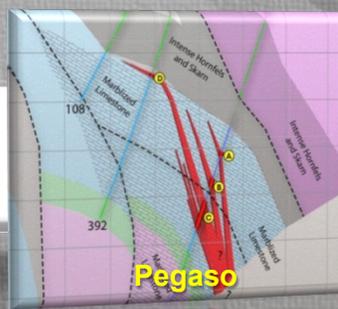




# MAG Silver Corp.

Silver Development and Discoveries  
September, 2013



TSX : MAG  
NYSE MKT : MVG

Corporate Presentation



# Forward Looking - Safe Harbor Statement

MAG Silver Corp is a Canadian issuer.

This presentation is prepared by MAG Silver Corp ("MAG – TSX / MVG – NYSE.MKT") management and MAG is solely responsible for content and format. Daniel MacInnis P. Geo is a non-independent Qualified Person and has compiled this presentation from industry information and 43-101 reports and news releases with specific underlying Qualified Persons as set out in the releases and reports. Industry Information has been compiled from publicly available sources and may not be complete, up to date or reliable.

- This presentation contains forward-looking statements within the meaning of Canadian and U.S. securities laws. Such forward looking statements are subject to risks and uncertainties which could cause actual results to differ materially from estimated results. Such risks and uncertainties include, but are not limited to: the Company's ability to raise capital to fund development and exploration, changes in general economic conditions or financial markets, changes in metal prices, general cost increases, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments in Mexico or Canada, technological and operational difficulties or inability to obtain permits encountered in connection with the Company's exploration activities, community and labor relations matters and changes in foreign exchange rates, all of which are described in more detail in the Company's filings with the US. Securities and Exchange Commission. There is no certainty that any forward looking statement will come to pass and investors should not place undue reliance upon forward-looking statements.
- This presentation uses the term "Indicated Resources". MAG advises investors that although this term is recognized and required by Canadian regulations (under National Instrument 43-101 Standards of Disclosure for Mineral Projects), the U.S. Securities and Exchange Commission does not recognize this term. Investors are cautioned not to assume that any part or all of mineral deposits in this category will ever be converted into reserves.
- **Cautionary Note to Investors Concerning Estimates of Inferred Resources:** This presentation uses the term "Inferred Resources". MAG advises investors that although this term is recognized and required by Canadian regulations (under National Instrument 43-101 Standards of Disclosure for Mineral Projects), the U.S. Securities and Exchange Commission does not recognize this term. Investors are cautioned not to assume that any part or all of the mineral deposits in this category will ever 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 all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, or economic studies except for Preliminary Assessment as defined under Canadian National Instrument 43-101. Investors are cautioned not to assume that part or all of an Inferred Resource exists, or is economically or legally mineable. The Company may access safe harbor rules. Please see complete information on SEDAR and at the SEC on EDGAR.

This presentation is for information purposes only and is not a solicitation. Please contact the Company for complete information and consult a registered investment representative / advisor prior to making any investment decision.

Note to U.S. Investors: Investors are urged to consider closely the disclosure in our Form 40F, File no. 001-33574, available at our office: Suite 770-800 West Pender, Vancouver BC, Canada, V6C 2V6 or from the SEC: 1(800) SEC-0330. The Company may access safe harbor rules.

Investors are urged to consider closely the disclosures in MAG Silver's annual and quarterly reports and other public filings, accessible through the Internet at [www.sedar.com](http://www.sedar.com) and [www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html)

Neither the TSX nor the New York Stock Exchange MKT has reviewed or accepted responsibility for the accuracy or adequacy of this presentation, which has been prepared by management.

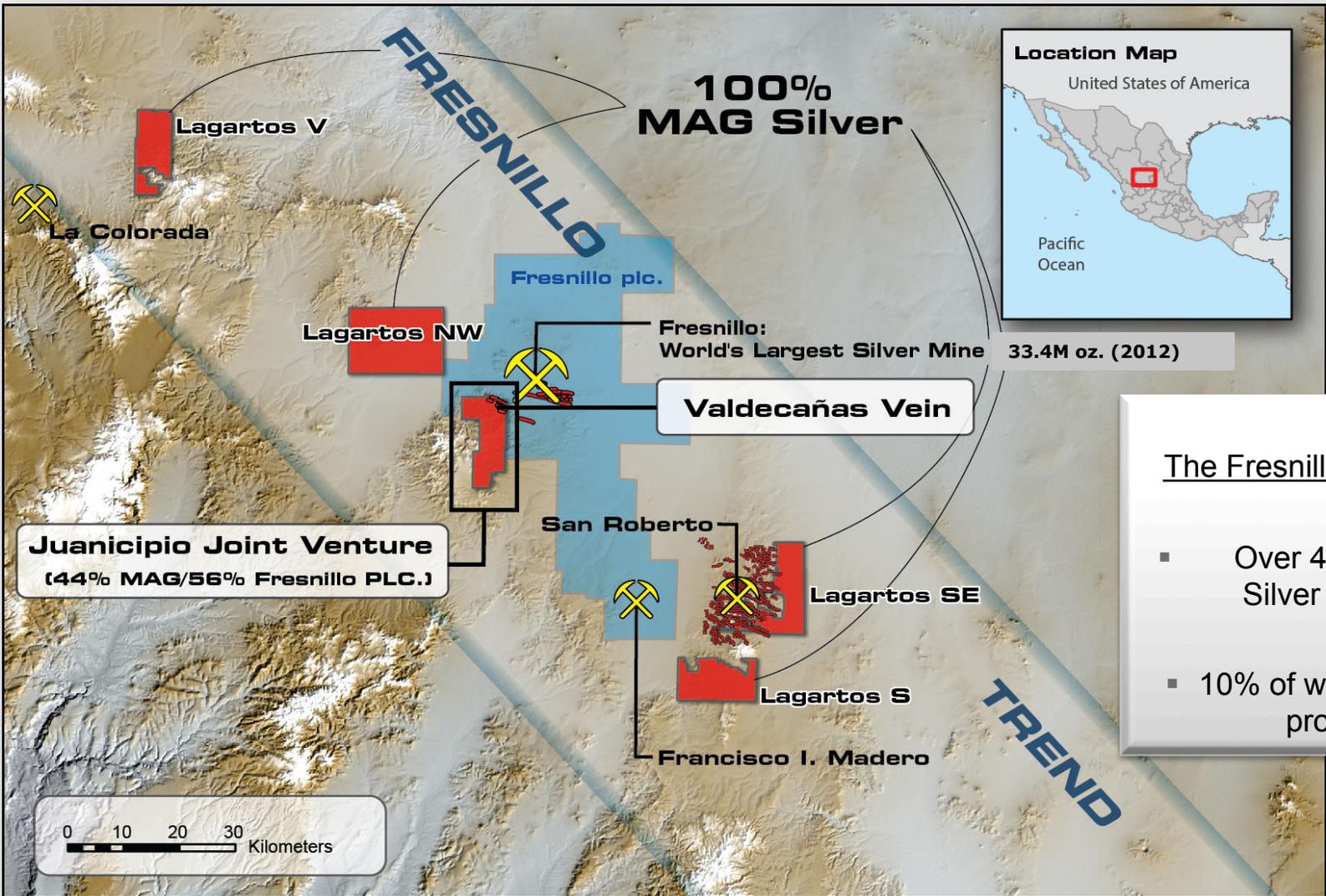
# MAG Silver – Asset Growth Through Exploration



<p><b>Focused on “High Grade”</b></p> <p><b>Silver</b></p> <p><b>Lead</b></p> <p><b>Zinc</b></p> <p><b>in Mexico</b></p>	<p><b>Main Asset – (44% Interest)</b></p> <p><b>Juanicipio Joint Venture</b></p> <p><b>UPEA / NPV</b></p> <ul style="list-style-type: none"> <li>• \$1.2B / 43% IRR</li> <li>• @ \$23.39 Silver</li> <li>• \$1.7B / 53% IRR</li> <li>• @ \$30.00 Silver</li> <li>• (Post-Tax/NPV(5%))</li> </ul>	<p><b>Cinco de Mayo (100%)</b></p> <p><b>Upper Manto</b></p> <p><b>First Resource</b></p> <ul style="list-style-type: none"> <li>• 12.45 Mt</li> <li>• 132 g/t silver</li> <li>• 0.24 g/t gold</li> <li>• 2.86% lead</li> <li>• 6.47% Zinc</li> </ul>	<p><b>Cinco de Mayo (100%)</b></p> <p><b>Pegaso</b></p> <p><b>New Discovery</b></p> <ul style="list-style-type: none"> <li>• 61.6 metres</li> <li>• 89 g/t silver</li> <li>• 0.78 g/t gold</li> <li>• 0.13% copper</li> <li>• 2.1% lead</li> <li>• 7.3% zinc</li> </ul>	<p><b>Strong Financial Position</b></p> <p><b>\$CDN 29.0M</b></p> <p>(To August, 2013)</p>
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# Fresnillo Silver District – One of a Kind



