Not for Distribution to U.S. Newswire services
nor for Distribution in the United States

Trading Symbols
AIM: AGQ
TSX-V: AGQ
"PLUS": AGQ
FWB: I3A

1 December 2009

ARIAN SILVER'S MD&A AND FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2009

London, England, Arian Silver Corporation ("Arian" or the "Company") today announced the release of its Management's Discussion and Analysis ("MD&A") and unaudited Consolidated Financial Statements ("Financials") for the three and nine months ended 30 September, 2009.

Arian's Chief Executive Officer, Jim Williams, commented today, "During Q3 we have continued to pursue a funding solution for the Company. Although Grafton recently advised us that it is currently not in a position to advance further loan funding we have since reached an understanding on a share structure that, once confirmed in detail, we believe should enable us to proceed to raise new funds, subject to market conditions. We will require approximately $1.25 million for working capital over the coming months. In addition, the final $500,000 (plus IVA) instalment in respect of our San Jose property is due in December 2009. In relation to this payment we are in discussions with the landowner to seek a deferral of this payment. As previously reported, we are ready to proceed to production at San Jose by way of custom mining and milling subject only to receipt of funding. Pursuant to the option arrangement with Geologix Explorations Inc in respect of our Tepal property, Geologix's due diligence is proceeding well. Finally, I would like to take this opportunity to thank our stakeholders for their continued support and to reiterate that the board and management remain committed to bringing the Company through what has proved to be a challenging period."

The MD&A and Financials are available at SEDAR at www.sedar.com or on the Company's website at www.ariansilver.com. Extracts from the MD&A and Financials are reported below. These documents can also be obtained on application to the Company. All amounts are expressed in US dollars unless otherwise stated. The financial information in this announcement does not constitute full statutory accounts.

HIGHLIGHTS

Financial

- The consolidated pre-tax loss for the nine months to 30 September, 2009, was $1.5 million.
- As at 30 September, 2009, there was a working capital deficit of $1.1 million.

- As at 30 September, 2009, total assets were $14 million, including intangible assets of $7.3 million, available for sales assets of $5.4 million, receivables of $0.6 million and cash of $0.8 million.

- As at 30 September, 2009, total liabilities were $2.4 million, including payables of $0.9 million and short term loans of $1.5 million.

- Transaction with Geologix Explorations Inc ("Geologix") provided a loan of $517,500 to enable the Company to pay the Tepal property option instalment due in September 2009.

- New funding from the share exchange transaction with Grafton Resource Investments Ltd ("Grafton"), still delayed.

- Further advances from Grafton of $250,000, received to fund operating overheads pending the receipt of new funding, bringing the total advanced to $1.05 million.

- Further loan funding from Grafton is not currently available and the Company will require additional funding in the coming months. The aggregate funding requirement is currently estimated to be approximately $1.75 million, being approximately $1.25 million in respect of working capital and $500,000 (plus IVA) for the final instalment due in December 2009 in respect of the San Jose property.

- The Company and Grafton are actively pursuing potential funding solutions for the Company and for the disposal of the Grafton Shares. Given the goodwill that exists between the companies, Management of the Company currently believes that a solution to raise new funding is achievable.

Operations

- During Q3 all project operations in Mexico were largely curtailed pending receipt of new funding.

- As previously announced, positive results of a Preliminary Economic Assessment ("PEA") prepared by A.C.A Howe International Limited of the economics for initial production by contract mining and milling at San Jose.

- Target date for initial production at San Jose during Q4 of 2009 deferred due to delay in funding.

- Arian has acquired a 66.67% controlling interest in the San Jose project, subject to completion of legal and registration formalities in Mexico and has the right to take 100% ownership interest on payment of final instalment due in December 2009.

- Tepal property optioned to Geologix.

OVERALL FINANCIAL PERFORMANCE

In the nine months to 30 September, 2009, the Company incurred a loss of $1.5 million (2008 - $3.3 million) which loss includes expensing the fair value of options vesting of $0.3 million (2008 - $0.5 million), and other administrative expenses of $1.2 million (2008 - $2.6 million). Income, which currently arises only from short term cash deposits, was $nil (2008 - $20,000). During the period the Company continued to reduce costs in relation to its Mexican operations and corporate overheads where possible in order to preserve cash resources.

As at 30 September, 2009, the Company had a working capital deficit of approximately $1.1 million (31 December, 2008 - $1.1 million surplus). Cash balances amounted to approximately $0.8 million (31 December, 2008 - $0.8 million) and short term loans totalled approximately $1.5 million (31 December, 2008 - $nil). Intangible assets amounted to approximately $7.3 million (31 December, 2008 - $6.0 million) which relate to deferred exploration and evaluation costs in respect of the Company's Mexican projects.

The Company holds an investment in 128,591 participating shares (the "Grafton Shares") of Grafton Resource Investments Ltd ("Grafton") as a result of the share exchange transactions reported earlier in the year. The value of the Grafton Shares is shown as an available for sale asset of $5.4 million as it is intended to dispose of this investment to generate funding for the Company.

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.

