



SOUTH AMERICAN SILVER CORP.

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South American Silver Corp. Reports First Gold Intersection at Wara Wara and Silver Enrichment at Limosna Ridge, Malku Khota, Bolivia

Trading Symbol: SAC-TSX

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South American Silver Corp. (“SASC” or the “Company”) is pleased to announce the results of ten diamond drill holes from its Malku Khota project located in west central Bolivia: seven from the Limosna anomaly (holes LMD011-017) and three from the Wara Wara anomaly (holes WWD08-010).

Results have been received from the first two drill holes drilled from the top of the Limosna ridge, designed to test for silver enrichment seen in the Pique Pobre tunnel.

Drill Hole	Description	From	To	Length m	Silver gpt	Gallium gpt	Indium gpt
LMD016		2.0	202.0	200.0	99.2	1.5	3.2
	including	60.5	111.2	50.7	220.1	1.3	3.9
	Highest assays	62.0	65.0	3.0	734.5	1.5	1.4
LMD017		0.0	145.0	145.0	61.8	2.8	7.3
	including	0.0	70.2	70.2	102.7	2.0	3.2
	including	43.8	65.5	21.7	142.4	2.2	3.6
	Highest assay	63	64	1	631.0	2.1	4.1

Results have also been received for the first two holes drilled into the cross-cutting gold vein system in the Wara Wara area.

Drill Hole	Description	From	To	Length m	Gold gpt	Silver gpt	Copper gpt	Gallium gpt	Indium gpt
WWD009		86.2	156.0	69.8	0.29	18.1	192.5	5.1	1.9
	including	104.5	106.5	2.0	4.68	66.5	500.1	7.2	10.9
	and	289.0	347.0	58.0	0.13	37.9	994.0	6.7	7.0
	including	328.0	347.0	19.0	0.21	76.9	1,956.0	6.2	11.5
WWD010		121.0	152.0	31.0	0.27	23.5	309.8	3.7	2.9
	including	135.0	140.0	5.0	0.91	54.9	598.1	4.5	6.9
	and	152.0	208.0	56.0	0.17	12.3	170.7	6.1	1.1
	and	329.5	346.0	16.6	0.39	121.2	5,989.1	5.4	11.9
	including	338.1	342.0	3.9	1.28	420.1	16,850.9	5.6	39.0
	and	413.8	429.0	15.3	0.07	115.8	865.8	3.7	8.0
	and	470.5	480.0	9.5	0.01	40.1	156.9	5.7	1.4

Ralph Fitch, President of the Company stated “The results reported in this press release are very encouraging. First, the holes drilled from the top of Limosna ridge (LMD016 and LMD017) indicate that the higher grade (enriched) silver mineralization seen in the old Spanish Pique Pobre tunnel one hundred metres to the south, extends up to the surface and into other parts of the ridge. These well mineralized holes are also important in that they drill into the ridge itself which rises approximately 150 metres above the plain, whereas all prior drilling has been angled down from the base of the hill drilling into the rock below the ridge. I am also very encouraged by our first holes into the Wara Wara gold vein system in which we have intersected useful gold grades together with silver and indium mineralization, all of which have shown good recoveries by leaching. Importantly, this area of cross-cutting gold veins extends the area in which we expected to find potentially ore-grade mineralization.”

The following tables list presently available drill intercepts by area, using an approximate 10 gpt silver cut-off.

Information in Central Wara Wara now includes 7 drill holes and the surface sampling, which together define an open ended block approximately 700 metres long by up to 150 metres wide and up to 350 metres deep. The cross-cutting gold mineralization is associated with copper mineralization which is shown in the table at the end of the press release. New holes are denoted with an asterisk. The holes are listed in the following table from north to south.

Drill Hole	Description	Length m	Gold gpt	Silver gpt	Gallium gpt	Indium gpt
WWD001		102.6	<0.01	50.6	7.2	3.9
	including	5.2	<0.01	409.0	8.3	8.0
WWD007		200.6	<0.01	29.0	6.3	3.3
	including	92.6	<0.01	42.3	5.8	5.0
	including	16.3	<0.01	109.9	7.3	6.4
WWD008*		70.0	0.01	36.7	5.7	3.9
	and	53.0	<0.01	28.1	5.3	0.7
WWD002		106.0	<0.01	33.0	5.8	1.9
	includes	10.1	<0.01	117.8	5.3	2.4
WWD009*		69.8	0.29	18.1	5.1	1.9
	and	58.0	0.13	37.9	6.7	7.0
WWD010*		31.0	0.27	23.5	3.7	2.9
	and	56.0	0.17	12.3	6.1	1.1
	and	16.6	0.39	121.2	5.4	11.9

In Central Limosna, approximately 1,200 metres to the south, the Company now has 10 holes defining a block approximately 550 metres long by up to 120 metres wide and to a depth of up to 400 metres. New holes are denoted with an asterisk. The holes are listed in the following table from north to south.

