

MAG SILVER CORP.
("MAG" or "the Corporation")
Share Ownership Policy

Background

The Board of Directors (the "Board") believes that share ownership by certain members of senior management and by the members of the Board is a key element of strong corporate governance. The Board also believes that long-term equity ownership further aligns the interests of the members of the Board and senior management with those of the Corporation's shareholders and enables them to share in the long-term growth and success of the Corporation. The Board has adopted this share ownership policy (the "Policy") in furtherance of the foregoing.

Participation

The Policy applies to non-executive members of the Board, any Executive Chairman, the Chief Executive Officer, the Chief Financial Officer, Chief Exploration Officer and the Vice President Operations. In the event that a director also serves as an executive of the Corporation, the director will be subject to the executive equity ownership requirements applicable to such executive.

Qualifying MAG Securities for Share Ownership Requirements

For purposes of this Policy, share ownership includes common shares (and any other classes of the Corporation's shares that may be issued from time to time), and other equity linked securities such as restricted stock units, performance stock units and deferred stock units ("MAG Securities"). Share ownership does not include stock options or shares reserved by the Corporation for acquisition under stock options (whether vested or not), warrants or any other MAG Securities which are not fully paid, with exception to restricted stock units, performance stock units and deferred stock units which are included (whether vested or not). Share ownership levels will include MAG Securities beneficially owned in a trust, by a spouse and/or minor children of a non-executive director or senior management executive. For purposes of determining compliance with this Policy, ownership levels shall be calculated using the current market price of shares.

Director Share Ownership Requirements

As a condition of holding of office, each non-executive director of MAG shall be required to own MAG Securities with a value equivalent to three times the annual retainer (including any DSU grants for partial cash retainer) for each non-executive director. If the share ownership requirement is increased, directors shall have two years to reach the new ownership requirement.

Management Share Ownership Requirements

As a condition of holding of office, the Chief Executive Officer of MAG shall be required to own MAG Securities with a value as determined from time to time equivalent to three times annual base salary. Similarly, as a condition of holding of office, each of the Chief Financial Officer and Vice President Operations shall be required to own MAG Securities with a value as determined from time to time equivalent to one times annual base salary, and in the case of the Chief Exploration Officer, equivalent to one times his prior years' billings for consulting services. If the

share ownership requirement is increased, senior management shall have two years to reach the new ownership requirement.

Compliance Period

A director or officer subject to this Policy is required to achieve the share ownership requirements by the later of (a) three years from the date the individual became a director or officer; and (b) if a participant subject to this policy has met the minimum equity holding requirement as set out herein but subsequently fails to meet such requirement solely as a result of a decline in the market price of the company's securities, then such participant shall have a period of 12 months to regain compliance with the policy.

Hardship

The Board understands that there may be instances where this Policy would place a hardship on a director or officer. In these instances, the director or officer must submit a request in writing to the Chairman of the Corporate Governance and Nominating Committee (or, if such Chairman is the affected director, the Chairman of the Compensation Committee) that summarizes the circumstances and describes the extent to which an exemption is being requested. The Chairman of the Corporate Governance and Nominating Committee (or the Chairman of the Compensation Committee, in the circumstances outlined above) will make the final decision as to an alternative share ownership plan for the director or officer that balances the goals of this Policy and the affected director or officer's personal circumstances.

Review of Policy

The Corporate Governance and Nominating Committee shall review this Policy, including the share ownership levels, at least annually or otherwise as it deems appropriate, and propose recommended changes to the Board.

The Share Ownership Policy was first adopted by the Board of Directors on the 13th day of May 2013. The Share Ownership Policy was reviewed and any revisions were approved most recently by the Board of Directors on the 23rd day of March 2020.

By order of the Board of Directors
MAG SILVER CORP.