



MAG SILVER CORP

HIGH-GRADE SILVER DISCOVERY & DEVELOPMENT



MAG: TSX | MVG: NYSE MKT
WWW.MAGSILVER.COM

September, 2015
Corporate Presentation

Juanicipio JV Decline

M
A
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Forward Looking - Safe Harbor Statement

MAG Silver Corp. is a Canadian issuer.

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- **Cautionary note to investors concerning estimates of Indicated and Inferred mineral resources.** This document uses the terms "Indicated Mineral Resources" and "Inferred Mineral Resources". MAG advises investors that although these terms are 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 these terms. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. In addition, "Inferred Mineral Resources" have a great amount of uncertainty as to their existence. 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 are considered too speculative geologically to have the economic considerations applied to them to enable them to be categorized as mineral reserves and, accordingly, Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, or economic studies except for a "Preliminary Economic 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 and 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.

- Please also note, that since the UPEA was produced prior to the recent Mexican tax law reform the ensuing numbers do not factor in that adjustment.

MAG Silver – Silver Discovery and Development



Focused on
“High Grade”
District Scale

SILVER
LEAD
ZINC

in Mexico

JUANICIPPIO JV
Main Asset (44%)

Fresnillo Operator
+200Moz Ag asset
+600g/t Silver
\$6.61 (all-in cash cost)

**Anticipated Geological
Potential**

Cinco de Mayo
(100%)

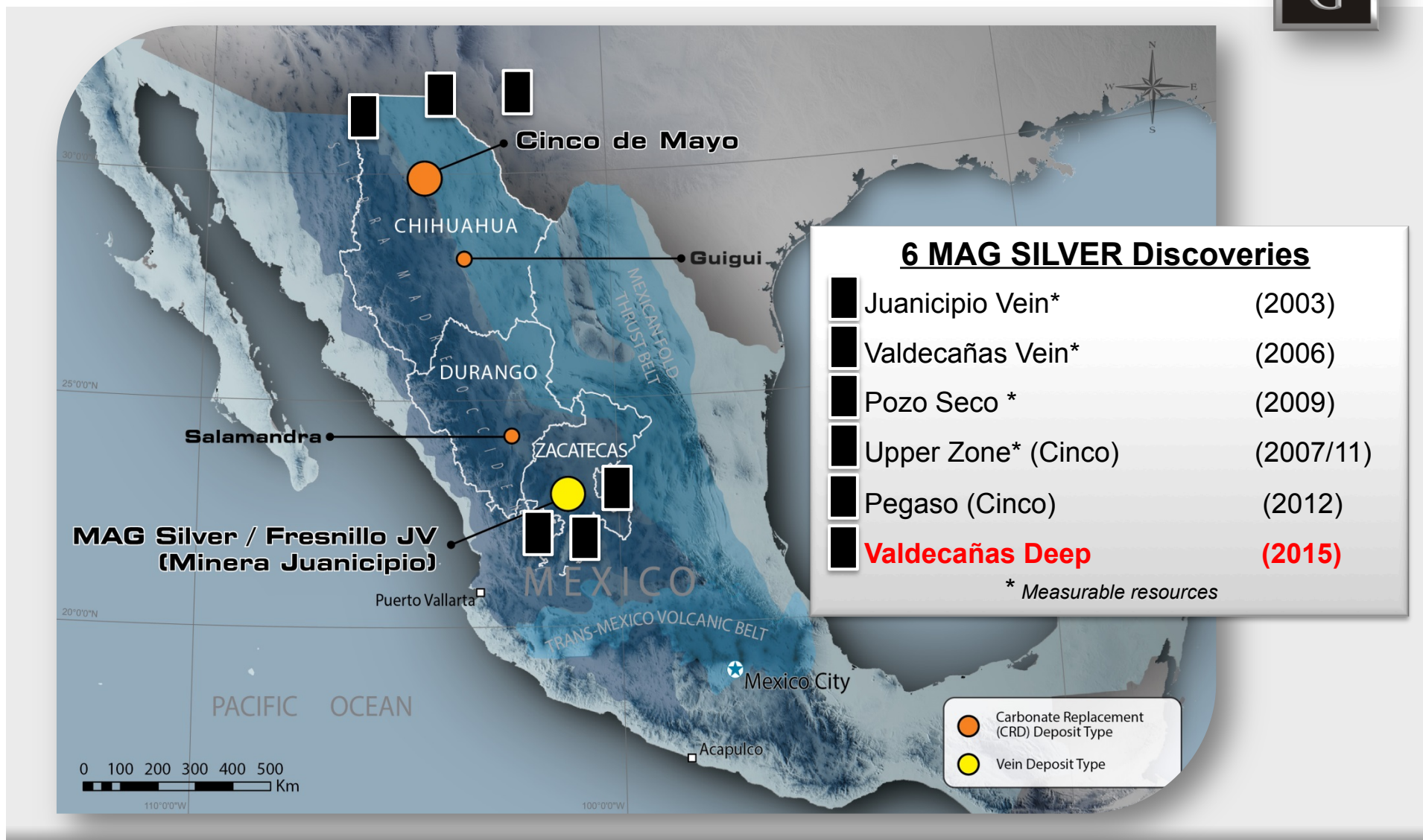
**Working to
Re-establish
Surface
Access**

**Strong
Financial
Position**

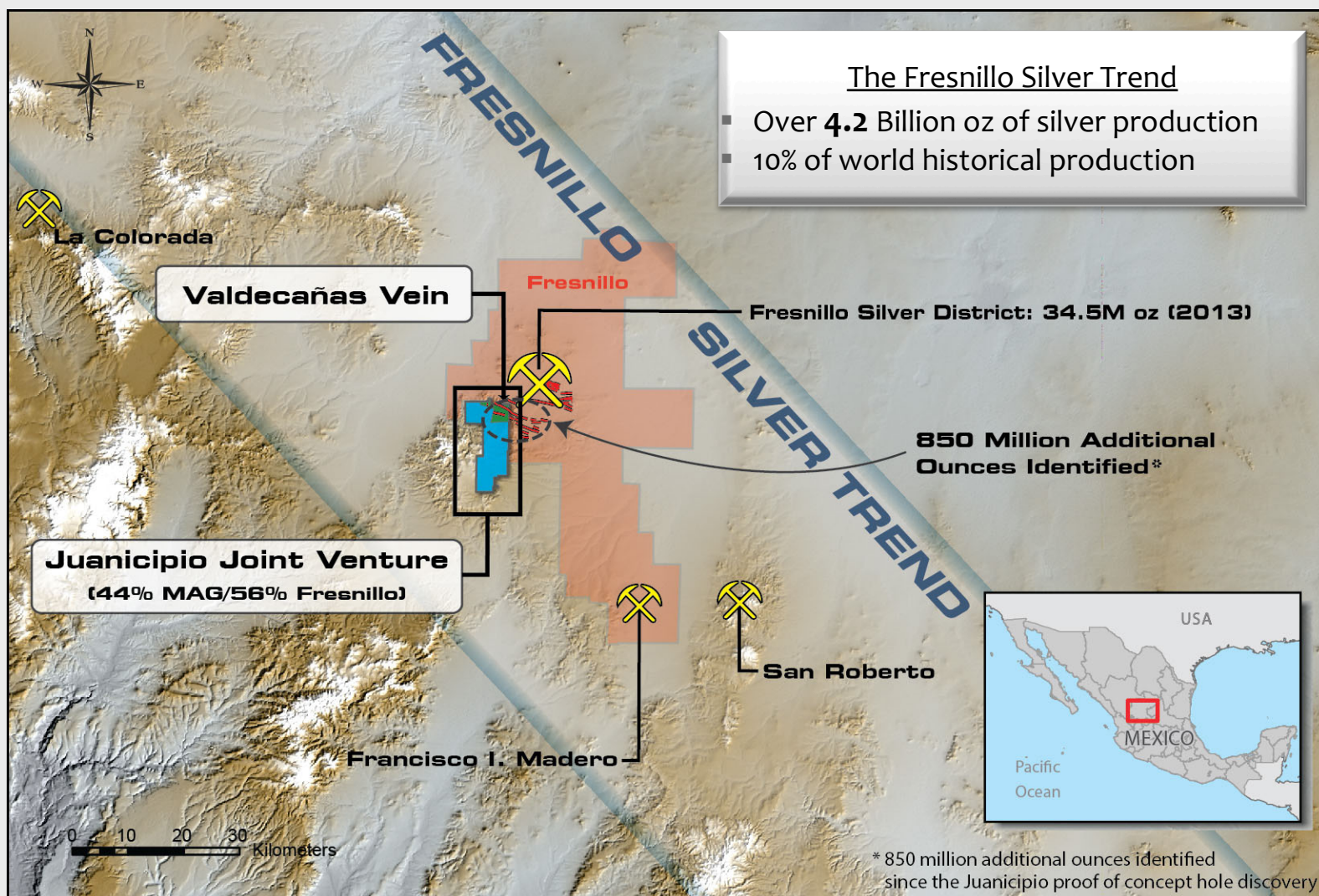
**~\$US81M
Cash**

No Debt
(To June 30, 2015)

