51-102F3 MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Southern Silver Exploration Corp. (the "Company")
1100 – 1199 West Hastings Street
Vancouver, BC V6E 3T5

Item 2 Date of Material Change

August 16, 2011

Item 3 News Release

A news release was issued in Vancouver, British Columbia on August 16, 2011 and distributed through Marketwire.

Item 4 Summary of Material Change

The Company closed the second tranche of its unit private placement.

Item 5 Full Description of Material Change

See attached news release.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

The following officer of the Company is knowledgeable about the material change disclosed in this report: Lawrence Page, President, Tel: (604) 684-9384.

Item 9 Date of Report

August 16, 2011

1100-1199 West Hastings Street, Vancouver, BC, V6E 3T5
"A Manex Resource Group Company"

August 16, 2011

Frankfurt-SEG
NR-12-11

Southern Silver Closes Second Tranche of Private Placement

Southern Silver Exploration Corp. ("Southern Silver") (SSV: TSX.V) announces that it has closed the second tranche of its previously reported non-brokered private placement by issuing 4,818,206 units at a price of $0.17 per unit for gross proceeds of $819,095. Each unit consists of one common share and one share purchase warrant exercisable to purchase one additional common share for a period of two years at an exercise price of $0.22 per share.

Securities issued pursuant to this tranche of the private placement, including common shares, share purchase warrants and finder's warrants issued as finder's fees, carry a legend restricting trading of the securities until December 17, 2011. The private placement and finder's fees are subject to regulatory approval.

Southern Silver closed the first tranche of the private placement on July 20, 2011 by issuing 14,151,706 units at a price of $0.17 per unit for gross proceeds of $2,405,790. Net proceeds from the private placement will be utilized for exploration and property maintenance expenses incurred on the Cerro Las Minitas and Minas de Ameca projects in Mexico and the Oro project in the USA.

On behalf of the Board of Directors

"Lawrence Page"

Lawrence Page, Q.C.
President, Southern Silver Exploration Corp.

For further information, please visit Southern Silver's website at southernsilverexploration.com or contact Liana Shahinian at 1.888.456.1112 or by email at liana@mnxltd.com.