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Trading Symbols
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**ARIAN SILVER’S MD&A AND
RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008**

London, England, Arian Silver Corporation (“Arian” or the “Company”) today announced the release of its Management’s Discussion and Analysis and audited Financial Statements for the financial year ended 31 December, 2008. Extracts from the Management’s Discussion and Analysis and audited results are reported below. All amounts are expressed in US dollars unless otherwise stated.

Arian’s Chief Executive Officer, Jim Williams, commented today, “2008 represented a period of significant progress on two of our three key projects.

During 2008, the Company drilled over 10,000 metres (“m”) on its San Jose and Tepal projects, bringing the total drilled to date on the Company’s three main projects to nearly 30,000m. Tecmin Servicios S.A de C.V. conducted all the drilling under the direction of Arian’s management.

Early in the year we completed the Phase-1 drill programme on our San Jose Project near Zacatecas, which resulted in an NI 43-101 preliminary resource estimate being released in March 2008. There then followed an updated NI 43-101 resource estimate for San Jose that was released in August. During Q1 of 2008 the Company also completed its Phase-1 drill programme at the Tepal Project, in Michoacan, with an NI 43-101 preliminary resource estimate being released in April. There then followed an updated NI 43-101 resource estimate for Tepal that was released in September. Both of these Projects have significant resource expansion potential and we plan, subject to financial considerations, to undertake further work during 2009.

A preliminary draft of an in-house scoping study/preliminary economic assessment was completed during Q1 of 2009 and this is now in the process of being reviewed by ACA Howe International Limited with the objective of producing an NI 43-101 independent study.

The San Jose Mine dewatering programme is continuing following the purchase of a new 120 HP submersible pump capable of pumping water at the rate of 30 litres per second. The pumping is operational 24 hours a day and the goal is to pump the entire mine workings dry within the next two months, make safe the mine workings and then continue detailed sampling and surveying.

Of course, all this exploration and development work requires substantial funds to achieve. During 2008 the Company was successful in two non-brokered private placements; the first, in May where circa Cdn\$3 million

was raised at a price of Cdn\$0.25 per share; and the second in October where Cdn\$1.75 million was raised at a price of Cdn\$0.10 per share.

Since the end of the financial year we have made a series of announcements relating to our share exchange transaction with Grafton Resource Investments Ltd which was completed earlier this month. This form of transaction has been successfully used in the UK by the principals of Grafton and their associates to raise funds for junior mining and exploration companies. Naturally we are reliant on Grafton being able to replicate their past success in order to raise the new funding we are seeking through this transaction. Management of Arian is working with Grafton, which has a 42.2% share interest in the Company, with a view to securing this funding in the near future.

Notwithstanding our successes during the reporting period, I would reiterate the caution that I expressed in my statement in the Q3 results press release of 1 December 2008, in view of the adverse impact that the global financial turmoil is still having. Even though it is suggested by some that we may be over the worst, I believe that there are still some very hard times ahead, particularly within the resource industry. We continue to seek expenditure cut backs wherever possible and will defer further exploration activity until we have adequate funding to support the programmes that we would like to implement, particularly in relation to our San Jose Project. We will also continue to adopt a cautious approach to future activity until we are convinced that reasonable confidence within our sector is returning.

However, we remain optimistic about the Company's future prospects, especially at San Jose and look forward to being able to publish an independent NI 43-101 preliminary economic assessment in due course in relation to San Jose."

MANAGEMENT'S DISCUSSION AND ANALYSIS AND FINANCIAL STATEMENTS

The Management's Discussion and Analysis of results for the year ended 31 December, 2008 ("MD&A") and audited Financial Statements for the Company for the year ended 31 December, 2008 ("Financials") are available at SEDAR at www.sedar.com or on the Company's website at www.ariansilver.com. These documents can also be obtained on application to the Company. The following information has been extracted from the MD&A and Financials. The financial information in this announcement does not constitute full statutory accounts.

HIGHLIGHTS

Financial

- As at 31 December, 2008, the Company had total assets of \$7.6 million, including intangible assets of \$6 million, receivables of \$625,000 and cash of \$753,000.
- Expenditure on projects in Mexico and on other assets in the year was \$2.7 million.
- The consolidated pre-tax loss for the year was \$3.7 million.
- During the year the Company raised a total of \$3.6 million through two private placements of shares.

Post 31 December, 2008

- The Company entered into a share exchange transaction with Grafton Resource Investments Ltd ("Grafton") which is designed to provide significant new funding for the Company.
- Grafton has advanced \$300,000 to the Company and has agreed to a further advance of \$250,000 for working capital purposes pending the receipt of funding from the share exchange transaction with Grafton.

