

MAG SILVER CORP  
Form SUPPL  
February 23, 2016  
Table of Contents

Filed pursuant to General Instruction II.L.  
of Form F-10; File number 333-209056

**PROSPECTUS SUPPLEMENT**

**To a Short Form Base Shelf Prospectus dated January 19, 2016**

*New Issue*

**February 23, 2016**

**MAG SILVER CORP.**

**US\$65,006,500**

**8,905,000 COMMON SHARES**

MAG Silver Corp. (the **Company**, **MAG** or **We**) is hereby qualifying for distribution 8,905,000 common shares (each an **Offered Share**) of the Company at a price (the **Offering Price**) of US\$7.30 per Offered Share (the **Offering**). The Offering Price of the Offered Shares was determined by negotiation among the Company, Scotia Capital Inc., BMO Nesbitt Burns Inc. and Raymond James Ltd. (collectively, the **Lead Underwriters**) and Macquarie Capital Markets Canada Ltd., National Bank Financial Inc., TD Securities Inc., Cormark Securities Inc., Desjardins Securities Inc. and PI Financial Corp. (together with the Lead Underwriters, the **Underwriters**). The Offering is made pursuant to an underwriting agreement dated February 22, 2016 between the Company and the Underwriters (the **Underwriting Agreement**). The Offered Shares will be offered in the United States and Canada through the Underwriters either directly or through their respective U.S. or Canadian broker-dealer affiliates or agents.

The outstanding common shares of the Company (the **Common Shares**) are listed for trading on the Toronto Stock Exchange (the **TSX**), under the trading symbol **MAG**, and the New York Stock Exchange (**NYSE MKT**) under the trading symbol **MVG**. On February 22, 2016, being the last full trading day prior to the announcement of the Offering, the closing price of the Common Shares on the TSX and NYSE MKT was C\$10.95 and US\$7.99, respectively. The Company has applied to list the Offered Shares on the TSX and the NYSE MKT. Listing of the Offered Shares will be subject to the Company fulfilling all of the listing requirements of the TSX and NYSE MKT.

Dr. Peter Megaw, who has provided consent to the incorporation by reference into the short form base shelf prospectus of certain technical information for which he is the responsible qualified person, resides outside of Canada and has appointed an agent for service of process in Canada. See **Agent for Service of Process**.

An investment in the Offered Shares bears certain risks. See Risk Factors in this prospectus supplement and the accompanying short form base shelf prospectus.

*(cover continued on next page)*

**Table of Contents****Price: US\$7.30 per Offered Share**

	<b>Public Offering Price</b>	<b>Underwriting Commission<sup>(3)</sup></b>	<b>Net Proceeds to the Company<sup>(1)</sup></b>
Per Offered Share	US\$ 7.30	US\$ 0.365	US\$ 6.935
Total <sup>(2)</sup>	US\$ 65,006,500	US\$ 3,250,325	US\$ 61,756,175

## Notes:

- (1) After deducting the commission to be paid to the Underwriters (the **Underwriting Commission** ), but before deducting the expenses of the Offering, which are estimated at US\$500,000 which will be paid by the Company from the proceeds of the Offering. The net proceeds payable to the Company will be derived from the sale of the Offered Shares.
- (2) The Company has granted the Underwriters an over-allotment option (the **Over-allotment Option** ), exercisable in whole or in part within 30 days from the date of closing of the Offering, to purchase up to 1,335,750 additional Offered Shares at the same price as set forth above, to cover over-allotments, if any, and for market stabilization purposes. See Plan of Distribution . If the Over-allotment Option is exercised in full, the total public Offering Price, Underwriting Commission and net proceeds to the Company will be US\$74,757,475, US\$3,737,874 and US\$71,019,601, respectively. This prospectus supplement and the accompanying short form base shelf prospectus also qualify under applicable Canadian securities laws the distribution of the Over-allotment Option and any Offered Shares that may be delivered upon the exercise of the Over-allotment Option.
- (3) The Underwriters will receive the Underwriting Commission equal to 5% of the gross proceeds of the Offering. However, in connection with sales of Common Shares to certain pre-identified investors as agreed by the Company and the Underwriters, subject to an aggregate amount of approximately US\$9.6 million, the Underwriting Commission will be reduced to 2.5% of the gross proceeds of the sale of Common Shares to such pre-identified investors.

