

1st December 2011

Southern Silver Exploration Corp.

Southern Silver Exploration Corp. ('SSV', the 'Company') is a Canadian listed exploration-stage natural resources company with precious and base metal projects in Mexico and the USA. It's current projects are Cerro Las Minitas (Ag-Pb-Zn in Mexico), the Minas de Ameca project (Cu-Au-Ag in Mexico), the Oro project (Au-Ag in New Mexico) and the Dragoon project (porphyry Cu-Mo in Arizona). SSV is a member of the Manex Resource Group.

Figure 1: One year stock price & volume chart



Source: www.ft.com

Ticker / Exchange: SSV / TSX-V
Recent price: C\$ 0.13
Market cap.: C\$ 15.49 M
52-week Hi / Lo: C\$ 0.38 / 0.09
Ordinary shares: 114.72 M (Nov. 2011)
Daily volume: 138.73 K (10 day average)
Treasury: C\$ 2.30 M (30 June 2011)
Options / Warrants: 6.9 M / 57.5 M (31 July 2011)

Website: www.southernsilverexploration.com

Recent News / Activity

- **22nd Nov 2011** - SSV announces results for the drilling program at Cerro Las Minitas, including 11.5 m at 140 g/t Ag, 0.2% Cu, 4.9% Pb and 4.2% Zn (true width unconfirmed). The Company announces that the drill program has been extended from 13,000 m to 15,000 m.
- **8th Nov 2011** - SSV announces the appointment of Jean-Pierre Colin as a Company Director & Fred Sveinson as Consulting Mining Engineer at Cerro las Minitas. SSV also provided an update on exploration plans at the Dragoon project, where Freeport McMoRan Exploration Corp. (FMEC) has advised it intends soil gas surveys ahead of a third hole in 2012.
- **7th Nov 2011** - The Company announces the purchase of a 5.01 ha parcel of land at the Cerro Las Minitas project.

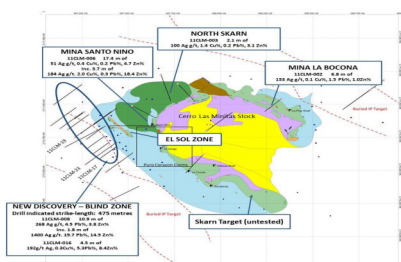
Assets:

Fig. 2 Project locations



Source: SSV

Fig. 3 Cerro Las Minitas project



Source: SSV

Cerro Las Minitas (Ag-Cu-Pb-Zn) :

The Cerro Las Minitas project is located approximately 70 km northeast of the city of Durnago, Mexico, within the Faja de Plata. It consists of 17 concessions with a total area of 10,980 hectares and a strike length of approximately 25 km. The property has a long history of mining activity and is known to host a number of different massive-sulphide type deposits as well as a mineralised skarn at the edge of an intrusive body.

The Company is currently undertaking an 18,000 m drilling program at the property. As of the 22nd November, 26 holes totalling 6,965 m had been completed. Of these, 14 holes were drilled at the Blind Zone. Drilling results reported to date include an 11.5 m interval assaying 140 g/t Ag, 0.2% Cu, 4.9% Pb and 4.2% Zn, which included a 2.9 m interval averaging 280 g/t Ag, 0.3% Cu, 10.3% Pb and 9.5% Zn. A second drill hole included a 1.3 m interval averaging 126 g/t Ag, 3.1% Pb and 3.6% Zn. At the North Skarn zone, a 0.65 m interval averaged 120 g/t Au, 5.4% Pb and 1.9% Zn (true widths unconfirmed).

The purchase (subject to TSX-V acceptance) of the 5.0146 ha land parcel overlying claims that are part of the Cerro Las Minitas project is intended to provide a site for potential mill construction, should the property prove to host an economically mineable resource.

Minas de Ameca Project (Cu-Au-Ag):

The Minas de Ameca project, Jalisco, Mexico, is 131 km² in total area and comprises the Magistral I property, located 80 km southwest of Guadalajara, close to the town of Ameca, and the neighbouring El Magistral property. A number of strongly-mineralised, Cu-rich breccias have been identified across the claim area, close to volcanic-intrusive contacts, as well as a number of quartz-hematite vein systems that occur along an 8 km structural trend. Since acquiring the project, SSV has completed a total of 20 drill holes (4,832 m) on the San Luis vein system and adjacent targets on the Magistral I property. The system remains open along strike and down dip, and the Company is planning a further 1,500 m drill program on the San Luis vein target.

