



MAG SILVER CORP

HIGH-GRADE SILVER DISCOVERY & DEVELOPMENT



MAG: TSX / NYSE MKT
WWW.MAGSILVER.COM

September 2016
Corporate Presentation



Forward Looking - Safe Harbor Statement

MAG Silver Corp. is a Canadian issuer.

This presentation is prepared by MAG Silver Corp ("MAG – TSX / MAG – NYSE.MKT") management and MAG is solely responsible for content and format. Peter Megaw, C.P.Geo is a non-independent Qualified Person and has reviewed this presentation and its content derived 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.
- **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.

Juanicipio JV Decline

M
A
G



Juanicipio JV decline

MAG Silver – Silver Discovery and Development



**“High Grade”
High IRR
District Scale**

**SILVER
LEAD
ZINC**

in Mexico

**JUANICIPPIO JV
Main Asset
(MAG 44%)**

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

**Potential Geological
Expansion**

**Cinco de Mayo
(100%)**

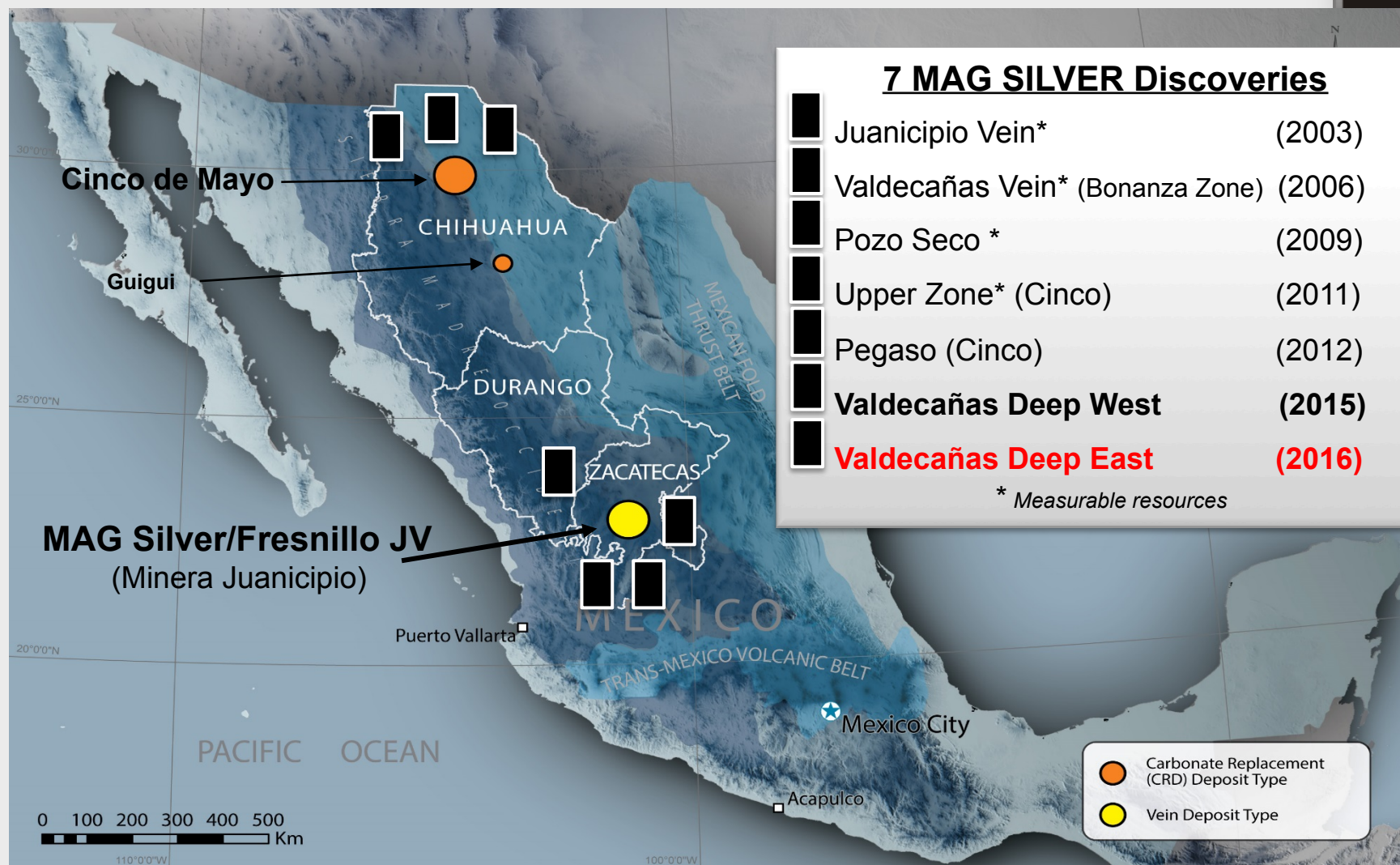
**Working to
Regain
Surface
Access**

**Strong
Financial
Position**

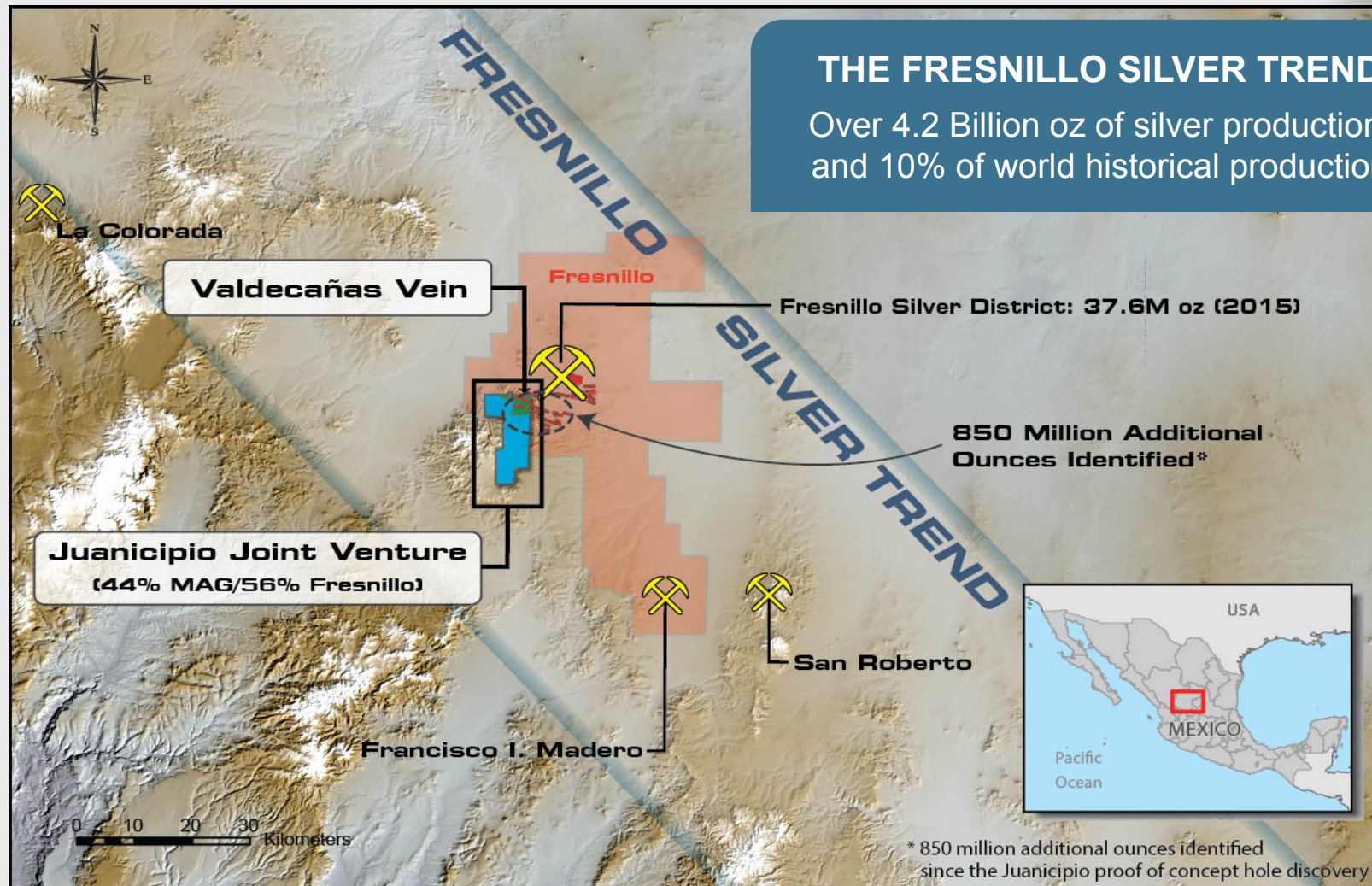
**\$US141M*
Cash
No Debt**

* June 30, 2016

Property Locations – A History of Discovery



Fresnillo Silver District – One of a Kind





Minera Juanicipio – Premier Silver District

Deposits over Billion oz

14 in the World

8 in Mexico

4 Fresnillo Silver Trend

Valdecañas = Jarillas

Juanicipio Resource

Indicated

160 Moz Ag @ 601 g/t

Inferred

48 Moz Ag @ 626 g/t

“Stand alone Project”