The following table sets out the number of Offered Shares for which the Over-allotment Option may be exercised:

	<b>Maximum Number of Offered Shares</b>	<b>Exercise Period</b>	<b>Exercise Price</b>
Over-allotment Option	Up to 1,335,750 Common Shares	Up to 30 days following the closing of the Offering	US\$7.30 per Offered Share

When used herein, unless otherwise indicated or the context otherwise requires, all references to Offered Shares include any Common Shares issued in connection with any exercise of the Over-allotment Option.

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if as and when issued, and, accepted by the Underwriters, in accordance with the conditions contained in the Underwriting Agreement described under Plan of Distribution and subject to the approval of certain legal matters on behalf of MAG by Blake,

Cassels & Graydon LLP, with respect to Canadian legal matters, and by Paul, Weiss, Rifkind, Wharton & Garrison LLP, with respect to U.S. legal matters, and on behalf of the Underwriters by Stikeman Elliott LLP, with respect to Canadian legal matters, and by Skadden, Arps, Slate, Meagher & Flom LLP, with respect to U.S. legal matters. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. A purchaser who acquires Offered Shares forming part of the Underwriters' over-allocation position acquires those Offered Shares under this prospectus supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-allotment Option or secondary market purchases. An electronic Deposit ID evidencing the Offered Shares is expected to be registered to CDS Clearing and Depository Services Inc. ( **CDS** ) and will be deposited with CDS at the closing of the Offering, which is anticipated to be on or about March 1, 2016 or such other date as may be agreed upon between the Company and the Underwriters. See Plan of Distribution .

The total gross proceeds from the Offering will be US\$65,006,500. The Company estimates that the net proceeds from the Offering will be approximately US\$61,256,175, after deducting the Underwriting Commission of

*(cover continued on next page)*

(ii)

**Table of Contents**

US\$3,250,325 and the expenses of the Offering, which are estimated to be US\$500,000. If the Underwriters Over-allotment Option is exercised in full, the net proceeds to the Company will be approximately US\$70,519,601.

**After the Underwriters have made reasonable efforts to sell all of the Offered Shares, the initial Offering Price may be decreased, and further changed from time to time, to an amount not greater than the initial Offering Price.** Notwithstanding any reduction by the Underwriters on the Offering Price, the Company will still receive net proceeds of US\$6.935 per Offered Share purchased by the Underwriters pursuant to this Offering. See Plan of Distribution .

Our head office is located at 770, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6 and our registered office is located at 2600 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, Canada.

Investors should rely only on current information contained in or incorporated by reference into this prospectus supplement and the accompanying short form base shelf prospectus as such information is accurate only as of the date of the applicable document. We have not authorized anyone to provide investors with different information. Information contained on our website shall not be deemed to be a part of this prospectus supplement or incorporated by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the securities. We will not make an offer of these securities in any jurisdiction where the offer or sale is not permitted. Investors should not assume that the information contained in this prospectus supplement is accurate as of any date other than the date on the face page of this prospectus supplement or the date of any documents incorporated by reference herein.

**This Offering is being made by a Canadian issuer that is permitted, under a multi-jurisdictional disclosure system adopted by Canada and the United States, to prepare this prospectus supplement and the accompanying short form base shelf prospectus in accordance with the disclosure requirements of Canada. Prospective investors should be aware that such requirements are different from those of the United States. Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as adopted by the International Accounting Standards Board and amended from time to time ( IFRS ), and thus may not be comparable to financial statements of United States companies.**

**Prospective investors should be aware that the acquisition of the securities described herein may have tax consequences both in Canada and the United States. Such consequences, for investors who are resident in, or citizens of, the United States, may not be described fully in this prospectus supplement or the accompanying short form base shelf prospectus, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Offered Shares. Investors should read the tax discussion in this prospectus supplement and consult their own tax advisors with respect to their own particular circumstances. See Certain Canadian Federal Income Tax Considerations , Certain United States Federal Tax Considerations and Risk Factors .**

**The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that MAG is incorporated under the laws of the province of British Columbia, Canada, that the majority of the Company s officers and directors and some or all of the experts named in this prospectus supplement are residents of a country other than the United States, and that a substantial portion of the Company s assets and the assets of those officers, directors and experts are located outside of the United States.**

**Neither the United States Securities and Exchange Commission (the SEC ) nor any state or Canadian securities regulator has approved or disapproved of the securities offered hereby, passed upon the accuracy or adequacy of this prospectus supplement and the accompanying short form base shelf prospectus or determined if this prospectus supplement and the accompanying short form base shelf prospectus are truthful or complete. Any representation to the contrary is a criminal offence.**

In connection with the Offering, subject to applicable laws, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See Plan of Distribution .

