



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

January 28, 2009



FRANKFURT- SEG
NR-03-10

Southern Silver Acquires San Juan Gold-Silver Project in Sinaloa, Mexico; Updates Oro Project Drilling

Southern Silver Exploration reported today that it signed a Letter of Intent with a private vendor to acquire a 100% interest in the **San Juan gold-silver project** in Sinaloa State, Mexico.

The property comprises eight concessions totaling 1850 hectares and lies within the **Sierra Madre Mineral Belt** of west-central Mexico. Small-scale mining, which has been active on the property since the beginning of the 19th century, has traced the near surface, low-angle mineralized structure for approximately 800 metres and includes both higher-grade gold veins, from 1 to 4 metres thick, and additional mineralization in the fractured hangingwall.

Recent drilling on the project by a previous operator returned strongly anomalous gold mineralization from 27 shallow (<50 metre depth) air rotary drill holes along a +1 kilometre trend. Values ranged from narrower higher-grade intervals of up to **27.3g/t gold over 3.0 metres** to thicker intervals of mineralization ranging from **0.6g/t gold over 15.0 metres to 3.9g/t gold over 27 metres.** ⁽¹⁾



Southern Silver can earn a 100% interest in the project by making scheduled cash payments totalling US\$1.0 million over a four year period. Initial consideration is a US\$50,000 cash payment upon signing of the agreement with escalating payments every six months for the term of the option.

Reconnaissance surface mapping and sampling on the property is underway. The company anticipates initial drill testing of high-priority targets within the second quarter of 2010.

- (1) The San Juan drill results were initially reported under the Hercules project name by US Gold Corporation; under the supervision of Steve Brown, Senior Geologist and Project Manager, in a News Release dated September 17, 2008. Southern believes the data relevant and reliable, but has not independently verified the drill results. Due diligence drilling will be conducted as part of continued exploration on the property.

Oro, New Mexico

Southern Silver also reported that Phase I drilling on its **Oro project** located in southern New Mexico continues. Four core holes, for a total of 1239 metres have been completed which tested four separate target areas within a +2km long mineralized corridor located in the historic Eureka mining district of southern New Mexico. Drilling of a fifth hole will commence once drill crews have returned from break. Core logging and sampling is proceeding and assays are pending.

Minas de Ameca, Mexico

Southern Silver reported today that it has relinquished its option on the Quila claim block to Soltoro Ltd. in order to focus the company's efforts on advancing the San Luis vein system within the Magistral 1 concession. The property now consists of three concession for a total of 13,171 hectares.

Previous drilling by the company on the San Luis veins totaled 4750 metres in 19 holes and tested the vein system to depths of over 500 metres and greater than 600 metres in strike length. Mineralized intervals with greater than 1g/t Au and 1% Cu range in thickness from 1 metre to +10 metres and comprise single and sheeted quartz veins within envelopes of strong argillic alteration with iron and copper sulphides.

Southern Silver reported that additional drill sites are in the permitting process. The company anticipates starting a 10 hole, 1500 metre core drill program by mid-first quarter 2010.

Company President Lawrence Page Q.C. said *"Acquisition of an option to purchase a 100% interest in the San Juan claims without the burden of a net smelter royalty is consistent with the Company's objective of acquiring ownership of quality projects in established mineral districts with significant exploration/development potential and with minimal downstream encumbrance. This acquisition resulted from a review of many property referrals and site visits by the company's exploration geologist and represents what we feel is our best opportunity to increase shareholder value."*

About Southern Silver Exploration Corp.

Southern Silver Exploration Corp. is focused on the exploration and development of quality assets, in significant mineralized trends, close to infrastructure. Its current projects include the copper/gold/silver Minas de Ameca project, the gold/silver San Juan project and the silver/zinc/lead Pinabete project in Mexico, the Dragoon Porphyry project in Arizona and the Oro project in New Mexico.

-30-

Rob Macdonald, (P.Geo.), is the Qualified Person responsible for reviewing the technical data for the Minas de Ameca and San Juan Projects; Elliott Crist (P.Geo) is the Qualified Person responsible for reviewing the technical data of the Oro Project.

On behalf of the Board of Directors

"Lawrence Page"

Lawrence Page, President, Southern Silver Exploration Corp.

For further information visit southernsilverexploration.com or please contact Jeff Stuart at 1-888-456-1112 / 604-641-2771 or by email at corpdev@mnx1td.com.

Neither 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.

This News Release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Southern Silver Exploration Corp. relies upon litigation protection for forward looking statements.