Property Locations – A History of Discovery



Fresnillo Silver District – One of a Kind





Minera Juanicipio – Premier Silver District

Main Assets

Valdecañas Vein
Juanicipio Vein

44% MAG / 56% Fresnillo

Juanicipio Resource

Indicated
160 Moz Ag @ 601 g/t
Inferred
48 Moz Ag @ 626 g/t

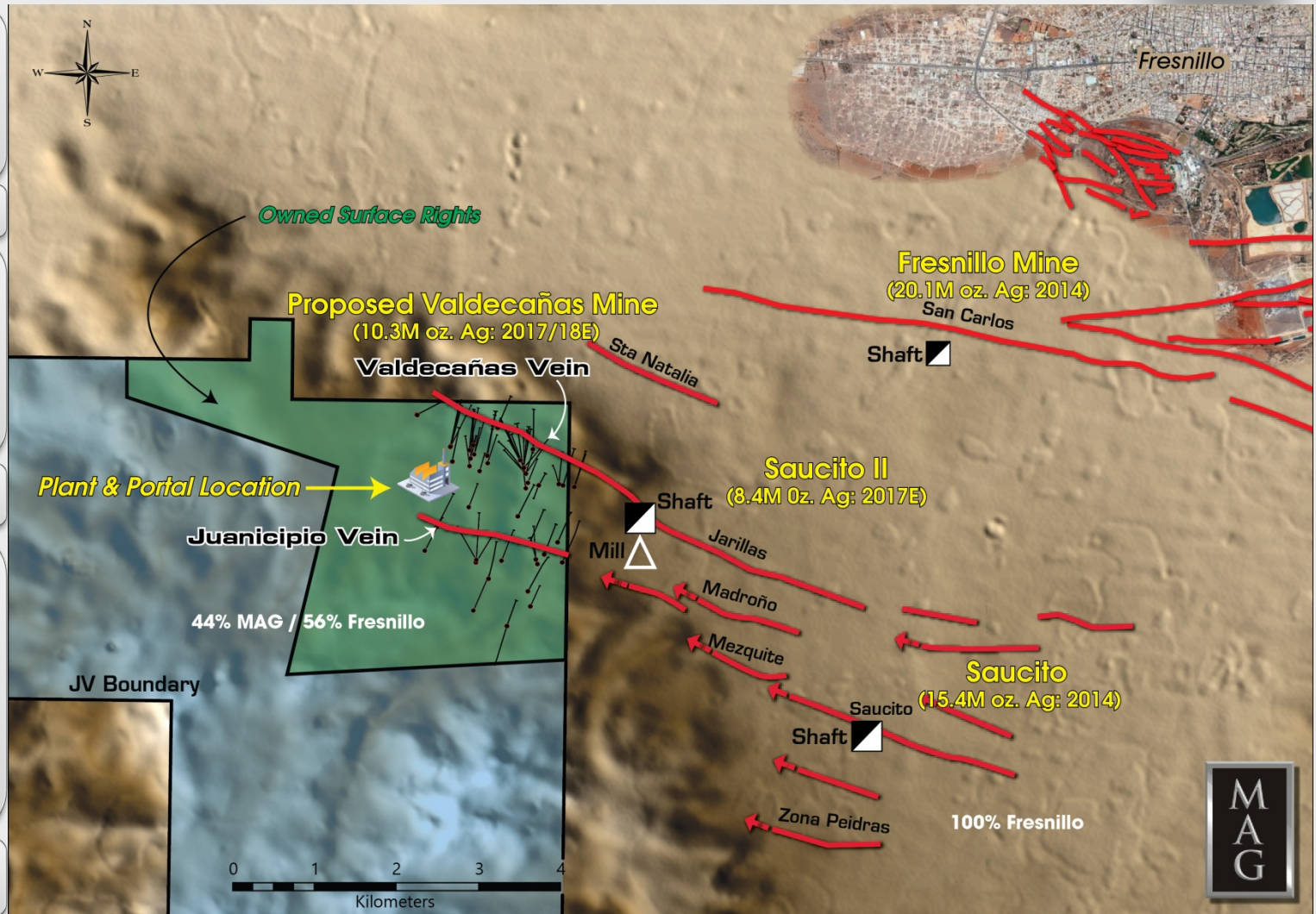
“Standalone Project”

2018 Projected District Production

50-55M oz/year

Juanicipio	10.3 M
Fresnillo	20.1 M
Saucito	15.4 M
Saucito II	8.4 M

Ramp Development
Advancing



Valdecañas Vein: Resources



Resource Category (US\$70/Mt cut-off)	Tonnes M	Silver g/t	Gold g/t	Lead %	Zinc %	Silver M oz
Bonanza Indicated	8.3*	601	1.7	2.0	3.7	160*
Bonanza Inferred	2.4*	626	1.9	1.4	2.2	48*
Deep Zone Indicated	1.8*	93	1.7	1.4	2.6	5*
Deep Zone Inferred	2.7*	146	2.0	2.1	3.4	13*

*100% of Juanicipio JV

Source: RPA 2014



Operational* & Same Vein Metrics

Parameter	Units	
Initial Capital	\$302M / \$132M (MAG 44%)	(Years 1-4)
Sustaining Capital	\$267M / \$118M (MAG 44%)	(Years 4-15) (Paid out of Cash Flow)
Payback	2yr	
Life of Mine	15yr	
Average Mine Rate	850kt/y	950kt/y**
Nominal Mill Rate	2,650t/d	850kt/y
On Site Operating Cost	\$66.56/t	
Off site costs	\$39.36/t	
LoM Cash Cost	(\$.03)/oz	(net BPC)
Total Cash Cost	\$6.61/Ag eq oz	(net) (Includes TTC costs)

Same Vein Metrics	Saucito II ⁽¹⁾	Juanicipio JV ⁽²⁾	Saucito	H1 15	H1 14
	Jarillas vein	= Valdecañas vein	Cash Cost	\$0.64	\$3.36
All in Cash Cost	US\$3.70/oz	US\$6.61/oz*	AISC	\$5.95	\$7.66

Recent Fresnillo Mine Development:

2010 Soledad-Dipolos	On Budget & On Time
2011 Saucito I	On Budget & On Time (accelerated ramp up)
2012 Noche Buena	On Budget & On Time
2014 Saucito II	On Budget & Ahead of Schedule

AISC: All-in sustain cost = traditional cash cost + on-site general corporate and administrative costs(G&A) + community costs related to current operations + capitalized stripping and underground mine development + sustaining capital expenditures + remediation expenses.

1) As reported by Fresnillo Nov 5, 2014 presentation

2) Includes Juanicipio Vein in latter years

3) *Source: RPA 2014 Silver: \$23.39 Gold: \$1,257 Zinc: \$0.91 Lead: \$0.95



Projected Production & Cash Flow (LOM)

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

Production (projected)	First 6 Years	LOM
Total JV Share (100%) Silver (M-oz./pa)	14.3* /year	10.3* /year
MAG Share (44%) Silver (M-oz./pa)	6.3* /year	4.5* /year

Silver Price (Base Case) \$ 23.39	First 6 Years	LOM
JV 100% - Total After-Tax Cash Flow (\$USM)	228.1 /year	159.1 /year
MAG Share		
MAG Share (44%) After-Tax Cash Flow (\$USM)	100.4 /year	70.0 /year

