UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

o **REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

x **ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2007

Commission file number: 001-32482

SILVER WHEATON CORP.

(Exact Name of Registrant as Specified in its Charter)

Canada	1041	Not Applicable
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code)	(I.R.S. Employer Identification No.)

Suite 3150 - 666 Burrard Street
Vancouver, BC
V6C 2X8
(604) 684-9648

(Address and Telephone Number of Registrant's Principal Executive Offices)

DL Services, Inc.
U.S. Bank Center
1420 5th Avenue, Suite 3400
Seattle, WA 98101-4010
(206)903-8800

(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Name of Each Exchange On Which Registered:
Common Shares, no par value	New York Stock Exchange Toronto Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this form:

S Annual Information Form S Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 222,934,237

Indicate by check mark whether the Registrant by filing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934 (the "Exchange Act"). If "Yes" is marked, indicate the filing number assigned to the Registrant in connection with such Rule. □ Yes S No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. S Yes □ No

EXPLANATORY NOTE

Silver Wheaton Corp. (the "***Company***" or the "***Registrant***") is a Canadian issuer eligible to file its annual report pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***") on Form 40-F pursuant to the multi-jurisdictional disclosure system of the Exchange Act . The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. Equity securities of the Company are accordingly exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3.

FORWARD-LOOKING STATEMENTS

This annual report on Form 40-F and the exhibits attached hereto contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Statements concerning reserves and mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed, and in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "mig ht" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to our potential need for and ability to obtain additional financing;
- risks related to differences between U.S. and Canadian practices for reporting resources and reserves;
- risks related to our reserves and resources figures being estimates based on interpretations and assumptions which may result in less mineral production under actual conditions than is currently estimated;
- risks related to changes in the market price of gold, silver, and other minerals which in the past has fluctuated widely and which could affect the profitability of our operations and financial condition;
- risks related to currency fluctuations;
- risks related to the inherently dangerous activity of mining, including conditions or events beyond our control;
- risks related to governmental regulations;
- risks related to the locations of our primary properties including political, economic, and regulatory instability;
- risks related to our business being subject to environmental laws and regulations which may increase our costs of doing business and restrict our operations;
- uncertainty relating to our ability to attract and maintain qualified management to meet the needs of our anticipated growth and risks relating to our ability to manage our growth effectively;
- risks related to mineral properties in which we have an interest being subject to prior unregistered agreements, transfers, or claims and other defects in title;
- risks related to our history of losses under accounting principles generally accepted in the U.S., which we may continue to incur in the future;
- risks related to increased competition that could adversely affect our ability to attract necessary capital funding or acquire suitable producing properties for mineral exploration in the future; and
- risks related to our officers and directors becoming associated with other natural resource companies which may give rise to conflicts of interests.

This list is not exhaustive of the factors that may affect our forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further in the exhibits attached to this annual report. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

NOTE TO UNITED STATES READERS-
DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Company is permitted, under a multi-jurisdictional disclosure system adopted by the United States, to prepare this annual report in accordance with Canadian disclosure requirements, which are different from those of the United States. The Company prepares its financial statements, which are filed with this report on Form 40-F, in accordance with Canadian generally accepted accounting principles which are reconciled to United States generally accepted accounting principles in Note 13 of the comparative audited consolidated financial statements of the Company.

CURRENCY

Unless otherwise indicated, all dollar amounts in this annual report on Form 40-F are in United States dollars. The exchange rate of Canadian dollars into United States dollars, on March 25, 2008, based upon the noon buying rate in New York City for cable transfers payable in Canadian dollars as certified for customs purposes by the Federal Reserve Bank of New York, was U.S.$1.00 = CDN$1.0176.

RESOURCE AND RESERVE ESTIMATES

The Company's Annual Information Form ("AIF") filed as Exhibit 99.1 to this annual report on Form 40-F has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. The terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum' (the "CIM") - *CIM Definition Standards on Mineral Resources and Mineral Reserves* , adopted by the CIM Council, as amended. These definitions differ from the definitions in the United States Securities and Exchange Commission ("SEC") Industry Guide 7 ("SEC Industry Guide 7") under the United States Se curities Act of 1933, as amended. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Inves tors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this report and the documents incorporated by reference herein containing descriptions of our mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

ANNUAL INFORMATION FORM

The Company's AIF for the fiscal year ended December 31, 2007 is filed as Exhibit 99.1 and incorporated by reference in this annual report on Form 40-F.

AUDITED ANNUAL FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Audited Annual Financial Statements

The audited consolidated financial statements of the Company as at December 31, 2007 and 2006 and for each of the three years in the period ended December 31, 2007, including the report of the Independent Registered Chartered Accountants with respect thereto, are filed as Exhibit 99.3 and incorporated by reference in this annual report on Form 40-F. For a reconciliation of material differences between Canadian and United States generally accepted accounting principles, see Note 13 to the Company's audited consolidated financial statements.