The Fresnillo Silver Trend

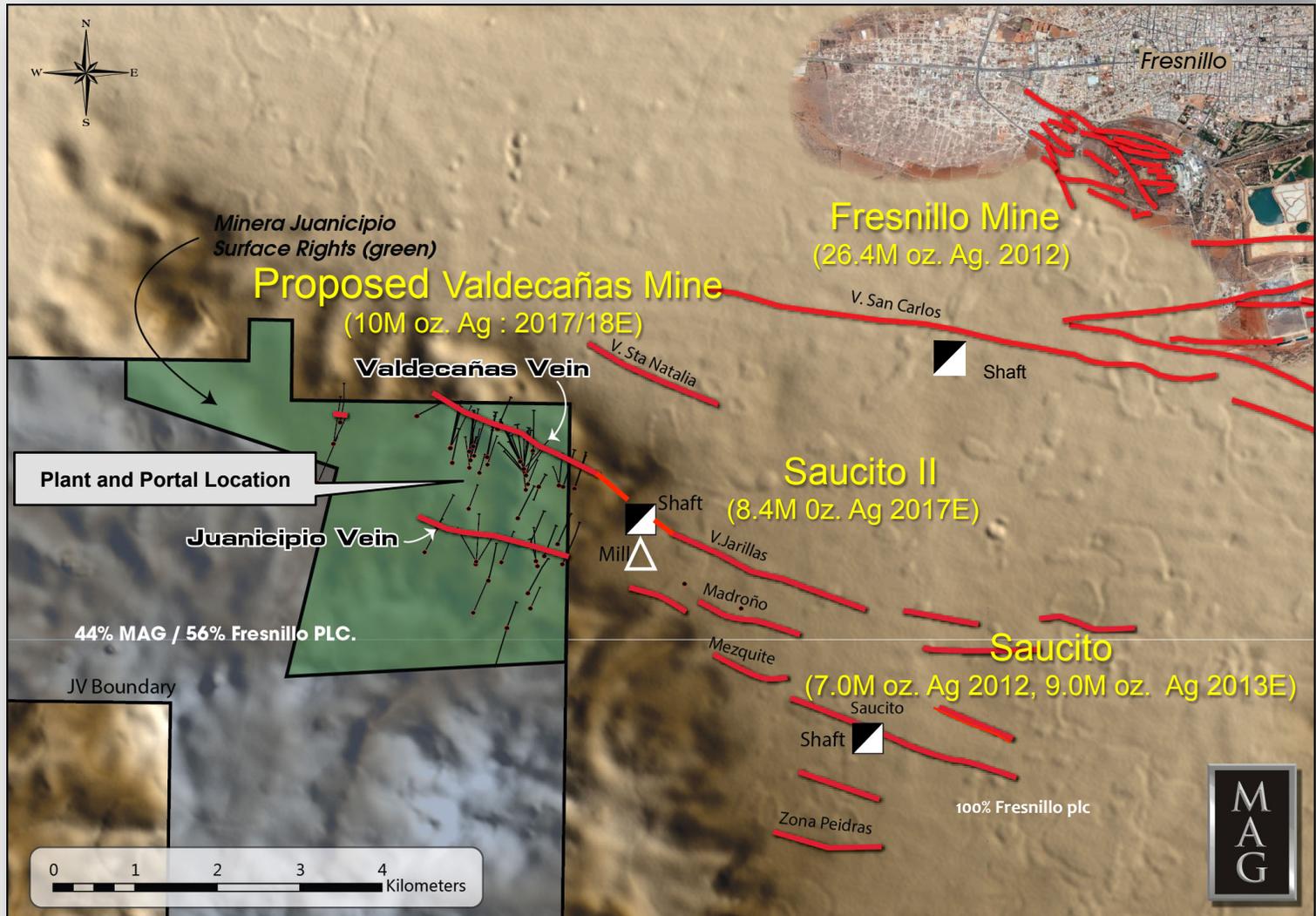
- Over 4.2B ounces of Silver production
- 10% of world historical production

# Minera Juanicipio – Underground Development Approved

Valdecañas ,  
Desprendido,  
Juanicipio Veins.  
Owned 44%  
MAG / 56%  
Fresnillo plc

UPEA Study:  
**\$1.23B / IRR 43%**  
@23.39 Ag / NPV(5%)  
**MAG (44%) \$540M**  
JV approves  
initiation of  
underground  
program in 2013 Q3

Stand alone  
development at  
2,650 tpd milling rate  
**10.3M payable oz.**  
Annual average.  
**MAG 44%**  
**4.5M payable oz.**





# Juanicipio – Why High Grade Matters

Resource Category (100g/t Ag cut-off)*	Tonnes M	Silver g/t	Gold g/t	Lead %	Zinc %	Silver Ounces M
Indicated	5.7	702	1.9	2.2	4.2	128
Inferred	4.3	513	1.4	1.6	3.0	71
UPEA Highlights AMC		Base Case (Ag / oz.\$23.39)		Spot Silver (Ag / oz.\$30.00)		
<i>Discount Rate 5%</i>	NPV (\$USM)	MAG 44%	IRR	NPV (\$USM)	MAG 44%	IRR
After-Tax	1,233	542	43%	1,734	763	53%
Cash Cost (net)	<b>\$(0.03)</b>		<b>\$(1.07)</b>			
Life of Mine Cash Margin (at Base Case Metal Prices)						
	Revenue	Operating and Capital Cost	Cash Margin	Cash Margin at \$30.00 Silver		
\$23.39 Ag oz.	~\$ 5.0B	~\$2.0B	~\$3.0B (60%)	~\$4.0B (67%)		

\* 43-101 Strathcona Estimate 2011

Source: AMC UPEA



# Operational Metrics\*

Parameter	Units	
Initial Capital	<b>\$302</b> (MAG share \$132M)	<b>(\$M)</b> (Years 1-4)
Sustaining Capital	<b>\$267</b> (Paid out of revenue)	<b>(\$M)</b> (Years 4-14.8)
Payback from Mill Startup Base Case	<b>2</b>	<b>(yrs.)</b>
Life of Mine	<b>15</b>	<b>(yrs.)</b>
Average Mine Rate	<b>850kt / 950kt **</b>	<b>(ktpy)</b>
Nominal Mill Rate	<b>2,560t / 850k</b>	<b>(tpd / ktpy)</b>
On Site Operating Cost	<b>\$66.56t</b>	<b>(\$/t)</b>
Off site costs	<b>\$39.36t</b>	<b>(\$/t)</b>
LOM Cash Cost	<b>(\$0.03)</b>	<b>(\$/oz.)</b>
Total Cash Cost	<b>\$6.61</b>	<b>(net) (\$/oz. Ag eq.)</b> (Includes TTC costs)

CAPEX Breakdown	Initial Capital \$ millions	Sustaining Capital \$ millions
Mine	102	234
Mill	58	16
Infrastructure	34	16
Indirect (Including owners costs / EPCM)	77	1
Contingency	31	N/A
<b>Total</b>	<b>302</b>	<b>267</b>

UPEA base case utilized three year trailing average prices for :

Silver : \$23.39  
 Gold : \$1,257  
 Lead : \$0.95  
 Zinc : \$0.91

\*\*Mining starts up 6 months before process plant (3 years into development) which starts at 850kt per year and in Year 6 mining and processing increases to 950k due to start-up of production from Juanicipio vein (additional 100k tpy)

\*Source: AMC UPEA



# Projected Production and Cash Flow (LOM)

Life Of Mine Production (Millions)		
	J.V. 100%	MAG 44%
Payable Silver oz.	153	67
Payable Silver Eq. oz.	213	94

Category	Average First 6 Years	Average LOM
Production Average Silver (M-oz./pa)	14.3	10.3
Average MAG 44% Silver (M-oz./pa)	6.3	4.5
TOTAL		
<b>Silver Price Base Case \$ 23.39</b>		
After-Tax Cash Flow (\$USM)	228.1	159.1
MAG 44%		
After-Tax Cash Flow (\$USM)	100.4	70.0
TOTAL		
<b>Silver "Spot" Price \$ 30.00</b>		
After-Tax Cash Flow (\$USM)	297.4	204.6
MAG 44%		
After-Tax Cash Flow (\$USM)	130.9	90.0

