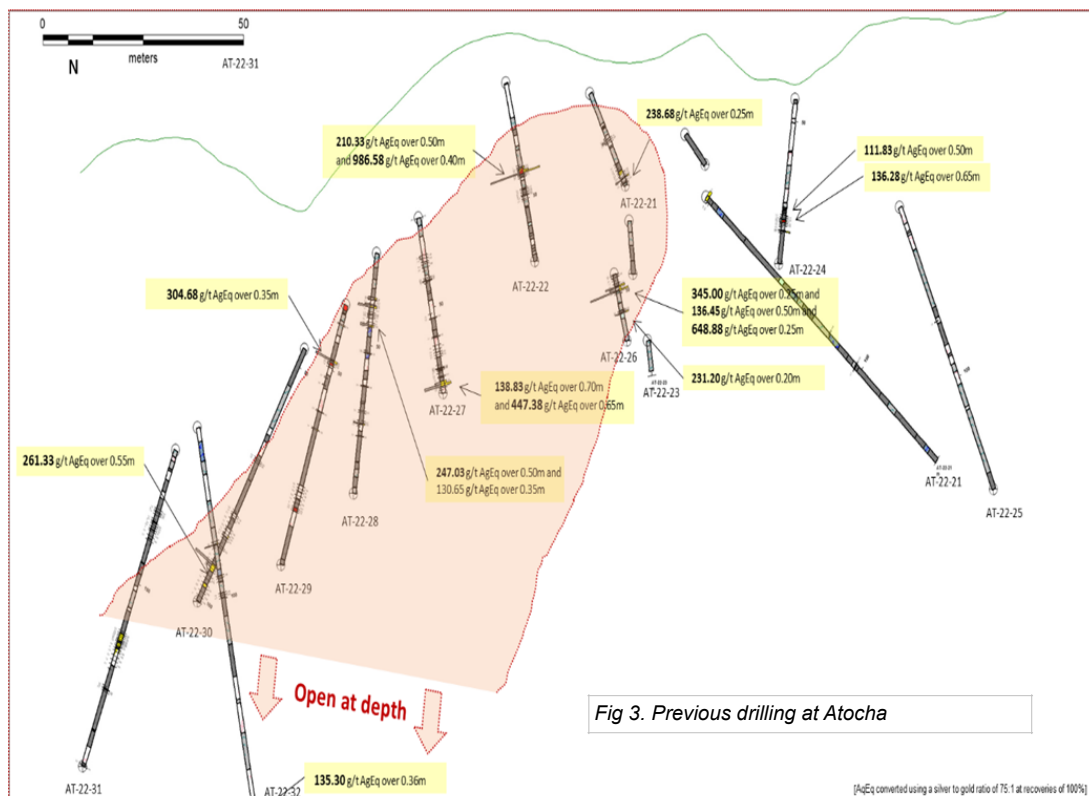


Fig 3. Previous drilling at Atocha

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Appendix

History & Development of the Buritica Gold Mine (not an asset of Andean Mining)

This summary is designed to give the reader an idea of the potential that Santa Barbara offers. Note the following;

- both Santa Barbara and Buritica have similar starting geology, in Colombia
- Buritica started out with a 30 tpd pilot plant to process gold ore while exploration activities were undertaken. This is the same size as the pilot plant at Santa Barbara.
- Buritica went from zero resources to > 5 Mill oz in a space of only four years
- Continental Gold, the owner of Buritica, was taken over for C\$1.4bn in 2020, by Zinjin Mining based on a 14 year mine life at 250,000 oz p.a. Currently being expanded to 400,000 oz p.a.