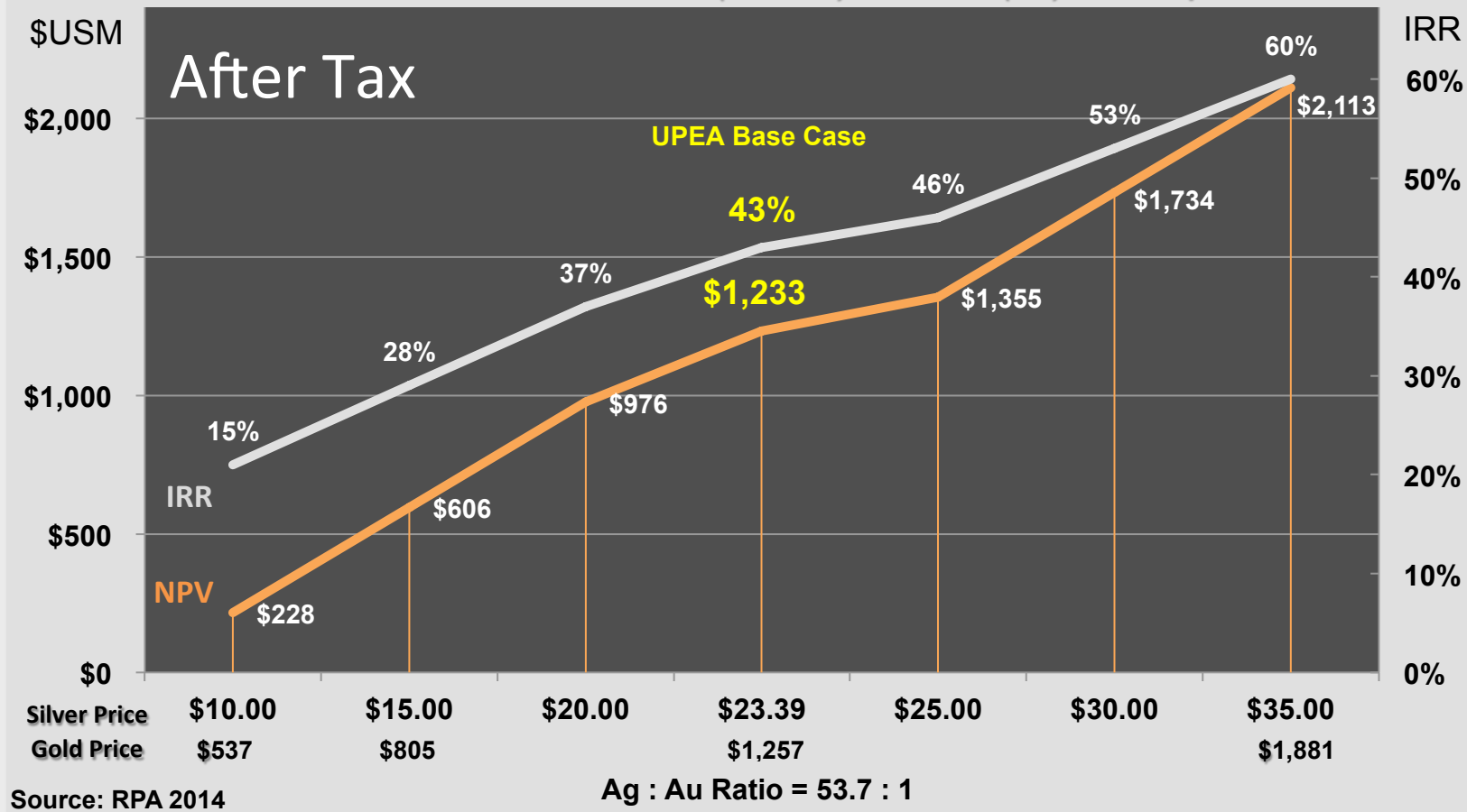
*Average

Source: RPA 2014

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 \$0.49 per MAG share

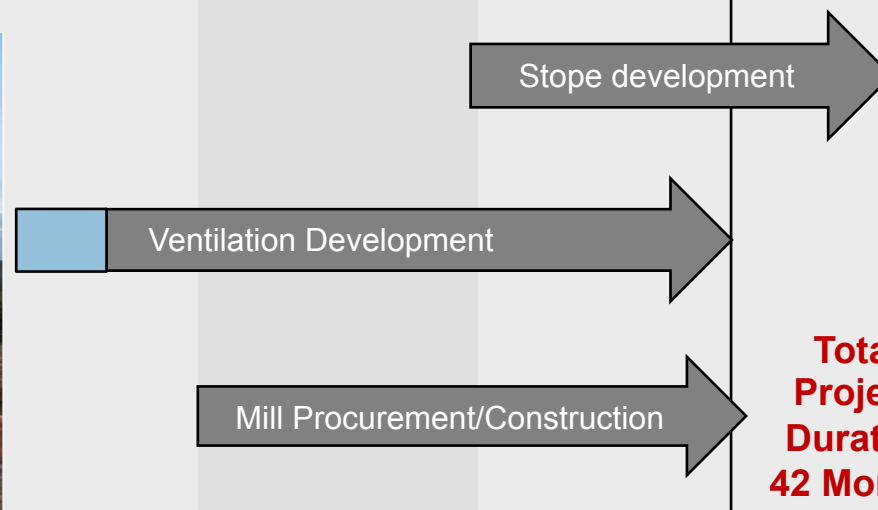




Juanicipio Development Timetable

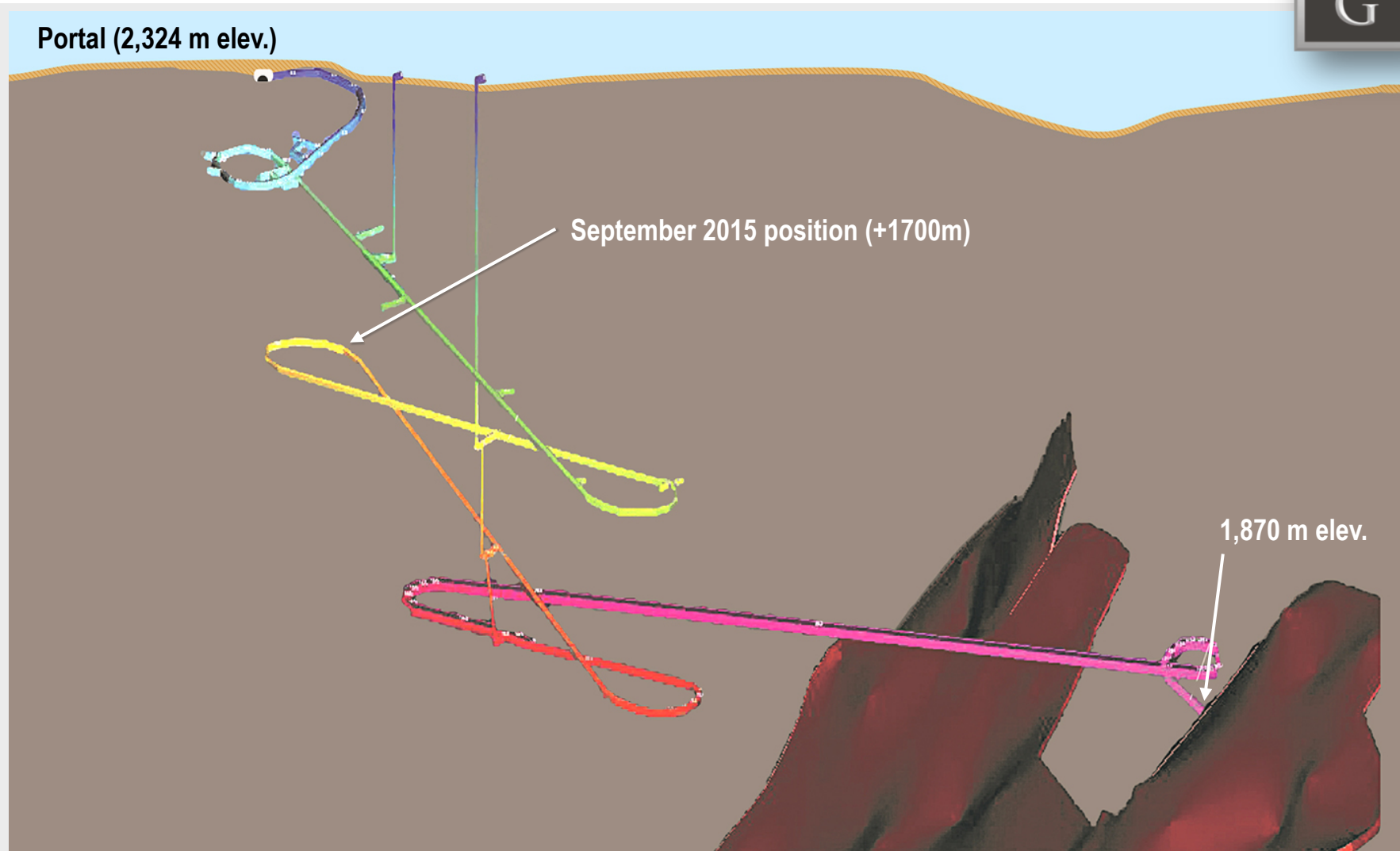
Project Total Capex \$US 302M (MAG 44% is \$US 132M)

2013	2014	2015	2016	2017
	Y1	Y2	Y3	Y4
Cut Portal				
	Access Decline			



Total Project Duration 42 Months
(2014 RPA PEA)

Current Ramp Progress



Juanicipio Joint Venture – Summary



Highest Grade Undeveloped Silver Deposit

- Indicated **8.3Mt at 601 g/t** Ag Valdecañas / Desprendido (**160M oz**)
- Inferred **2.4Mt at 626 g/t** Ag Valdecañas / Desprendido (**48M oz**)



Minimal Financial risk

- ~ \$US**81M*** Cash and No Debt
- Low Capex (\$132M) ; only 25% of Market Cap
- All in Cash Cost of **\$6.61 per oz**



Minimal Geopolitical risk

- Stable, experienced mining environment in Mexico



Minimal Development risk

- Fresnillo as Operator brings operational expertise
- Valdecañas / Jarillas; same vein already in production



Complete Property Access

- Joint Venture owns the Surface Rights



Infrastructure

- 4 significant mines nearby, airport 30 minutes away
- Ready access to Labour, Water and Power