(iii)

**Table of Contents**

**TABLE OF CONTENTS**  
**PROSPECTUS SUPPLEMENT**

<u>ABOUT THIS PROSPECTUS</u>	S-1
<u>CAUTIONARY NOTE TO UNITED STATES INVESTORS</u>	S-1
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	S-2
<u>DOCUMENTS INCORPORATED BY REFERENCE</u>	S-5
<u>DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT</u>	S-7
<u>EXCHANGE RATE INFORMATION</u>	S-7
<u>THE COMPANY</u>	S-8
<u>THE OFFERING</u>	S-10
<u>RISK FACTORS</u>	S-11
<u>USE OF PROCEEDS</u>	S-13
<u>PRIOR SALES</u>	S-16
<u>MARKET FOR SECURITIES</u>	S-17
<u>CONSOLIDATED CAPITALIZATION</u>	S-18
<u>DESCRIPTION OF SHARE CAPITAL</u>	S-19
<u>PLAN OF DISTRIBUTION</u>	S-20
<u>CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS</u>	S-22
<u>CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS</u>	S-25
<u>AUDITORS, REGISTRAR AND TRANSFER AGENT</u>	S-30
<u>INTEREST OF EXPERTS</u>	S-30
<u>AGENT FOR SERVICE OF PROCESS</u>	S-32
<u>LEGAL MATTERS</u>	S-32
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-32
<u>ENFORCEABILITY OF CIVIL LIABILITIES</u>	S-33

**PROSPECTUS**

<u>ABOUT THIS PROSPECTUS</u>	I
<u>CAUTIONARY NOTE FOR UNITED STATES INVESTORS</u>	I
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	III
<u>DOCUMENTS INCORPORATED BY REFERENCE</u>	VI
<u>ADDITIONAL INFORMATION</u>	VIII
<u>DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT</u>	VIII
<u>EXCHANGE RATE INFORMATION</u>	VIII
<u>THE COMPANY</u>	10
<u>RISK FACTORS</u>	13
<u>USE OF PROCEEDS</u>	33
<u>PRIOR SALES</u>	34
<u>MARKET FOR SECURITIES</u>	34
<u>EARNINGS COVERAGE</u>	34
<u>CONSOLIDATED CAPITALIZATION</u>	34
<u>DESCRIPTION OF SHARE CAPITAL</u>	34

<u>DESCRIPTION OF DEBT SECURITIES</u>	36
<u>DESCRIPTION OF WARRANTS</u>	45
<u>DESCRIPTION OF UNITS</u>	46
<u>DESCRIPTION OF SUBSCRIPTION RECEIPTS</u>	46
<u>CERTAIN INCOME TAX CONSIDERATIONS</u>	49
<u>PLAN OF DISTRIBUTION</u>	49
<u>AUDITORS, TRANSFER AGENT AND REGISTRAR</u>	50
<u>INTEREST OF EXPERTS</u>	50
<u>AGENT FOR SERVICE OF PROCESS</u>	51
<u>LEGAL MATTERS</u>	52
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	52
<u>ENFORCEABILITY OF CIVIL LIABILITIES</u>	52

(iv)



**Table of Contents**

**ABOUT THIS PROSPECTUS**

This document is in two parts. The first part is the prospectus supplement, which describes the terms of the Offering and adds to and updates information contained in the accompanying short form base shelf prospectus and the documents incorporated by reference therein. The second part is the accompanying short form base shelf prospectus, which gives more general information, some of which may not apply to the Offering. This prospectus supplement is deemed to be incorporated by reference into the accompanying short form base shelf prospectus solely for the purpose of this Offering.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus and on the other information included in the registration statement of which this prospectus supplement and the accompanying short form base shelf prospectus forms a part. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not making an offer to sell or seeking an offer to buy the securities offered pursuant to this prospectus supplement and the accompanying short form base shelf prospectus in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus supplement and the accompanying short form base shelf prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this prospectus supplement and the accompanying short form base shelf prospectus or of any sale of our securities pursuant thereto. Our business, financial condition, results of operations and prospects may have changed since those dates.