2018 Projected District Production

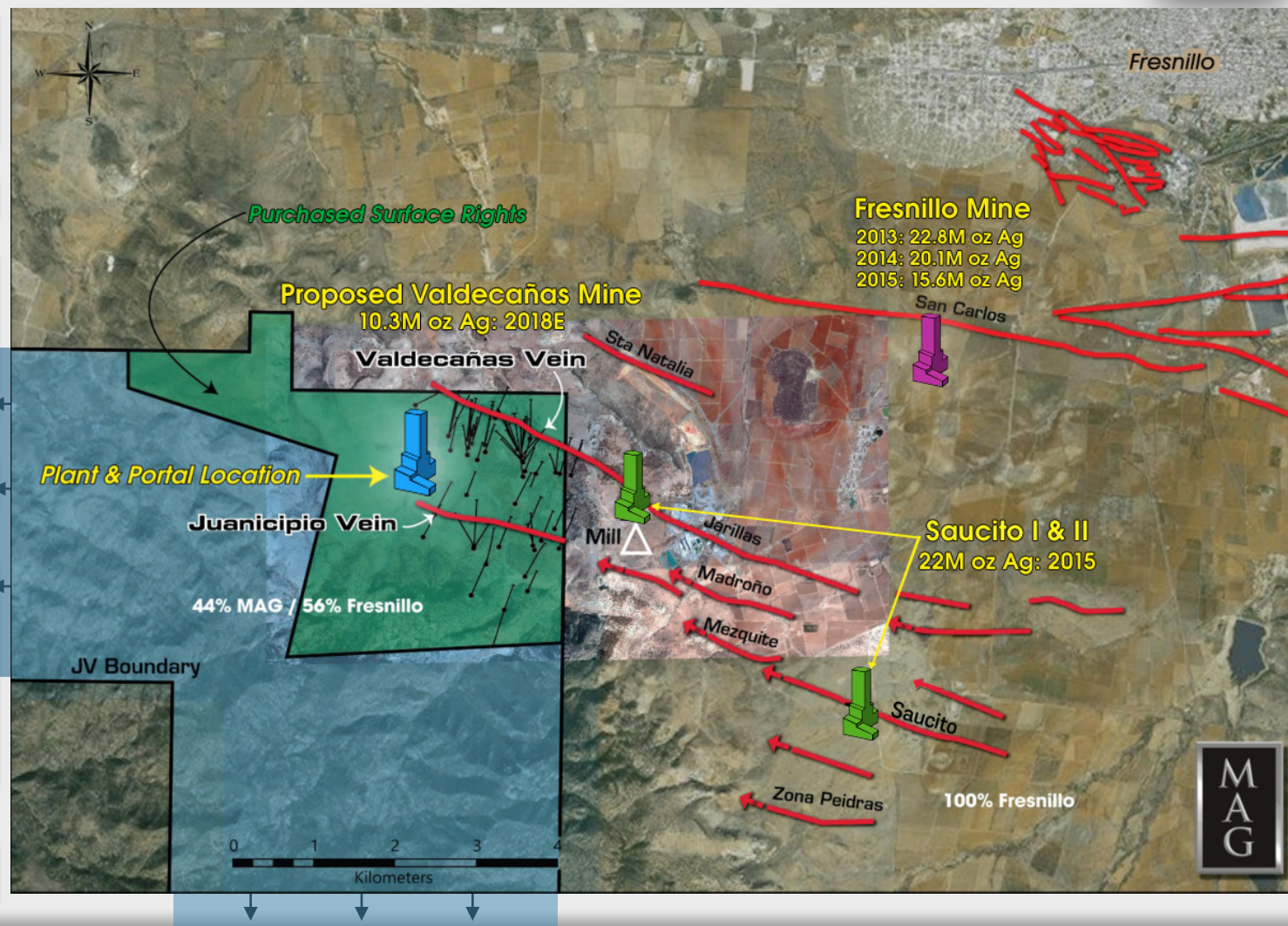
50-55M oz/year

Juanicipio 10.3 M

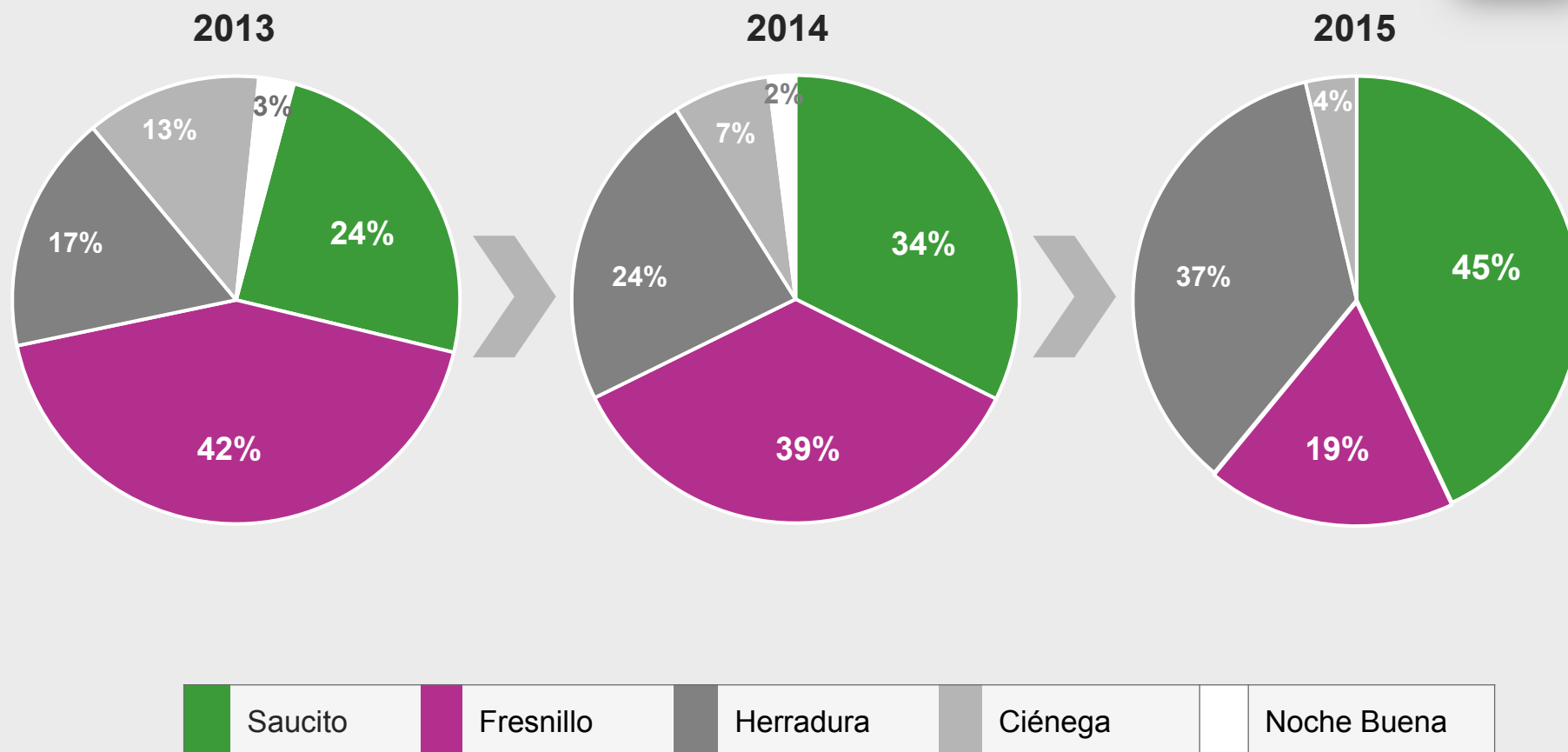
Fresnillo 20.1 M

Saucito I & II 22.0 M

**Ramp Development
@ 3,200m +**



Fresnillo Profit Shift



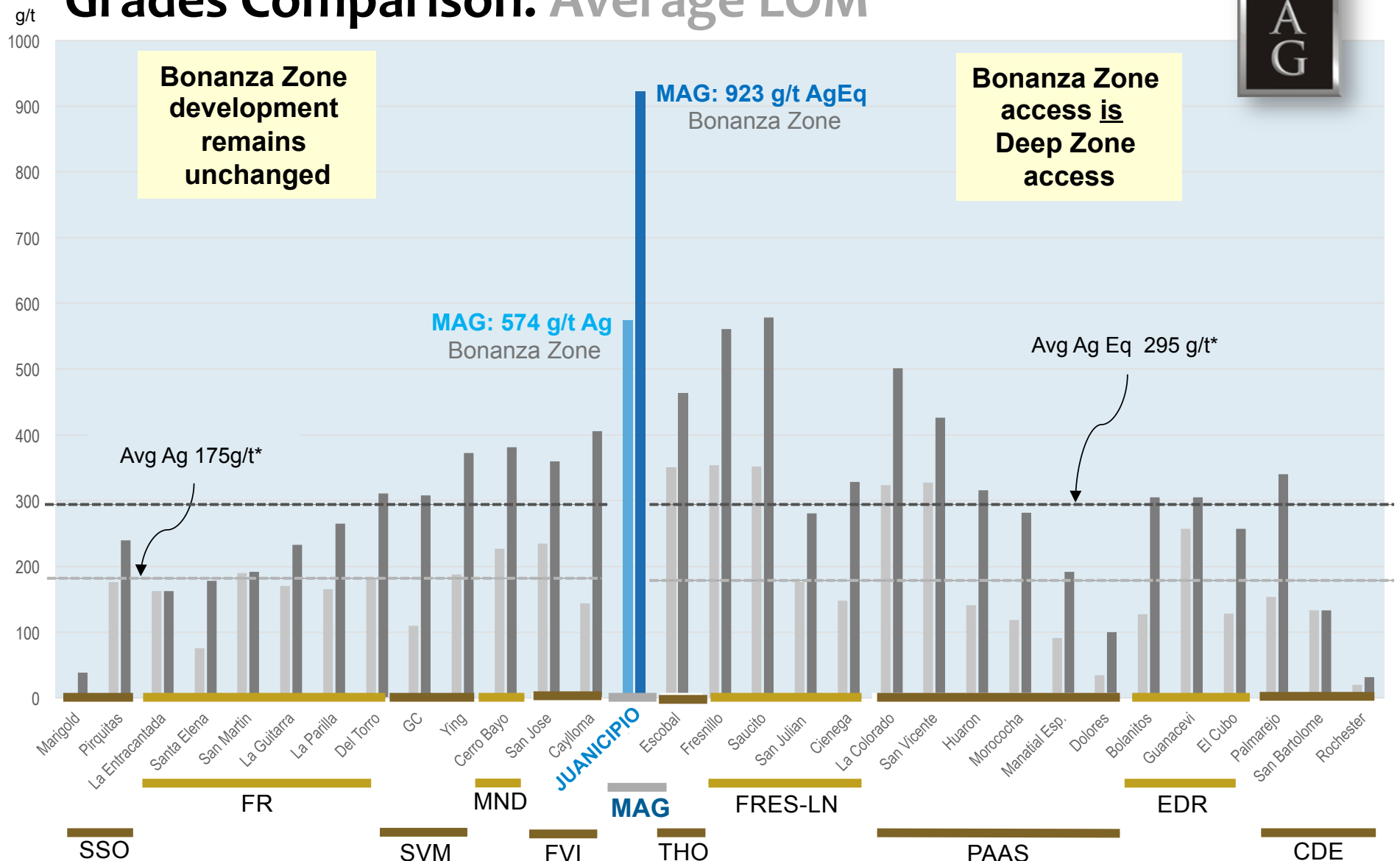


Grade & Same Vein Metrics

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*
Parameter	Juanicipio		Saucito II			
	Valdecañas Vein		Jarillas Vein			
CAPEX	\$302M / \$132M (MAG 44%)		\$235M			
SCAPEX	\$267M / \$118M (MAG 44%) (Yrs 4-15, Paid out of Cash Flow)		N/A			
Life of Mine	15 yr+		22 yr			
Average Mine Rate	850 - 950kt/y					
Throughput	2,650 t/d		3,000 - 3,750 t/d			
On Site Operating Cost	\$66.56/t		~ \$40/t			
Off site costs	\$39.36/t		N/A			
All in Cash Cost	\$6.61/ Ag eq oz		\$5.53/ Ag eq oz**			