Projected start of production : 42 Months from ramp start

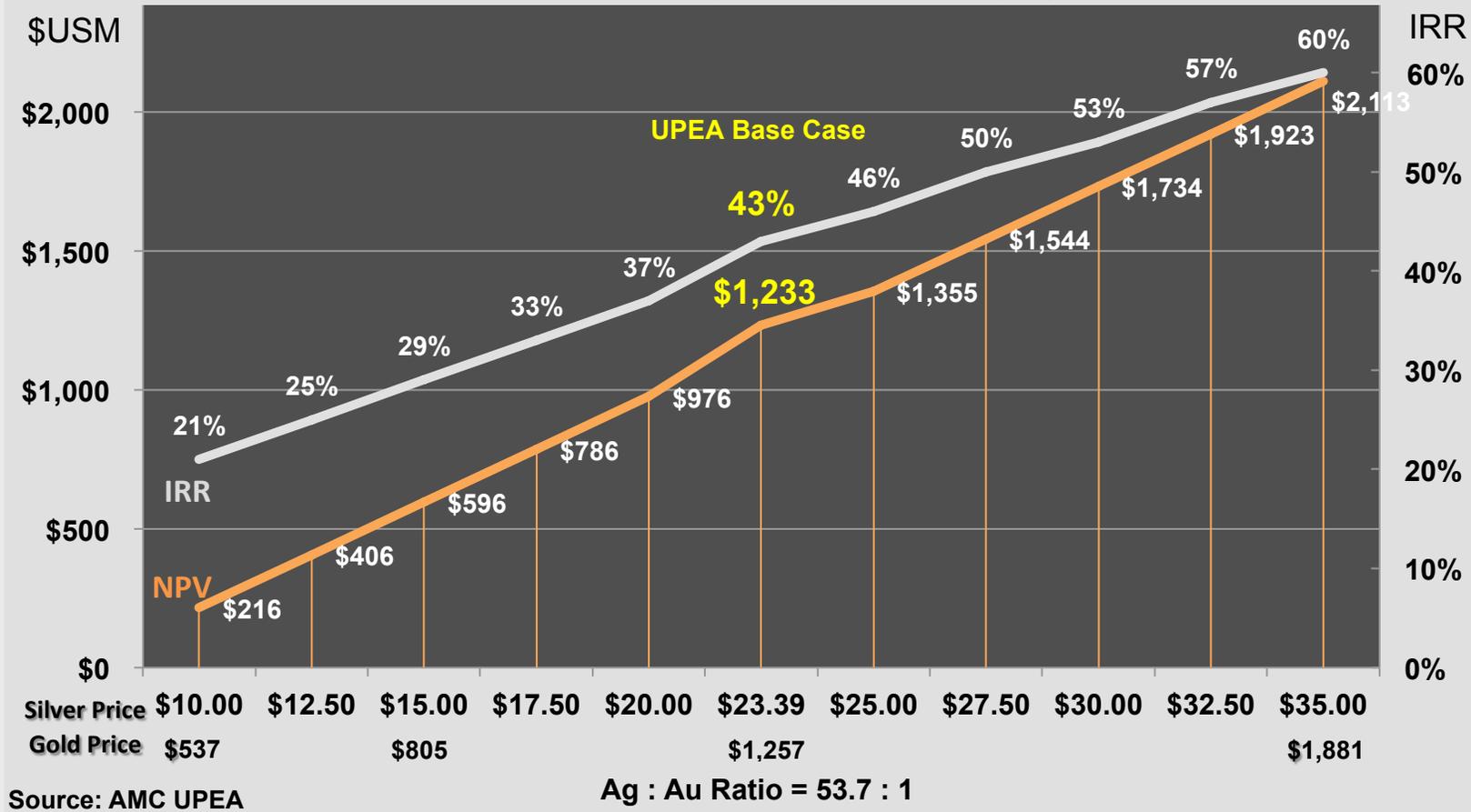
Source: AMC UPEA (May 2012)



# Sensitivity to Silver Price

## NPV(5%) (After Tax) and IRR vs. Silver Price

Metric: A \$1.00 increase in Silver adds \$75.0M (after tax) to the NPV(5%) or \$0.55 per MAG share

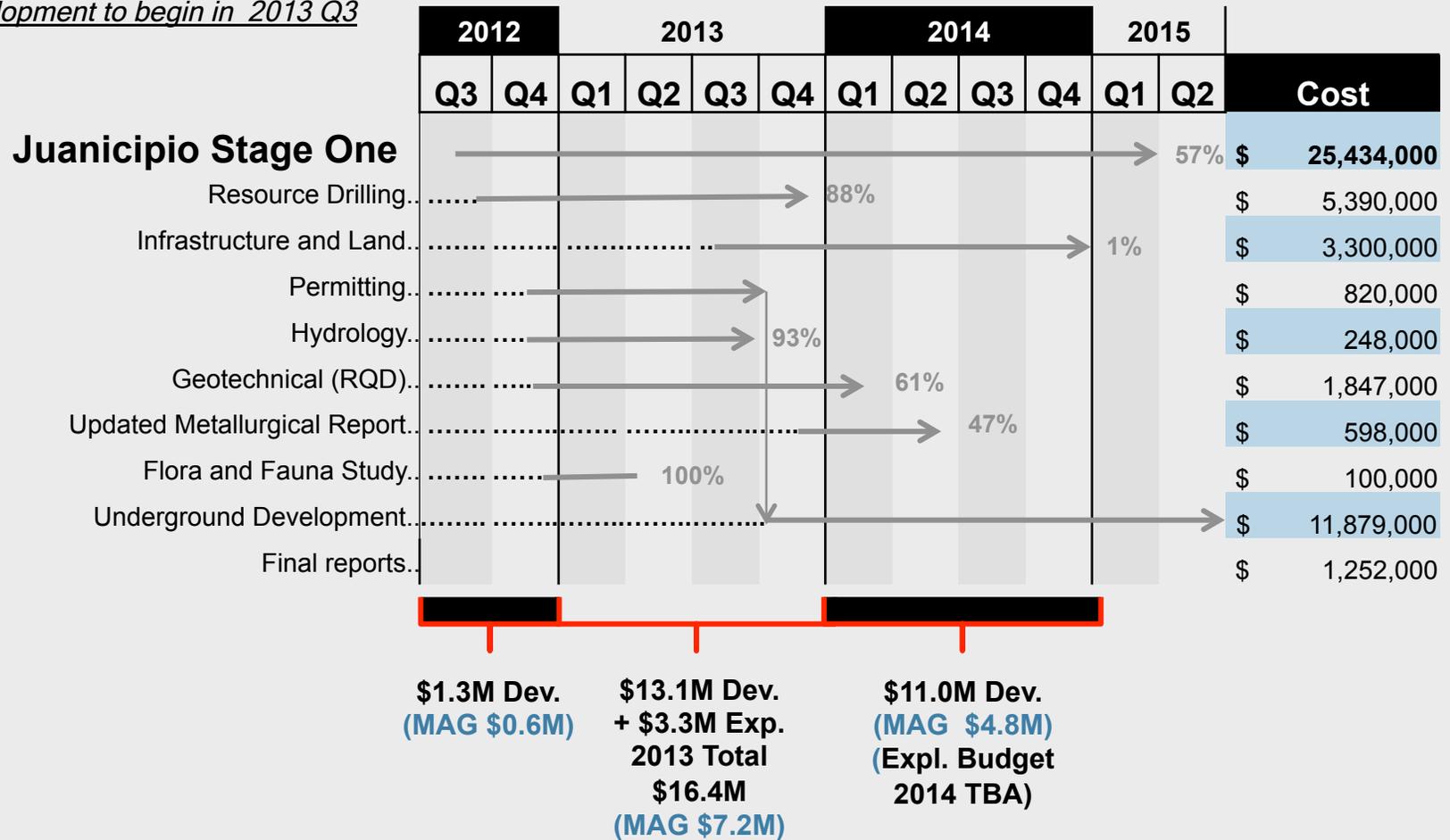




# Development Time Table - Stage One

*Minera Juanicipio Board has approved a plan to initiate permitting and the first 2,500 meters of decline development to begin in 2013 Q3*

**\$US 25.4M (MAG 44% / \$11.2M)**





# Juanicipio Joint Venture – Summary

- **Highest Grade undeveloped silver deposit\***
  - Indicated **6.2Mt at 728 g/t Ag** Valdecañas / Desprendido (146m oz.)
  - Inferred **5.1Mt at 349 g/t Ag** Valdecañas / Desprendido (58M oz.)
    - Inferred **1.1Mt at 693 g/t Ag** Juanicipio Vein (24M oz.)
- Annual **payable** silver production averages 10.3 million ounces at a total cash cost of (negative \$0.03) per ounce silver, net of by-product credits (MAG's 44% annual share of payable silver ounces is 4.5 million ounces)
  - **Minimal Financial risk**
    - Base Case (\$23.39 Ag oz.) After-tax **NPV(5%) \$1.2B / 43% IRR**
    - **Total Revenue \$5B** : Costs \$2B ; Cash Margin \$3.0B (\$23.39 Ag)
      - LOM **payable silver ounces 153M**:
      - LOM silver equivalent ounces 213M
  - **Minimal Geopolitical risk**
    - Mexico
  - **Minimal Development risk**
    - Fresnillo as Operator
  - **No access issues**
    - Surface rights ownership to the Joint Venture
  - **No infrastructure risk**
    - 4 significant mines nearby, airport 30 minutes away,
      - labor, water, power, available
- **Probability of more vein discoveries and additional ounces**

\* (After RPA / 43-101 Resource Estimation)



