SOUTH AMERICAN SILVER CORP.

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. **Name and Address of Company**

South American Silver Corp.
580 Hornby Street
Suite 880
Vancouver, British Columbia
V6C 3B6

Item 2. **Date of Material Change**

May 13, 2007

Item 3. **News Release**

A press release was issued on May 13, 2007 through the facilities of Marketwire, a copy of which has been filed on SEDAR.

Item 4. **Summary of Material Change**

South American Silver Corp. reported an initial resource estimate at its Malku Khota silver-indium property in Bolivia of 50,200,000 ounces silver and 288,000 kilograms indium indicated resource, with a further 74,700,000 ounces silver and 487,000 kilograms indium inferred resource.

This initial resource estimate will be included in an updated 43-101 technical report on the Malku Khota property to be filed by the Company shortly.

This initial resource estimate does not yet include drilling from much of the Limosna higher grade enrichment mineralization and none from the new Sucre zone. The Company plans to update this initial resource estimate as soon as sufficient additional drill results have been received, probably in July.

Item 5. **Full Description of Material Change**

See press release attached as Schedule "A".

Item 6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

Item 7. **Omitted Information**

Not applicable.

Item 8. **Executive Officer**

Ralph G. Fitch
President and Chief Executive Officer
(303) 584-9656

Item 9. **Date of Report**

May 21, 2007

SOUTH AMERICAN SILVER CORP.

FOR IMMEDIATE RELEASE: 08-07

South American Silver Reports 50,200,000 Ounce Silver and 288,000 Kilogram Indium Resource at Malku Khota

Trading Symbol: SAC-TSX

May 13, 2008

South American Silver Corp. ("SASC" or the "Company"), (TSX: SAC), is pleased to report the initial resource at its Malku Khota silver-indium property in Bolivia. An independent 43-101 compliant resource has been completed by the consultant Alan Noble, principal mining engineer with Ore Reserves Engineering, and will be included in an updated 43-101 report authored by Kurt Katsura, the author of the original Malku Khota 43-101 technical report, and Alan Noble, to be filed in the next few weeks. This initial resource includes mineralization from a portion of the Limosna and Wara Wara zones based on assay results available to the Company as of the end of March.

This resource does not yet include drilling from much of the Limosna higher grade enrichment mineralization and none from the new Sucre zone. The Company has completed an additional 11,000 metres of drilling that is not included in this resource. The total drilling to date is 22,000 metres. The Company plans to release new drill results from approximately 4,000 metres of the additional drilling next week once final assay results are received. In addition, the Company plans to update this initial resource as soon as sufficient additional drill results have been received, probably in July.

The highlights of the resource estimate are shown in the following tables:

			Contained Metal		Metal Grade	
	Cutoff (gpt Ag)	Million Tonnes	Silver (Oz – Millions)	Indium (kg - thousands)	Silver (gpt)	Indium (gpt)
Indicated Resource:	10	48.5	50.2	288	32	5.9
	20	25.9	39.3	184	47	7.1
	30	13.7	29.8	94	68	6.9
	50	7.0	21.7	37	96	5.3

Inferred Resource:	10	99.6	74.7	487	23	4.9
	20	45.2	48.3	302	33	6.7
	30	19.8	28.5	136	45	6.9
	50	4.8	11.2	25	73	5.2

Recent approximate prices for the metals include silver at US$0.54 per gram (US$17.00/oz) and indium at US$0.68 per gram (US$685/Kg)

Ralph Fitch, President of the Company stated "This is an excellent initial resource and is particularly exciting since we already have carried out metallurgical tests showing good recoveries in both silver and indium. (62.9% -96.9% silver and 61%-77% indium recoveries-see SAS PR08-05, April 11, 2008) I am looking forward to the next update of the resource with considerable anticipation because it will include mineralization from several additional fans of holes in the higher grade enrichment zone at Limosna and the completely new Sucre zone where we have already reported some excellent results. It's good to remember that this resource is based on drilling within only 3.5 km of the 15 km of strike that the Company holds. This being so, I believe we have an excellent chance of developing a significant silver and indium resource at Malku Khota."

The resource was estimated using inverse-distance-power estimation on composited drill hole assays from 31 drill holes. Results were estimated into a block model developed within Datamine software.

Ralph Fitch, President of the Company is the Qualified Person for this project and has reviewed the content of this press release. He has been assisted by Mr. Felipe Malbran, Executive Vice President, Exploration for the Company.

Certain statements in this press release constitute "forward-looking statements". These forward-looking statements include, but are not limited to, statements regarding estimated mineral resources and the potential for delineation of additional resources through further exploration at the Malku Khota Project. Forward-looking statements express, as at the date of this press release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results. Forward-looking statements are based on certain assumptions, including the key assumptions and parameters on which such estimates are based, involve risks and uncertainties and there can be no assurance that such statements will prove to be accurate. Therefore, actual results and future events could differ materially from those anticipated in such statements. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements, include, but are not limited to, possible variations in mineral resources, grade or recovery rates; changes in project parameters as plans continue to be refined; failure of equipment or processes to operate as anticipated; political, regulatory and other risks of the mining industry; and other risks more fully described in the Company's Annual Information Form filed and publicly available on SEDAR at www.sedar.com. Readers are cautioned not to place undue reliance on the forward-looking statements contained in this press release. Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

This press release uses the terms 'indicated resources' and 'inferred resources' which are terms recognized and required by Canadian regulations (under National Instrument 43-101 Standards of Disclosure for Mineral Projects). Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will be converted into reserves. In addition, 'inferred resources' have a great amount of uncertainty as to their existence, and economic and legal feasibility. It cannot be assumed that an Inferred Resource will be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or pre-feasibility studies, or economic studies except for Preliminary Assessment as defined under 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

SASC is a mineral exploration company that acquires, explores and develops mineral properties, primarily silver, gold and copper in South America. The Company presently holds interests in three properties: the flagship Malku Khota silver-indium-gold and the Laurani gold-silver properties in Bolivia and the Escalones copper-gold-molybdenum property in Chile.

For further information, please contact:
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