

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Columbus Silver Corporation (the “**Company**” or “**Columbus Silver**”)
1090 Hamilton Street, Vancouver, BC V6B 2R9

Item 2 Dates of Material Change

September 19, 2012

Item 3 News Release

A news release was disseminated on September 19, 2012 via Marketwire.

Item 4 Summary of Material Change

Columbus Silver has entered into an option agreement (the “Agreement”) with Santa Fe Gold Corporation (“Santa Fe”), under which Santa Fe may earn 100% of the Company’s interest in the Mogollon Project located in New Mexico (the “Property”) for an aggregate purchase price of US\$4,500,000, subject to underlying royalties.

Item 5 Full Description of Material Change

Please see attached news release for full disclosure of material change, including without limitation the forward-looking statement disclaimer contained therein, which applies to and is incorporated by reference into this Material Change Report.

Columbus Silver has entered into an Agreement with Santa Fe, under which Santa Fe may earn 100% of the Company’s interest in the Property for an aggregate purchase price of US\$4,500,000, subject to underlying royalties.

On signing the Agreement, Santa Fe has paid Columbus Silver US\$100,000. To keep the Agreement and the option in good standing, Santa Fe must pay to Columbus Silver a further US\$150,000 within 3 business days of TSX Venture Exchange approval of the Agreement, US\$500,000 on or before December 30, 2012 (or 3 business days after TSX Venture Exchange approval, if not earlier obtained), and four payments of \$937,500 on each of June 30, 2013, December 30, 2013, June 30, 2014, and December 30, 2014. Additionally, Santa Fe must maintain the Property in good standing by paying applicable underlying claim maintenance and lease payments to Columbus Silver, which will in turn remit same to the appropriate parties.

The Agreement is subject to TSX Venture Exchange approval; if such approval is not obtained within one month, the Agreement will terminate and any payments made by Santa Fe to Columbus Silver by Santa Fe must be refunded with 5% simple interest thereon.

Upon TSX Venture Exchange approval, Santa Fe and Columbus Silver will enter into a mutual release respecting the terminated plan of arrangement between the parties, which was more fully disclosed by Columbus Silver via news release on June 1, 2012. Approximately \$1,060,000 was advanced by Santa Fe to Columbus Silver in connection with the foregoing, and an additional \$25,092.42 that was required to be paid by Santa Fe to Columbus Silver in May 2012 is required to be paid upon TSX Venture Exchange approval.

During the option earn-in period, Santa Fe will have full access to the Property, and among other things will have the right to conduct trial mining involving not more than 7,000 tons of ore removed therefrom. The parties have agreed to escrow documents in due course that are necessary to transfer the Property to Santa Fe, such that if Santa Fe fails to make an option payment in a timely fashion Columbus Silver may remove same for destruction, and otherwise Santa Fe can retrieve such documents upon making the final

option payment and under certain other conditions, provided if it obtains title prior to making the final option payment it must hold same in trust for Columbus Silver until such payment is made.

A full copy of the Agreement is available on SEDAR at www.sedar.com.

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

Robert Giustra, President & CEO; Phone: (604) 638-3944

Item 9 Date of Report

September 21, 2012



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NEWS RELEASE

Columbus Silver Options Mogollon Property for US\$4.5 Million in Cash Payments

Vancouver, BC, Canada; September 19, 2012 – Columbus Silver Corporation (**CSC: TSX-V**) ("**Columbus Silver**" or the "**Company**") is pleased to announce that it has entered into an option agreement (the "**Agreement**") with Santa Fe Gold Corporation ("**Santa Fe**"), under which Santa Fe may earn 100% of the Company's interest in the Mogollon Project located in New Mexico (the "**Property**") for an aggregate purchase price of US\$4,500,000, subject to underlying royalties.

Robert Giustra, the President and CEO of the Company, stated "this Agreement with Santa Fe enables Columbus Silver to advance exploration on existing precious metals projects and to continue to generate new opportunities in a fashion that is not dilutive to shareholders."

The Mogollon Property is located approximately 75 miles (120 kilometers) northwest of Silver City, Catron County, in southwest New Mexico. Subject to net smelter returns royalties, Columbus Silver controls a 100% interest in the property.