Management's Discussion and Analysis

The Company's management's discussion and analysis ("MD&A") is filed as Exhibit 99.2 and incorporated by reference in this annual report on Form 40-F.

Tax Matters

Purchasing, holding, or disposing of securities of the Registrant may have tax consequences under the laws of the United States and Canada that are not described in this annual report on Form 40-F.

DISCLOSURE CONTROLS AND PROCEDURES

At the end of the period covered by this report, an evaluation was carried out under the supervision of and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the design and operations of the Company's disclosure controls and procedures (as defined in Rule 13a – 15(e) and Rule 15d – 15(e) under the Exchange Act). Based on that evaluation the CEO and the CFO have concluded that as of the end of the period covered by this report, the Company's disclosure controls and procedures were adequately designed and effective in ensuring that: (i) information required to be disclosed by the Company in reports that it files or submits to the Securities and Exchange Commission under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and (ii) material inf ormation required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosure.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation and fair presentation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management conducted an evaluation of the design and operation of the Company's internal control over financial reporting as of December 31, 2007, based on the criteria set forth in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management has concluded that the Company's internal control over financial reporting was effective as of December 31, 2007.

As this report is required for U.S. reporting purposes, the Company is a "foreign private issuer" as defined in Rule 3b-4 of the Exchange Act, and the Company is a "large accelerated filer", the Company is required to provide an auditor's attestation report on internal control over financial reporting. The Company's auditor has issued an attestation report on the Company's Internal Controls over Financial Reporting as of December 31, 2007. The auditor's attestation is included in the financial statements filed as Exhibit 99.3 and is incorporated by reference in this annual report on Form 40-F.

CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

During the period covered by this annual report on Form 40-F, no change occurred in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company's management, including the CEO and CFO, does not expect that its disclosure controls and procedures or internal controls and procedures will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumve nted by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

CORPORATE GOVERNANCE

The Company is listed on the Toronto Stock Exchange ("TSX") and is required to describe its practices and policies with regard to corporate governance with specific reference to the TSX guidelines on an annual basis by way of a corporate governance statement contained in the company's annual report or information circular. The Company is also listed on the New York Stock Exchange ("NYSE") and additionally complies as necessary with the rules and guidelines of NYSE as well as the United States Securities and Exchange Commission ("SEC"). The Company reviews its governance practices on an ongoing basis to ensure it is in compliance. The Company is complying with applicable new and revised rules and regulations, introduced pursuant to the Sarbanes-Oxley Act in the United States, by the SEC and NYSE, as well as changes arising from discussions between the TSX and Ontario Securities Commission, within the timeframes specified as the revisions a nd new requirements come into effect.

The Company's Board of Directors has separately designated standing Compensation and Corporate Governance and Nominating Committees. The Company's Board of Directors has determined that all the members of the Compensation and Corporate Governance and Nominating Committees are independent, based on the criteria for independence and unrelatedness prescribed by the Sarbanes-Oxley Act of 2002, section 10A(m)(3), and the NYSE Listed Company Manual. The Nominating and Corporate Governance Committee is comprised of all independent directors as defined by Sarbanes-Oxley Act of 2002, section 10A(m)(3), and the NYSE Listed Company Manual.

Corporate governance relates to the activities of the Company's board of directors (the "Board"), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Canadian National Instrument 58-201 *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all Canadian public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices, which disclosure is set out below.

The Company's Board of Directors has a separately designated standing Audit Committee established in accordance with section 3(a)(58)(A) of the Exchange Act. The members of the Company's Audit Committee are identified on page 58 of the Annual Information Form, attached herewith as Exhibit 99.1 and incorporated by reference herein. In the opinion of the Company's Board of Directors, all members of the Audit Committee are independent (as determined under Rule 10A-3 of the Exchange Act and the rules of the American Stock Exchange) and are financially literate.

Audit Committee Financial Expert

John Brough is the financial expert, in that he has an understanding of generally accepted accounting principles and financial statements; is able to assess the general application of accounting principles in connection with the accounting for estimates, accruals and reserves; has experience preparing, auditing, analyzing or evaluating financial statements that entail accounting issues of equal complexity to the Company's financial statements (or actively supervising another person who did so); has an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions.

The members of the Audit Committee do not have fixed terms and are appointed and replaced from time to time by resolution of the board of directors.

The Audit Committee meets with the President and Chief Executive Officer and the Chief Financial Officer of the Company and the Company's independent registered chartered accountants to review and inquire into matters affecting financial reporting, the system of internal accounting and financial controls, as well as audit procedures and audit plans. The Audit Committee also recommends to the Board of Directors the auditors to be appointed. In addition, the Committee reviews and recommends to the board of directors for approval the annual financial statements, the Management Discussion and Analysis, and undertakes other activities required by regulatory authorities.