# Cinco de Mayo – Ag / Pb / Zn “New” CRD District



**Exploration Focus**  
**Upper Manto Zone**  
**Ag / Pb / Zn**

**Pegaso Discovery**  
**Ag, Au, Cu, Pb Zn**  
**July 2012**





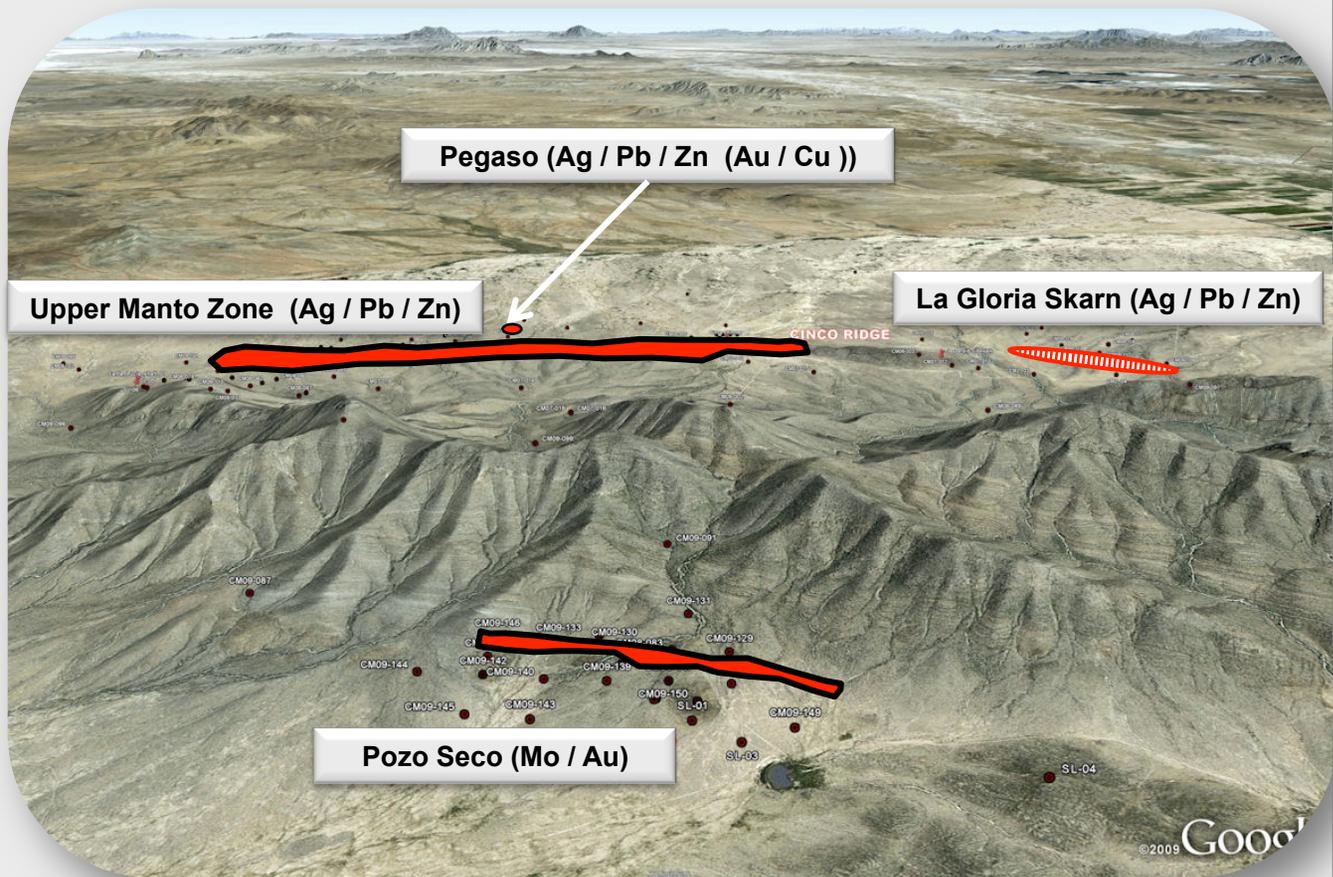
# Cinco de Mayo : Permitting Update

- Nov. 2012 – The newly instituted “Soil Use Change” permit (**SUCP**) required MAG to renew its surface access agreement with the local Ejido Benito Juarez (**EBJ**) before resuming drilling. A radical activist agrarian group interjects and unduly influences the process and orchestrates an “Ejido Assembly” which purports to ban mining in Northern Chihuahua State for 100 years and eject MAG from the property. The Ejido assembly has no legal authority as mining activity is exclusive Federal jurisdiction.
- Pro-mining supporters in EBJ have made a multifaceted challenged to the assembly’s validity in the courts to which the activist faction made no attempt to counter. The matter is now in the hands of a court tribunal (August 2013) for its final decision which is expected shortly.
- MAG has engaged, solicited and received strong support from the Municipal, State and Federal Government levels in Mexico. Both the Governor and the Minister of the Economy for Chihuahua have publically stated their support for MAG’s position while citing the positive value of mining to the Chihuahua economy and the need for well paying jobs.
- MAG Silver’s immediate objective is to reach at a mutually favorable agreement with EBJ for surface access to the project in order to obtain the “SUCP”. MAG has formulated a broad CSR proposal which promises among others: a staffed medical clinic, small business financial support, educational scholarships and employment / training priority for members of EBJ.
- Given our 6 year working relationships with the Ejido and the greater community of Benito Juarez, **MAG believes the majority of the Ejido is supportive of our project and recognizes the economic benefits and social opportunities exploration work brings to the region.** As with many matters dealing with Ejido negotiations there is a very time consuming legal and political process that must be respected to assure validity, security and closure.
- We firmly believe our surface access permission will be regained in due course through the usual Ejido legal process.



# Cinco de Mayo – Major CRD System

## Pegaso Discovery and Upper Manto Ag / Pb / Zn



### Pegaso Zone Discovery

- 61 m Massive Sulphides
- 300 m Skarn + Marble
- Open in all directions
- Fits CRD zoning pattern

### Upper Manto Zone

- Initial Resource Estimation
- High Grade Ag / Pb / Zn
- 125 – 600m below surface
- Open in several directions

### Pozo Seco - High Grade Oxide Moly / Gold Deposit

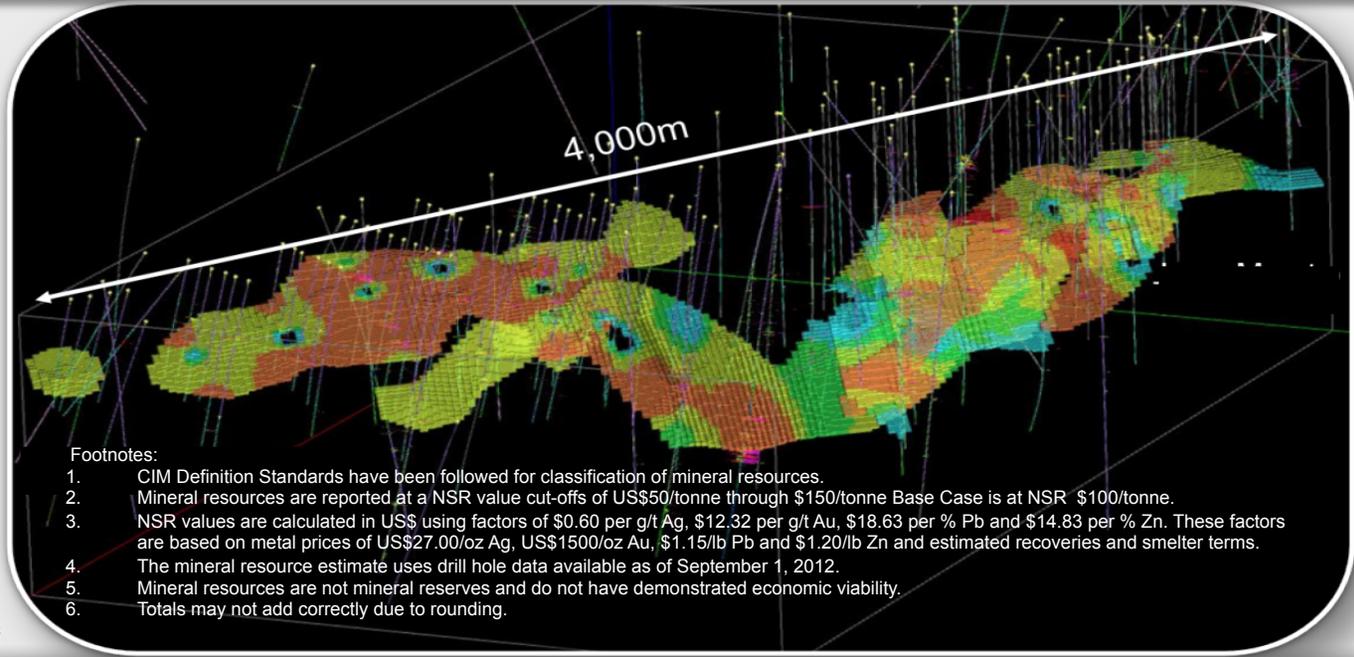
- Shallow / open pit
- Open in several directions
- Nearby water, power, road





# Upper Manto - Initial Resource Estimate\*

Resource Category (\$100 NSR Cut-off)	Tonnes M	Au g/t	Ag g/t	Pb %	Zn %	Pb + Zn %	Silver M oz.	Lead M lbs.	Zinc M lbs.
<b>Inferred</b>	12.45	0.24	132	2.86	6.47	9.33	52.7	785	1,777
			3.8 opt						