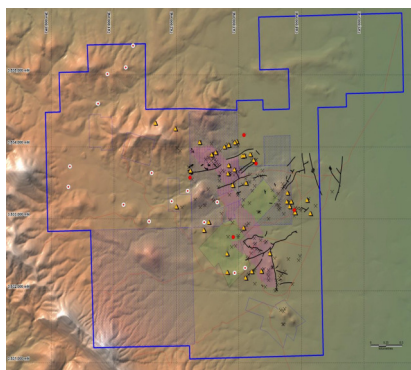
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Fig. 4 Oro project



Source: SSV

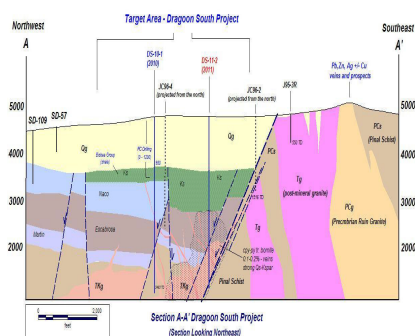
Oro Property (Au-Ag):

SSV has the right to earn a 100% interest in the Oro project by making total payments of \$300k to private vendors by December 31st 2012. The property is located in Eureka District, New Mexico, and comprises claims totalling 17.2 km². To date, SSV has undertaken analysis of historical data as well as geochemical surveying and phase 1 drilling, which has enabled the identification of three target areas prospective for Au-base metal mineralisation. The Company has recently commenced a 1,500 m phase 2 drilling program to test these target areas, characterised variously as intrusion-related Au, polymetallic-replacement skarn, and Cu-Au porphyry type deposits.

Dragoon Property (Cu-Mo):

The Dragoon project is located in southern Arizona, 90 km southwest of Tucson. The property comprises 68 unpatented mining claims and 4 state leases, within a contiguous 1,280 hectare block. The property hosts exposed Cu-Mo mineralisation with leached cap-rock-type exposures considered prospective for supergene-enriched Cu mineralisation at depth.

Fig. 5 Dragoon project schematic



Source: SSV

Freeport McMoRan Exploration Corp. ('FMEC') has an option to earn 70% of the project by conducting \$3M of exploration expenditure prior to 31st December 2012. Since 2010, FMEC has undertaken drilling of 2 exploration holes to depths of 1,055m and 1,065m, as well as geophysical surveying and soil geochemical analysis. The second-phase drilling program intersected a significant interval of veined and mineralised porphyritic granodiorite. The Company considers that the thick intervals of anomalous Cu encountered by FMEC's drilling are suggestive of a potential large, widespread hydrothermal system.

FMEC has informed SSV that it intends to conduct soil gas surveys prior to drilling a third exploration hole in 2012, and now has a permit allowing 4 such deep exploration drill holes.

Management**President & Director: Lawrence Page**

Mr Page has over 40 years of experience in the fields of natural resources law and securities law, having been called to the bar of British Columbia in 1965. He has been a director and officer of companies that have discovered and brought into production a number of different mines. Mr Page is the principal of the Manex Resource Group of Vancouver which provides administrative, financial, corporate, corporate finance and geological services to a number of public companies in the mineral resource sector. He currently serves as a director Bravo Gold Corporation (TSX-V:BVG), Duncastle Gold Corp. (TSX-V:DUN), Bravada Gold Corp. (TSX-V:BVA), Quaterra Resources Inc. (TSX-V:QTA) and Valterra Resource Corporation (TSX-V:VQA), as well as SSV.

VP Administration & Director: Scott B. Hean

Mr Hean is currently CFO of Quaterra Resources Inc. (TSX-V:QTA). He was previously CFO for Manex Resource Group and has held senior management and executive positions with Bank of Montreal as Senior Vice President and Managing Director responsible for financing in the natural resources sectors in North America and with J.P. Morgan of New York, primarily financing junior oil and gas companies in the United States. He is a Director of Sabina Silver Corporation (TSX:SBB) and a number of TSX-V listed companies.

CFO: Mahesh Liyanage

Mr Liyanage is a Chartered Accountant with over 15 years of experience in public practice and industry, in roles at the head of finance and audit teams both nationally and internationally. He has formerly held positions with BDO Burah Hathy Sri Lanka, and with McDonalds Fiji as head of finance. Mr Liyanage is a member of the Institute of Chartered Accountants of British Columbia as well as the Institute of Chartered Accountants of Sri Lanka, Society of Certified Management Accountants of Sri Lanka and Fiji Institute of Accountants.

Director: D. Roger Scammell

Mr Scammell has over 40 years of experience in the mining and exploration industry, principally with with epithermal gold/silver, polymetallic, nickel and coal deposits in North and Central America. His previous roles include Country Manager (Mexico) for Teck Corporation, and VP Exploration and President of Scorpio Mining Corp. During this period, Mr Scammell was responsible for administration and execution of the exploration, development and initial production of the Nuestra Señora polymetallic silver mine in Sonora, México.

Compiled by: Janette Tourney

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