Operations

- Two major Phase-1 drilling programmes completed at the San Jose project (11,722m) and at the Tepal project (7,178m).

- Initial Canadian National Instrument 43-101 (NI 43-101) mineral resource estimates in respect of the San Jose and Tepal projects released (March 2008).
- Upgraded NI 43-101 mineral resource estimates released in respect of the San Jose project (August 2008) and the Tepal project (September 2008).
- Phase-2 drill programme drilled 38 holes totalling 6,600m at the San Jose project. Initial results announced November 6, 2008.

Post 31 December 2008

- In-house scoping study completed at San Jose and A.C.A Howe International Limited commissioned to carry out an NI 43-101 independent study.
- Terms of option agreement renegotiated in respect of San Jose to give Arian a 66.67% controlling interest in the project.

OVERVIEW

Financial

In December, 2008 the Company announced that given the turmoil in financial markets the Board had implemented measures to preserve the cash resources of the Company (see the Company's Q3 results press release dated 1 December 2008). To this end planned exploration programmes had been deferred and those in progress largely curtailed; in addition, steps were being taken to reduce overheads generally.

In addition, the directors continued to investigate potential sources of funding which may be available so as to enable the Company to continue to build on the exploration successes achieved to-date and to further the development of the Company and its mineral properties.

During Q1 of 2009 the Company announced details of a two-part share exchange transaction with Grafton Resource Investments Ltd ("Grafton") which is designed to provide new funding. On 17 April 2009 the Company announced the final closing of the transaction with Grafton as a result of which the Company has issued in aggregate 109,090,909 common shares to Grafton, for a value of Cdn\$6 million, giving it an interest in the outstanding common shares of the Company of approximately 42.2%. In exchange for these shares, the Company received 128,591 Grafton participating shares (the "Grafton Shares") equivalent to the same dollar value. It is intended that the Grafton shares will be placed with third parties to raise cash principally for Arian's San Jose Project as well as for general working capital. It is anticipated that the placing of the Grafton Shares will take place in the near future following the listing of Grafton on the Dublin Stock Exchange. 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 and will facilitate and promote this fundraising process. However, the Company is reliant on Grafton being able to replicate this experience to provide the significant new funding sought by the Company by this transaction and on a timely basis. Grafton also has the right to nominate a director to the Board of Directors of the Company and such appointment is pending at the date hereof.

In March 2009 Grafton advanced \$300,000 to the Company for working capital purposes to enable the Company to pay an option instalment of approximately \$250,000 due that month in relation to the San Jose Project. Grafton has agreed to make available a further advance of \$250,000 in early May to the Company for working capital purposes.

On 21 April 2009 the Company announced that the holders of the outstanding share purchase warrants had approved proposals to vary the terms of the warrants.

Based on current expectations, the directors of the Company currently believe it appropriate to prepare the Company's financial statements on a going concern basis. However, if funding from the transaction with Grafton does not meet current expectations in terms of amount raised and timing the Company may not be able to meet its ongoing working capital and project expenditure requirements. If these circumstances arose then there would be significant doubt on the Company's ability to continue as a going concern and the carrying value of the Group's exploration projects would be impaired.

Operations

Following payment of the March 2009 option instalment, the Company renegotiated the terms of the San Jose Project 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 \$500,000 which is due in December 2009. Under the original terms of the option agreement Arian would have only obtained 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.

During 2008, the Phase-1 drill programmes were completed on both the Tepal and San Jose Projects; drilling at San Jose amounted to 11,722 metres ("m") and 7,178m at Tepal. A Phase-2 drill programme was started at San Jose during Q2 and was terminated in Q3, with approximately 6,600m drilled in 38 holes, in line with the decision to defer costs of planned exploration programmes. Assaying of core from the San Jose Phase-2 drilling programme was terminated in Q4, also to save costs.

At the Calicanto Project work focussed on general security and fences were erected around all open shafts and mine workings. Work also continued with both surface and underground sampling and mapping to gain a better understanding of the structural controls on mineralisation within the Calicanto Project area.

The Company reported its initial Canadian National Instrument 43-101 ("NI 43-101") resource estimates for both San Jose and Tepal during Q1 of 2008. These were prepared by A.C.A. Howe International Limited, independent consultants. In August, 2008 the Company announced an updated NI 43-101 mineral resource estimate in respect of San Jose (see the Company's press release dated 21 August, 2008 entitled "Arian Silver Upgrades San Jose Resource Estimate"), details of which are set out in the Review of Operations below. In September, 2008 the Company announced an updated NI 43-101 mineral resource estimate in respect of Tepal (see the Company's press release dated 24 September, 2008 entitled "Arian Silver Upgrades Tepal Resource Estimate"), details of which are set out in the Review of Operations below.