Market data and certain industry forecasts used in this prospectus supplement and the accompanying short form base shelf prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus were obtained from market research, publicly available information and industry publications. We believe that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. We have not independently verified such information, and we do not make any representation as to the accuracy of such information.

In this prospectus supplement and the accompanying short form base shelf prospectus, unless otherwise indicated, all dollar amounts and references to US\$ are to U.S. dollars and references to C\$ or \$ are to Canadian dollars. This prospectus supplement and the accompanying short form base shelf prospectus and the documents incorporated by reference contain translations of some Canadian dollar amounts into U.S. dollars solely for your convenience. See Exchange Rate Information .

The Company is not, and the Underwriters are not, making an offer of the Offered Shares in any jurisdiction where the offer is not permitted by law.

In this prospectus supplement and the accompanying short form base shelf prospectus, unless the context otherwise requires, references to we , us , our or similar terms, as well as references to MAG or the Company , refer to Silver Corp. together with our subsidiaries.

**CAUTIONARY NOTE TO UNITED STATES INVESTORS**

We are permitted under a multi-jurisdictional disclosure system adopted by the securities regulatory authorities in Canada and the United States to prepare this prospectus supplement and the accompanying short form base shelf prospectus, including the documents incorporated by reference, in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws.

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Technical disclosure regarding our properties included herein and in the documents incorporated herein by reference has not been prepared in accordance with the requirements of U.S. securities laws. Without limiting the

S-1

**Table of Contents**

foregoing, such technical disclosure uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ( **NI 43-101** ). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all mineral reserve and mineral resource estimates contained in the technical disclosure have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System.

Canadian standards, including NI 43-101, differ significantly from the requirements of the SEC, and mineral reserve and resource information contained or incorporated by reference in this prospectus and any prospectus supplement may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, the term *resource* does not equate to the term *reserves* . Under U.S. standards, mineralization may not be classified as a *reserve* unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made and volumes that are not *reserves* should not be disclosed. Among other things, all necessary permits would be required to be in hand or issuance imminent in order to classify mineralized material as reserves under the SEC standards. Accordingly, mineral reserves estimates included herein and in the documents incorporated herein by reference may not qualify as *reserves* under SEC standards. The SEC's disclosure standards normally do not permit the inclusion of information concerning *measured mineral resources* , *indicated mineral resources* or *inferred mineral resources* or other descriptions of the amount of mineralization in mineral deposits that do not constitute *reserves* by U.S. standards in documents filed with the SEC.

U.S. investors should also understand that *inferred mineral resources* have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. 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, estimated *inferred mineral resources* may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to assume that all or any part of an *inferred mineral resource* exists or is economically or legally mineable. Disclosure of *contained ounces* in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute *reserves* by SEC standards as *in-place tonnage and grade* without reference to unit measures. In addition, the definitions of *proven mineral reserves* and *probable mineral reserves* under reporting standards in Canada differ in certain respects from the standards of the SEC. Accordingly, information concerning mineral deposits set forth herein and in the documents incorporated herein by reference may not be comparable with information made public by companies that report in accordance with U.S. standards.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the accompanying short form base shelf prospectus, and the documents incorporated by reference herein, contain *forward-looking information* and *forward looking statements* within the meaning of applicable Canadian and United States securities legislation (collectively herein referred to as **forward-looking statements** ), including the *safe harbour* provisions of provincial securities legislation and the U.S. Private Securities Litigation Reform Act of 1995, Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the **Exchange Act** ), and Section 27A of the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act** ). Such forward-looking statements and information include, but are not limited to:

the future price of silver, gold, lead and zinc;

the estimation of mineral resources;

preliminary economic estimates relating to the Juanicipio Project (as defined herein);

estimates of the time and amount of future silver, gold, lead and zinc production for specific operations;

S-2

**Table of Contents**

estimated future exploration and development expenditures and other expenses for specific operations;

permitting timelines;

the Company's expectations regarding impairments of mineral properties;

the Company's expectations regarding its negotiations with the Ejido to obtain surface access to the Cinco de Mayo Property;

the anticipated timing of a formal production decision at Minera Juanicipio (as defined herein);

the Company's expectations regarding the sufficiency of its capital resources and requirements for additional capital;

litigation risks;

currency fluctuations;

environmental risks and reclamation cost; and

changes to governmental laws and regulations.