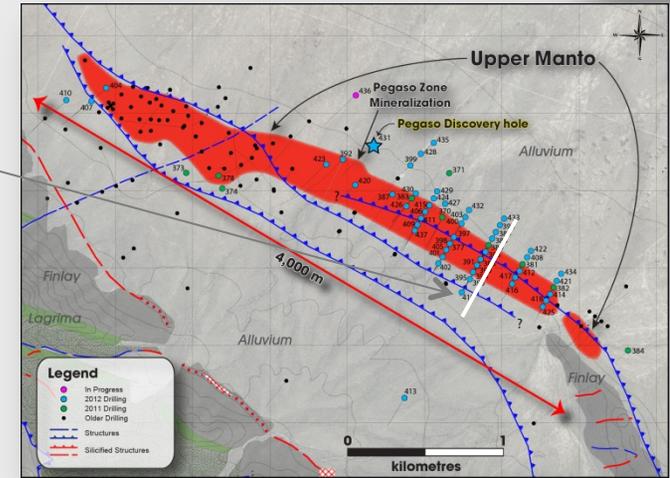
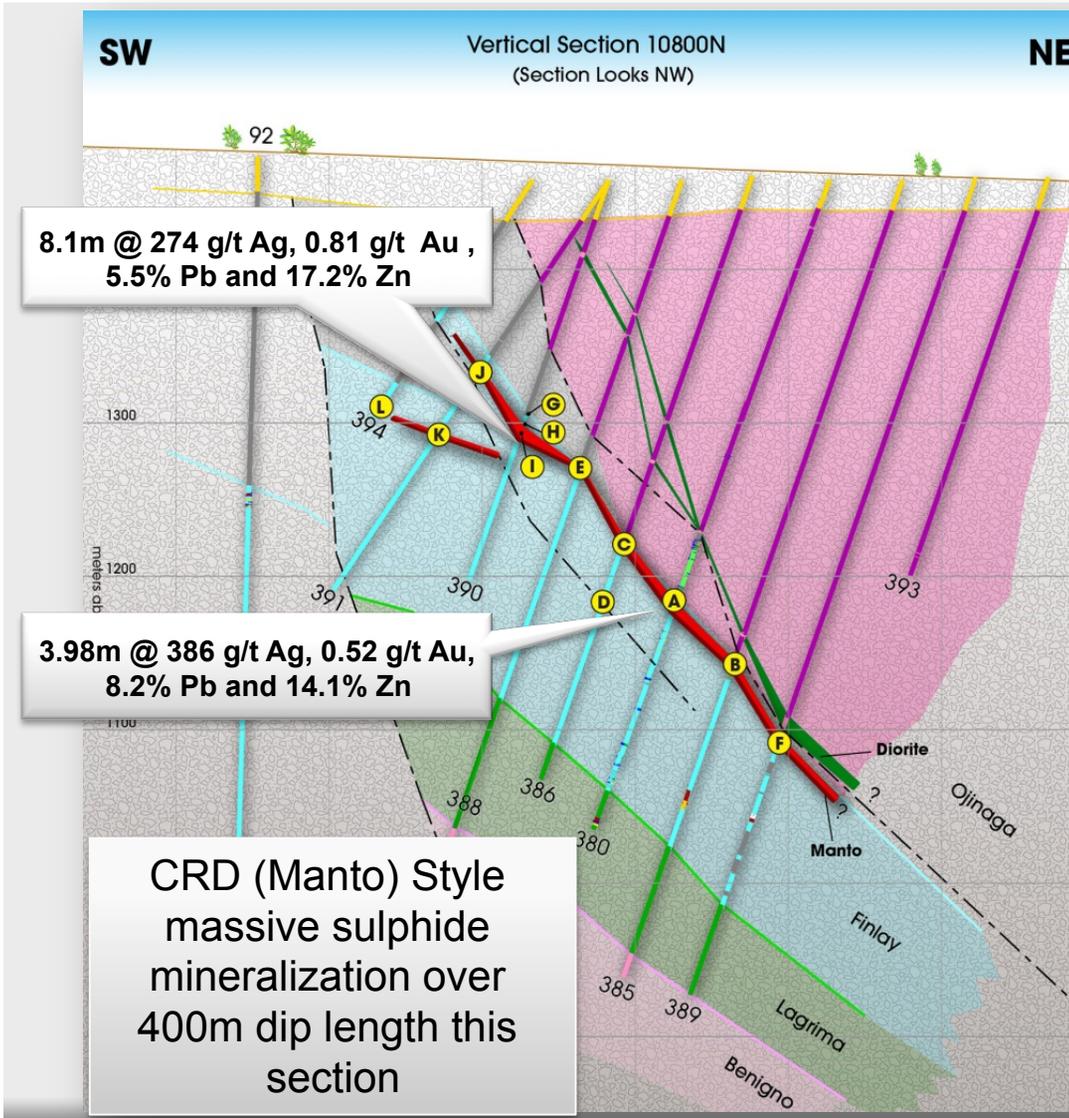


\*43-101 Report Authored by: Roscoe Postle & Assoc





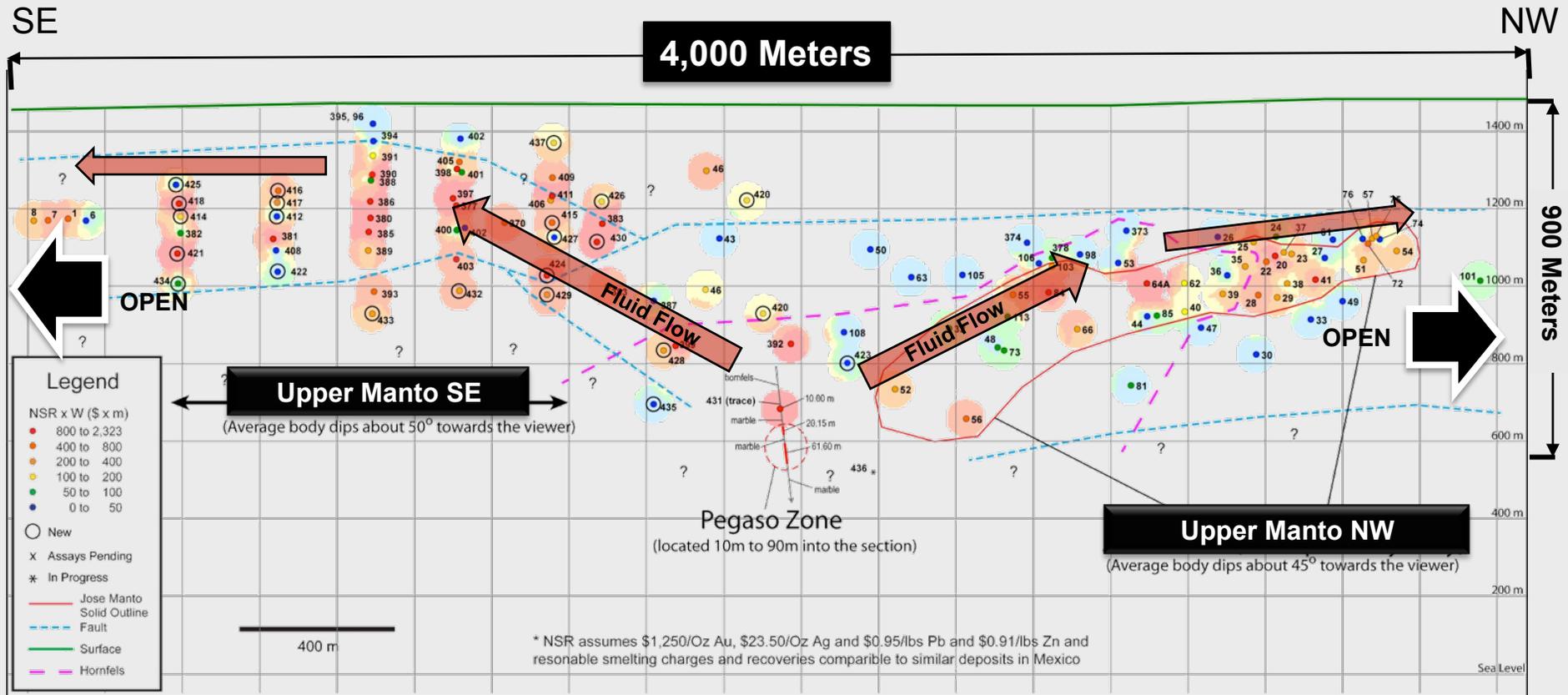
# Upper Manto – Typical Cross Section



Intercept	Hole Number	Interval metres	Gold g/t	Silver g/t	Silver opt*	Lead %	Zinc %
A	380	3.98	0.52	386	11.3	8.19	14.06
		incl. 0.86	0.23	1170	34.1	19.05	13.70
B	385	5.00	0.32	102	3.0	3.25	13.20
		incl. 1.02	0.14	275	8.0	10.79	13.88
C	386	3.13	0.22	198	5.8	5.71	7.79
		incl. 0.94	0.17	411	12.0	11.09	7.12
D	386	2.03	0.16	169	4.9	7.59	11.45
		incl. 0.43	0.32	420	12.2	12.80	16.85
E	388	1.27	0.00	1	0.0	0.05	4.68
F	389	2.39	0.11	37	1.1	1.91	6.63
G	390	1.30	0.01	7	0.2	0.39	20.93
H	and	4.14	0.02	12	0.4	0.32	14.96
		incl. 8.08	0.81	274	8.0	5.50	17.18
I	and	1.63	0.50	778	22.7	14.89	18.19
		incl. 1.63	0.50	778	22.7	14.89	18.19
J	391	1.06	0.03	21	0.6	0.15	9.76
K	and	2.49	0.01	23	0.7	0.15	9.54
		incl. 2.49	0.01	23	0.7	0.15	9.54
L	394	Assays Pending					