Drill Hole	Description	Length m	Silver gpt	Gallium gpt	Indium gpt
LMD004		136.0	37.1	2.6	1.9
LMD010		172.5	30.0	2.4	2.7
LMD011*		28	23.2	3.0	1.4

	and	11.4	50.3	2.8	0.7
	and	6.0	48.2	3.1	1.7
LMD005		202.9	42.1	2.9	2.9
LMD003		130.0	76.4	2.7	3.4
LMD016*	Top of ridge	200.0	99.2	1.5	3.2
LMD017*	Top of ridge	145.0	61.8	2.8	7.3
LMD006		230.0	72.5	3.6	7.4
LMD007		351.0	28.0	3.6	11.0
LMD013*		116.7	36.6	3.2	29.3
LMD002		124.5	23.1	3.2	15.9
LMD012*		83.0	17.8	3.0	8.0

It is noteworthy that the mineralization in the Central Limosna block changes from north to south. In the north the mineralization is characterized by moderate silver and indium with increasing zinc and lead mineralization below approximately 300 metres below the surface. In the central part of the block the mineralization includes high silver and moderate indium values and in the south changes to modest silver and high indium values with increasing zinc and lead mineralization below 300 metres. LMD016 and LMD017 indicate that the higher silver grades seen in the central area in LMD003, LMD005 and LMD006 extend up to the surface. Lead-zinc values are shown in the table at the end of the press release.

At the southern end of Limosna starting, approximately 200 metres south of LMD012, another zone of mineralization is developing, presently defined by five holes. This block is approximately 400 metres N-S and extends to a depth of up to 300 metres. New holes are denoted with an asterisk. The holes are listed in the following table from north to south.

Drill Hole	Length m	Silver gpt	Gallium gpt	Indium gpt
LMD014*	85.5	30.5	1.9	6.9
LMD001	73	38.2	2.6	17.6
LMD008	100.3	29.7	2.6	9.1
LMD009	42.5	33.6	2.6	13.1
LMD015*	218.1	32.8	2.3	5.3

South Limosna is characterized by a well defined zone of modest grade silver with good indium grades and the highest lead grades on the property. Stratabound bands of lead mineralization are becoming more strongly developed in the southern part of Limosna with the highest grade intercept being 1.9 metres of 5.6% lead. Lead-zinc values are shown in the table at the end of the press release.

The following table shows the detailed results from each of the new holes:

Drill Hole	From	To	Length m	Gold gpt	Silver gpt	Cu gpt	Pb gpt	Zn gpt	Gallium gpt	Indium gpt
Wara Wara										
WWD008	19.0	89.0	70.0	0.01	36.7	376.5	280	35	5.7	3.9
including	19.0	76.3	57.3	0.01	40.3	382.7	271	19	5.4	4.1
including	25.6	28.0	2.4	0.01	357.5	3,058.4	652	76	9.5	12.4
and	106.5	140.4	33.9	<0.01	18.8	563.4	322	46	7.4	4.4
including	117.3	118.0	0.7	<0.01	111.0	149.0	187	18	6.2	3.9