On signing the Agreement, Santa Fe has paid Columbus Silver US\$100,000. To keep the Agreement and the option in good standing, Santa Fe must pay to Columbus Silver a further US\$150,000 within 3 business days of TSX Venture Exchange approval of the Agreement, US\$500,000 on or before December 30, 2012 (or 3 business days after TSX Venture Exchange approval, if not earlier obtained), and four payments of \$937,500 on each of June 30, 2013, December 30, 2013, June 30, 2014, and December 30, 2014. Additionally, Santa Fe must maintain the Property in good standing by paying applicable underlying claim maintenance and lease payments to Columbus Silver, which will in turn remit same to the appropriate parties.

The Agreement is subject to TSX Venture Exchange approval; if such approval is not obtained within one month, the Agreement will terminate and any payments made by Santa Fe to Columbus Silver by Santa Fe must be refunded with 5% simple interest thereon.

Upon TSX Venture Exchange approval, Santa Fe and Columbus Silver will enter into a mutual release respecting the terminated plan of arrangement between the parties, which was more fully disclosed by Columbus Silver via news release on June 1, 2012. Approximately \$1,060,000 was advanced by Santa Fe to Columbus Silver in connection with the foregoing, and an additional \$25,092.42 that was required to be paid by Santa Fe to Columbus Silver in May 2012 is required to be paid upon TSX Venture Exchange approval.

During the option earn-in period, Santa Fe will have full access to the Property, and among other things will have the right to conduct trial mining involving not more than 7,000 tons of ore removed therefrom. The parties have agreed to escrow documents in due course that are necessary to transfer the Property to Santa Fe, such that if Santa Fe fails to make an option payment in a timely fashion Columbus Silver may remove same for destruction, and otherwise Santa Fe can retrieve such documents upon making the final option payment and under certain other conditions, provided if it obtains title prior to making the final option payment it must hold same in trust for Columbus Silver until such payment is made.

The Agreement contains other standard terms and conditions, and a full copy may be viewed under the Company's profile on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD,

Robert F. Giustra
President & CEO, Director

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For more information contact:

Investor Relations
604-634-0970
1-888-818-1364
info@columbussilvercorp.com

This release contains forward-looking information and statements, as defined by law including without limitation Canadian securities laws and the "safe harbor" provisions of the US Private Securities Litigation Reform Act of 1995 ("forward-looking statements"). In particular, and without limitation this news release contains forward-looking statements pertaining to the Agreement, including without limitation the requirement to obtain TSX Venture Exchange approval thereto, Santa Fe's payments and other obligations required thereunder to maintain the Property and Agreement in good standing, and future obligations discussed therein. Forward-looking statements involve risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by the forward-looking statements, including without limitation whether the TSX Venture Exchange approves the transactions underlying the Agreement, in a timely fashion or at all; whether Santa Fe has the desire and ability to make payments to Columbus Silver and in connection with maintaining the Property and the Agreement in good standing; whether Santa Fe will maintain the option in good standing and will not terminate the Agreement in connection with dropping the option; whether the parties will negotiate an escrow agreement as described in the Agreement in a timely fashion or at all; cost increases; unforeseen circumstances; risks associated with the exploration projects or title thereto held by Columbus Silver; mineral reserve and resource estimates (including the risk of assumption and methodology errors); dependence on third parties for services; non-performance by contractual counterparties; title risks; and general business and economic conditions. Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including without limitation assumptions about: that the TSX Venture Exchange will approve the Agreement in a timely fashion; that Santa Fe will have sufficient funds and desire to continue earning into the Property and maintaining it in good standing, and will do so; that the parties will successfully locate an escrow agent and negotiate an escrow agreement agreeable to all interested parties; the timing and receipt of required approvals; that required service providers will be available; general business and economic conditions; availability of financing; and ongoing relations with employees, partners and joint venturers. Although the foregoing forward-looking statements are considered reasonable at the time of preparation, the aforementioned assumptions and factors may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The aforementioned factors and assumptions are not exhaustive. Columbus Silver's actual results, performance, or achievement could differ materially from those expressed in, or implied by, these forward-looking statements. We can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits we will derive from them. The forward-looking information contained in this document is expressly qualified by this cautionary statement. The foregoing list is not exhaustive and Columbus Silver undertakes no obligation to update any of the foregoing except as required by law.