Technical	
Initial Acquisition by Continental Gold	In 2008, Continental Gold Limited (CGL) purchased Buritica from Grupo de Bullet S.A., a company that had been working in Colombia for 20 years. The Buritica Project comprised 31 signed and pending concession contracts covering 18,910 ha and five applications over a 20 x 20 km area.
Early Mining	The high grade gold veins of the Buriticá area have been mined since before the arrival of the Spanish colonialists. The Yaragua mine had been producing gold since 1992, principally from the Murcielagos vein which has been worked over a strike length of approximately 470 m and a vertical extent of 160 m. Between 2001 and 2007 the mine produced 11,694 oz of gold (no tonnage and grade data is available).
Early Exploration and Mining	Exploration development on the San Antonio vein commenced in late 2008. Material derived from this development initially supplied a pilot plant at a processing rate of 30 tpd, recovering 38.5 gpt using a Merrill Crowe process. Mining traditionally took place in vertical stopes via a resue cut and fill method. By July 2009, CGL had completed 49 surface holes and 21 underground holes, identifying the San Antonio vein and the Veta Sur zone. An exploration drive in October 2008, intersected the San Antonio vein.
Location	The Buritica gold project is located in the mountain terrains of Middle Cauca belt, in north-western Colombia. Spread over 75,583ha area, the project hosts 80 tenements including two main vein systems namely the Yaraguá and Veta Sur.
Geology	The Buriticá Intrusive Complex (BIC) is made up of andesite, diorites, and monzodiorite porphyries. Gold mineralization at Buriticá is mostly porphyry-related and features gold-quartz-carbonate base metal (CBM) style vein/breccia epithermal system. Seven veins are developed in a corridor zone to the north of the Murcielagos vein. These veins are separated by between 2 m to 25 m of largely barren wall rock, strike east-west and are near vertical (Figure 9-2). The veins of the corridor zone are generally thin and have patchy gold values.
Mining Methods	Long-hole open stoping mining method will be employed to extract high-grade ore from the underground deposit. Cut-and-fill method and shrinkage stoping methods will be applied to extract lower quality ore.
Ore Processing Methodology	Run-of-mine (ROM) ore is crushed in a primary jaw crusher before being conveyed to the grinding circuit comprising a semi-autogenous (SAG) mill and a ball mill. Mill discharge is treated in a gravity circuit and the resulting product is forwarded to a magnetic separator and a concentrating table. The resulting gold concentrate is upgraded and refined before undergoing cyanide leaching and liquid/solid separation in a four-stage counter-current decantation (CCD) circuit. Gold is recovered from the pregnant leach solution in a Merrill Crowe plant, followed by melting the zinc precipitate and gravity concentrate to produce a gold-silver dore bar.
43-101 Study Released in 2013 7.4 Moz AuEq	Based on a revised Measured & Indicated Resource of 8.39 Mt at 11 gpt Au Eq (2.96 Moz) and an Inferred Resource of 16.7 Mt at 8.2 gpt AuEq (4.4 Moz). The Yaraguá system had been drilled along 1,120m of strike and 1,300 vertical metres and partially sampled in underground developments. The Veta Sur system has been drill intersected along 1,100m of strike and 1,400 vertical metres. Both systems are characterised by multiple, steeply-dipping veins and broader, more disseminated (breccia-style) mineralization. The Yaraguá and Veta Sur systems both remained open laterally and at depth at high grades. Gravity concentration followed by cyanidation on gravity tails resulted in gold and silver recoveries of 97.81% and 57.04%, respectively.

Corporate	
PEA	Released in November 2014.
Feasibility Study	Released in February 2016. Estimated initial capex was C\$389m and total capex C\$512m.
April 2012	Continental Gold shares commenced trading on the OTCQX.
TSX listing 2015	Continental Gold listed on the TSX via an RTO with Cronus Resources in 2015
March 2020	Zinjin Completes Acquisition of Buritica for C\$1.4bn
	<ul style="list-style-type: none"> • All cash offer at C\$5.50/share • 29% premium over the 20 day VWAP on TSX • Newmont Goldcorp (21.5% of CNL) supportive of bid • 14 year mine life at 250,000 oz p.a. production level • cash costs US\$600/oz • Measured Resource of 1.4 Mt at 13.7 gpt (0.61 Moz) • Indicated Resource of 14.6 Mt at 10.0 gpt (4.7 Moz)
Capex	US\$610m
Mine Opening	Opened in October 2020, at 250,000 oz p.a.

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