Grades Comparison: Average LOM



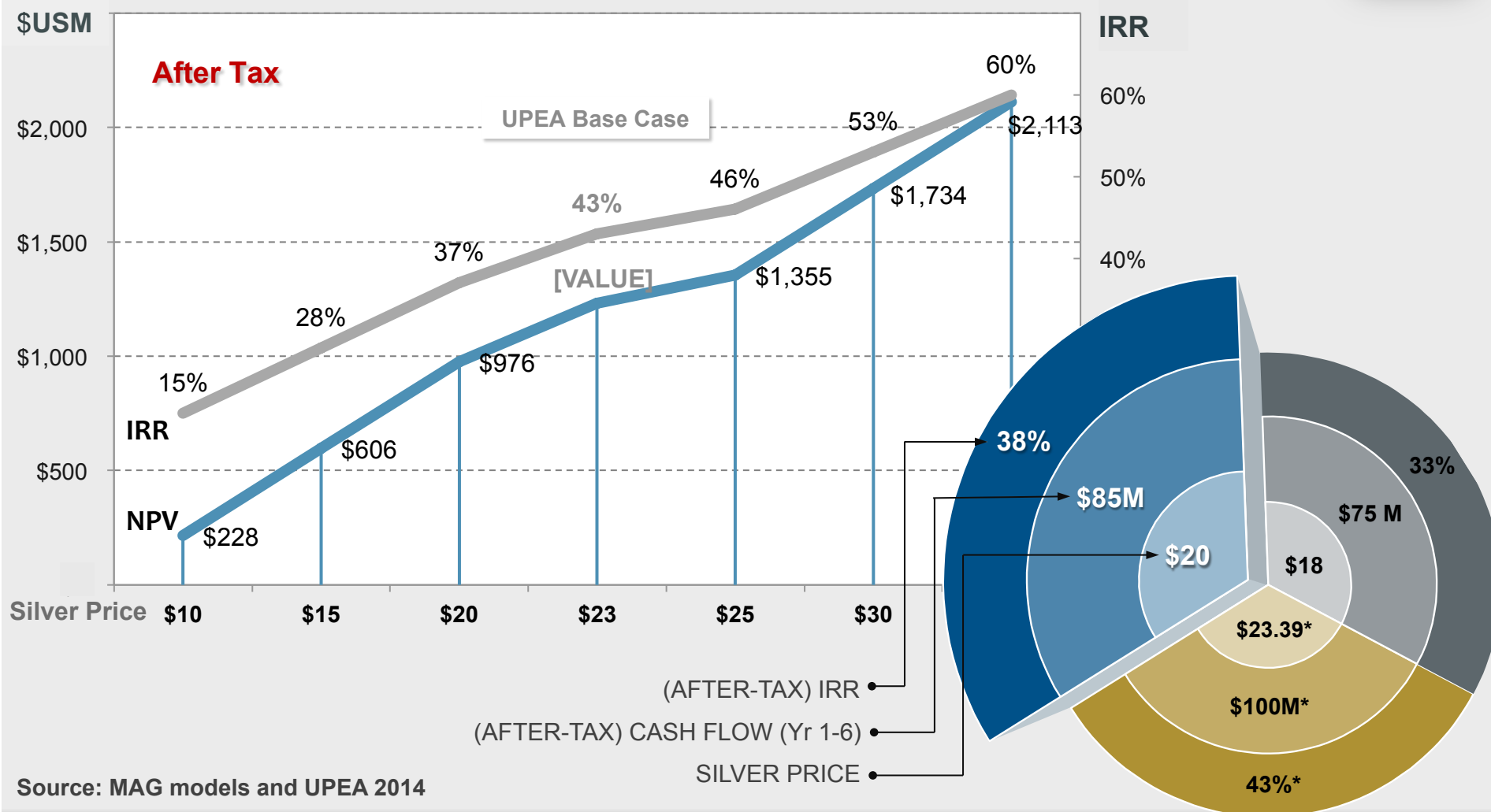
*Not including MAG silver data



Sensitivity to Silver Price; Cash Flow, NPV

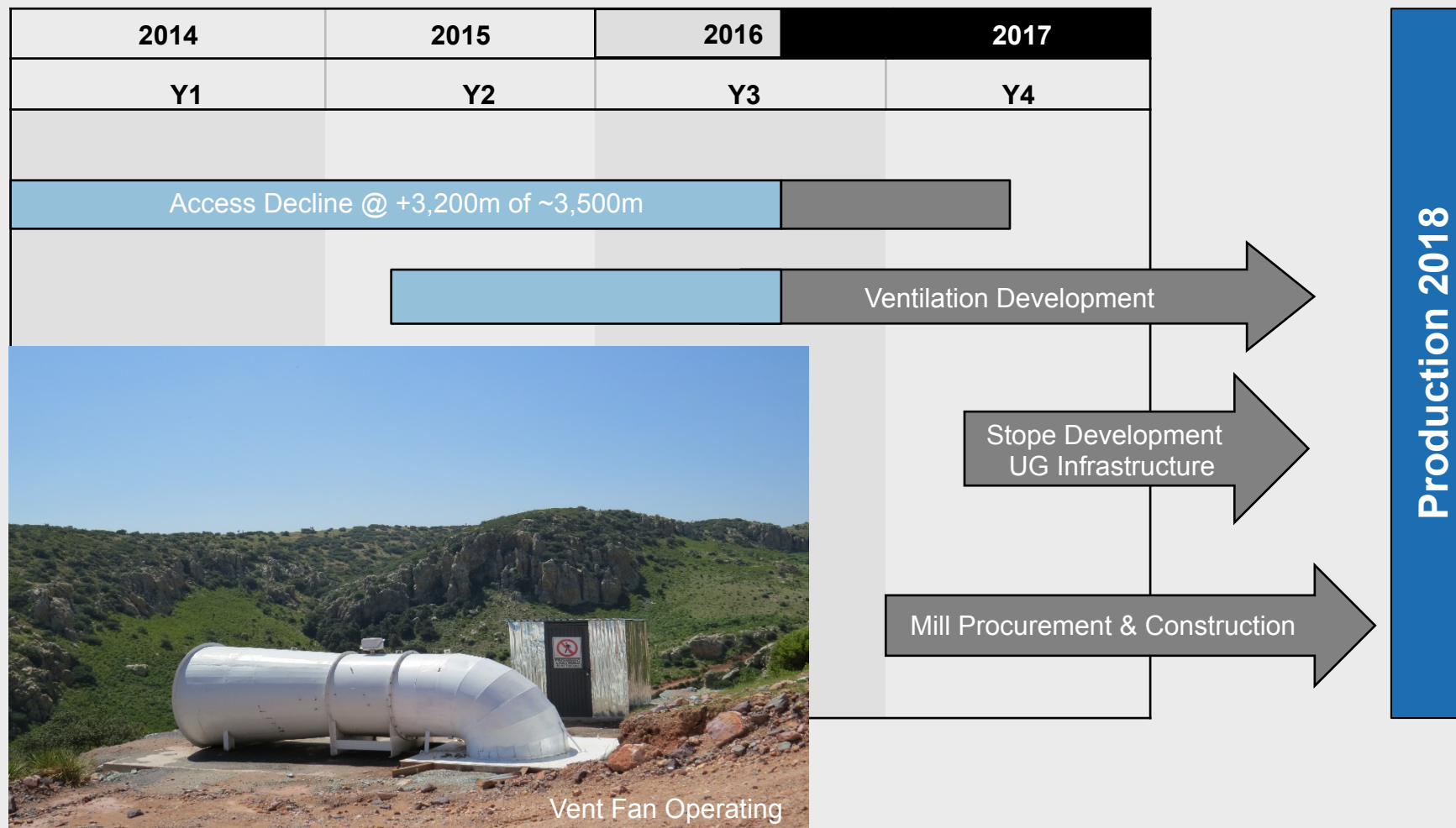
NPV(5%) (After Tax) and IRR vs. Silver Price

Metric: A \$1.00 increase in Silver adds \$75.0M (after tax) to the NPV(5%) or \$0.41 per MAG share (US\$)