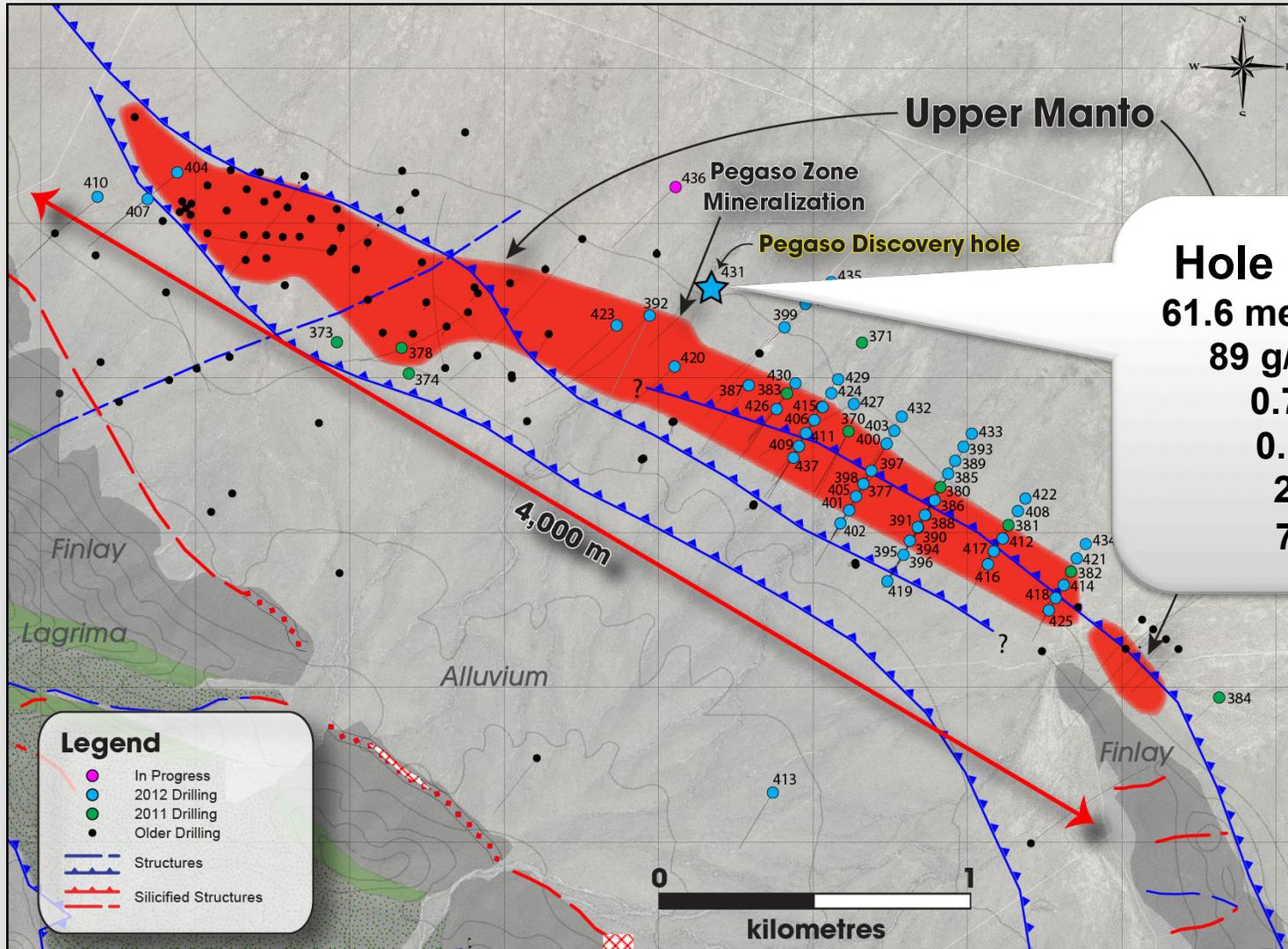
# Upper Manto / Pegaso – Long Section



**Mineralized zone of 4,000m strike x 400m dip length and average width of 3.5M**



# Cinco de Mayo – Pegaso Discovery

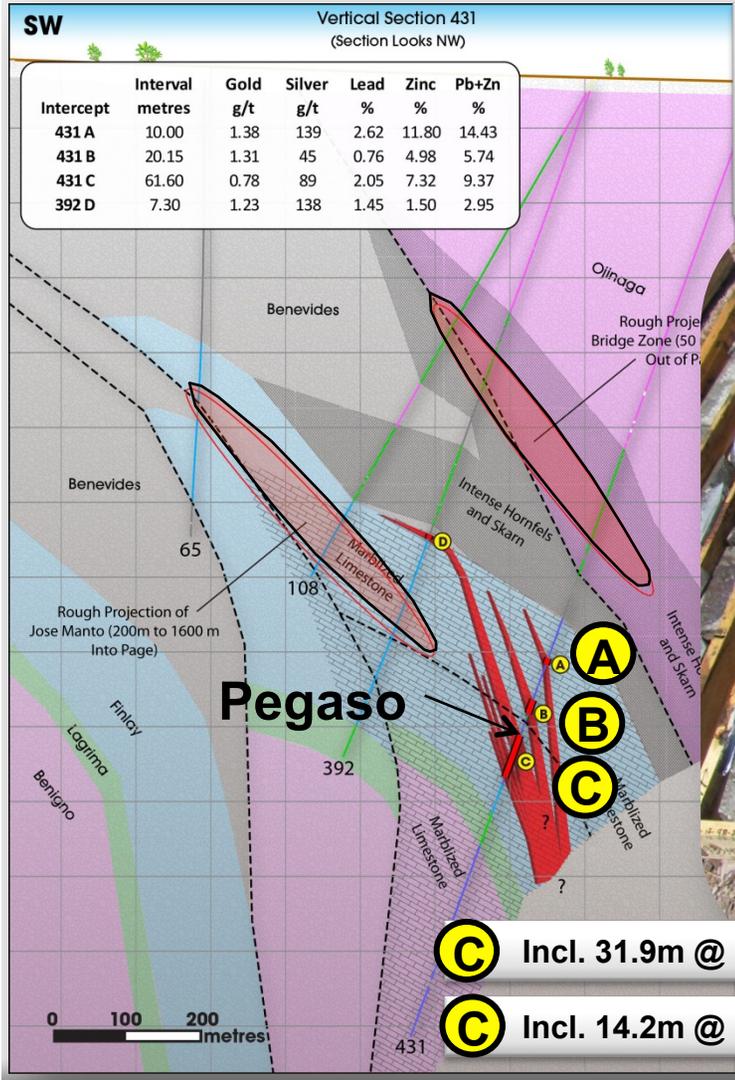


**Hole CM12 - 431:**  
 61.6 metres (202 ft.) @  
 89 g/t silver (2.6 oz.)  
 0.78 g/t gold  
 0.13% copper  
 2.10% lead and  
 7.30% zinc