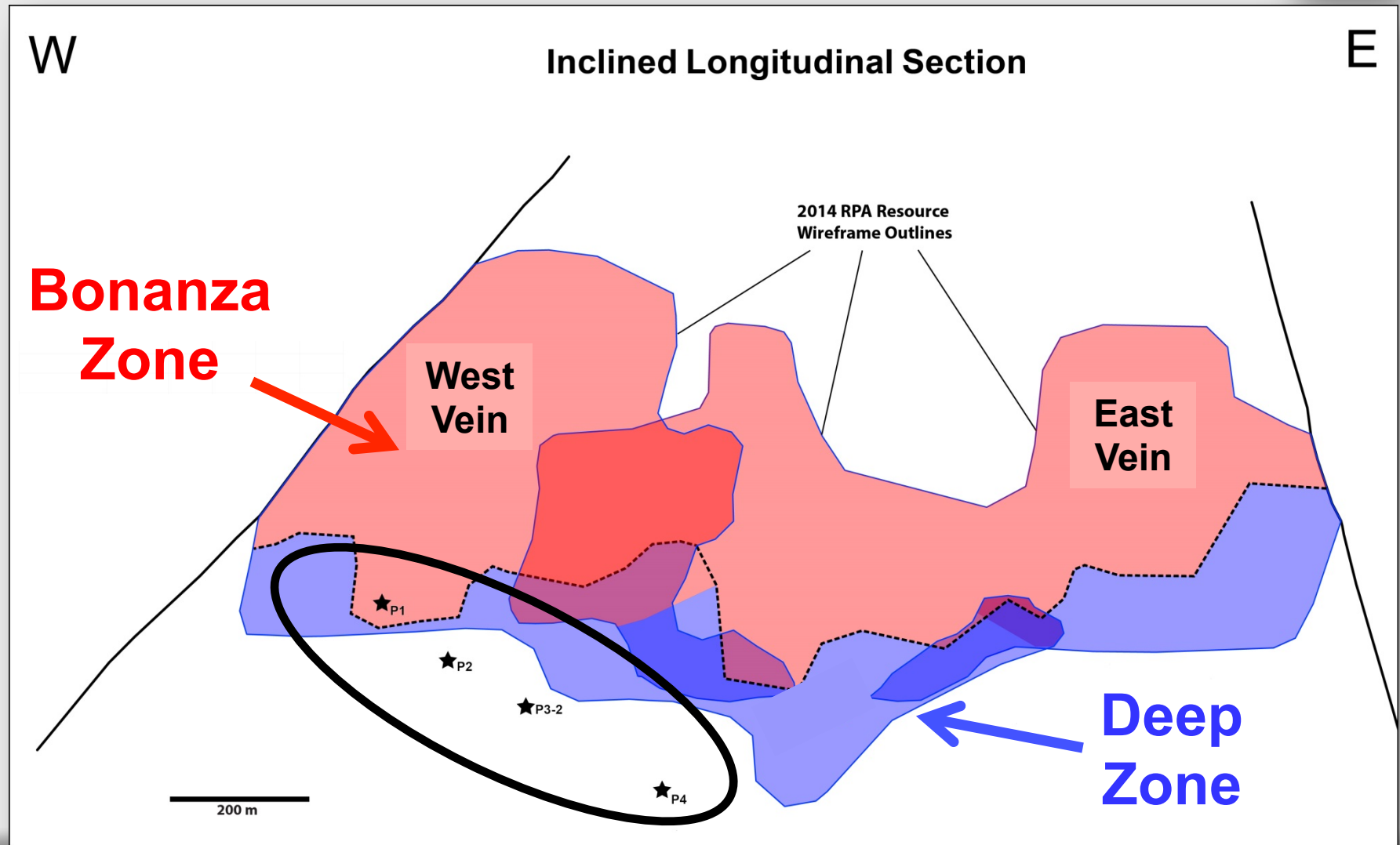
Metallurgy

- Great metallurgy, recoveries and concentrate grade

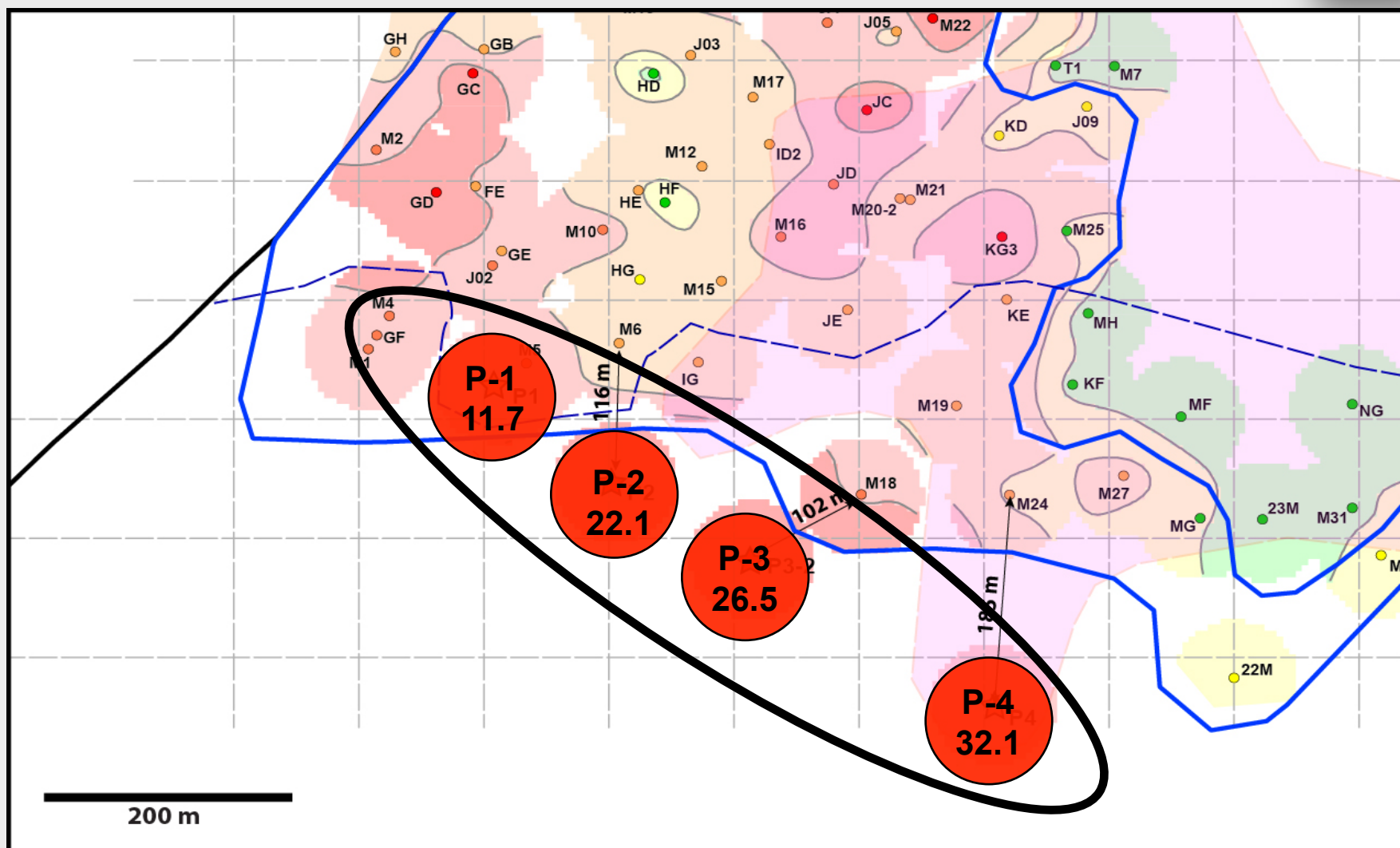
Probability of more discoveries and additional ounces

*As of June 30, 2015

Valdecañas Vein: Deep Drilling



Valdecañas Deep Holes P1-P4: True Thicknesses (m)



P-3

MASSIVE GALENA & DARK SPHALERITE

#	TW	Au	Ag	Pb	Zn	Cu
■ P1-	11.7	1.4	103	2.2	4.3	.20
■ P2-	22.1	3.0*	195	5.4	6.6	.45
■ P3-	26.4	2.6*	405*	3.2	4.1	.40
■ P4-	32.1	0.8	137	1.5	6.5	.80

*Capped

P-4

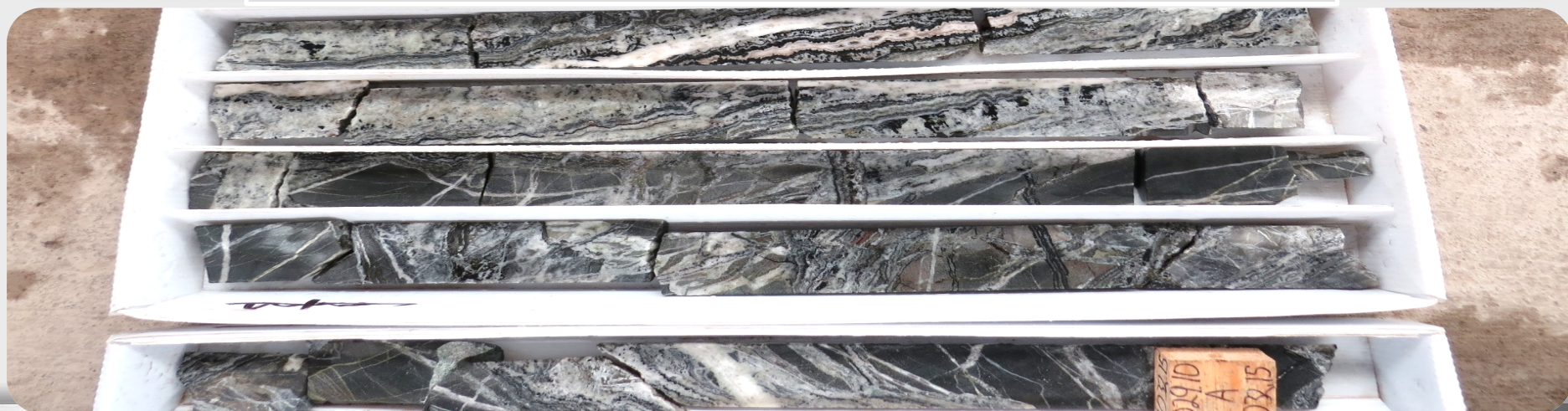
FIRST STRONG COPPER TO DATE

Valdecañas Vein: Deep Skarn

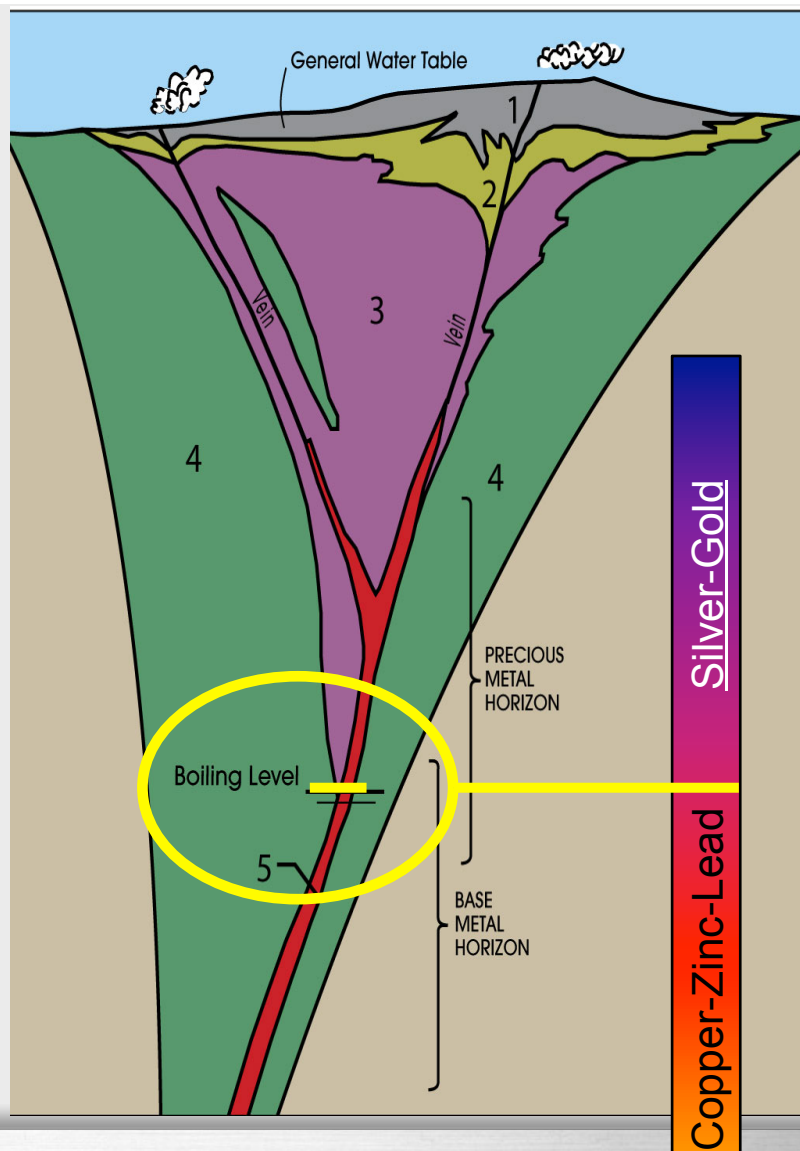
MAG



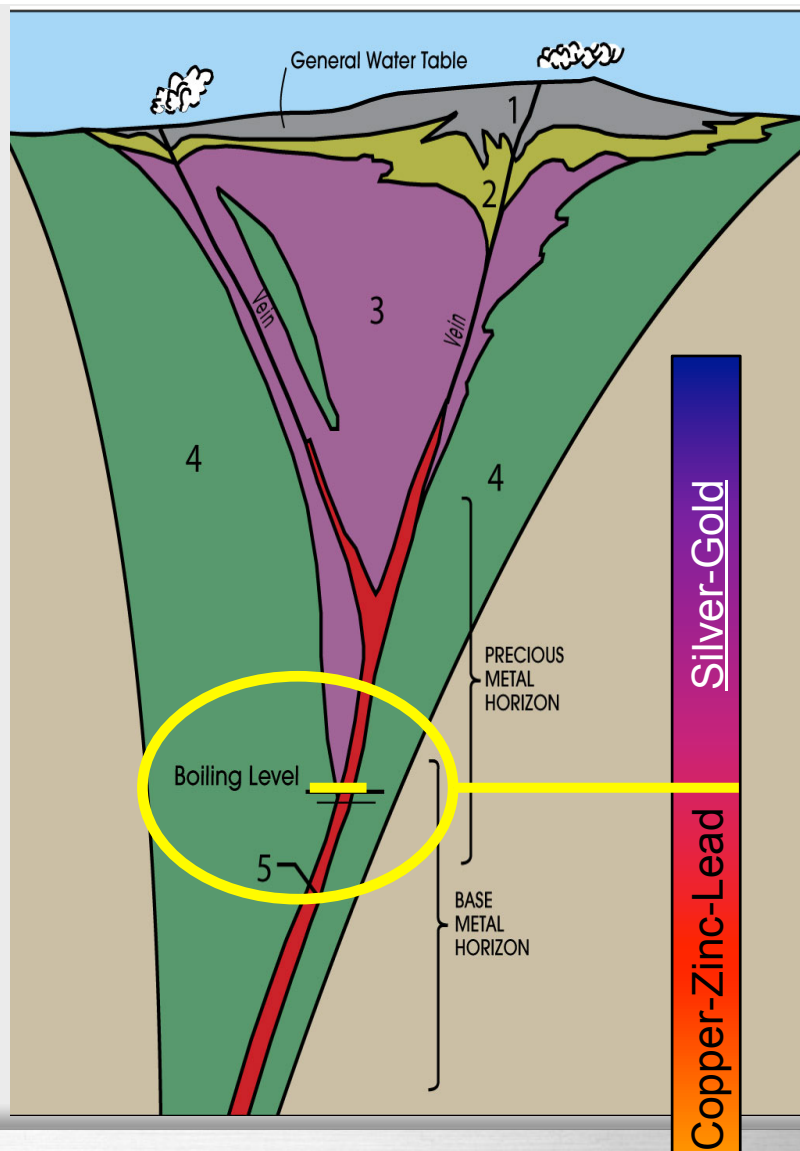
Relict Garnet ? (above) Ilvaite (below)