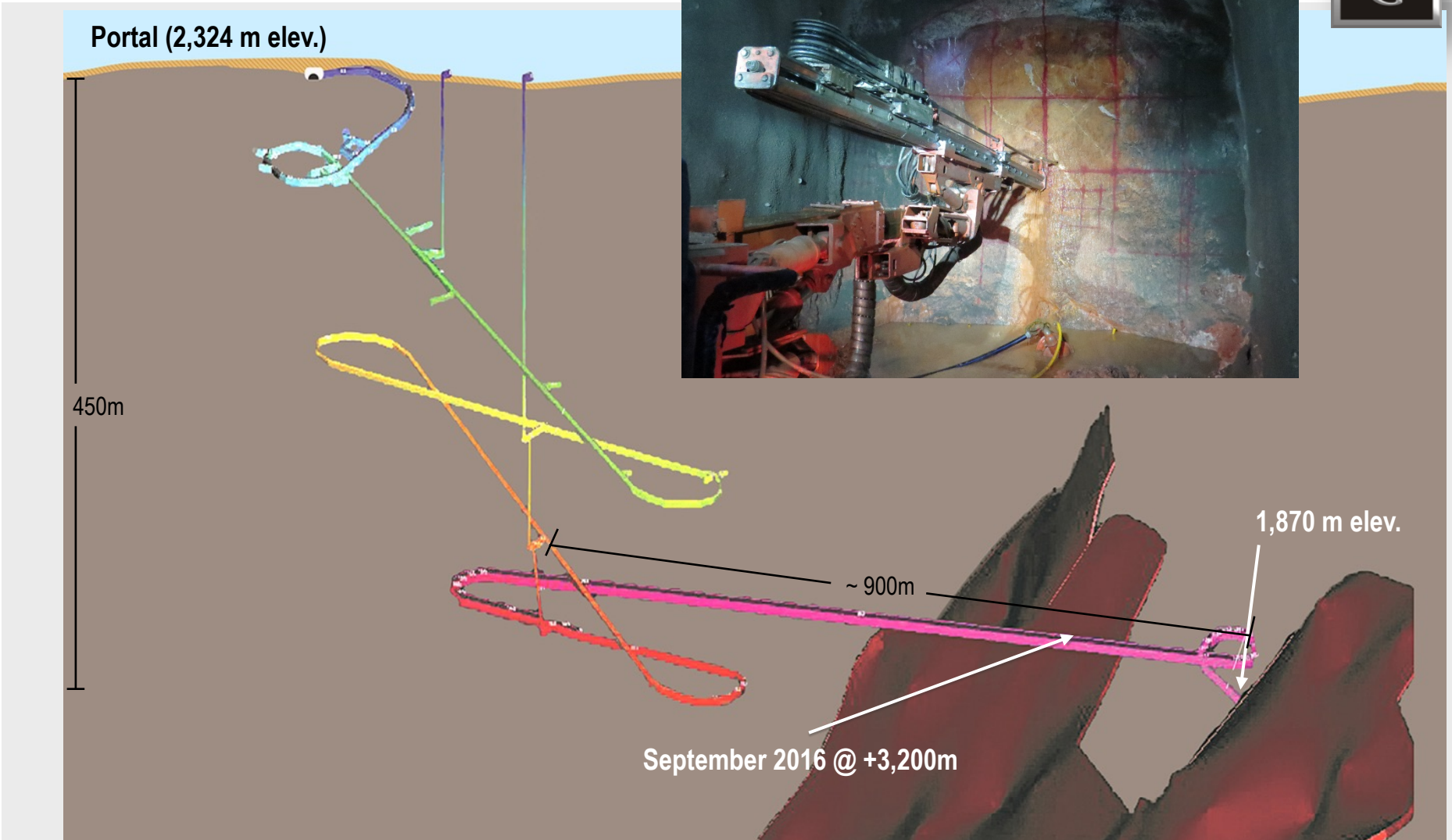


Juanicipio Development Timetable

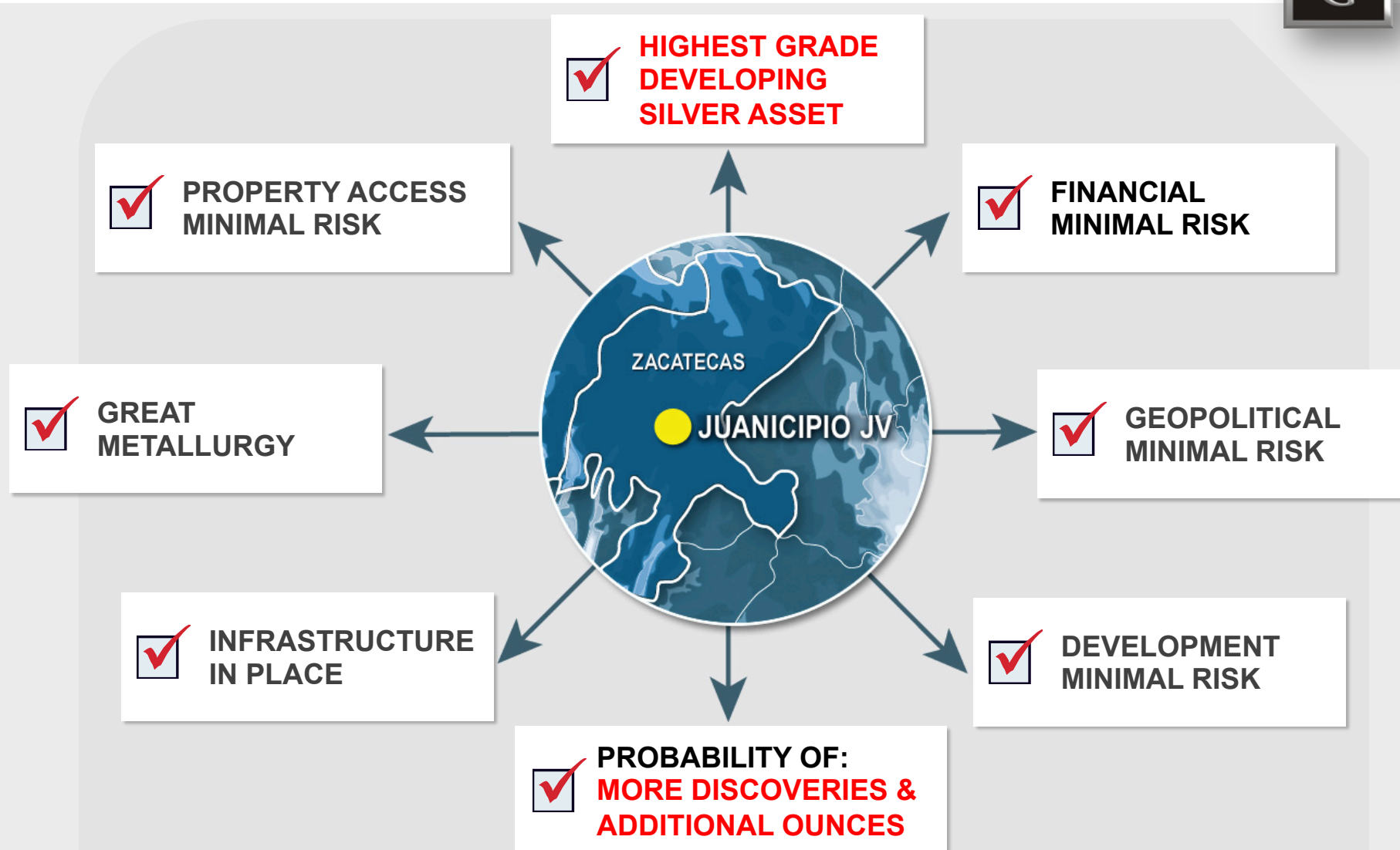
Project Total Capex \$US 302M (MAG 44% = \$US 132M)



Current Ramp Progress



Juanicipio Joint Venture – Summary

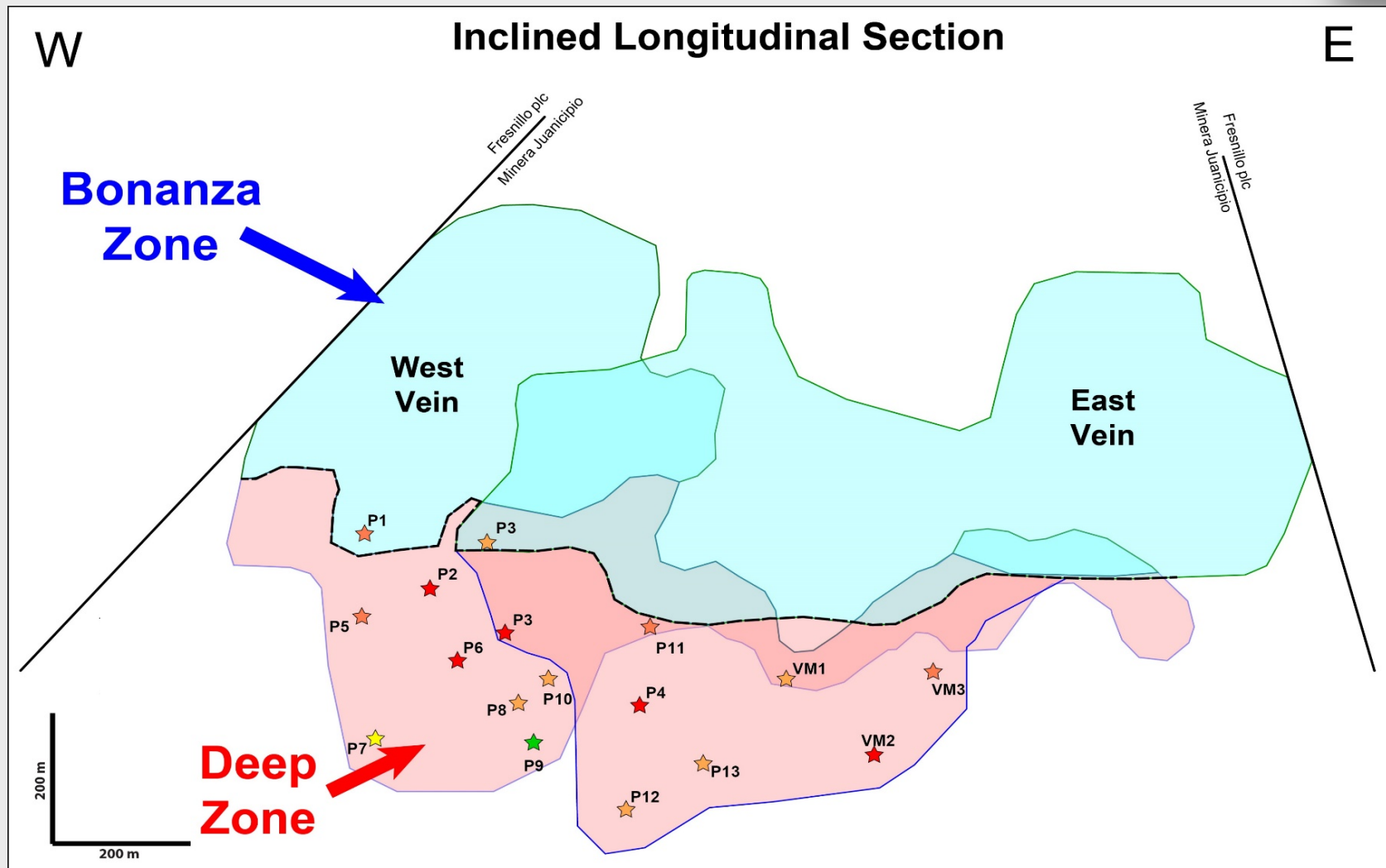


What's New!

1. 12 Additional Deep Holes (16 total)
2. Discovery of Deep Zone beneath East Vein
3. Strong Zinc and Copper Grades
4. Persistent Gold and Silver Grades
5. Additional Wide Intercepts
6. Recognition of Dilatant (FAT) Zone
7. Continued second stage overprint
8. Increasing skarn at depth
9. Phase 3 - \$1.2M Six drills turning (5 Surface, 1 UG)
10. Approved \$5.2M drilling program for 2016