# Pegaso – New Ag / Au / Cu / Pb / Zn Discovery



**A** 10.0m @ 139 g/t Ag, 1.38 g/t Au, 2.6% Pb, 11.8% Zn (14.4% Pb + Zn)

**B** 20.15m @ 45 g/t Ag, 1.31 g/t Au, 0.8% Pb, 5.0% Zn (5.8% Pb + Zn)

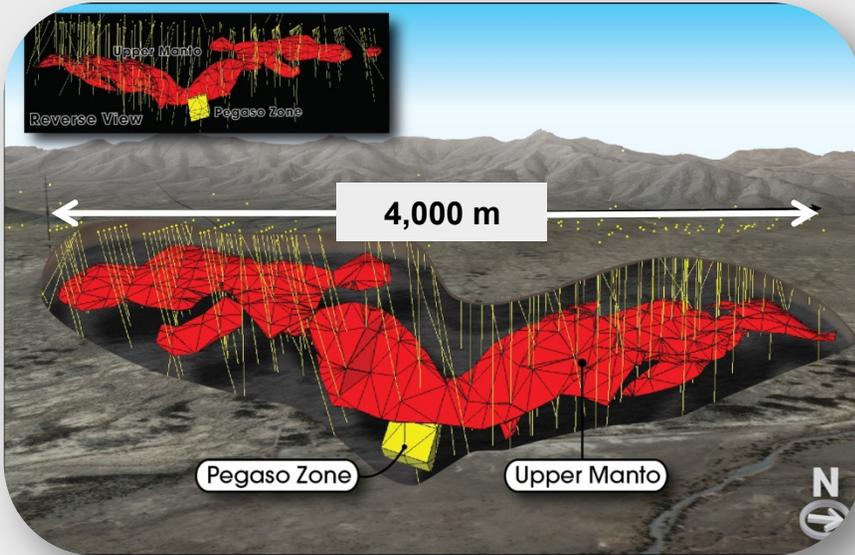


**C** Incl. 31.9m @ 117 g/t Ag, 1.13 g/t Au, 0.16% Cu, 2.7% Pb, 9.3% Zn (12.0% Pb + Zn)

**C** Incl. 14.2m @ 141 g/t Ag, 0.94 g/t Au, 0.15% Cu, 2.6% Pb, 13.9% Zn (16.5% Pb + Zn)



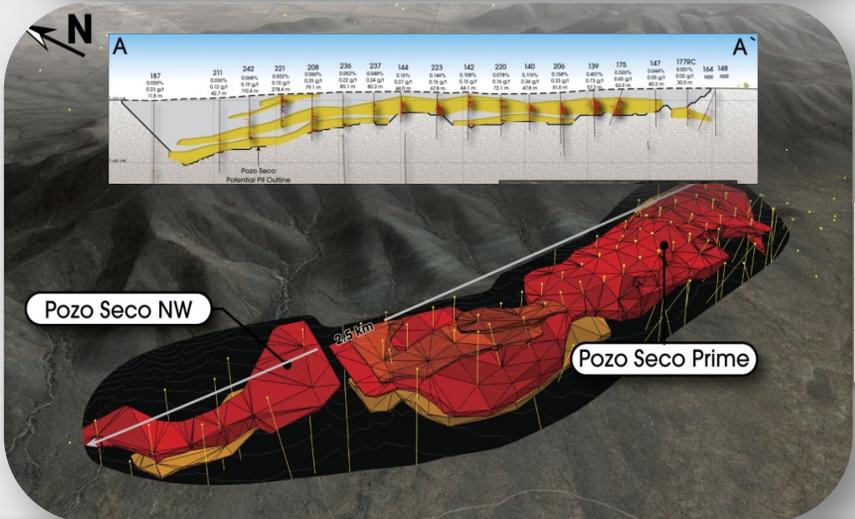
# Cinco de Mayo – Size Potential



**Upper Manto : Largest known “Manto” occurrence in Mexican CRD environment**

**Pegaso: Best recent massive sulphide intercept in CRD environment**

**Pozo Seco: Largest known “Moly” occurrence in CRD environment**

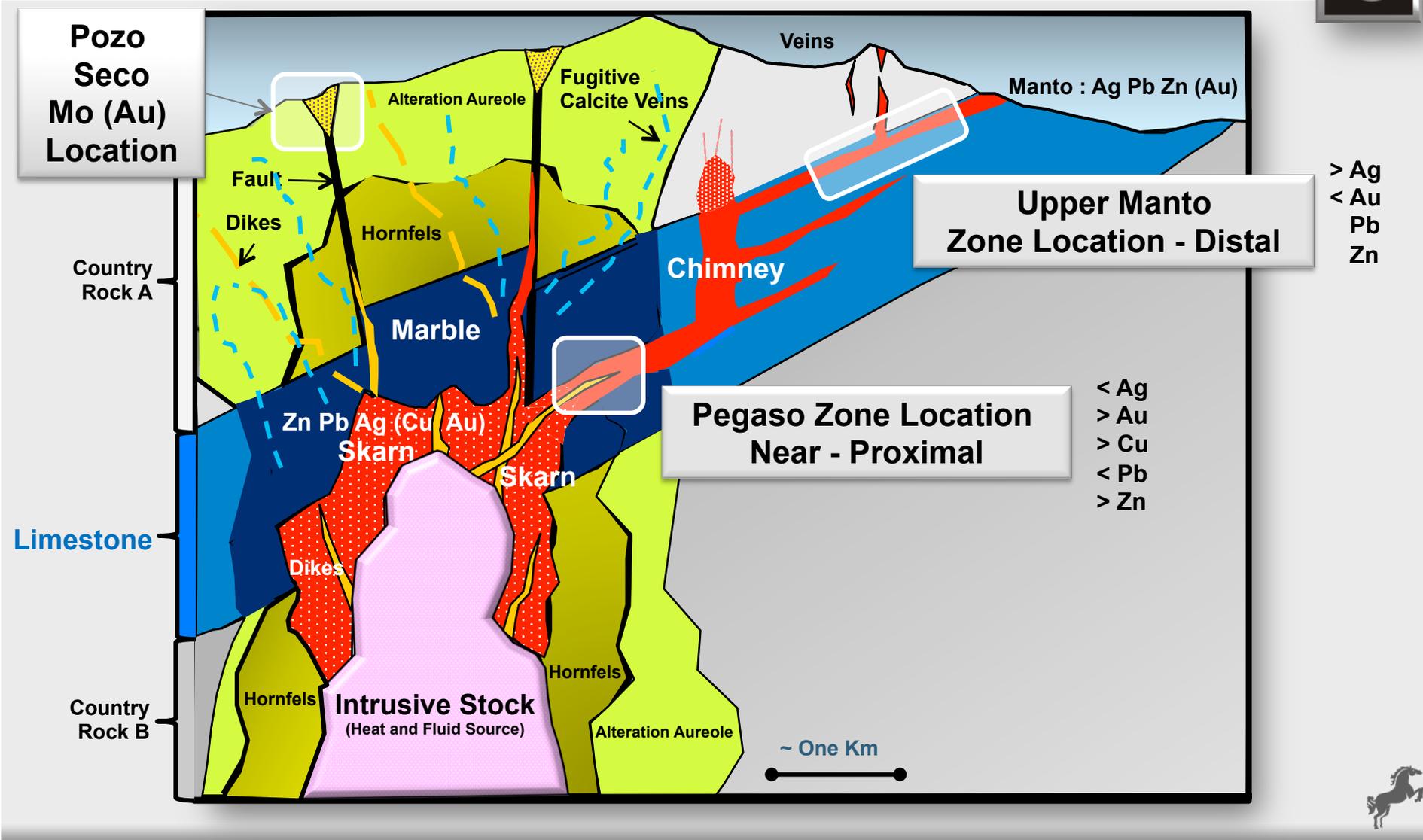


Classification	Tonnage (M Tonnes )	Molybdenum (%)	Molybdenum (M pounds)	Gold (g/t)	Gold (ounces)
Total Indicated	29,1	0.147	94.1	0.25	230,000
Total Inferred	23,4	0.103	53.2	0.17	129,000

- Notes :
- 1.CIM Definition Standards have been followed for classification of Mineral Resources.
  - 2.The cut-off grade of 0.022% Mo was estimated using a Mo price of US\$17/lb. and assumed operating costs and recoveries.
  - 3.Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
  - 4.Totals may not add correctly due to rounding.



# CRD System – Idealized Geological Model



# MAG Silver – News to Watch For in 2013

## Juanicipio Joint Venture - MAG 44%



- Results of permitting and site preparation work
- Ground Breaking at Valdecañas / Juanicipio
- Exploration / Delineation results for Juanicipio and Valdecañas Veins
- Follow up on Exploration results on “Other Targets”

## Cinco de Mayo (Upper Manto / Pegaso / Pozo Seco) - MAG 100%



- Working through “soil use change” permitting / Ejido access agreement
- Follow up on Pegaso Discovery and seismic surveys
- Delineation drilling results (Upper Manto Zone)
- Metallurgical results Upper Manto