When used in this prospectus, any statements that express or involve discussions with respect to predictions, beliefs, plans, projections, objectives, assumptions or future events of performance (often but not always using words or phrases such as anticipate, believe, estimate, expect, intend, plan, strategy, goals, objectives, plans, projections, variations thereof or stating that certain actions, events, or results may, could, would, might or will be taken, occur, or not be achieved, or the negative of any of these terms and similar expressions), as they relate to the Company or management, are intended to identify forward-looking statements and information. Such statements reflect the Company's current views with respect to future events and are subject to certain known and unknown risks, uncertainties and assumptions.

Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements and information, including, among others:

the use of the net proceeds from the Offering is subject to change;

risks related to the loss of entire investment;

the difficulty of U.S. litigants effecting service of process or enforcing any judgments against the Company, as the Company, its principals and assets are located outside of the United States;

funding and property commitments that may result in dilution to the Company's shareholders;

the volatility of the price of the Company's Common Shares;

the uncertainty of maintaining a liquid trading market for the Company's Common Shares;

the Company being a passive foreign investment company which may have adverse U.S. federal income tax consequences for U.S. shareholders;

risks related to the decrease of the market price of the Common Shares if the Company's shareholders sell substantial amounts of Common Shares;

risks related to dilution to existing shareholders if stock options, deferred share units, or restricted share units are exercised;

the history of the Company with respect to not paying dividends and anticipation of not paying dividends in the foreseeable future;

the potential for no commercially mineable deposits due to the speculative nature of the Company's business;

**Table of Contents**

none of the properties in which the Company has an interest having any mineral reserves;

the Company's properties are primarily in the exploration stage, and most exploration projects do not result in commercially mineable deposits;

estimates of mineral resources being based on interpretation and assumptions which are inherently imprecise;

no guarantee of surface rights for the Company's mineral properties;

no guarantee of the Company's ability to obtain all necessary licenses and permits that may be required to carry out exploration and development of its mineral properties and business activities;

risks related to all of the properties in which the Company has an interest being located in Mexico;

the effect of global economic and political instability on the Company's business;

risks related to maintaining a positive relationship with the communities in which the Company operates;

risks related to the Company's ability to finance substantial expenditures required for commercial operations on its mineral properties;

the Company's history of losses and no revenues from operations;

risks related to the Company's ability to arrange additional financing, and possible loss of the Company's interests in its properties due to a lack of adequate funding;

risks related to the development of the ramp decline to access and confirm mineralization at the Juanicipio Project, particularly, Minera Juanicipio not yet having made a formal production decision, and no guarantee that the financial results and the contemplated development timeline will be consistent with the Juanicipio Technical Report (as defined herein);

risks related to a lack of access to a skilled workforce;

risks relating to the capital requirements for the Juanicipio Project and the timeline to production;

risks related to title, challenge to title, or potential title disputes regarding the Company's mineral properties;

risks related to the Company being a minority shareholder of Minera Juanicipio;

risks related to disputes with joint venture partners;

risks related to the influence of the Company's significant shareholders over the direction of the Company's business;

risks related to the continued exploration on and value of the Cinco de Mayo Property;

the potential for legal proceedings to be brought against the Company;

risks related to environmental regulations;

the highly competitive nature of mineral exploration industry;

risks related to equipment shortages, access restrictions and lack of infrastructure on the Company's mineral properties;

the Company's dependence upon key personnel, some of whom may not have entered into written agreements with the Company, and other qualified management;

the Company's dependence on certain related party service providers (Minera Cascabel S.A. de C.V. ( **Cascabel** ) and IMDEX Inc. ( **IMDEX** )) to supervise operations in Mexico;



**Table of Contents**

risks related to directors being, or becoming, associated with other natural resource companies which may give rise to conflicts of interest;

currency fluctuations (particularly the C\$/US\$ and US\$/Mexican Peso exchange rates) and inflationary pressures;

risks related to mining operations generally;

risks related to fluctuation of mineral prices and marketability;

the Company being subject to anti-corruption laws, human rights laws and Mexican foreign investment and income tax laws;

the Company being subject to Canadian disclosure practices concerning its mineral resources which allow for more disclosure than is permitted for domestic U.S. reporting companies;

risks related to maintaining adequate internal control over financial reporting; and

funding and property commitments that may result in dilution to the Company's shareholders.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements and information. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements and information due to a variety of risks, uncertainties and other factors, including without limitation, those referred to in this prospectus supplement and the accompanying short form base shelf prospectus under the headings "Risk Factors" and documents incorporated by reference herein. The Company's forward-looking statements and information are based on the reasonable beliefs, expectations and opinions of management on the date the statements are made and, other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's beliefs, expectations or opinions should change. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements and information.