During 2009, the Company completed share exchange transactions (the "Share Exchange") with Grafton that were intended to provide new funding for the Company. As a result of the Share Exchange, Grafton became a 42.2% shareholder of the Company having acquired 109,090,909 new common shares in the Company in exchange for the issue to the Company of the Grafton Shares. It was intended that Grafton and its associates would place the Grafton Shares for cash on behalf of the Company to provide new funding for the Company. However, the disposal of the Grafton Shares is experiencing delays and the anticipated funding has not, so far, been forthcoming. In view of the delay, Grafton has been providing loans to the Company, to fund its operating overheads, which currently total $1,050,000.

Grafton has advised the Company that it is currently not in a position to advance further loan funding. Given this position and the level of the Company's current cash balances it will require additional funding of approximately $1.25 million within the coming months to meet its working capital requirements. In addition, the final property option payment of $500,000 (plus IVA) is due in December 2009 in respect of the San Jose property which will need to be paid in order to secure the remaining 33% ownership of that property unless this payment can be deferred. The aggregate funding requirement is, therefore, currently estimated to be $1.75 million, excluding any material capital or other expenditure required to bring the San Jose property into production.

The Company and Grafton are actively pursuing potential funding solutions for the Company and for the disposal of the Grafton Shares. Given the goodwill that exists between the companies, Management of the Company currently believes that a solution to raise new funding is achievable. The only sources of funds currently available to the Company are through the disposal of the Grafton Shares, the issue of equity capital, the possible exercise of outstanding share options and warrants, the sale of its interests in one of more of its projects, or the entering into of joint ventures.

Since the Company is at an early stage of development, it will likely only be able to raise such funds in several discrete tranches, which is not uncommon 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 directors of the Company currently believe it appropriate to prepare the Company's financial statements on a going concern basis. However, if the required funding is not forthcoming on a timely basis 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 and other assets would be impaired.

REVIEW OF OPERATIONS

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

During the period under review exploration operations in respect of the Company's three principal projects in Mexico were largely deferred in order to preserve the Company's cash resources pending receipt of new funding.

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 Canadian National Instrument 43-101 ("NI 43-101"), has reviewed and approved the technical information in this Review of Operations other than the information extracted from the PEA and the mineral resource estimates referred to below.

San Jose Project, Ojocaliente District, Zacatecas State

In June 2009, the Company announced the results of a Preliminary Economic Assessment ("PEA") for the San José Project undertaken by A.C.A. Howe International Limited (see the Company's press release dated 23 June 2009). The PEA reviewed the economics of entering into contract mining and toll milling on three silver blocks with lead and zinc credits over a four year mine life. The limiting of the PEA to just three mining blocks over a four year mine life was stipulated by the Company, as the intention is to develop concurrently, during this mining period, a full feasibility study for moving to full scale independent commercial production by the Company.

Highlights from the PEA are as follows:

- the PEA concluded that Arian's approach and mining plan is achievable and realistic;
- Up to four years of contracted mechanized mining, with concurrent exploration and development on the rest of the property;
- Operating 250 days per year at 500 tonnes per day ("tpd") will produce an average of approximately 125,000 tonnes per year ("tpy") using three selected mining blocks;
- Sub-level open stoping and full mechanization, accessible via either the San José West or East ramp;
- Mining and milling of approximately 500,000 tonnes of resources estimated to recover approximately 2.15 million ozs of silver, 1,800 tonnes of lead and 3,100 tonnes of zinc;
- Operating cash costs of $32.00 per tonne;
- Project net present value ("NPV") of $13.44 million based on an 8% discount rate and a maximum four year mine life using contract mining and milling; and
- Project internal rate of return ("IRR") of 159%.

A copy of the PEA prepared by A.C.A. Howe International Limited dated 22 June, 2009 and entitled "Preliminary Economic Assessment Report (PEAR) on the San José Silver-Lead-Zinc Deposit, Zacatecas, Mexico" is available on the Company's website www.ariansilver.com or on SEDAR at www.sedar.com

The "Qualified Person", as such term is defined in NI 43-101, who prepared the PEA in respect of the San José Project, is Mr. Julian Bennett who is an associate employee of A.C.A. Howe International Limited.

The current NI 43-101 Resources at San Jose are set out below:

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 IDW^3, 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.

During Q3 of 2009 activity at the San José Project was largely curtailed pending receipt of new funding.

Tepal Project; Michoacán State

In September 2009, the Company entered into an agreement with Geologix whereby Geologix has been granted the exclusive rights to purchase Arian's 100% interest in the Tepal property (see the Company's press release dated 29 September 2009 and Geologix press release dated 5 November 2009).

For further information please contact:

Arian Silver Corporation
Carlyle House
235-237 Vauxhall Bridge Road
London SW1V 1EJ
England

Jim Williams - CEO
(London) +44 (0)20 7963 8670 / email: jwilliams@ariansilver.com

Graham Potts – CFO & Corporate Secretary
(London) +44 (0)20 7963 8670 / email: gpotts@ariansilver.com

Grant Thornton Corporate Finance
Gerry Beaney
(London) +44 (0)20 7383 5100 / email: gerry.d.beaney@gtuk.com

CHF Investor Relations
Alison Tullis
(Canada) +1 416 868 1079 Ext. 233 / email: alison@chfir.com

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. Arian Silver's Tepal project in Michoacán State is currently under option to Geologix Explorations Inc. 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.

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, the possibility that funding from other sources will not be available to the Company on reasonable terms or at all to enable it 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.