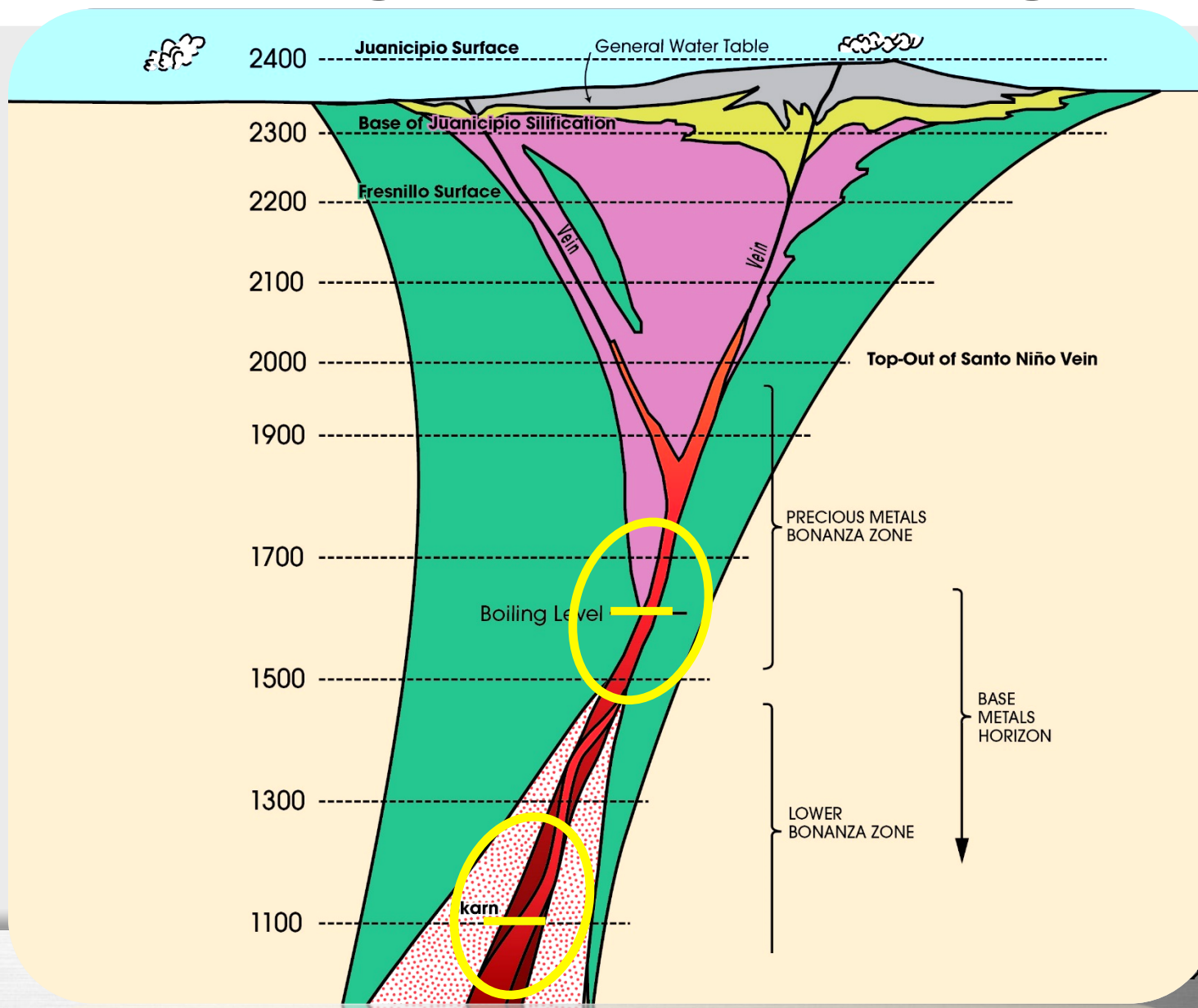
Valdecañas Vein: Deep Zone Flesh Out



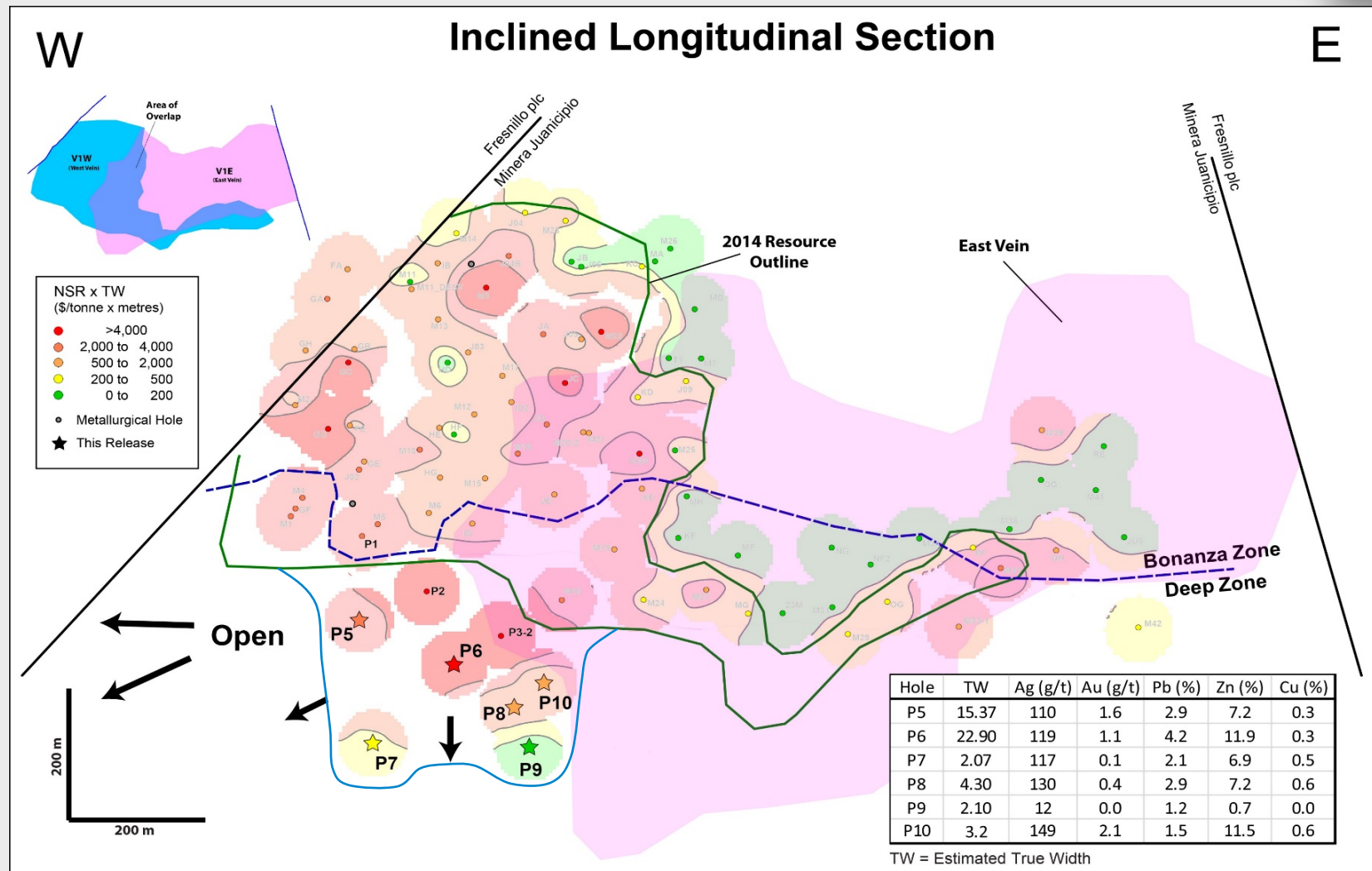
Deep Veins: Overprinting



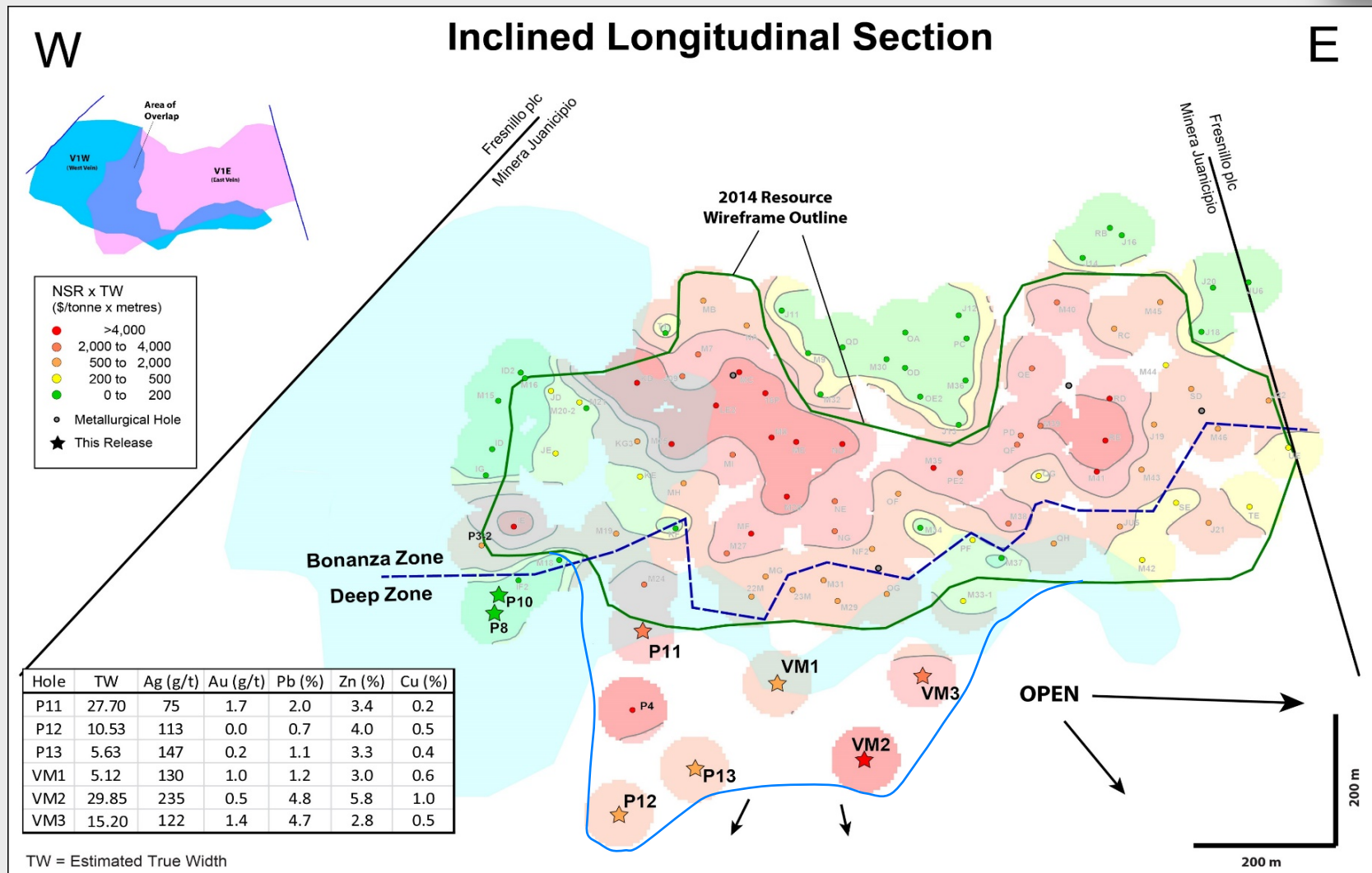
Valdecañas Veins Deep: Stacked Boiling Zones with Overprinting



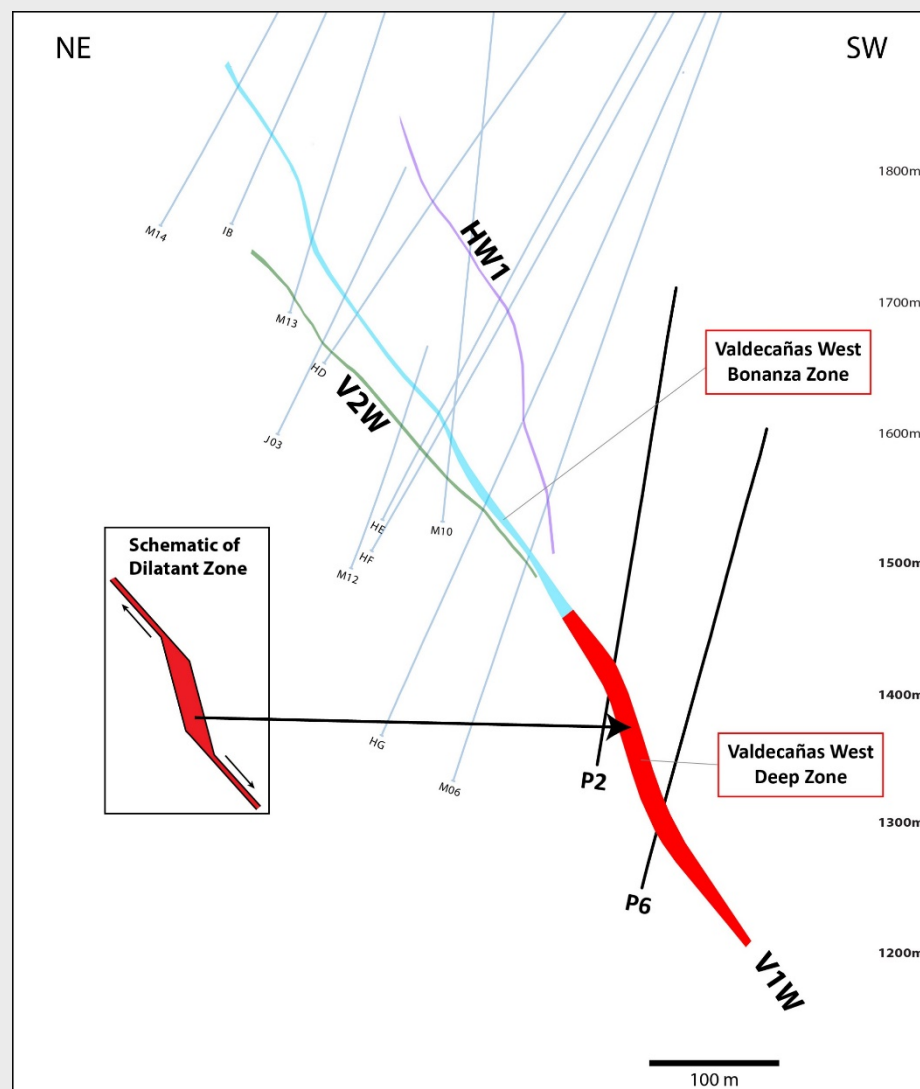
Valdecañas Vein: West Deep Zone Flesh Out



