



#### Trading Symbols

AIM: AGQ

TSX-V: AGQ

“PLUS”: AGQ

FWB: I3A

**24 October, 2011**

### **ARIAN SILVER REPORTS ENCOURAGING PROGRESS ON PHASE 4 DRILLING AT SAN JOSÉ**

**London, England, Arian Silver Corporation** ("Arian" or the "Company") (TSXV: AGQ) (AIM: AGQ) (FRANKFURT: I3A), a silver exploration, development and production company with a focus on projects in the silver belt of Mexico, today announced encouraging results from the Company's Phase 4 exploration drilling programme at its 100% owned San José Property ("San José"), located in Zacatecas State, Mexico.

#### **Highlights:**

- **24 drill holes for 6,600 metres (m) so far completed;**
- **Multiple high-grade silver intercepts with step-out and infill drilling along the San José Vein ("SJV");**
- **Drilling continues at a good pace with completion anticipated this quarter;**
- **Drilling commenced along the Bety Vein; and**
- **Further resource estimate update at San José following completion of Phase 4 drilling.**

#### **Drilling Update**

The Phase 4 drilling programme is for 40 drill holes totaling 10,000m comprising both step-out and in-fill drilling along the extensive strike length of the SJV. The strategy is two-fold; firstly, to identify additional resources, and secondly, to upgrade the current resources by size and by category.

A number of drill holes on the Bety Vein are also planned. Two of these have been completed and Arian is awaiting assay results. The Bety Vein, where surface samples returned grades of up to 500 g/t of silver, is located a short distance to the south of the SJV along the same general directional trend. Selected intercepts from the current drilling include:

- Hole GW-11-041 comprising 4.07m\* with 436 g/t Ag;
- Hole GW-11-043 comprising 5.19m\* with 221 g/t Ag;
- Hole GW-11-046 comprising 8.02m\* with 170 g/t Ag;

- Hole SJ-11-124 with multiple intercepts, including 5.60m\* with 336 g/t Ag, and 2.03m\* with 512 g/t Ag; and
- Hole SJ-11-126 comprising 0.70m\* with 391 g/t Ag.

\* representing true thicknesses.

Commenting on today's operations update, Arian's President and Chief Executive Officer, Jim Williams, said:

**“Once again, these most recent drill results show continuity of vein thickness, silver mineralization and grade from both the in-fill and step-out drilling as we drill along the SJV. Drilling continues at a good pace using two Longyear 44 rigs and we are currently anticipating completion during this reporting quarter. We have so far drilled two holes on the Bety Vein with a view to testing its extension in a westerly direction and the assay results will be reported in due course. The Bety Vein, as previously stated, is located to the south of and is more or less parallel with, the SJV where grades of up to 500 g/t silver were recorded from surface sampling.**

**“We continue to believe the San José Project still has considerable potential upside to offer and we anticipate a further resource estimate update after the completion of our Phase 4 drilling.”**

A schematic plan showing the location of the updated drilling in relation to the SJV strike is available at the following link:

<http://www.ariansilver.com/i/pdf/Plan-for-SJ-News-24-Oct-11.pdf>

A schematic section showing multiple drill holes some distance west of the village of Guanajuatillo is available at the following link:

<http://www.ariansilver.com/i/pdf/Section-for-SJ-news-24-Oct.pdf>

A complete list of all the latest batch of assay results can be obtained via the following link:

[http://www.ariansilver.com/i/pdf/HOLE-IDTable-NR\\_10-24-11.pdf](http://www.ariansilver.com/i/pdf/HOLE-IDTable-NR_10-24-11.pdf)

### **Resource Recap**

At San José, Arian has already reported significant NI 43-101 compliant Indicated and Inferred resources of:

- **Indicated** comprising 8 Million (“M”) tonnes (“t”) containing approximately 30 M ounces (“oz”) of silver (“Ag”), 70 M pounds (“lbs”) of lead (“Pb”) and 127 Mlbs of zinc (“Zn”), and;
- **Inferred** comprising 17 Mt containing approximately 58 Moz of Ag, 140 Mlbs of Pb and 291 Mlbs of Zn.