In relation to San Jose, the Company completed an in-house scoping study that evaluated the economics of contract mining and custom milling of seven near surface resource blocks. The Company has commissioned A.C.A. Howe International Limited to carry out an NI 43-101 independent study in view of the positive results from the in-house scoping study.

As mentioned above, funding arising from the sale of the Grafton Shares is principally intended for the San Jose Project and general working capital. Notwithstanding this, the Tepal and Calicanto projects remain important assets of the Company and future expenditure on these projects will be kept under review and will be dependent on the timing and availability of funds.

OVERALL FINANCIAL PERFORMANCE

In the financial year ended 31 December, 2008, the Company incurred a loss of \$3.7 million (2007 - \$4.9 million) which loss includes expensing the fair value of options vesting of \$0.5 million (2007 - \$1.1 million), and other administrative expenses of \$3.2 million (2007 - \$3.9 million). There was no income other than interest from short term cash deposits of \$31,000 (2007 - \$62,000). The Company continued to incur costs in relation to its Mexican operations and in respect of corporate overheads.

During the 2008 financial year, foreign exchange adjustments were reported in Q1 (gain \$79,000), Q2 (gain \$281,000) and Q3 (loss \$576,000) in administration expenses. These adjustments arose largely as a result of the translation of the Mexican subsidiary's financial statements from Mexican Pesos to US Dollars and reflected the volatility in currency markets. During Q4 there was a further material decline in the Mexican Peso against the US Dollar which resulted in a further significant foreign exchange loss. In view of the volatility in foreign exchange markets and the consequent impact this has had on reported operating results, the presentation of intra-group foreign exchange differences in the Consolidated Income Statement has been reviewed. It has been concluded that it would be more appropriate to recognise such adjustment in the Consolidated Statement of Recognised Income and Expense. This change has been implemented for reporting the audited results for the financial year ended 31 December 2008 and such treatment will continue going forward. This change does not constitute a change of the Company's foreign exchange accounting policy. The loss for 2007 of \$4.9 million, referred to above, included a foreign exchange gain of \$0.2 million.

As at 31 December, 2008, intangible assets amounted to \$6.0 million (2007 - \$4.4 million). The change during the year reflects additions of \$2.6 million, a foreign exchange loss of \$0.9 million and a \$0.1 million writedown. These costs arise in respect of deferred exploration and evaluation costs related to the Mexican projects.

Cash of \$3.6 million was received as a result of private placements during the year.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

In management's view, the most meaningful information concerning the Company relates to its current liquidity and solvency since it is not currently generating any income from its mineral projects.

Since the Company is at an early stage of development, it has in the past raised funds in several discrete tranches, which is a common practice for junior mineral exploration companies. Although the Company has been successful in the past in raising equity finance, there can be no assurance that the funding required by the Company will be made available to it when needed or, if such funding were to be available, that it would be offered on reasonable terms. The terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders.

The Company will require additional funding in the future in order to progress exploration programmes on its mineral projects, to meet property payments, for development and for general working capital requirements. Sources of funds currently available to the Company are through the issue of equity capital, the sale of its interests in one or more of its projects, by way of project joint ventures or business combinations.

During 2008, the Company made the following share and warrant issues:

- 12,092,000 common shares at Cdn\$0.25 to provide additional working capital of Cdn\$3,023,000;
- 17,500,000 common shares at Cdn\$0.10 to provide additional working capital of Cdn\$1,747,000; and
- 6,046,000 share purchase warrants exercisable up to 29 November, 2009 at Cdn\$0.35.

As reported above, during the current year the Company has completed a transaction with Grafton which is designed to provide new funding.

In addition, the Company has accumulated IVA (sales tax) on past exploration expenditure in Mexico which amounted to \$581,000 at 31 December, 2008. IVA is generally repaid in instalments by the Mexican tax authorities. However, there is no certainty as to the timing of future repayments of this IVA debtor.

Based on current expectations, the directors of the Company currently believe it appropriate to prepare the Company's financial statements on a going concern basis. However, if funding from the transaction with Grafton does not meet current expectations in terms of amount raised and timing the Company may not be able to meet its ongoing working capital and project expenditure requirements. If these circumstances arose then there would be significant doubt on the Company's ability to continue as a going concern and the carrying value of the Group's exploration projects would be impaired.

REVIEW OF OPERATIONS

The Company owns, or has options to purchase, 39 mineral concessions in Mexico totaling 21,691 hectares (Ha). The Company's main projects are the Calicanto Group and San Jose, in Zacatecas State, and the Tepal project in Michoacán State.

