



EXECUTIVE COMPENSATION RECOVERY POLICY

INTRODUCTION

MAG Silver Corp. (the “**Company**”)’s incentive-based compensation plans are intended to align the interests of the Company’s executive officers and shareholders through equity and other performance-based compensation plans. This Executive Compensation Recovery Policy (this “**Recovery Policy**”) provides for the right to recover performance-based compensation from the Chief Executive Officer, the Chief Financial Officer or any other officer of the Company (each an “**Officer**”) that has engaged in fraud, theft, embezzlement, serious misconduct or negligence irrespective of whether it directly caused or directly contributed to the need for a material restatement of the Company’s financial results in order to comply with applicable securities laws.

EFFECTIVE DATE

This Recovery Policy was adopted by the Board of Directors of the Company (the “**Board**”) on March 27, 2017 (the “**Effective Date**”).

ADMINISTRATION AND SCOPE

The Recovery Policy shall be administered by the independent members of the Board. Any determinations made by the independent members of the Board shall be deemed conclusive and binding on all individuals covered by the Recovery Policy.

The Recovery Policy is triggered:

- a. if the Company is required by applicable securities laws to materially restate previously issued financial statements and the fraud, theft, embezzlement, serious misconduct or negligence of an Officer directly caused or directly contributed to the need for such material restatement (a “**material restatement**”); or
- b. in the event an Officer of the Company has engaged in fraud, theft, embezzlement or serious misconduct (which includes, but is not limited to, dishonesty or a breach of Company policy to the material detriment of the Company’s business or reputation and any conduct that would qualify as cause for termination of employment at common law) or negligence, irrespective of whether there was a material restatement.

The Recovery Policy applies to incentive-based compensation, defined as any compensation that is granted, earned or vested based in whole or in part on the attainment of a financial reporting measure. Such compensation includes all annual incentives and long-term incentives based on the Company’s financial performance, whether paid in cash or in equity, where the award or size of the award was contingent on such performance.

Subject to any requirements set out in the Sarbanes-Oxley Act of 2002, any compensation recovered under this Recovery Policy shall be limited to awards issued on or after the Effective Date of this Recovery Policy.

INDIVIDUALS COVERED

The Recovery Policy applies to the Chief Executive Officer, the Chief Financial Officer and any other Officer of the Company, if the independent members of the Board determine that such Officer has engaged in fraud, theft, embezzlement, serious misconduct or negligence irrespective of whether or not he or she directly caused or directly contributed to the need for a material restatement of the Company's financial results.

RECOVERY / CANCELLATION / CLAWBACK

In their sole discretion, the independent members of the Board may (subject to applicable laws and the terms and conditions of any compensation plans) within 3 months of (i) the discovery of the fraud, theft, embezzlement, serious misconduct, negligence, or (ii) a material restatement:

- a. in the case of incentives based on the Company's financial performance, seek recovery from such Officer of the portion of performance-based compensation awarded to and received by the Officer during the 24 month period preceding the date on which the Company is required to prepare the accounting restatement (the "**Restatement Date**"), that is greater than the compensation that the Officer would have been awarded or received had such compensation been calculated on the basis of the restated financial results (the "**Attributable Portion**"); and
- b. in the case of incentives that are based on the market price of the securities of the Company, (a) cancel any unvested options or other equity compensation securities, or clawback any vested and unexercised options or other equity compensation securities or other unpaid incentive awards, that are outstanding on the Restatement Date that were granted or awarded to the Officer during the 24 month period preceding the Restatement Date, provided that, if determinable, only the Attributable Portion of such options or other securities shall be subject to cancellation or clawback; and (b) require that the Officer shall repay the after-tax amount of any gain on the exercise of options, or the settlement of other equity compensation securities which were exercised or settled within 12 months from the end of the financial period that was subject to the financial restatement, provided that, if determinable, only the gain (adjusted for tax effects as the independent Directors determine to be reasonable) from the Attributable Portion of the options or other equity compensation securities shall be subject to repayment.

OTHER REMEDIES

In addition to seeking recovery of the Attributable Portion, cancelling or clawing back options or other equity awards or other unpaid incentive awards, the independent members of the Board may dismiss the Officer in accordance with the terms of the Officer's Employment Contract and applicable law, authorize legal action for breach of fiduciary duty, or take other action to enforce the Officer's obligations to the Company as it may fit in the facts of the particular case. In determining the appropriate action, the independent members of the Board may also take into account penalties or punishments imposed by law enforcement agencies or regulators. The power of the independent members of the Board to determine the appropriate punishment for the wrongdoer is in addition to, and not in lieu of, penalties and punishment imposed by third party entities.

For purposes of the Recovery Policy, an action by, or an act of omission by, an Officer will not be considered to constitute negligence or serious misconduct if the Officer in good faith, relied upon the advice of the Company's accountants, auditors, financial advisors, legal counsel or other experts.

DISCRETION IN ENFORCING THE RECOVERY POLICY

The independent members of the Board are empowered with the authority to decline to seek recovery of some or all of the amounts otherwise determined to be recoverable hereunder if they determine that doing so would be: (1) unreasonable or (2) contrary to the interests of the Company and its shareholders. In making such determination, the independent members of the Board may take into consideration the following factors: (1) the likelihood of success of recovering such incentive-based compensation; (2) the likelihood that such claim may prejudice the interests of the Company; (3) the passage of time since the occurrence of the applicable fraud or misconduct; (4) the existence of any legal proceedings against the Officer related to the applicable fraud, negligence or willful misconduct; (5) contrary to applicable laws, and (6) contrary to the terms of the Company's compensation plans.

AMENDMENT

The Board intends that the Recovery Policy will be applied to the fullest extent of the law and in full compliance of applicable securities laws. Thus, the Board may amend this Recovery Policy from time to time in its discretion, and to reflect regulations adopted by the Securities and Exchange Commission or any other applicable securities regulatory authorities.

IMPLEMENTATION

The Recovery Policy shall be implemented in the form of contractual provisions in the grant or award documents for the incentive-based compensation plans which will constitute the whole agreement between the Officers and the Company relating thereto.

SUCCESSORS

The Recovery Policy shall be binding and enforceable against all Officers and their beneficiaries, heirs, executors, administrators, or other legal representatives.

Nothing in this Recovery Policy shall in any way limit or diminish the rights of the Company to take action at law as the Company may see fit against any person.

RECOURSE

No member of the Board who is responsible for the administration or implementation of this Recovery Policy shall be liable to any Officer who is subject to this policy for any action that is taken in good faith by such member if such action is within the scope of, or within the authority granted to such member under the terms of, this Recovery Policy.

Last reviewed and approved by the Board on March 24, 2023.