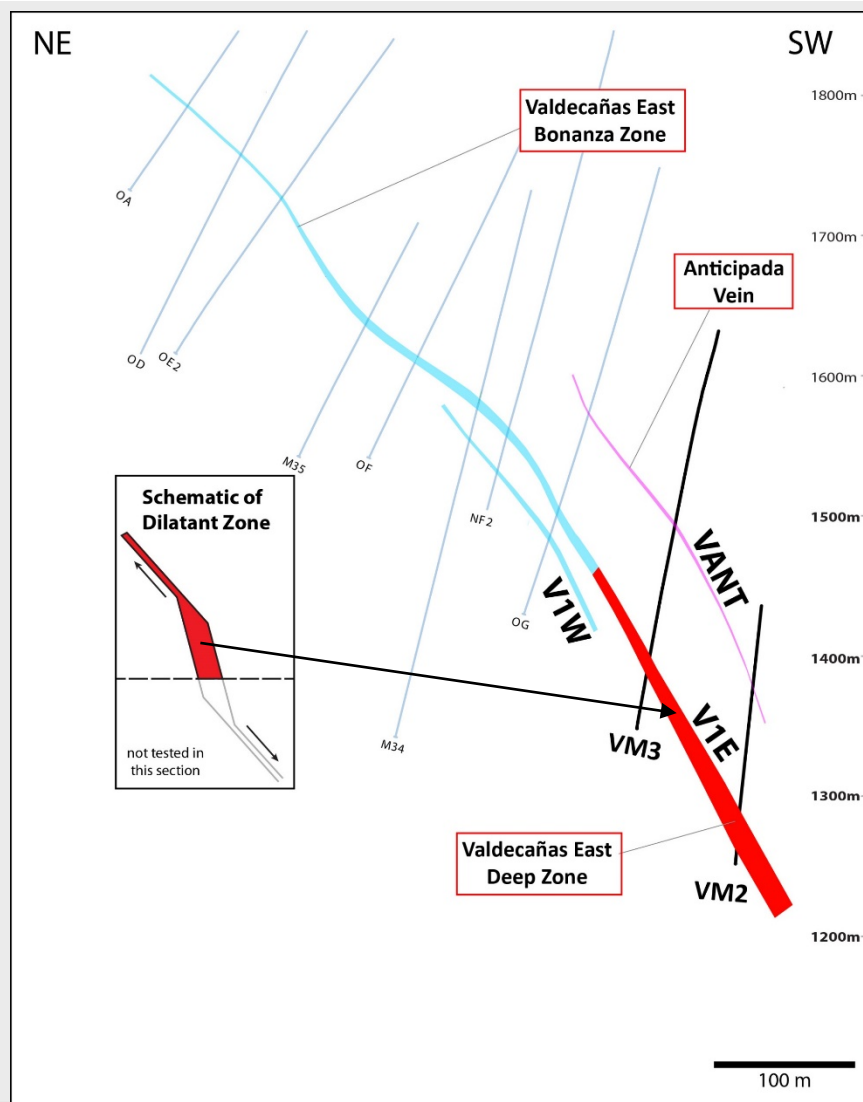
Valdecañas Vein: East Deep Zone Flesh Out