**DOCUMENTS INCORPORATED BY REFERENCE**

This prospectus supplement is deemed to be incorporated by reference into the accompanying short form base shelf prospectus solely for the purposes of this Offering. Other documents are also incorporated, or are deemed to be incorporated by reference into the short form base shelf prospectus and reference should be made to the short form base shelf prospectus for full particulars thereof.

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Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Company at Suite 770, 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6, telephone (604) 630-1399 and are also available electronically under the Company's profile on the Canadian System for Electronic Document Analysis and Retrieval, or SEDAR, at [www.sedar.com](http://www.sedar.com) and on the SEC's Electronic Data Gathering and Retrieval System, or EDGAR, at [www.sec.gov](http://www.sec.gov).

The following documents, filed with the securities commissions or similar regulatory authorities in certain provinces of Canada and filed with, or furnished to, the SEC are specifically incorporated by reference into, and form an integral part of, the accompanying short form base shelf prospectus and this prospectus supplement:

1. annual information form of the Company dated March 25, 2015 for the year ended December 31, 2014 (the **Annual Information Form**);
2. audited consolidated financial statements of the Company as at and for the years ended December 31, 2014 and 2013, together with the notes thereto and the independent auditor's report thereon;

S-5

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**Table of Contents**

3. management's discussion and analysis of the financial condition and results of operations of the Company for the years ended December 31, 2014 and 2013;
  4. unaudited condensed interim consolidated financial statements of the Company as at and for the three and nine months ended September 30, 2015 and 2014;
  5. management's discussion and analysis of the financial condition and results of operations of the Company for the three and nine months ended September 30, 2015;
  6. management information circular of the Company dated for reference May 15, 2015 prepared for the purposes of the annual and special meeting of the Company held on June 22, 2015; and
  7. material change report dated April 23, 2015 relating to the announcement of exploration results from the Valdecañas Vein on the Minera Juanicipio S.A. de C.V. ( **Minera Juanicipio** ) Joint Venture property.
- Any documents of the type required by section 11.1 of National Instrument 44-101 *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, including those types of documents referred to above and press releases issued by the Company referencing incorporation by reference in this prospectus supplement, if filed by MAG with the provincial securities commissions of similar authorities in Canada after the date of this prospectus supplement and prior to the completion or termination of the Offering shall be deemed incorporated by reference into the prospectus for the purposes of the Offering. Documents referenced in any of the documents incorporated by reference in this prospectus supplement but not expressly incorporated by reference therein or herein and not otherwise required to be incorporated by reference therein or in this prospectus supplement are not incorporated by reference in this prospectus supplement. These documents are available through the internet on SEDAR which can be accessed at [www.sedar.com](http://www.sedar.com). In addition, to the extent that any document or information incorporated by reference into this prospectus supplement is filed with, or furnished to, the SEC pursuant to the Exchange Act after the date of this prospectus supplement and prior to the completion or termination of the Offering, such document or information will be deemed to be incorporated by reference as an exhibit to the registration statement of which this prospectus supplement forms a part (in the case of a report on Form 6-K, if and to the extent expressly provided therein). These documents are available through the internet on EDGAR which can be accessed at [www.sec.gov](http://www.sec.gov).