Qualified Person

Mr. Jim Williams. Eur Ing, Eur Geol, BSc, MSc, D.I.C., FIMMM, the Chief Executive Officer of Arian, a "Qualified Person" as defined in the AIM guidelines of the London Stock Exchange, and a "Qualified Person" as such term is defined in NI 43-101 has reviewed and approved the technical information in this document other than the mineral resource estimates.

San Jose Project, Ojocaliente District, Zacatecas State

On 21 August, 2008 the Company announced an updated NI 43-101 mineral resource estimate for the property (see the Company's press release dated 21 August, 2008 entitled "Arian Silver Upgrades San Jose

Resource Estimate“) details of which are set out below.

NI 43-101 Resources at San Jose

Resource Category	Tonnes	Grade			Contained Metal		
		Ag	Pb	Zn	Ag	Pb	Zn
		g/t	%	%	(Moz)	(t)	(t)
Indicated	2,196,000	127.7	0.51	0.88	9.02	11,200	19,200
Inferred	11,190,000	93.8	0.39	0.83	33.76	43,400	93,200

1. Geological characteristics and +30 ppm grade envelopes used to define resource volumes
2. The mineral resource estimates are in accordance with CIM and JORC standards
3. The effective date of the mineral resource estimates is August 15, 2008
4. The estimates are based on geostatistical data assessment and computerised IDW³, Ag grade wireframe restricted, linear block modeling.

The “Qualified Person” as such term is defined in NI 43-101 who prepared the above mineral resource estimates is Mr. Galen R White. Mr. White was at the time these estimates were prepared an employee of A.C.A. Howe International Limited.

Tepal Project; Michoacán State

On 24 September, 2008 the Company announced an updated mineral resource estimate in respect of Tepal (see the Company’s press release dated 24 September, 2008 entitled “Arian Silver Upgrades Tepal Resource Estimate”) details of which are set out below.

Tepal Mineral Resources

	Tonnes	Grade			Contained Metal		
		Au	Cu	AuEq	Au	Cu	Au Eq
	('000)	g/t	%	g/t	(oz x 000's)	(Mlbs)	(oz x 000's)
Indicated	24,995	0.54	0.27	1.2	440	147.1	938
Inferred	54,964	0.41	0.22	0.9	720	265.4	1,612

- 1 Au = Gold. Cu = Copper. AuEq = Gold Equivalent
- 2 Arian has an exclusive option agreement to purchase 100% of the Tepal properties
- 3 Gold Equivalent Grades (g/t) were calculated using metal prices of US\$600/oz Au, US\$2/lb Cu and assuming 100% recoveries
- 4 The mineral resource estimates are in accordance with CIM and JORC standards
- 5 The effective date of the mineral resource estimates is September 24, 2008
- 6 The estimates are based on geostatistical data assessment and computerised IDW³, 0.18 g/t Au grade wireframe envelope restricted, linear block modeling

The “Qualified Person”, as such term is defined in NI 43-101, who prepared the above mineral resource estimates, is Mr. Galen White. Mr. White was at the time these estimates were prepared an employee of A.C.A. Howe International Limited.

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About the Company

Arian Silver Corporation is a silver exploration and development company and is listed on London's AIM; trades on London's "PLUS" market; is listed 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.

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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, funding from the disposal of the Grafton shares or from other sources, the mineral resource estimates contained in this press release, statements regarding exploration results, potential mineralisation, potential mineral resources, future production and the Company's exploration and development plans and objectives) 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 realised or substantially realised, 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 establish estimated mineral reserves, the possibility that future exploration results will not be consistent with the Company's expectations, uncertainties relating to the availability and costs of financing needed in the future, the possibility that the placing of the Grafton shares held by the Company will not be sold on a timely basis and/or that such placement will not generate sufficient funds for the Company to meet its ongoing obligations, changes in commodity prices, changes in equity markets, political developments in Mexico, changes to regulations affecting the Company's activities, delays in obtaining or failures to obtain required regulatory approvals, the uncertainties involved in interpreting exploration results and other geological data, and the other risks involved in the mineral exploration and development industry. 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.

The mineral resource figures disclosed in this press release are estimates and no assurances can be given that the indicated levels of minerals will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the resource estimates included in this press release are well established, by their nature resource estimates are imprecise and depend, to a certain extent, upon statistical inferences, which may ultimately prove unreliable. If such estimates are inaccurate or are reduced in the future, this could have a material adverse impact on the Company.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that mineral resources can be upgraded to mineral reserves through continued exploration.