



SOUTH AMERICAN SILVER CORP.

FOR IMMEDIATE RELEASE: 10-03

South American Silver Corp. Appoints Greg Johnson as President and CEO

March 29, 2010

Trading Symbol: SAC: TSX

South American Silver Corp. (TSX: SAC) is pleased to announce the appointment of Greg Johnson as President and Chief Executive Officer. Ralph Fitch, who has served as Chairman, President and CEO since the Company's IPO, has been appointed as Executive Chairman. Mr. Johnson has acted as a director of the Company since May 2009.

Mr. Fitch stated, "We wholeheartedly welcome Greg to the Executive Management team at South American Silver. As a director, he has demonstrated the market experience, dynamics and vision that we believe will allow us to successfully advance and maximize the values of the Company. I can now focus my activities on the technical and developmental aspects of the Malku Khota project."

As an exploration geologist with more than 20 years experience in the mining industry, Mr. Johnson brings considerable corporate finance, project development and exploration experience to the Company. He most recently served at NovaGold Resources as Vice-President, Strategic Development, where over the past 12 years he was part of the team that grew NovaGold from a \$10-million market capitalization to nearly a \$2-billion company. While at NovaGold, Mr. Johnson was prominently involved with the acquisition and advancement of three world-class deposits, including the completion of three feasibility studies. He was a co-winner of the respected Thayler Lindsay International Discovery Award for his role in the discovery and advancement of the 40-million-ounce Donlin Creek gold deposit in Alaska.

Mr. Johnson began his career with Placer Dome Inc. where he worked in the U.S. and International Exploration Groups with responsibilities for several projects from early discovery stage to development and operations. He graduated with honors from Western Washington University where he earned a B Sc. in Geology.

"I am excited to join South American Silver at this point of rapid growth, yet early market awareness," said Mr. Johnson. "We look to continue to build the technical and management team to successfully advance and grow what is already one of the world's largest undeveloped Silver-Indium deposits, to maximize the value of our high-potential Escalones Copper-Gold project, and will initiate actions to gain greater market visibility, especially in U.S. markets, over the coming months."

About The Malku Khota Silver-Indium Project

South American Silver's most advanced project is the Malku Khota Silver-Indium project in Bolivia. Malku Khota is one of the world's largest undeveloped silver resources with an NI 43-101-qualified Indicated resource of 144 million ozs silver (151 million tonnes grading 29.7 g/t silver) and an Inferred resource of 177 million ozs silver (230 million tonnes grading 24.0 g/t silver). The resource remains open to further expansion laterally and at depth, and recent drilling has identified a new higher-grade zone which may result in an expanded near-surface resource.

The deposit also has significant economic enrichment from high-technology metals including indium and gallium. The NI 43-101-qualified indium resource is 845,000 kilograms Indicated (151 million tonnes grading 5.58 g/t), and 968,000 kg. Inferred (230 million tonnes grading 4.21 g/t). Malku Khota has the potential to generate up to 10% of global Indium production. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The project is road accessible and has power within approximately 15 kilometers of site. An independent, NI 43-101-compliant Preliminary Economic Assessment Study was completed by Pincock Allen & Holt and announced by the Company in February 2009. The study indicates highly positive economics, including a pre-tax NPV-10% of US\$326 million and a pre-tax internal rate of return of more than 50%, based on a capital expenditure of US\$105 million. Most of the silver resource, including significant indium by-product credits, is anticipated to be heap leachable, indicating cash costs of production of \$3.75/oz.

The Company has initiated a prefeasibility-level engineering study on the Malku Khota project that is expected to lead to the completion of an updated economic assessment by the end of 2010. A feasibility study would then commence, leading to potential mine development in 2012-2014.

About Bolivia

Bolivia contains one of the premier silver mining belts in the world, and has a long history and culture of mining. In each of the last three years, a major silver mine has started operations in Bolivia: In 2007, production started at the San Cristobal Mine operated by Sumitomo Metal Mining Inc.; in 2008 Coeur D'Alene Mine started operations at the San Bartolome Mine; and in 2009, Pan American Silver started operations at the San Vincente Mine. In all instances, operations followed several years of capital expenditures and construction. In addition, Jindal Steel, based in India, has now received permits for construction of one of the world's largest iron ore projects.

As an emerging market economy, Bolivia has demonstrated one of the fastest GDP growth rates in South America, despite the global recession. In addition, Bolivia has seen rising double-digit trade surpluses since 2006. Mining is one of the most important growth areas for this mineral-rich country, and major mining initiatives including Western mining capital and technology have been a large contributor to this economic expansion.

About South American Silver Corp.

South American Silver Corp. is a growth focused mineral exploration company creating value through the exploration and development of the Malku Khota Silver-Indium project in Bolivia, one of the world's largest undeveloped Silver and Indium deposits, and the large-scale Escalones Copper-Gold project in Chile. The Company prides itself in strong community relations and corporate social responsibility, which are a foundation for the successful development of a major mining project. Management has over 100 years of combined experience in the mining industry with much of that focused in Bolivia, Chile, Peru and Argentina. The Company trades on the Toronto Stock Exchange under the symbol SAC and on the US OTC market as SOHAF. More information is available at www.soamsilver.com.

For further information, please contact:

South American Silver Corp.

Phone: 303-584-0606

Greg Johnson, President and CEO

Ralph Fitch, Executive Chairman

Richard Doran, Executive Vice President

Certain statements contained herein constitute “forward-looking statements”. These forward-looking statements include, but are not limited to, statements regarding estimated mineral resources, the potential for delineation of additional resources through further exploration at the Malku Khota property and the refinement of the acid chloride leach process. 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; availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms; changes in project parameters as plans continue to be refined; failure of equipment or processes to operate as anticipated; political, regulatory, environmental 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. There can be no assurance that the Malku Khota property will be commercialized or that commercial heap leaching will produce positive results. 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 (“NI 43-101”). 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 economic assessment as defined under NI 43-101. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

The PEA includes inferred mineral resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Furthermore, there is no certainty that the results projected in the PEA or this press release will be realized and actual results may vary substantially.