Some Basics: Buchanan's Epithermal Vein Model



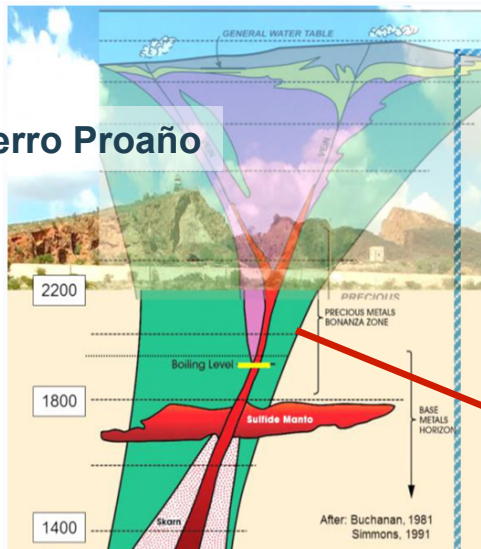
Some Basics: Buchanan's Epithermal Vein Model



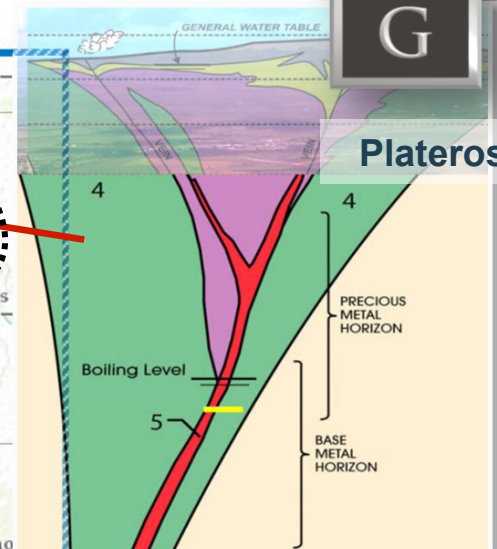
Fresnillo Mega-District: Four Boiling Centers



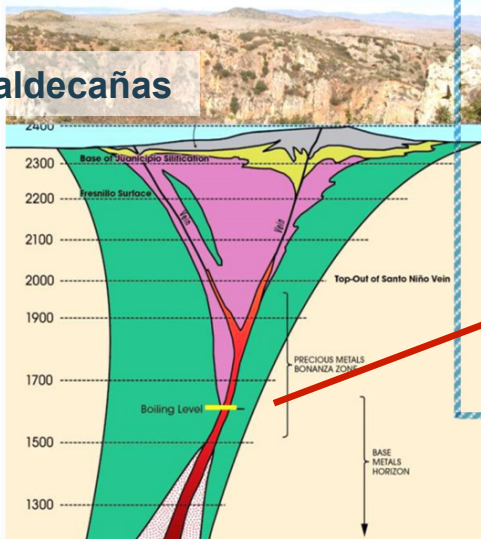
Cerro Proaño



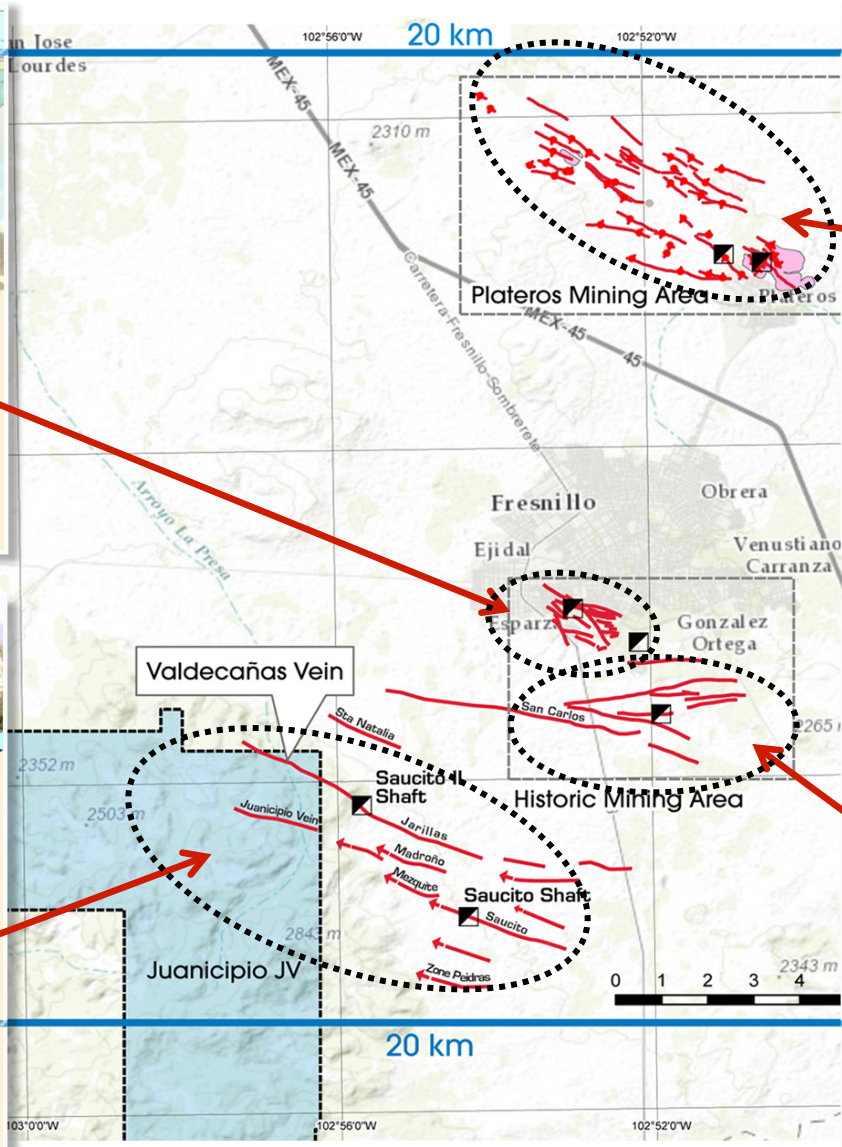
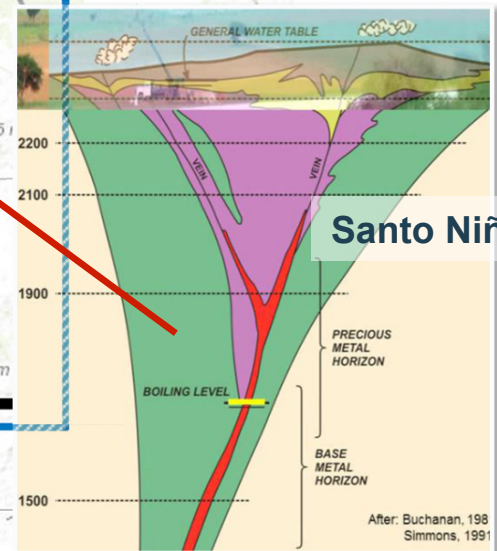
Plateros