These resources are detailed in the Company's news release dated 20 July 2011. On completion of the Phase 4 drilling a further resource update will be announced.

### **Forward Looking Strategy**

The Company, as previously reported, has commenced small-scale production using contract mining and toll milling at San José to generate cash flow and to investigate the optimal processing route for an expanded operation in due course. Arian's forward looking strategy continues to include the building up of additional

NI 43-101 compliant resources to support the eventual use of larger-scale mechanized mining methods over wide mineralized structures that will result in reduced unit operating costs.

## **QA/QC**

All technical information for the San José Project is obtained and reported under a formal quality assurance and quality control (QA / QC) programme. The core is logged and photographed by Arian's staff and then split using a diamond saw. Half the core is stored on-site in a secure core shed and the other half is labelled, bagged and secured before transporting to Stewart Group's sample preparation facility in Zacatecas, Mexico. Each sample has its own unique sample number. The entire half-core is crushed to minus 10 mesh and a half kilogram riffle split is pulverized and homogenized to minus 200 mesh. The pulp samples are then air freighted to Stewart Group's analytical laboratory in Canada for analysis. Systematic assaying of duplicates, blanks and certified reference material is performed for precision and accuracy; quality procedures and processes are continually reviewed and monitored with protocols in place to deal with any non-conformity. Stewart Group's laboratories in Zacatecas, Mexico, and Kamloops, BC Canada are ISO 9001:2000 accredited.

Approximately 5% of the analysed samples are re-sampled and sent to ALS Chemex preparation facility in Guadalajara, Mexico. The samples consist of both coarse reject samples as well as pulp samples. The coarse material is crushed and pulverised according to the same protocol, and the pulp samples are air freighted to ALS Chemex's analytical laboratories in Vancouver, Canada, for analysis. Results from all duplicate analyses are compared to identify potential analytical or sampling errors.

Stewart Group and ALS Chemex Laboratories are independent of Arian.

The samples were analysed for a multi element scan by aqua regia digestion and ICP (inductively coupled plasma) finish. High-grade samples (>200 g/t Ag) were re-analysed by fire assay with a gravimetric finish.

## **About the Company**

*Arian is a publicly quoted silver exploration, development and production company, operating in one of the richest silver-bearing districts in the world, Zacatecas State, Mexico. The Company is committed to mining in existing silver areas, and to exploring new opportunities. Arian's main project is San José, in Zacatecas State, where we anticipate increasing production in due course.*

*Arian Silver Corporation was founded by Jim Williams (President & CEO) and Tony Williams (Chairman) and is listed on AIM, London, TSX Venture Exchange, Toronto and on the Frankfurt Stock Exchange (as I3A). The company's headquarters are in Berkeley Square, London.*

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

## **Qualified Person**

Mr. Jim Williams, Eur Ing, Eur Geol, BSc, MSc, D.I.C., FIMMM, the Chief Executive Officer of Arian, is a "Qualified Person" as defined in the AIM guidelines of the London Stock Exchange, and a "Qualified Person" as such term is defined in Canadian National Instrument 43-101 ("NI 43-101"). This news release has been prepared under Mr. Williams' supervision. Mr. Williams has verified the data disclosed in this release.

## **Forward-Looking Information**

*This news 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 statements relating to the San José Project with respect to estimates of mineral resource quantities, mineral resource qualities, the potential scope and context of the mineralized area, the potential for upgrading the mineral resource estimate and the Company’s exploration and drilling targets, goals, objectives and plans) 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 significant risks and uncertainties and other factors 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, but are not limited to: failure to establish estimated mineral resources, the grade, quality and recovery of mineral resources varying from estimates, risks related to the exploration stage of the Company’s properties, the possibility that future exploration results will not be consistent with the Company’s expectations (including identifying additional and/or deeper mineralization), changes in the price of silver, changes in equity markets, political developments in Mexico, uncertainties relating to the availability and costs of financing needed in the future, changes to regulations affecting the Company’s activities, delays in obtaining or failures to obtain required regulatory approvals, the uncertainties involved in interpreting drilling and exploration results and other geological data and other factors (including exploration, development and operating risks).*

*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 guaranteed of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.*

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

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