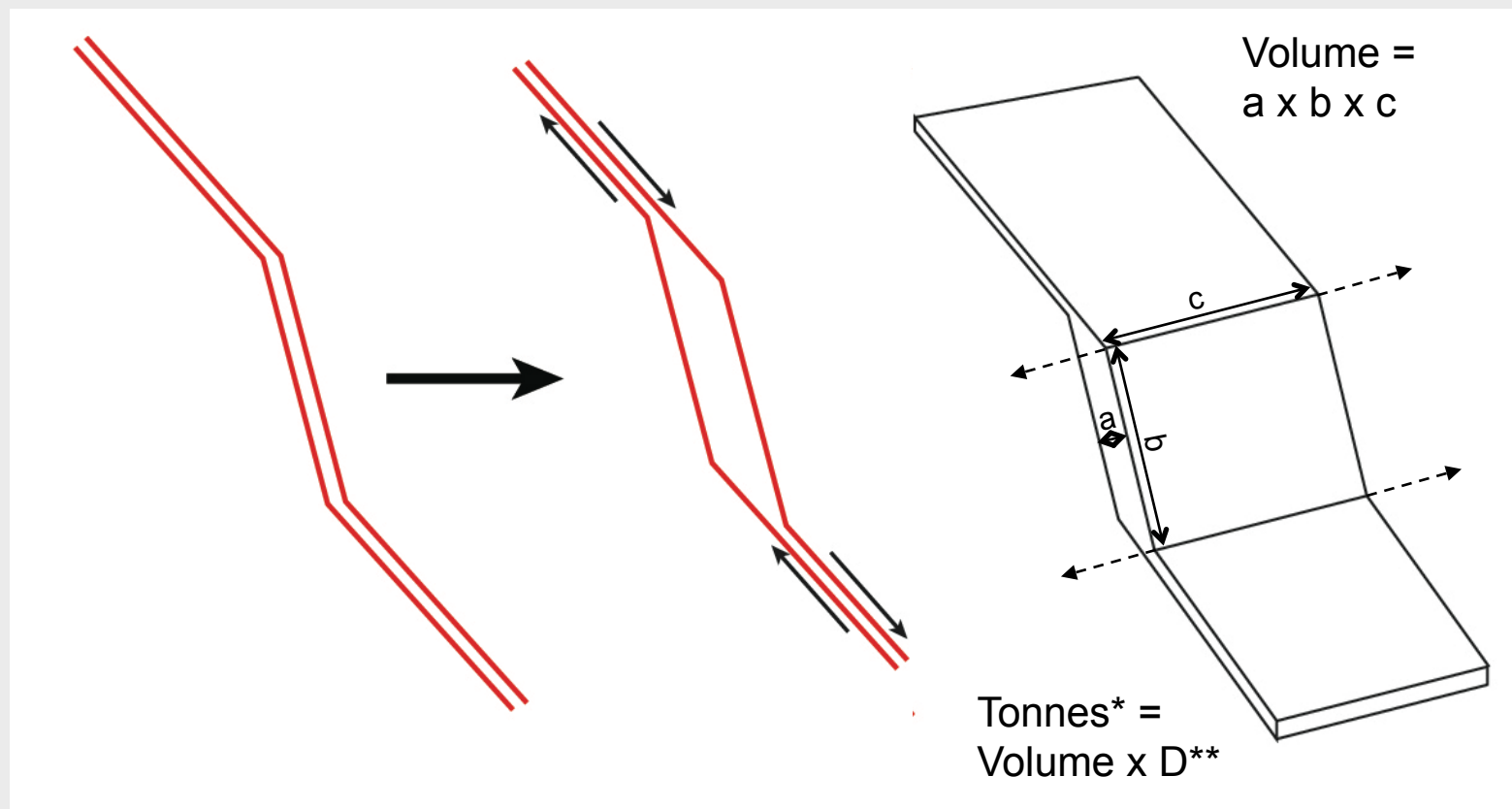
Valdecañas Vein: West Deep Zone



Valdecañas Vein: East Deep Zone

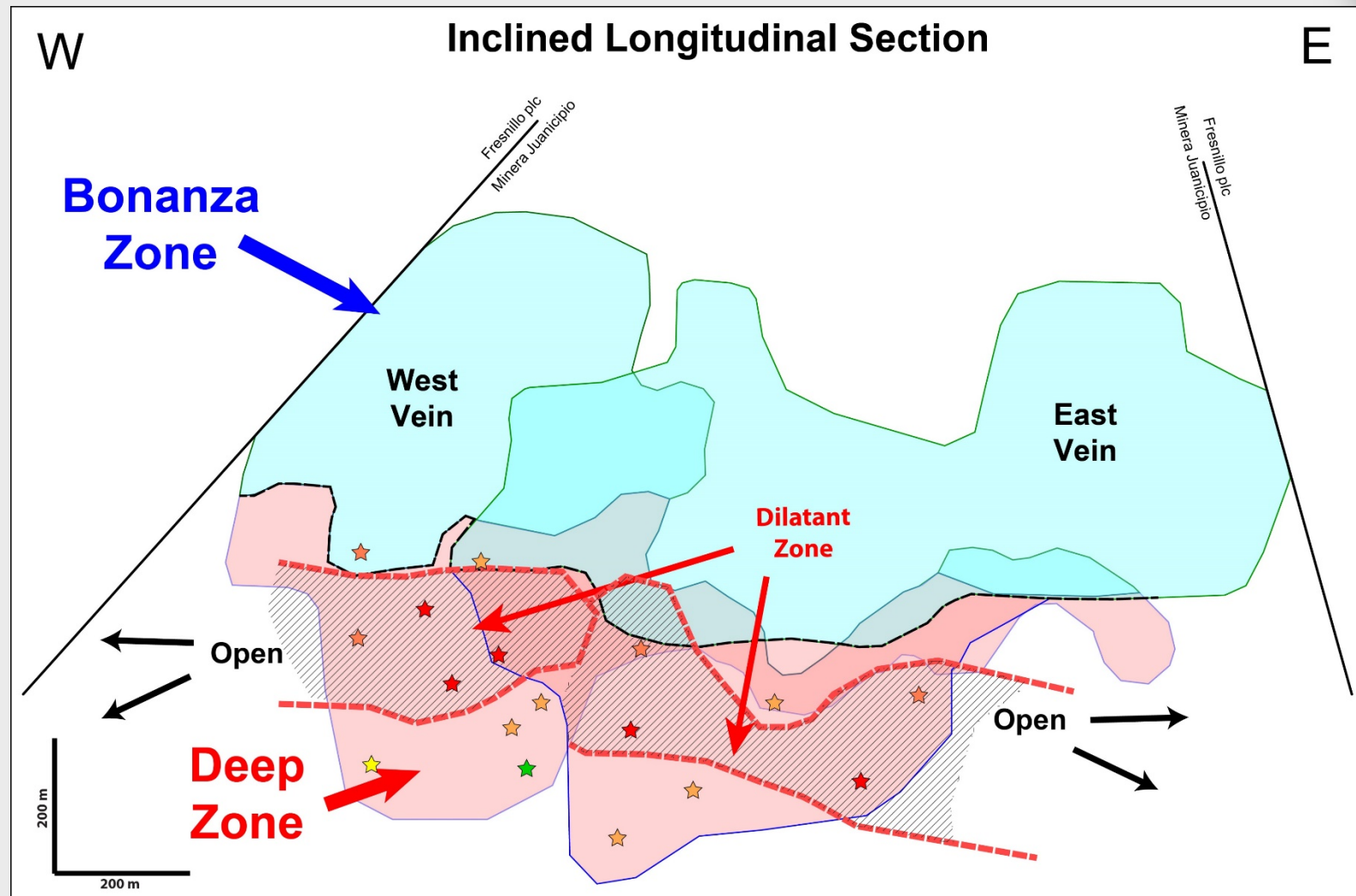


Dilatant Zone Development

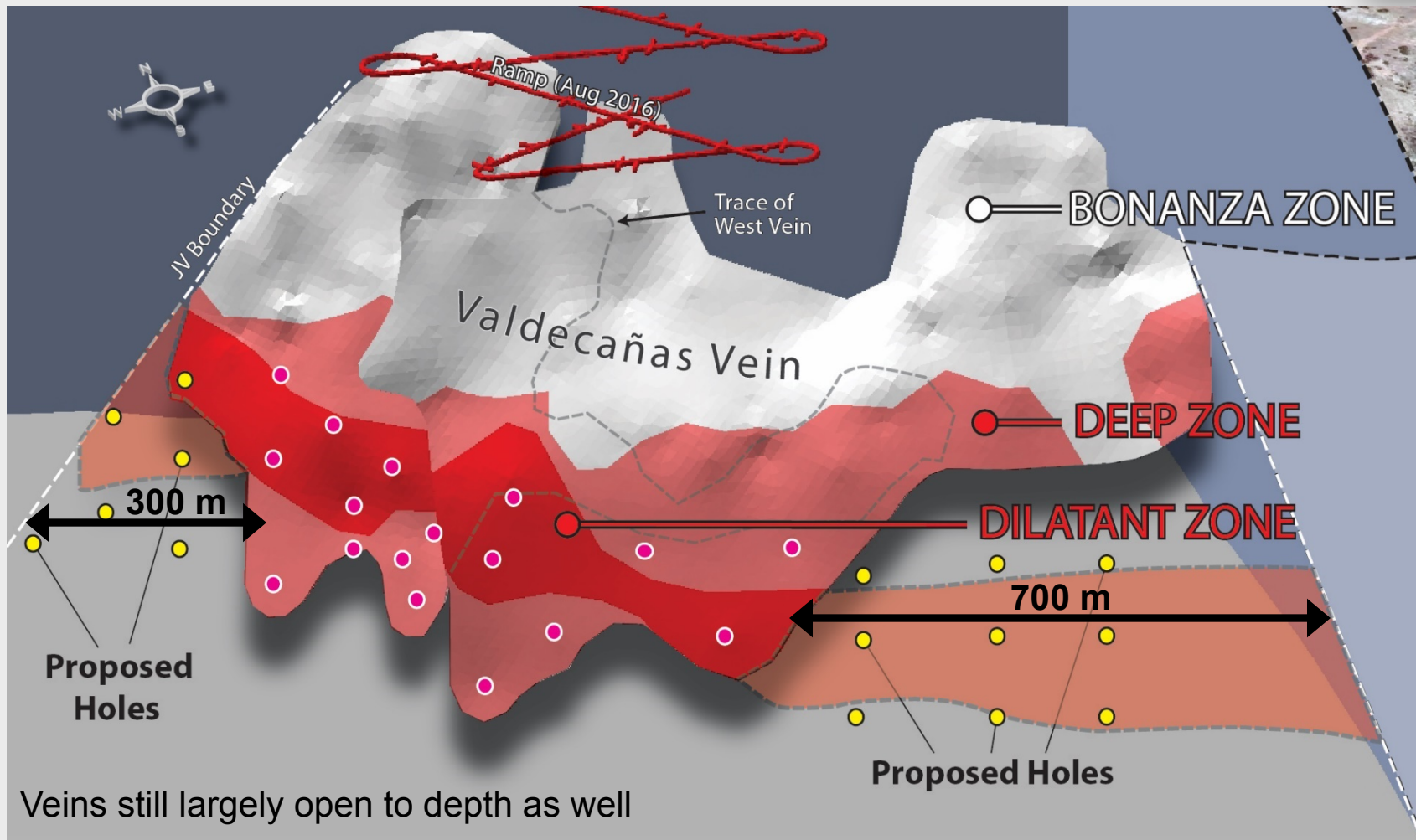


*a, b and c in metres **D = density (SG)

Valdecañas Vein: Deep Dilation Zones Extent



Valdecañas Veins Deep: What's Next...



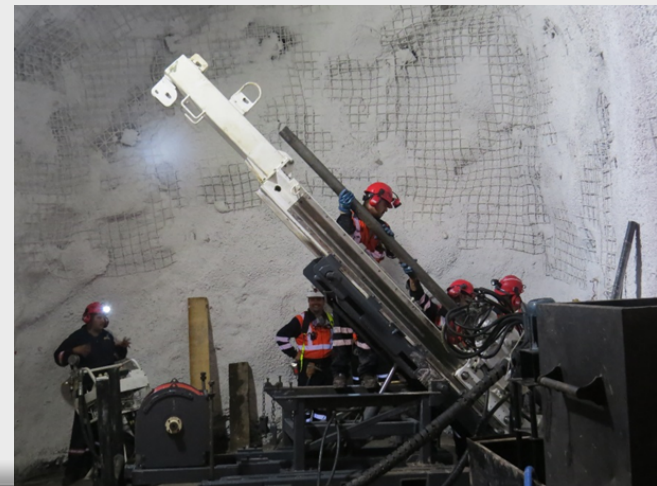


Valdecañas Veins: Deep Holes (16 holes) Summary

- 100 -200m Lateral step-outs: **800m total**
- 100 -150m Vertical step outs: **350m total**
- **1-32m** wide intercepts
- *Dilatant Zones* in both veins where dip steepens
- Increased Lead & Zinc plus Copper and skarn = *deep signature*
- Overprinting with distinctive textures and Ag = *shallow signature*
- Core-parallel overprinting *suggests North-dipping feeder*
- Combined features indicate major ore fluid input zone
- Deep Zone dips into JV ground; open to depth and wider
- Deep Zone open laterally to property boundary: *300m W; 700m E*
- **Stage 3 drilling funded & underway (\$1.2M of \$5.2M 2016 budget)**

Potential Vein Extension: Implications for Exploitation

- Increase in width from 6 to >20m dramatically increases volume and adds significant tonnes quickly
- Gold and Silver steady, base metals (Zn, Pb, Cu) strong
- Lies below Bonanza Zone and has different dimensions
- Deeper drilling will show how far this extends laterally
- Suggests 2 Bodies supporting 2 Mines:
 - “Mine 1” = Bonanza Zone
 - “Mine 2” = Deep Zone



Implications on Mining – each 1Mt = 1 yr mine life

***“Mine 1”*: Bonanza Zone: Development continues, Decline nearing vein**

***“Deeper Mine 2”*:**

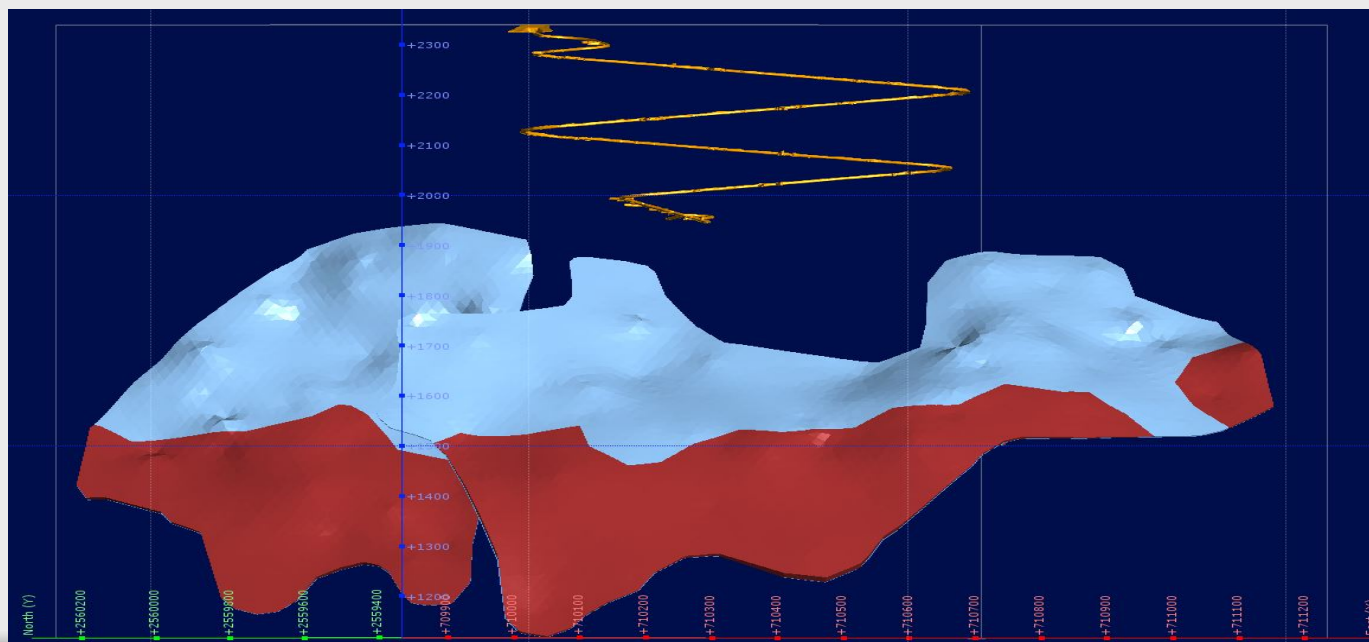
Different geometry = More tonnes/ vertical metre = Greater mining efficiency

Engineering studies underway to determine optimal project configuration.

Metallurgy will need to incorporate copper recovery.