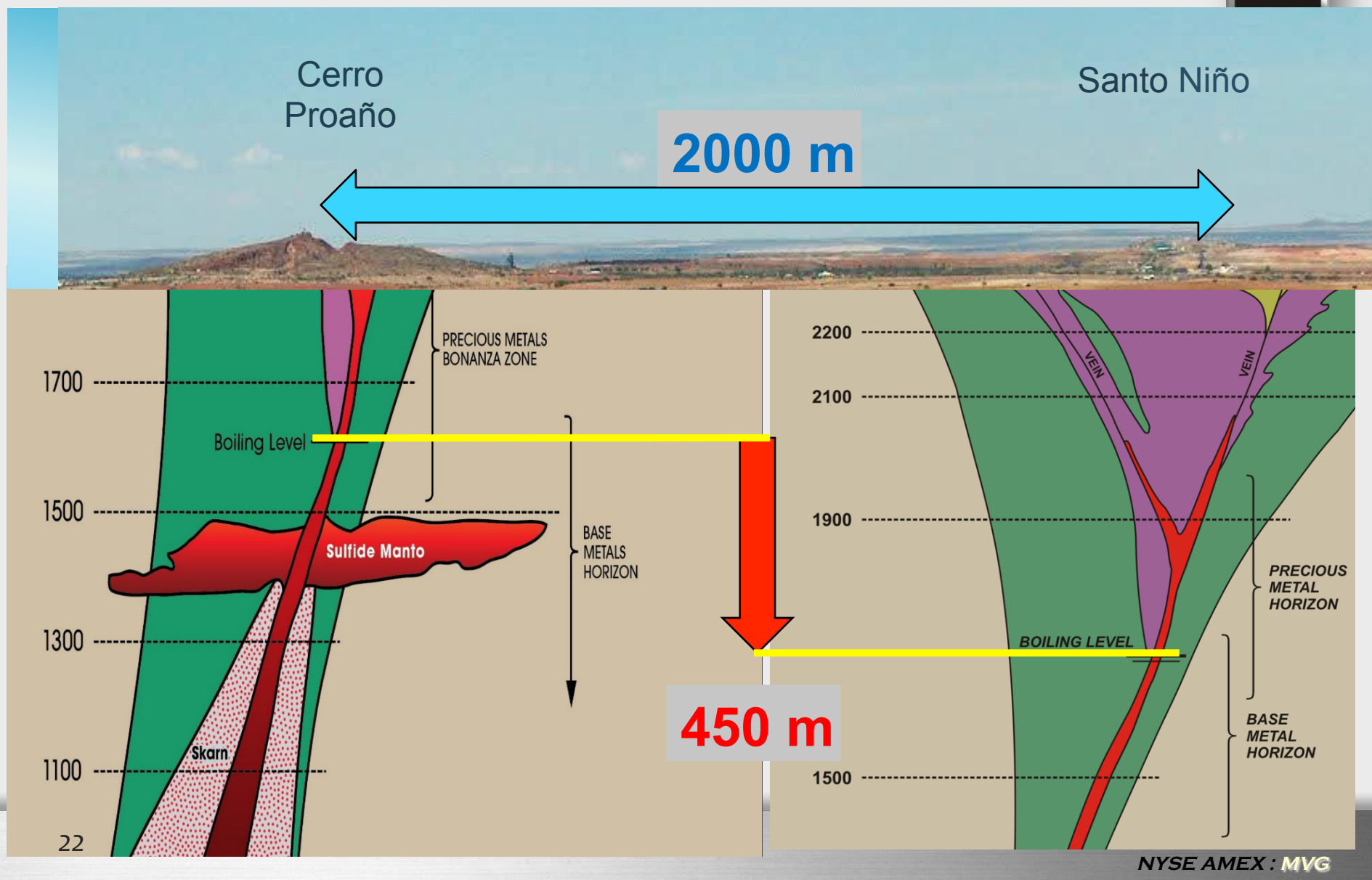
Valdecañas



Santo Niño



Historic Mining Area: Boiling Shifts



Valdecañas Vein: P-3 Overprinted Vein with Acanthite



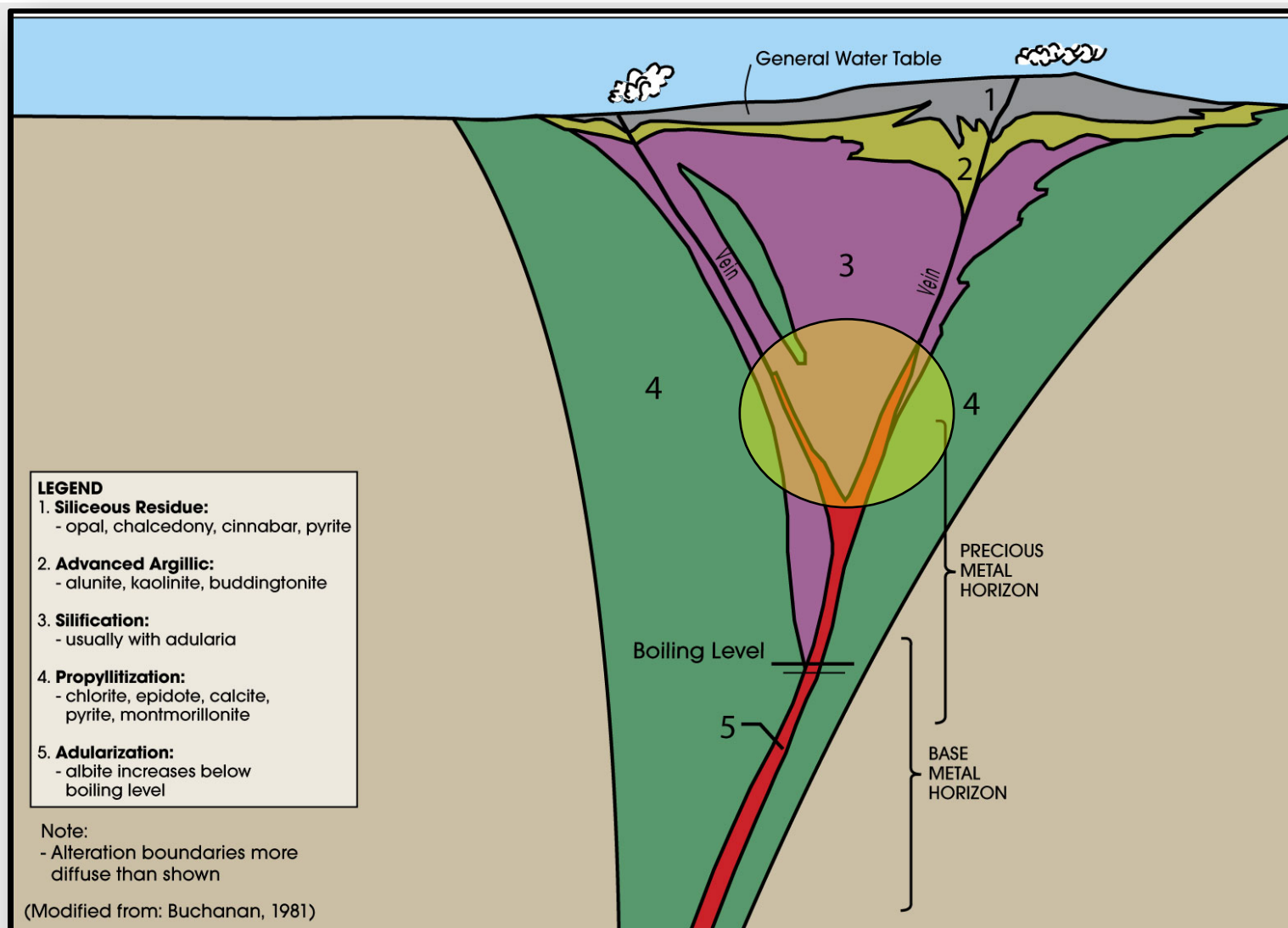
LATE STAGE QUARTZ VEINING CONTAINS NO BASE METAL SULFIDES

Valdecañas Vein: P-3 Overprinted Vein with Acanthite & Vugs with Quartz and Dolomite Crystals: “Looks Shallow”

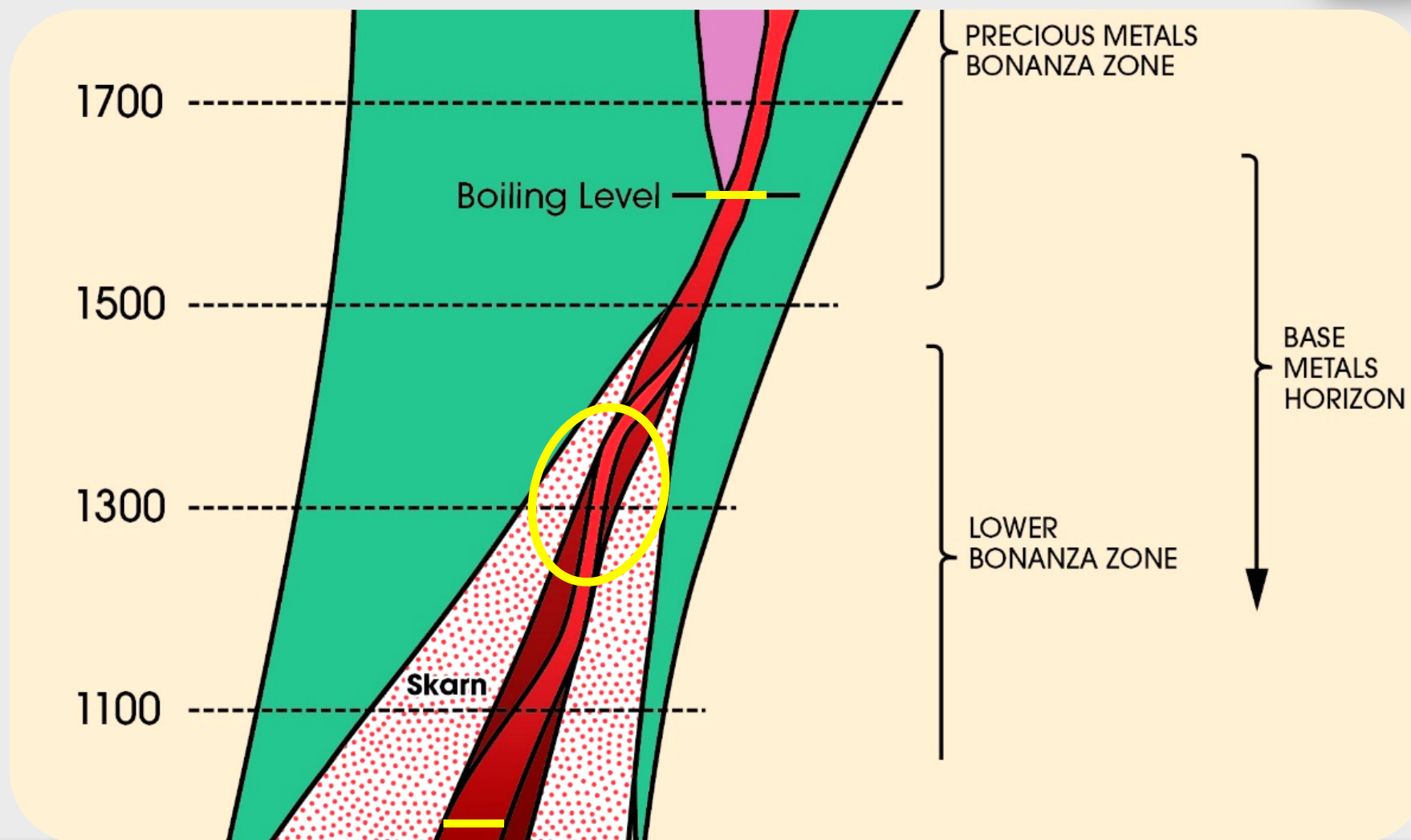
M
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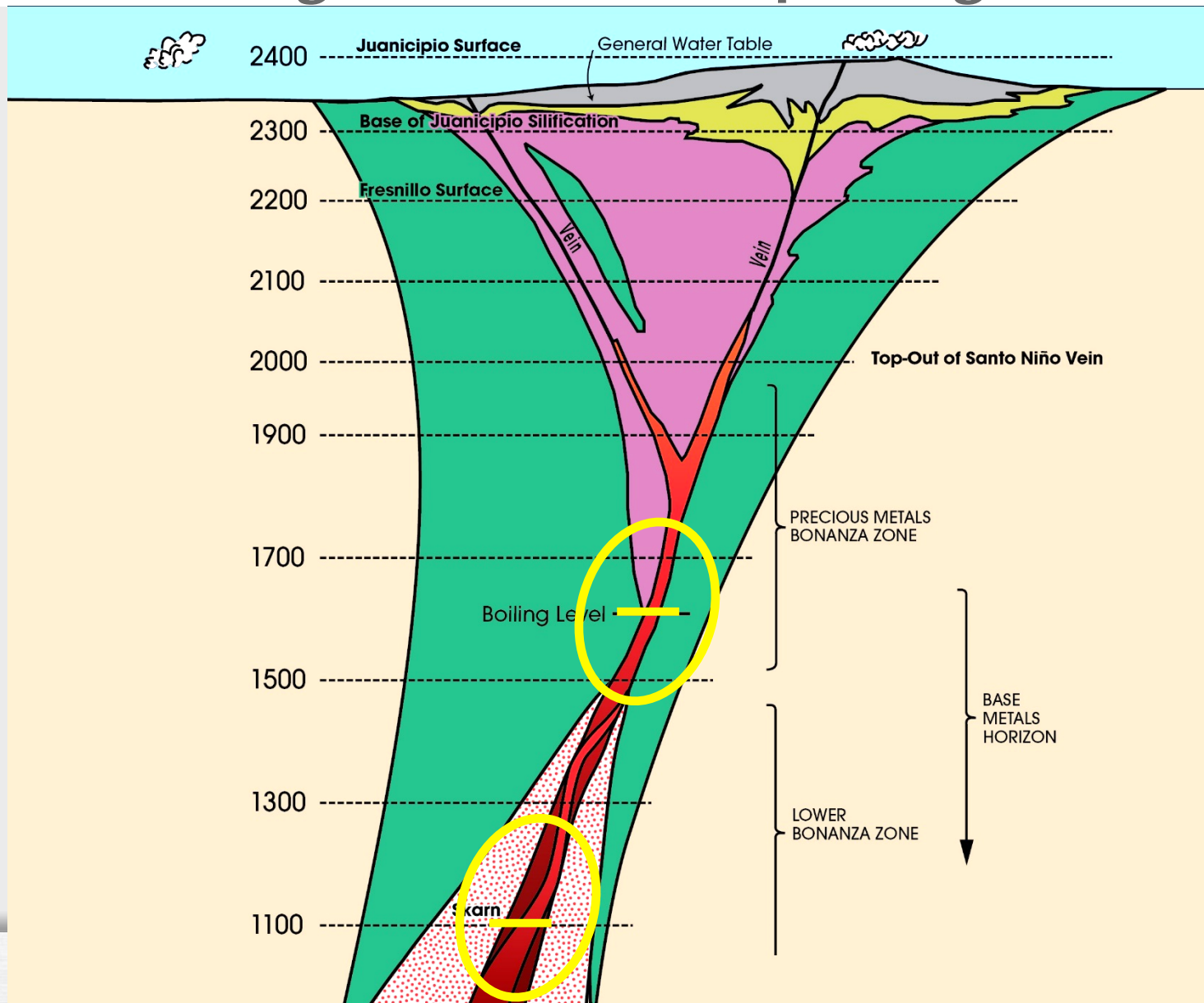
Valdecañas Vein: “Shallow” stage in context of Buchanan’s Model (?)



