



**Trading Symbols**

**AIM: AGQ**

**TSX-V: AGQ**

**"PLUS": AGQ**

**FWB: I3A**

**20 December 2010**

**ARIAN SILVER GIVES OPERATIONS UPDATE ON 100%-OWNED SAN JOSÉ PROPERTY, MEXICO**

**London, England, Arian Silver Corporation** ("Arian" or the "Company") (TSX VENTURE:AGQ) (AIM:AGQ) (PLUS:AGQ) (FRANKFURT:I3A), a silver exploration, development and production company with a focus on projects in the silver belt of Mexico, is pleased to report on progress at the Company's 100%-owned San José Property in Zacatecas State, Mexico.

**Highlights:**

- **First batch of San José concentrate produced;**
- **8 drill holes completed along the San José Vein ("SJV");**
- **Optimisation of the mill is progressing well;**
- **New semi-mobile laboratory construction progressing well; and**
- **12 kilometres of strike extension of the SJV presents additional significant targets for 2011 drilling.**

The first batch of San José concentrate comprising 7.5 tonnes and containing 12.4 kilograms of silver (400 ounces) per tonne has been produced.

Optimisation of the mill is progressing well with a view to further increasing recoveries of silver in concentrate.

Mining at San José is progressing well and the operation is currently focused on stoping at the 'Ramal Sur' block and concurrently advancing the main haulage ramp in a westerly direction towards the higher-grade 'Santa Ana' block, which itself comprises a number of stopes. In addition, improvements to the main haulage ramp have taken place to ensure a more efficient operation, specifically enabling the more rapid transportation of Run-Of-Mine material from the underground loading area to the stockpile pad on the surface.

Core drilling is underway using two 'Longyear 44' drill rigs. Eight holes have been completed to date with a total of 1,518 metres, or 15.2% of the total programme, and the first samples have been submitted for analysis.

The construction of the Company's semi-mobile laboratory is progressing according to plan with the Stewart Group in British Columbia, Canada, and this is expected to be delivered to the San José Mine

during January 2011. Turnaround times for assay results should significantly improve for drill core samples when this is in place (see the Company's press release dated 22 November 2010).

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

**"It gives me great pleasure to report such positive progressive news regarding all of the Company's major activities. We have been working on increasing the mining and milling efficiencies since production commenced at San José, and the results of these efforts are now becoming apparent with production of our first concentrate.**

**"Experts forecast that silver prices will continue to strengthen next year, just as we increase our production and begin to define some of the untested potential within the existing known mineralisation in the SJV system. The exciting substantial potential along the approximately 12 kilometres of strike extension of the SJV presents significant targets for our 2011 drilling. Once again, we would like to thank all our shareholders for their continued support as we grow the Company."**

#### **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 press release has been prepared under Mr. Williams' supervision. Mr. Williams has verified the data disclosed by this release.

#### **Forward- Looking Information:**

*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, statements relating to mill optimisation, mining, production of concentrate, the drilling programme as well as delivery of the semi-mobile laboratory) 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.*

*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.*

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