and	176.0	229.0	53.0	<0.01	28.1	236.3	98	30	5.3	0.7
and	469.6	487.5	17.9	0.05	3.0	183.5	144	47	3.7	0.5
and	501.0	509.0	8.0	0.02	12.0	82.1	51	32	3.7	0.3
WWD009	85.6	156.0	70.4	0.29	17.9	191.3	538	18	5.1	1.9
including	104.5	106.5	2.0	4.68	66.5	500.1	1,699	95	7.2	10.9
and	289.0	347.0	58.0	0.13	37.9	994.0	384	149	6.7	7.0
including	328.0	347.0	19.0	0.21	76.9	1,956.0	543	407	6.2	11.5
WWD010	121.0	152.0	31.0	0.27	23.5	309.8	529	17	3.7	2.9
including	135.0	140.0	5.0	0.91	54.9	598.1	1,139	28	4.5	6.9
and	152.0	208.0	56.0	0.17	12.3	170.7	207	8	6.1	1.1
and	329.5	346.0	16.6	0.39	121.2	5,989	389	189	5.4	11.9
including	338.1	342.0	3.9	1.28	420.1	1.68%	661	709	5.6	39.0
and	413.8	429.0	15.3	0.07	115.8	865.8	335	94	3.7	8.0
and	470.5	480.0	9.5	0.01	40.1	156.9	176	83	5.7	1.4
Limosna										
LMD011	186.00	214.0	28.0	<0.01	23.2	42.2	305	359	3.0	1.4
	395.0	406.4	11.4	<0.01	50.3	104.9	668	749	2.8	0.7
	416.0	422.0	6.0	<0.01	48.2	98.4	999	1,629	3.1	1.7
	262.3	282.6	20.3	<0.01	7.7	59.3	1,279	4,957	3.6	7.8
	262.3	323.0	60.7	<0.01	6.5	45.0	1,089	2,592	3.7	6.5
LMD012	50.0	133.0	83.0	<0.01	17.8	87.7	1,147	205	3.0	8.0
	271.3	284.2	12.9	<0.01	8.5	39.6	3,337	1,216	3.4	0.7
	362.0	421.3	59.3	<0.01	5.0	14.7	783	3,096	3.4	1.2
LMD013	35.3	152.0	116.7	<0.01	36.6	45.7	1,341	434	3.2	29.3
including	91.8	138.0	46.2	<0.01	55.4	56.6	1,272	447	3.3	57.9
and	279.7	288.5	8.8	<0.01	14.2	232.6	2,608	7,239	4.0	9.1
and	328.1	376.0	47.9	<0.01	18.9	38.0	3,073	3,126	3.1	2.2
including	328.1	332.4	4.3	<0.01	96.8	138.5	5,342	2,367	3.5	7.9
LMD014	56.0	141.5	85.5	<0.01	30.5	27.3	1,249	260	1.9	6.9
including	81.5	83.5	2.0	<0.01	79.3	52.6	1.04%	787	2.2	26.8
LMD015	43.9	262.0	218.1	<0.01	32.8	18.8	1,227	174	2.3	5.3
including	78.0	137.0	59.0	<0.01	56.3	37.4	387	102	2.0	5.0
including	187.9	189.8	1.9	<0.01	185.0	34.8	5.6,%	1,800	1.9	12.5
LMD016	2.0	202.0	200.0	<0.01	99.2	141.8	1,915	265	1.5	3.2
including	60.5	111.2	50.7	<0.01	220.1	223.5	1,370	239	1.3	3.9
including	62.0	65.0	3.0	<0.01	734.5	156.5	1,415	210	1.5	1.4
also	2.0	18.0	16.0	<0.01	78.5	360.6	10,951	772	1.7	2.0
including	5.2	10.0	4.8	<0.01	70.1	501.1	21,599	848	1.6	1.8
LMD017	0.0	145.0	145.0	<0.01	61.8	229.4	1,432	225	2.8	7.3
including	0.0	70.2	70.2	<0.01	102.7	418.9	1,736	292	2.0	3.2
including	43.8	65.5	21.7	<0.01	142.4	512.7	1,129	204	2.2	3.6
including	130.8	145.0	14.2	<0.01	31.2	31.8	511	169	3.5	40.9

Cu= copper, Pb= lead, Zn= zinc

Approximate true widths can be obtained by multiplying the intersection lengths by the following factors (note the grades do not change):

LMD: 12, 13, 14, 15, and 17 multiply by: approximately one half

LMD: 16: This hole was drilled down dip from the top of the ridge to assess the grade from the top of the ridge to the plain, 150 metres below the ridge line. The hole cut the strata at approximately 20 degrees and the near-horizontal enrichment at approximately 50 degrees.

LMD: 11 multiply by: approximately one third

WW: 9 multiply by: approximately one half

WW: 8, 10 multiply by: approximately one third to one half.

The Company has completed 11,238 metres of drilling in 36 drill holes at Malku Khota since the inception of the project. The Company is also initiating contracting independent consultants to complete a 43-101 resource based on drilling to date.

Geochemical analysis of the Malku Khota drill core was carried out by ALS Chemex. The samples were prepared in their Oruro, Bolivia laboratory and analyzed in their ISO 9001 2000 laboratory in Lima, Peru. Silver and lead were analyzed by the ICP MS61 method using a four acid digestion. Silver values greater than 100 gpt were reanalyzed by AA62 method using a four acid digestion. Silver assays greater than 1,500 gpt were analyzed by the 30g FA-GRAV method. Gallium and indium were assayed by ICP MS61. Ralph Fitch, President of the Company is the Qualified Person for this project and has reviewed the content of this press release.

Please see the South American Silver Corp.'s website, www.soamsilver.com, for maps and sections.

Certain statements contained herein constitute "forward-looking statements". Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans," "intends," "anticipates," "should," "estimates," "expects," "believes," "indicates," "targeting," "suggests," "potential," "interpretation" and similar expressions. Information concerning the interpretation of drill results also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Actual results may materially differ from expectations, if known and unknown risks or uncertainties affect our business, or if our estimates or assumptions prove inaccurate. SASC assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

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