## Mergers and Acquisitions - Searching For New Opportunities



- Salamandra Option : 3,000m Drilling proposed

# Analyst Coverage

M  
A  
G

## Macquarie Capital Markets

- Michael Gray

## Raymond James

- David Sadowski

## BMO Capital Markets

- John Hayes

## Canaccord / Genuity

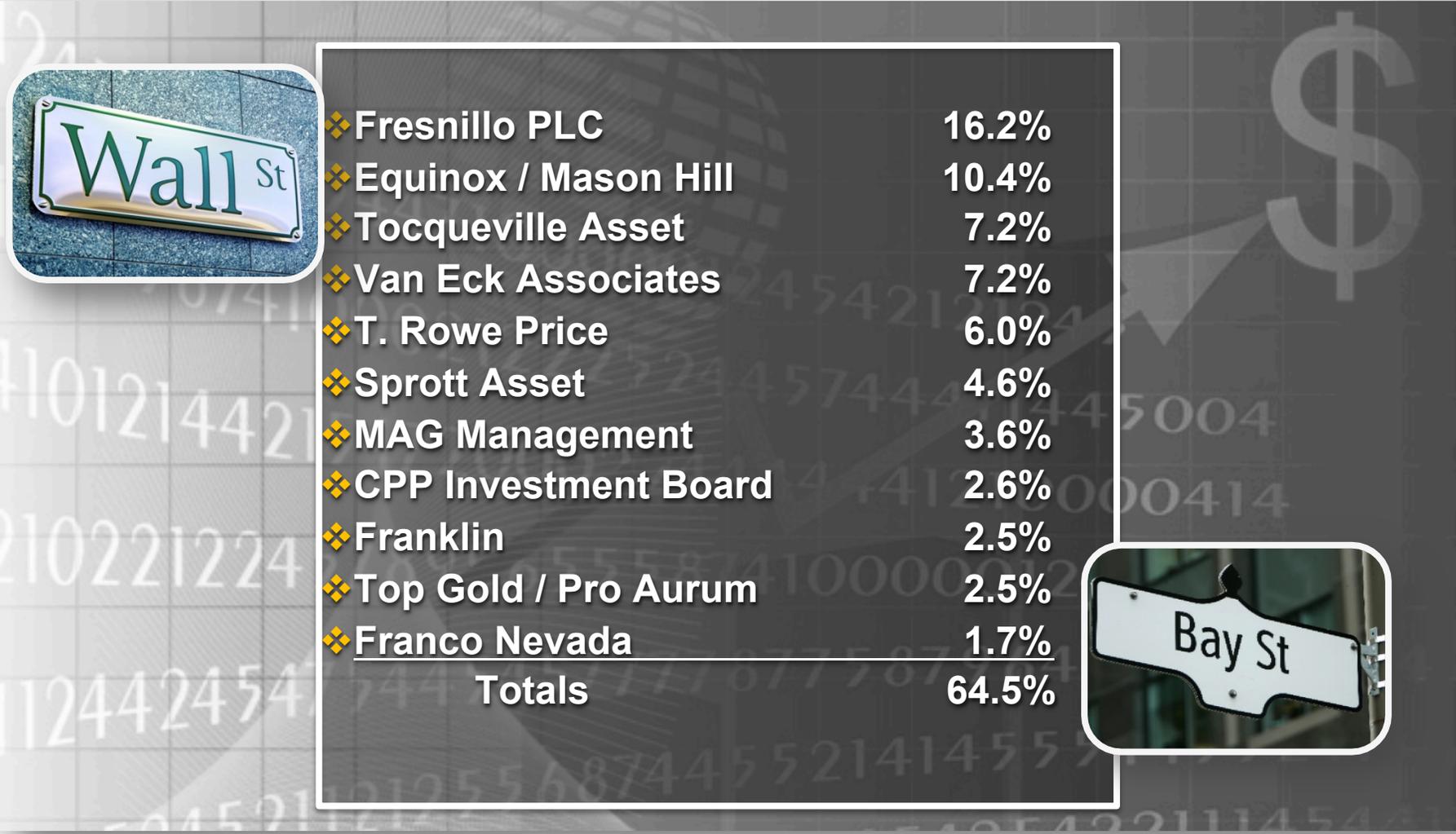
- Nicholas Campbell

## PI Financial

- Phil Ker



# Major Shareholders – Holding > 1.0M Shares





# Management Team

## Directors

**Jonathan Rubenstein**  
*Board Chairman*

**Eric Carlson**  
*CEO Anthem Properties*

**Richard Colterjohn**  
*Former CEO Centenario Copper*

**Dan MacInnis**  
*President and CEO / MAG Silver*

**Peter Megaw**  
*Exploration Manager MAG / Cascabel*

**Derek White**  
*CEO KGHM (International)*

**Frank Hallam**  
*CFO Platinum Group Metals*

**Peter Barnes**  
*Former CEO Silver Wheaton*

**Richard Clark**  
*Former CEO Red Back Mining*

## Officers

**Dan MacInnis**  
*Pres. and CEO*  
*(to Oct 15, 2013)*

**George Paspalas**  
*(incumbent Pres. and CEO)*  
*Former CEO of Aurizon Mines*

**Larry Taddei**  
*CFO*

**Michael Curlook**  
*VP Investor Relations & Comm*

**Jody Harris**  
*Corp Sec.*

Juanicipio



# MAG Silver – Share Structure



**MAG** TSX

**MVG** NYSE.MKT

52 week hi/lo (\$CDN)	\$13.32 – \$5.28
Recent (\$CDN)	\$8.00
Issued/Outstanding	60,141,718
Options	<u>3,282,293</u>
Fully Diluted	63,424,011
Working Capital (\$CDN)	\$29.0M

August, 2013

See [www.magsilver.com](http://www.magsilver.com) for copy of this presentation

Corporate Presentation September, 2013



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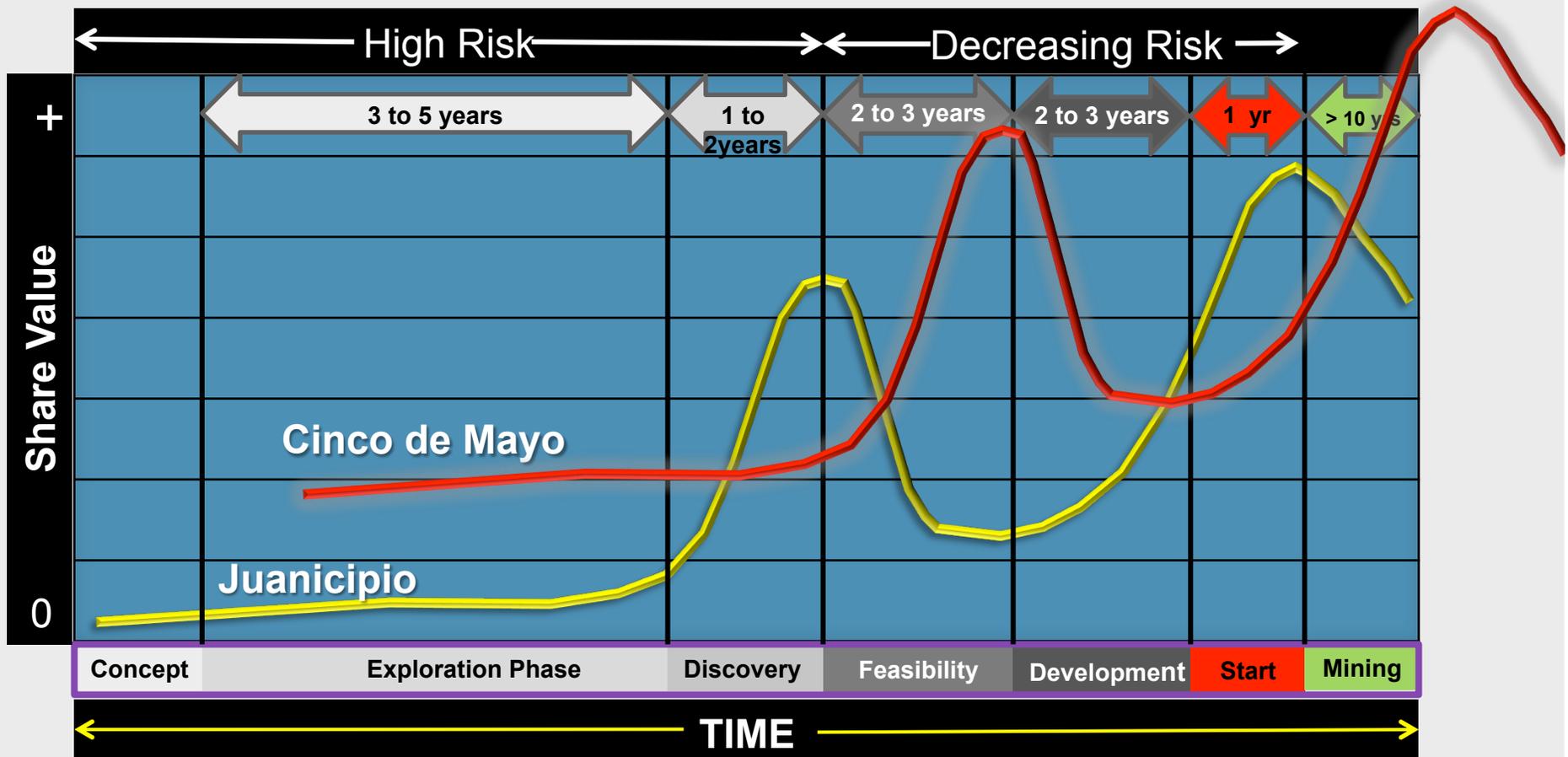
TSX : MAG  
NYSE MKT : MVG



# Mining Company - Life Profile



**The possible result of the addition of a second significant asset to the Life Profile**



# MAG – Mineral Resource Inventory\* (Gross Metal)



Resource Category	Cut Off Grade	Tonnes x1000	Mo %	Au g/t	Ag g/t	Pb %	Zn %	Pb + Zn %	Gold K oz.	Silver M oz.	Lead M lbs.	Zinc M lbs.	Mo M lbs.
<i>Upper Manto</i> <i>(Cinco de Mayo)</i>													
Inferred	\$100 NSR	12.5		0.24	132	2.9	6.4	9.3	96	52.7	785	1,777	
<i>Juanicipio</i>													
Indicated	100 g/t Ag	5.7		1.9	702	2.2	4.2	6.4	153*	56.6*	121*	231*	
Inferred		4.3		1.4	513	1.6	3.0	4.6	84*	31.0*	66*	125*	
<i>Pozo Seco</i> <i>(Cinco de Mayo)</i>													
Indicated	0.022 % Mo	29.1	0.147	0.25					230				94
Inferred		23.4	0.103	0.17					129				53

\*Extracted from 43-101 reports

Mineral resources are not mineral reserves and do not have demonstrated economic viability.

\* MAG's 44% attributable Interest





# MAG 12 mo. - Share Price vs. Silver Price