Valdecañas Vein Reinterpreted: Overprinting



Valdecañas Vein Reinterpreted: Stacked Boiling Zones with Overprinting



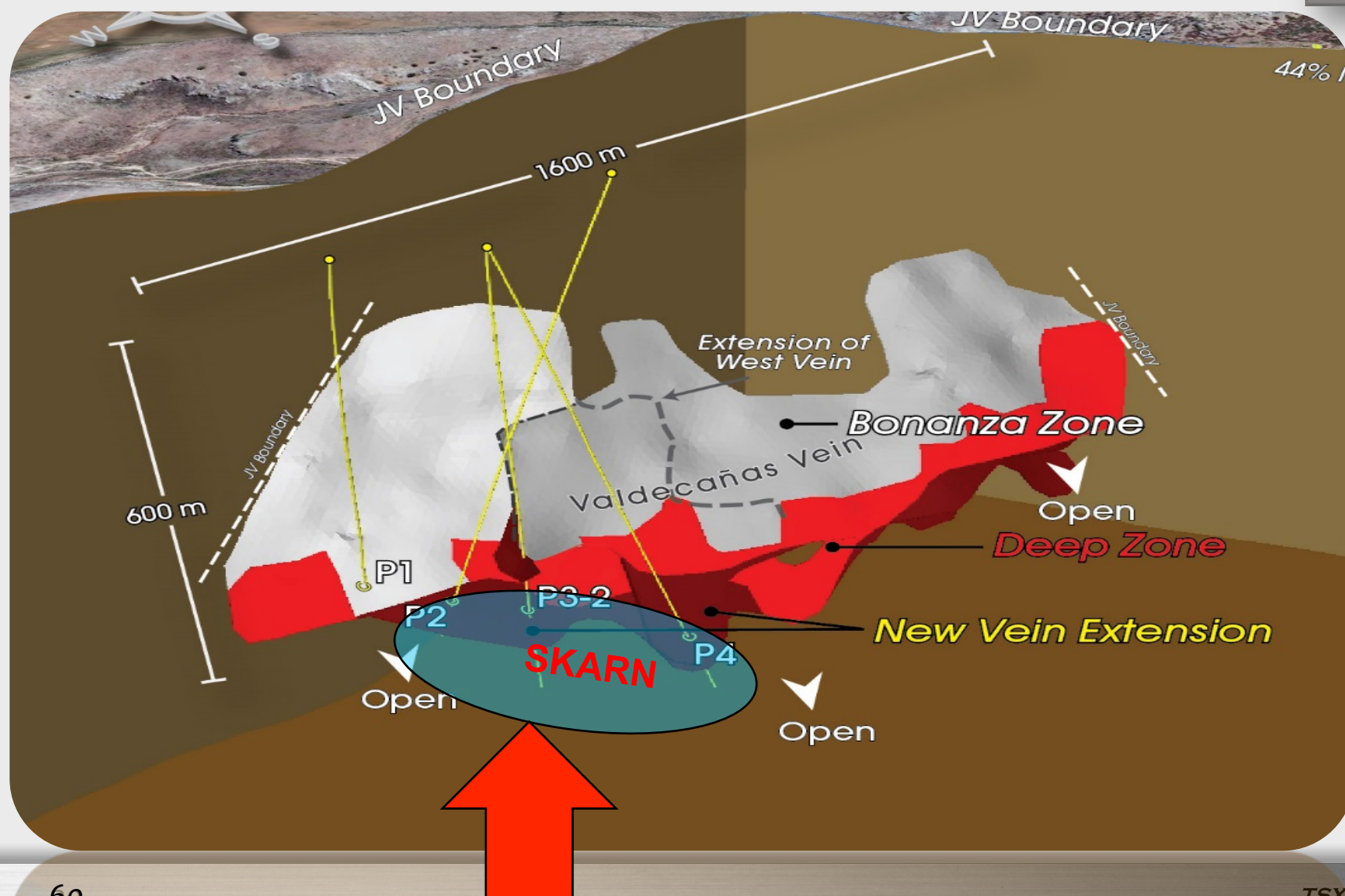
Fresnillo District: Mineralization Styles & Paragenesis



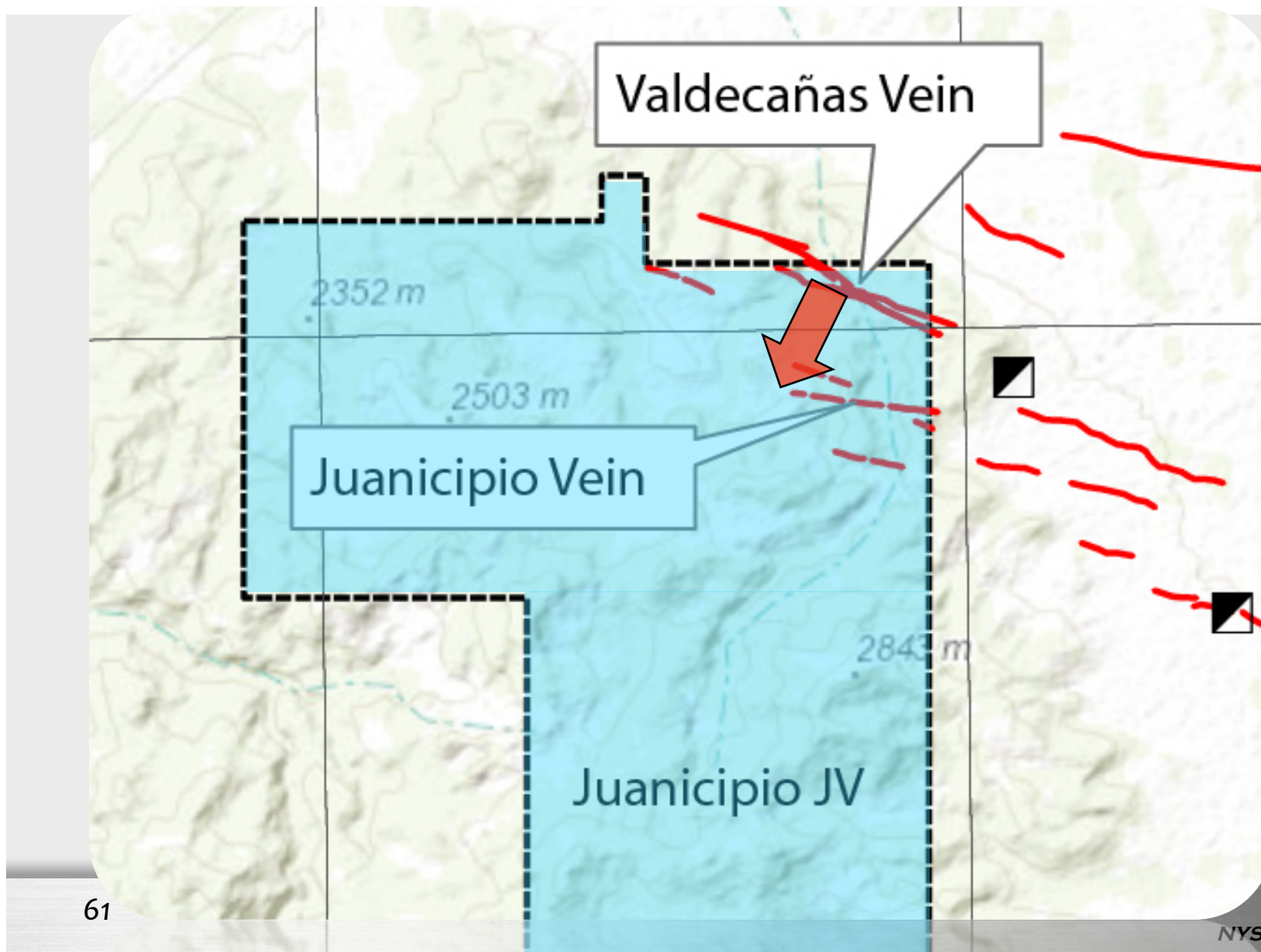
Historic Mining Area		Stages		Juanicipio Area
		Silver-rich vein		Valdecañas Vein
Saucito (local)		Gold-rich		Valdecañas Vein
Santo Niño-like Veins		Pyrargyrite-dominant		Valdecañas Vein
San Carlos-like Veins		Acanthite-dominant		Valdecañas Vein
Cerro Proaño		Base metal rich vein		Valdecañas Vein
Cueva Santa Mantos		Base metal rich manto		???
Fortuna Deep		Base metal rich skarn		Valdecañas Vein
	UPWARDS ↑		YOUNGER ↑	

