



Dear Fellow Shareholders:

This has been another very exciting year for me, as I watched MAG and its joint venture partner, Fresnillo plc, make very significant progress in developing the world's next high grade silver mine at Juanicipio. I encourage you to go to MAG's website, www.magsilver.com where you can see that progress for yourself. I think you will be impressed.

Since joining MAG in 2007, my role has been educational, challenging and professionally rewarding for me. I am proud to have played a part in advancing MAG from a tiny Company with a promising exploration property, to a much bigger Company that will soon be one of the best primary silver producers in the world.

I have been privileged to have served with some very capable directors and officers: Dr. Peter Megaw, who, through deep intellectual insight, made a stunning mineral discovery in a place where no one else thought a deposit could exist; Dan MacInnis, MAG's former CEO, who, with Dr. Megaw, helped to guide MAG and Fresnillo as they drilled off some of the best and richest multi-mineral deposits discovered in the last 20 years, all while masterfully steering MAG through some tough years in the junior mining business; and George Paspalas, MAG's current CEO, whose considerable abilities include leadership, first class shareholder communications, operational expertise, joint venture finesse and market savvy. These gentlemen, and the other hard working and talented directors and officers of MAG, have all been unwavering in their confidence in Juanicipio and in their commitment to seeing MAG through to its current success. I am honoured to have served with them all, and proud to have them as my friends.

The time has come to refresh our board and I am stepping down. I am pleased that we were able to recruit Selma Lussenburg as our newest director, and that I have had a part in establishing a successful future for MAG. I am leaving our Company in good hands.

I am also pleased to have worked for some very loyal and longstanding shareholders. A number of them have financed MAG over the years, thus enabling MAG's continuing progress, not to mention its survival! This past April, Mr. Eric Sprott joined the ranks of MAG's significant supporters by endorsing MAG with his personal \$60 million private placement financing. He and our other supporters will be well rewarded.

I, too, believe that MAG is very special. Not only will MAG and Fresnillo soon start up an exceptional and profitable new mine on the Valdecañas vein, they continue to add significantly to the resources in and around the deposit. Though only a small corner of the property has been explored, it is already clear that Juanicipio hosts one of the planet's best mineral endowments and a number of very high potential targets have been identified elsewhere on the property. Work is now expanding to test these targets. Watch this space.

I remain a faithful and excited shareholder with confidence in MAG's future.

I thank MAG's people, its partner, Fresnillo, and its shareholders.

Sincerely,

"Jonathan Rubenstein"

Chairman and Director