May impact
Bonanza Zone
Favorably



Juanicipio Project – Take away points



**Bonanza Zone
Project
continues
advancing on
schedule for
start-up 2018**

**2016 follow-up
drilling of the 4
discovery holes into
Valdecañas Deeps:**

- Confirmed widening
- Increased strike
- Discovered East vein extension

**Stage 3 drilling
underway
\$1.2M of \$5.2M
approved budget**

**Resource update
anticipated for
2017**

**JV property
remains
relatively
unexplored**

Analyst Coverage & Targets



Scotia Capital

• Trevor Turnbull C\$25.84

BMO Capital Markets

• Jessica Fung C\$25.00

Macquarie Capital Markets

• Michael Gray C\$25.00

National Bank Financial

• Shane Nagle C\$24.00

Cormark Securities

• Graeme Jennings C\$23.50

H.C. Wainwright

• Heiko Ihle C\$23.29

Raymond James

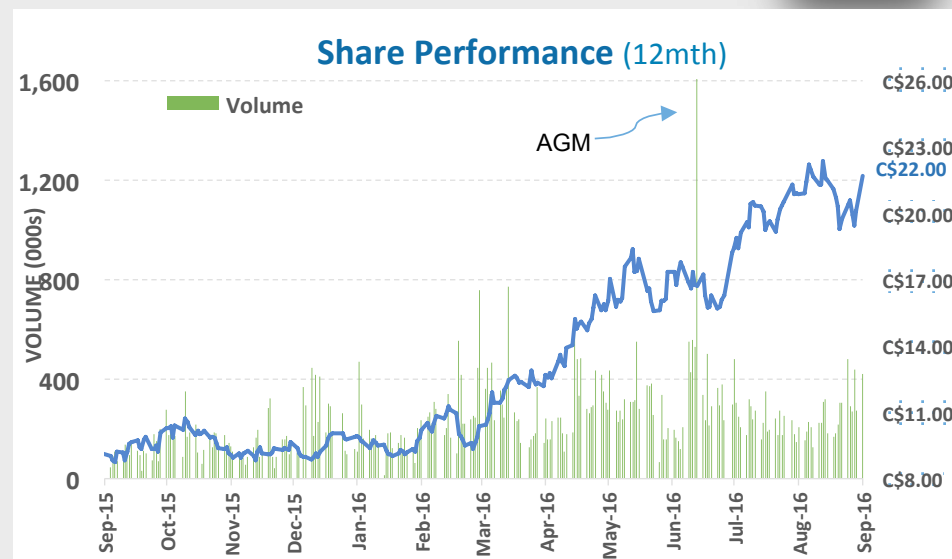
• Chris Thompson C\$22.50

Desjardins Capital Markets

• Michael Parkin C\$22.50

Canaccord Genuity

• Eric Zaunscherb C\$22.50



PI Financial

• Phil Kerr C\$21.50

TD Securities

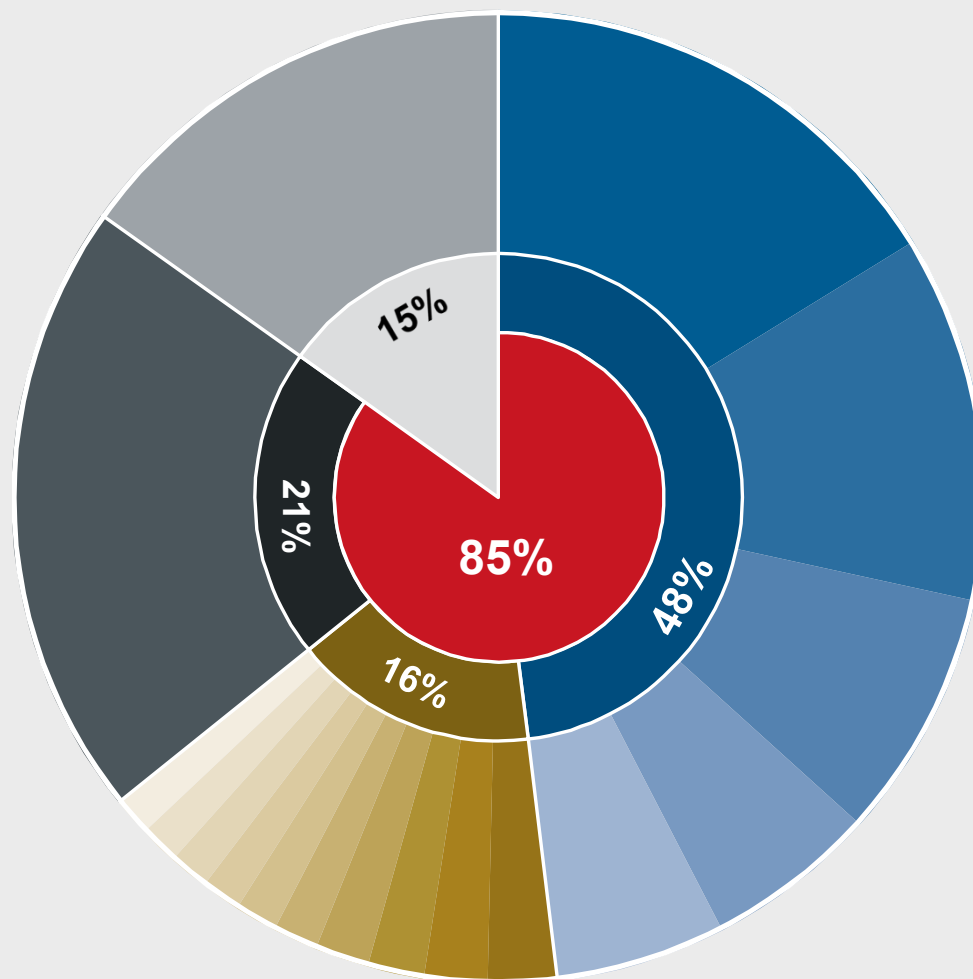
• Daniel Earle C\$21.00

ROTH Capital Markets

• Joe Reagor C\$20.70

Average Target Price: ~C\$23.11

Major Shareholders – Holding > 1.0M Shares



BlackRock Investment Mgmt	16.2%
Fresnillo PLC	12.2%
Tocqueville Asset	8.3%
Van Eck Associates	7.0%
Equinox / Mason Hill	4.6%
RBC Investor Services	2.3%
Fidelity Instit'l Asset Mgmt	2.2%
First Eagle Investment	1.9%
Vanguard PM&M Fund	1.8%
Oppenheimer	1.5%
Franklin Advisors	1.4%
Gabelli Asset Mgmt	1.3%
1832 Asset Mgmt	1.3%
RBC Global Asset	1.3%
Sprott Asset Mgmt	1.1%
Institutions <1M shares	20.6%
Total Institutions	84.6%
Retail & Float	15.4%



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

Former Managing Director, Highland Capital

Dan MacInnis

Former CEO MAG Silver

Derek White

Former 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.

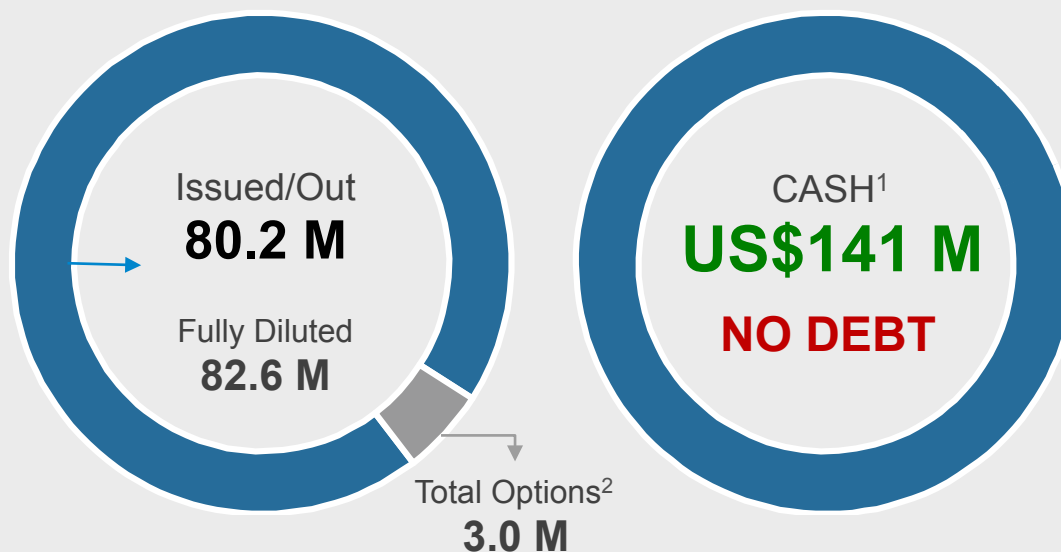
Jody Harris

Corporate Secretary



Juanicipio Portal

MAG TSX | MAG NYSE.MKT



	CAD	USD
Market Cap	\$1.8 Billion	\$1.4 Billion
Recent	\$22.00	\$17.00
52 week	\$8.67 – \$23.32	\$6.12 – \$18.12

I think MAG is one of the best pure silver stories out there."

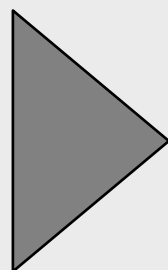
– The Gold Report Interview with John Hathaway, Tocqueville Assets

1. June 30, 2016

2. Includes RSU & DSU's = 156,330

Why Invest in MAG

Growing
Shareholder
Value



Highest Grade Developing Silver Asset

Strong Leverage to Silver Prices

\$141M in Cash - No Debt

Proven Operator Expertise - Fresnillo Plc

Experienced Management Team

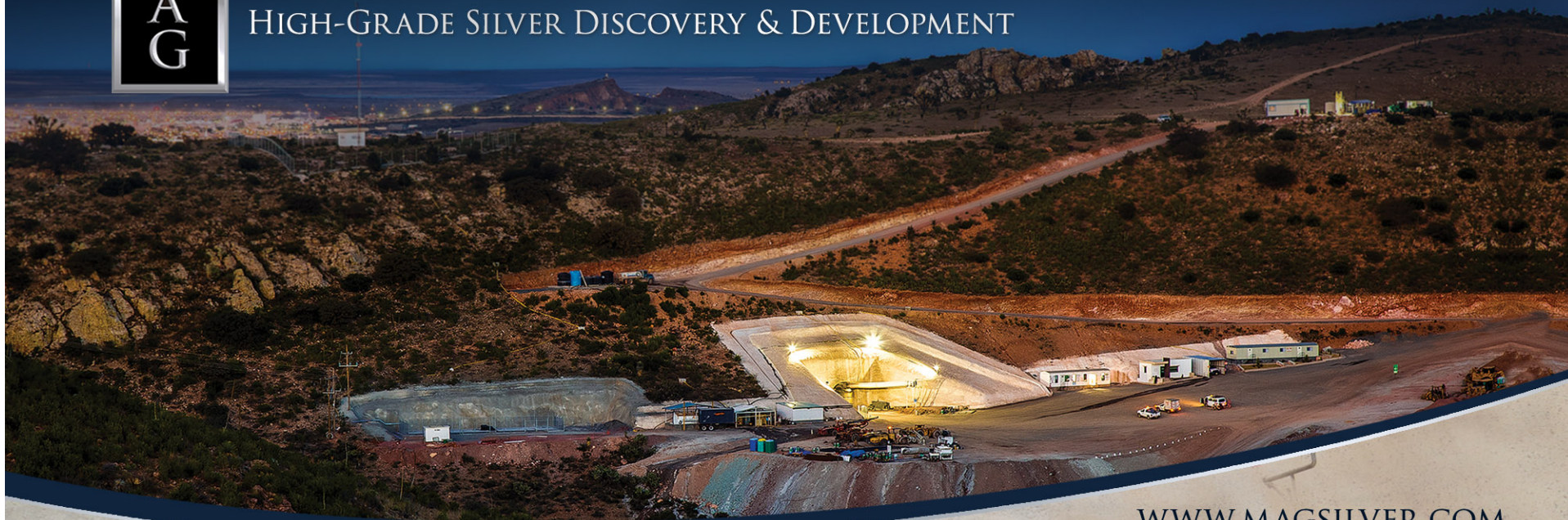
Excellent Exploration Potential





MAG SILVER CORP

HIGH-GRADE SILVER DISCOVERY & DEVELOPMENT



WWW.MAGSILVER.COM

MAG: TSX / NYSE MKT



MAG

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

36