**MINERALIZATION STYLES OF THE
ENTIRE HISTORIC MINING AREA PRESENT IN A SINGLE VEIN**

Valdecañas Vein: Repeatedly Active Ore Fluid Upwelling Zone? Open to Depth

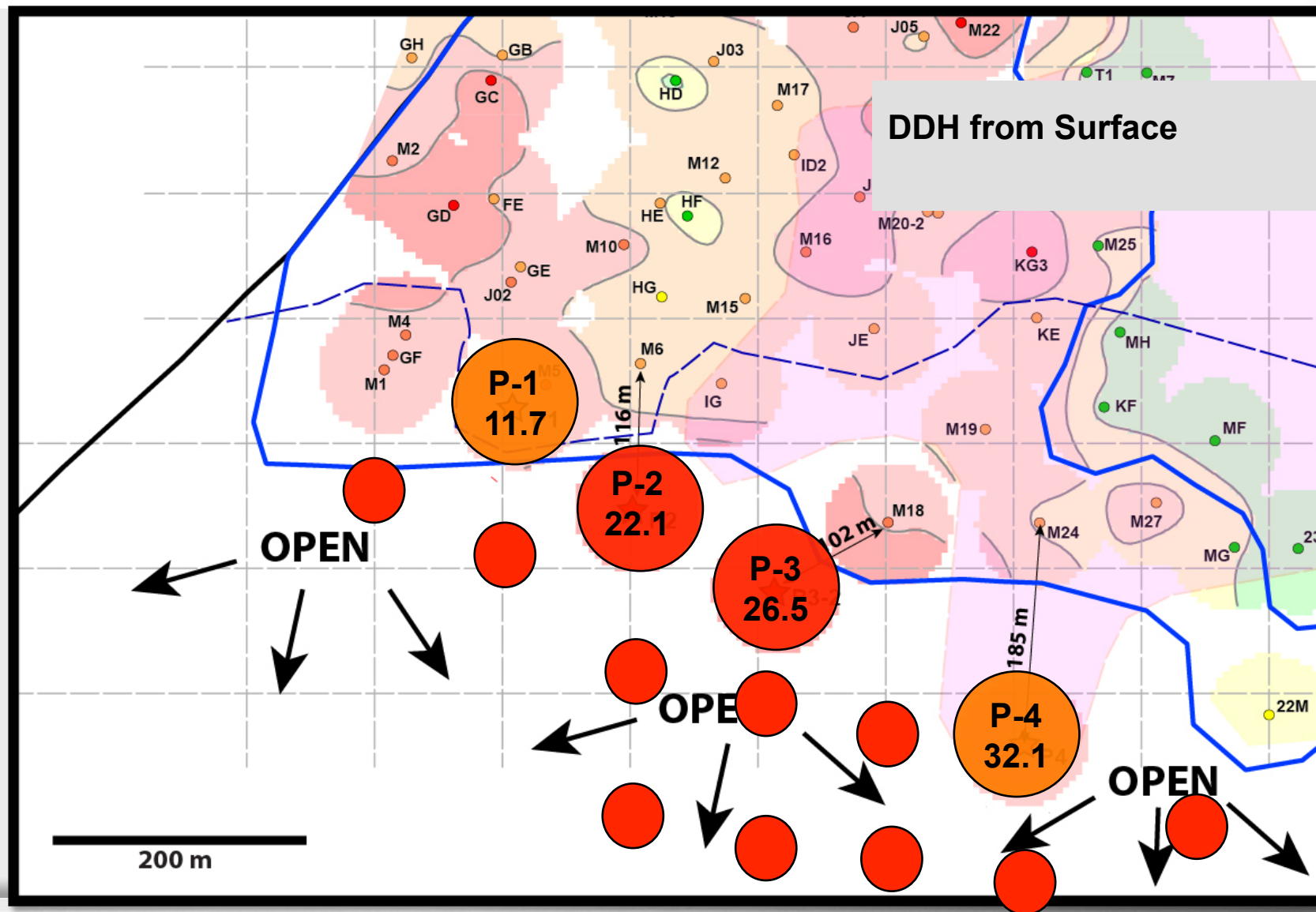


New Valdecañas Deep Zone: Dips into JV Ground



Valdecañas Vein: Deep Drill Targets

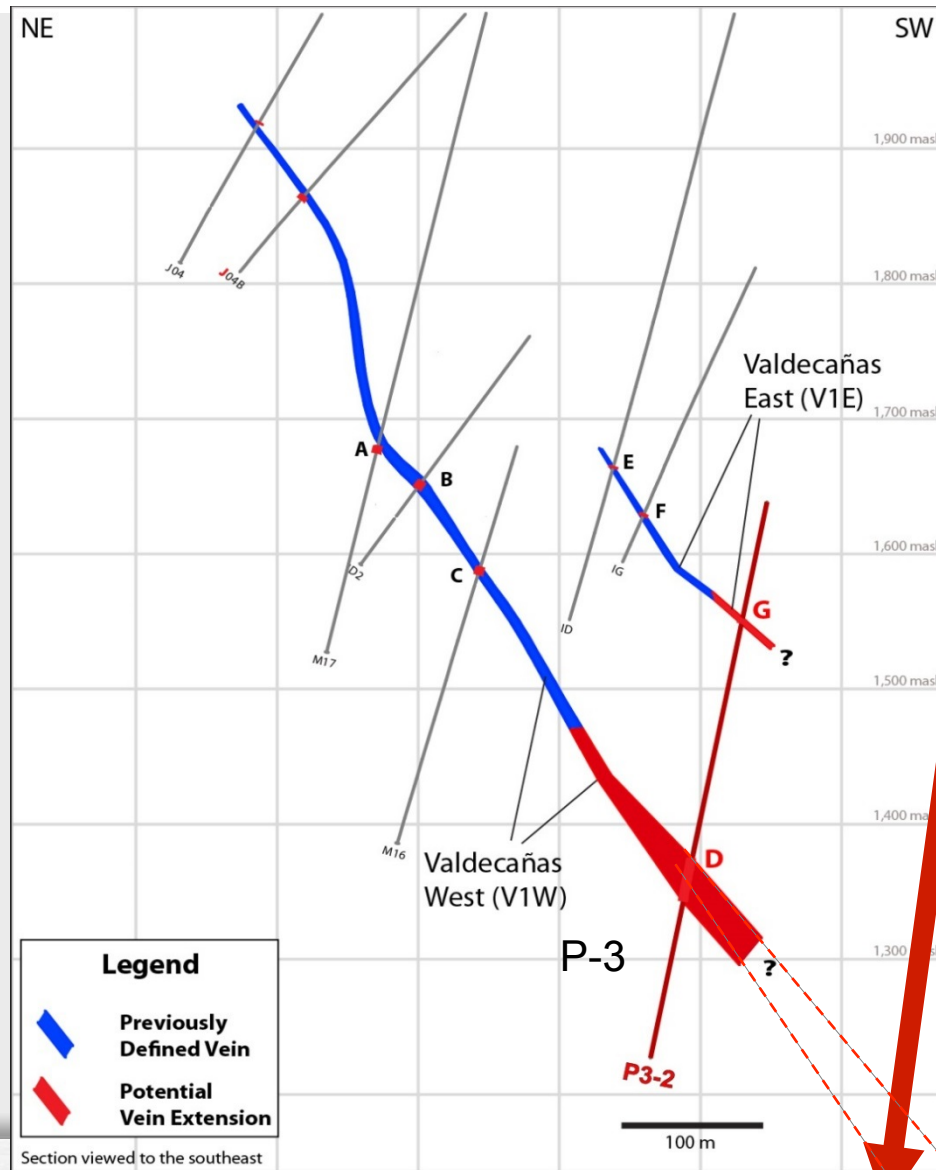
MAG



DDH from Surface



Valdecañas Vein: 1200 m Holes to trace continuity to depth: First one on P-3 Section



Valdecañas Vein: Deep Holes (P1-P4) Summary



- 100 -185 m step-outs with 11-32 m wide intercepts:
- Zone open to depth and dips into JV ground
- Increased Lead & Zinc plus Copper and skarn = *deep signature*
- High silver overprint indicates late deep boiling event with *shallow signature* indicating ***possible additional Bonanza Zone at depth***
- Single vein shows all district mineralization styles
- Single vein shows boiling level drop seen in separate veins elsewhere
- Combined features indicate major ore fluid input zone
- Obvious very high-priority follow-up drill targets *being permitted*

Implications on Resources

- Increase in width from 6 to >20m dramatically increases volume and adds significant tonnes quickly
- Gold and Silver strong, as are base metals, now with copper
- Lies well below Bonanza Zone and has different dimensions
- Deeper drilling will show how far this extends, *but deep enough not to impact resources used for UPEA*
- Suggests 2 Resources supporting 2 Projects:
Project 1 = Bonanza Zone
Project 2 = Deep Zone



Implications on Mining

Each 1M tonnes adds a year to mine life...*Assuming no increase in production rate*

Project 1: Bonanza Zone: Follow Through on UPEA; In progress

Project 2: Different geometry means different mining method

Higher production rate probable

Shaft for hoisting; studies underway (may help Project 1)



Mill: Increased production means additional capacity (additional processing module?)

Metallurgy will change and require a copper circuit

Tailings: Adequate land has already been purchased for larger tailings impoundment

Analyst Coverage & Targets



Macquarie Capital Markets

• Michael Gray: \$18.00

Raymond James

• David Sadowski: \$16.00

TD Securities

• Daniel Earle: \$15.00

Cormark Securities

• Graeme Jennings: \$15.00

Scotia Capital Markets

• Trevor Turnbull: \$13.45

H.C. Wainwright

• Heiko Ihle: \$12.04

Desjardins Capital Markets

• Michael Parkin: \$11.50

Salman Partners

• Kevin MacKenzie: \$11.40



National Bank Financial

• Shane Nagle: \$11.00

PI Financial

• Philip Ker: \$10.80

BMO Capital Markets

• Jessica Fung: \$10.00

Average Target Price: C\$13.11

Major Shareholders – Holding > 1.0M Shares



❖ BlackRock Financial	16.3%
❖ Fresnillo PLC	14.1%
❖ Tocqueville Asset	9.7%
❖ Equinox / Mason Hill	9.2%
❖ Van Eck Associates	4.3%
❖ Sprott Asset	2.5%
❖ Vanguard PM&M Fund	2.1%
❖ Global X Management	2.0%
❖ First Eagle Invstmt Mgmt	2.0%
❖ Franklin Advisers	1.6%
❖ Franco Nevada	1.5%
❖ <u>Institutions <1M shares</u>	<u>15.1%</u>
Totals	80.4%





Directors and Management Team

DIRECTORS

Jonathan Rubenstein

Board Chairman

Peter Barnes

Former CEO Silver Wheaton

Richard Clark

Former CEO Red Back Mining

Richard Colterjohn

Former CEO Centenario Copper

Jill Leversage

Managing Director, Highland Capital

Dan MacInnis

Former CEO MAG Silver

Derek White

CEO KGHM (International)

OFFICERS

George Paspalas

President and CEO, Director

Larry Taddei

Chief Financial Officer

Dr. Peter Megaw

Chief Exploration Officer

Michael Curlook

VP Investor Relations & Comm.

Jody Harris

Corp Secretary



Juanicipio Portal



MAG Silver – Share Structure

MAG TSX

MVG NYSE.MKT

52 week hi/lo (C\$)

\$11.00 – \$6.56

Recent (C\$)

\$9.00

Market Cap

\$622M

Issued/Outstanding

69,173,076

RSU & DSUs

186,698

Options

3,901,940 ⁽¹⁾

Fully Diluted

73,261,714

Cash

~\$US81M*

No Debt

*As of June 30, 2015

See www.magsilver.com for copy of this presentation

Corporate Presentation September 2015



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