**Any statement contained in the short form base shelf prospectus, in this prospectus supplement or in any document incorporated or deemed to be incorporated by reference in this prospectus supplement or the short form base shelf prospectus for the purpose of this Offering shall be deemed to be modified or superseded, for purposes of this prospectus supplement, to the extent that a statement contained herein or in the short form base shelf prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or in the short form base shelf prospectus modifies or supersedes such prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this prospectus supplement, except as so modified or superseded.**

Upon our filing a new annual information form, audited annual financial statements and management's discussion and analysis with applicable securities regulatory authorities during the currency of this prospectus supplement, the previous annual information form, annual financial statements and management's discussion and analysis and all quarterly financial statements, supplemental information and material change reports filed prior to the commencement of our financial year in which the new annual financial statements are filed will be deemed no longer to be incorporated into this prospectus supplement for purposes of future offers and sales of our

**Table of Contents**

securities under this prospectus supplement. Upon our filing new condensed interim financial statements and the accompanying management's discussion and analysis with the applicable securities regulatory authorities during the currency of this prospectus supplement, all condensed interim financial statements and the accompanying management's discussion and analysis filed prior to the new condensed interim financial statements shall be deemed no longer to be incorporated into this prospectus supplement for purposes of future offers and sales of securities under this prospectus supplement.

References to our website in any documents that are incorporated by reference into this prospectus supplement and the accompanying short form base shelf prospectus do not incorporate by reference the information on such website into this prospectus, and we disclaim any such incorporation by reference.

**DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT**

In addition to the documents specified in this prospectus supplement under the heading "Documents Incorporated by Reference" and in the accompanying short form base shelf prospectus under "Documents Filed as Part of the Registration Statement", the following document has been or will be filed with the SEC as part of the registration statement of which this prospectus supplement forms a part: the Underwriting Agreement described under the heading "Plan of Distribution".

**EXCHANGE RATE INFORMATION**

The following table sets forth for each period indicated: (i) the noon exchange rates in effect at the end of the period; (ii) the high and low noon exchange rates during such period; and (iii) the average noon exchange rates for such period, for one Canadian dollar, expressed in U.S. dollars, as quoted by the Bank of Canada.

	<b>Year Ended December 31</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Closing	0.7233	0.8620	0.9402
High	0.8511	0.9422	1.0164
Low	0.7161	0.8589	0.9348
Average	0.7821	0.9054	0.9710

  

	<b>Nine Months Ended September 30</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Closing	0.7466	0.8922	0.9723
High	0.8527	0.9422	1.0164
Low	0.7455	0.8888	0.9455
Average	0.7945	0.9141	0.9773

On February 22, 2016, the noon exchange rate as quoted by the Bank of Canada was C\$1.00 = US\$0.7307 (US\$1.00 = C\$1.3685).



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**Table of Contents**

**THE COMPANY**

*The following description of the Company does not contain all of the information about the Company and its properties and business that you should consider before investing in the Offered Shares. You should carefully read the entire prospectus supplement and the accompanying short form base shelf prospectus, including the sections titled **Risk Factors**, as well as the documents incorporated by reference herein and therein before making an investment decision.*

**Summary Description of Business**

The Company is a Vancouver-based mineral exploration and development company that is focused on the acquisition, exploration and development of mineral exploration properties, with its primary focus being silver projects located in the Mexican Silver Belt in Mexico. The principal properties of the Company include the Company's 44% interest in the Juanicipio joint venture (the **Juanicipio Joint Venture**), a primarily silver exploration and development project (the **Juanicipio Project**), and its 100% owned Cinco de Mayo property, a silver, gold, lead and zinc exploration project (the **Cinco de Mayo Property**). The Company currently considers the Juanicipio Project and the Cinco de Mayo Property to be its material properties for the purposes of NI 43-101.

The Company also owns or holds an interest in a number of other property assets in Mexico.

**Principal Projects**

*Juanicipio Project*

The Juanicipio Project is located in the Fresnillo District, Zacatecas State, Mexico, approximately six kilometres west of the mining town of Fresnillo, and covers approximately 7,679 hectares. The Company initially acquired a 100% interest in the Juanicipio Project in 2003. From 2005 to 2007, Industrias Peñoles, S.A. De C.V. (**Peñoles**) earned a 56% interest in the Juanicipio Project by conducting U.S.\$5,000,000 of exploration on the property and purchasing U.S.\$1,000,000 worth of Common Shares of the Company at market price at the time of purchase. In December 2007, Minera Los Lagartos S.A. DE C.V. (**Lagartos**) and Peñoles established Minera Juanicipio to hold and operate all mineral and surface rights related to the Juanicipio Project. In 2008, Peñoles transferred its 56% interest of Minera Juanicipio to Fresnillo plc (**Fresnillo**) pursuant to a statutory merger. Fresnillo is the operator of Minera Juanicipio, which is governed by a shareholders agreement dated October 10, 2005 (the **Shareholders Agreement**) and its corporate by-laws. Pursuant to the Shareholders Agreement and Minera Juanicipio's corporate by-laws, each shareholder is to provide funding pro rata to its interest in Minera Juanicipio, with Fresnillo contributing 56% and the Company, through Lagartos, contributing 44%, respectively, and if either party does not fund pro rata, their ownership interest will be diluted in accordance with the Shareholders Agreement.

