



Trading Symbols

AIM: AGQ

TSX-V: AGQ

“PLUS”: AGQ

FWB: I3A

ARIAN SILVER UPDATE

- **Arian closes Grafton share exchange transaction**
- **San Jose Project Update**

17 April 2009

Grafton share exchange transaction

Arian Silver Corporation (“Arian” or the “Company”) announces that it has closed the final stage of a two-part share exchange transaction with Grafton Resource Investments Ltd (“Grafton”) (see Arian’s press releases dated 26 February and 27 March 2009).

Arian has issued to Grafton an additional 82,993,679 common shares at a price per common share of Cdn\$0.055, for a total value of approximately Cdn\$4,564,653, and Grafton has issued to Arian 102,269 ordinary shares of equivalent value determined by reference to the net asset value of US\$36.93 per Grafton ordinary share calculated as at the close of business on 31 March 2009.

Application has been made for the additional 82,993,679 Arian common shares to be admitted to trading on London’s AIM on 23 April 2009.

As a result of this transaction Grafton’s interest in Arian’s outstanding common shares has increased from 14.9% to approximately 42.2% (109,090,909 Arian common shares).

It is intended that the Grafton shares that Arian has received will be disposed of to third parties to raise cash principally for Arian’s San Jose Project as well as for general working capital. Grafton has agreed to facilitate and promote this fundraising process. The principals of Grafton and its associates have experience in providing funding for junior mining and exploration companies using this particular type of share exchange and disposal mechanism.

The Company’s capital now comprises 258,142,878 common shares of no par value each with voting rights.

San Jose Project Update

As previously announced, an in-house scoping study at the Company's San Jose Project has evaluated the economics for contract mining and custom milling of seven near surface resource blocks that have been identified as having potential for near term contract mining. These blocks are both remnant and adjacent stoping blocks within the existing workings of the former producing San Jose Mine. The study was designed to identify key requirements for the rehabilitation of underground access, new development, the provision of mine services to the potential exploitation sites, as well as addressing estimated capital and operating costs. Initial studies indicated support for a contract mining operation of up to 500 tonnes per day.

The results of the in-house study are sufficiently robust to warrant an independent study. Arian has recently commissioned ACA Howe International Limited to carry out a Canadian National Instrument 43-101 compliant independent study.

The penultimate option payment of US\$250,000 (ex IVA) in respect of San Jose was paid during March 2009. The Company has since renegotiated the terms of the original December 2006 option agreement, such that Arian's interest has been converted to an ownership interest in the San Jose Project. Subject to completion of legal and registration formalities Arian will own a 66.67% controlling interest in the San Jose Project mineral concessions with the right to take 100% ownership on payment of the final instalment of US\$500,000 (ex IVA) which is due in December 2009. Under the original terms of the option agreement Arian would only obtain an ownership interest in the San Jose Project mineral concessions on completion of all option payments and would have forfeited all rights in the event of failure to pay any instalment.

All relevant mining permits are now in place at San Jose except for the blasting licence which Arian has applied for and is being progressed with the relevant Mexican authorities.

Arian continues to dewater the deeper levels, below 150 metres from surface, of the San Jose mine workings after the Company purchased a new and more efficient submersible water pump during the third quarter of 2008. The 120 HP pump, currently pumping non-stop at a rate of 30 litres per second, is expected to dewater the entire remaining flooded area over the next two months. Once dewatering is complete and the accessibility considered safe to enter, further channel sampling will take place of these deeper levels. By arrangement with the local community the pumped water is being used for irrigating the nearby farmland.

Arian is now planning on submitting its stockpiled drill and channel samples for assay. The submission of these samples had been put on hold given the cost of analysis and pending raising additional finance.

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About the Company

Arian Silver Corporation is a silver exploration and development company listed on London's AIM and "PLUS", on Toronto's TSX Venture Exchange and on the Frankfurt Stock Exchange. Arian Silver is active in Mexico, the world's second largest silver producing country. The Company's main projects are the Calicanto and San Jose projects in Zacatecas State and the Tepal project in Michoacán State. Part of Arian Silver's forward-looking strategy lies in the envisaged use of large scale mechanized mining techniques over wider mineralized structures, which reduces the overall unit operating cost of metals, and to build up NI 43-101 compliant resources.

Further information can be found by visiting Arian's website: www.ariansilver.com or the Company's publicly available records at www.sedar.com.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained in this release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This press release contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, completion of the legal and registration formalities related to the acquisition of a controlling interest in the San Jose Project referred to in this press release) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, failure to obtain required regulatory and shareholder approvals. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.