The major asset associated with the Juanicipio Project is a high grade silver-gold-lead-zinc epithermal vein deposit. An NI 43-101-compliant technical report entitled **Technical Report on the Mineral Resource Update for the Juanicipio Joint Venture, Zacatecas State, Mexico** was authored by Roscoe Postle Associates Inc. (**RPA**), dated June 12, 2014, as amended on June 30, 2014 and filed on SEDAR on July 3, 2014 (the **Juanicipio Technical Report**). Fresnillo prepares its own internal resource estimate annually and could estimate a lower grade than those in the Juanicipio Technical Report. Fresnillo's estimates are not prepared in compliance with NI 43-101, were not used in the Juanicipio Technical Report and are not relied upon by the Company.

*Cinco de Mayo Property*

The Company owns 100% of the mineral concessions comprising the Cinco de Mayo Property. The property is located approximately 190 kilometres northwest of the city of Chihuahua, in northern Chihuahua State, Mexico, and covers approximately 25,113 hectares. The primary concessions of Cinco de Mayo Property were acquired

S-8



**Table of Contents**

by way of an option agreement dated February 26, 2004, and the property remains subject to a 2.5% net smelter returns royalty. No active exploration is currently being undertaken on the Company's Cinco de Mayo Property, as the Company continues its efforts to obtain a renewed surface access agreement with the local Ejido. Although the Company believes that the matter will ultimately be resolved, the overall timeline to a resolution is not determinable at this time. There are no contractual or statutory time limits on obtaining surface access rights under the relevant permits required for continued exploration.

**Other Exploration Properties**

The Company also holds interests in various other early stage exploration properties located in Mexico, including a property earn-in option agreement with Canasil Resources Inc. ( **Canasil** ). The Company has the right to elect to earn into an initial 55% interest in Canasil's 14,719 hectare Salamandra property in Durango, Mexico by making a final option payment of C\$250,000 on or before May 23, 2016. The Company has determined that it will not elect to earn into the property and will allow the option to expire, with an associated asset write down to Nil as at December 31, 2015.

The Company continues to evaluate other exploration opportunities both on currently owned properties and on new prospects.

**Table of Contents****THE OFFERING**

*The following summary contains basic information about the Offering and is not intended to be complete. It does not contain all the information that is important to you. You should carefully read the entire prospectus supplement, the accompanying short form base shelf prospectus and the documents incorporated by reference herein and therein before making an investment decision.*

Issuer	MAG Silver Corp.
Securities offered	8,905,000 Offered Shares at US\$7.30 per Offered Share.
Common Shares outstanding as of the date hereof	69,441,386 Common Shares.
Common Shares to be outstanding upon closing of the Offering <sup>1</sup>	78,346,386 Common Shares. If the Over-allotment Option is exercised in full, 79,682,136 Common Shares will be outstanding upon closing of the Offering.
Over-allotment Option	The Underwriters have been granted an Over-allotment Option to purchase up to 1,335,750 additional Offered Shares at the Offering price. The Over-allotment Option is exercisable for 30 days from the date of closing of the Offering.
Use of proceeds	The net proceeds to the Company from this Offering will be approximately US\$61,256,175 (or approximately US\$70,519,601 if the Underwriters exercise their Over-allotment Option in full), after deducting the applicable Underwriting Commission and estimated expenses. The Company intends to use the net proceeds of the Offering for working capital requirements and for funding its 44% share of underground development, mine capital expenditures and ongoing exploration for the Juanicipio Project through 2017 and into 2018.
Stock Exchange symbols	The Common Shares are listed on the TSX and on the NYSE MKT under the symbol <b>MAG</b> and <b>MVG</b> , respectively.
Income Tax considerations	Holder are urged to consult their own tax advisors with respect to the U.S. and Canadian federal, provincial, territorial, local and foreign tax consequences of purchasing, owning and disposing of the Common Shares. See <b>Certain Canadian Federal Income Tax Considerations</b> and