Audit Committee Charter

The Company's Audit Committee Charter is available on the Company's website at www.silverwheaton.com or in print to any shareholder who provides the Company with a written request.

PRINCIPAL ACCOUNTING FEES AND SERVICES-INDEPENDENT REGISTERED CHARTERED ACCOUNTANTS

Deloitte & Touche LLP acted as the Company's independent registered chartered accountants for the fiscal year ended December 31, 2007. See page 59 of the Registrant's Annual Information Form, which is attached hereto as Exhibit 99.1 for the total amount billed to the Company by Deloitte & Touche LLP for services performed in the last two fiscal years by category of service (for audit fees, audit-related fees, tax fees and all other fees) in Canadian dollars.

PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES PROVIDED BY INDEPENDENT REGISTERED CHARTERED ACCOUNTANTS

See page 59 of the Registrant's Annual Information Form incorporated by reference to this document as Exhibit 99.1.

OFF-BALANCE SHEET TRANSACTIONS

The Company does not have any off-balance sheet financing arrangements or relationships with unconsolidated special purpose entities.

CODE OF ETHICS

The Board has adopted a written Code of Conduct by which it and all officers and employees of the Company abide. In addition, the Board, through its meetings with management and other informal discussions with management, encourages a culture of ethical business conduct and believes the Company's high caliber management team promotes a culture of ethical business conduct throughout the Company's operations and is expected to monitor the activities of the Company's employees, consultants and agents in that regard. The Board encourages any concerns regarding ethical conduct in respect of the Company's operations to be raised, on an anonymous basis, with the President and CEO, the Chairman, or another Board member as appropriate.

It is a requirement of applicable corporate law that directors and senior officers who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and, in the case of directors, abstain from discussions and voting in respect to same if the interest is material. These requirements are also contained in the Company's Articles, which are made available to the directors and senior officers of the Company.

All amendments to the code, and all waivers of the code with respect to any of the officers covered by it, will be posted on the Company's website, submitted on Form 6-K and provided in print to any shareholder who requests them. The Company's Code of Conduct and Ethics is located on its website at www.silverwheaton.com.

CONTRACTUAL OBLIGATIONS

The information provided under the heading "Management's Discussion and Analysis — Contractual Obligations " contained in Exhibit 99.2 as filed with this annual report on Form 40-F contains the Company's disclosure of contractual obligations and is incorporated by reference herein.

NOTICES PURSUANT TO REGULATION BTR

There were no notices required by Rule 104 of Regulation BTR that the Registrant sent during the year ended December 31, 2007 concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR.

UNDERTAKING

The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Company filed an Appointment of Agent for Service of Process and Undertaking on Form F-X with respect to the class of securities in relation to which the obligation to file the Form 40-F arises.

EXHIBITS

99.1	Annual Information Form of the Company for the year ended December 31, 2007
99.2	Annual Report for the year ended December 31, 2007 including Management's Discussion & Analysis and Annual Financial Statements
99.3	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13(a)-14(a) or 15(d)-14 of the Securities Exchange Act of 1934
99.4	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.5	Consent of Deloitte & Touche LLP, Independent Registered Chartered Accountants
99.6	Consent of V. Spring
99.7	Consent of R. Rivera
99.8	Consent of L. Malmstrom
99.9	Consent of P. Hedstrom
99.10	Consent of P. Forward
99.11	Consent of R. Bryson
99.12	Consent of J. Tompkins
99.13	Consent of G. Watts
99.14	Consent of R. Didur
99.15	Consent of S. Ristorcelli
99.16	Consent of F. Brown

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

SILVER WHEATON CORP.

By: /s/ Peter Barnes
Name: Peter Barnes
Title: President and Chief Executive Officer

Date: March 28, 2008

Exhibit 99.1



SILVER WHEATON CORP.

ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2007

March 28, 2008

Suite 3150, 666 Burrard Street
Vancouver, B.C. V6C 2X8

SILVER WHEATON CORP.
ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2007

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SCHEDULE “A” – AUDIT COMMITTEE CHARTER

INTRODUCTORY NOTES

Cautionary Note Regarding Forward-Looking Statements

This annual information form contains “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the future price of silver, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, reserve determination and reserve conversion rates. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Silver Wheaton Corp. (“Silver Wheaton”) to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the completion and integration of acquisitions, the absence of control over mining operations from which Silver Wheaton purchases or expects to purchase silver or silver in concentrates and risks related to these mining operations, including risks related to international operations, actual results of current exploration activities, actual results of current reclamation activities, conclusions of economic evaluations, cha nges in project parameters as plans continue to be refined, as well as those factors discussed in the section entitled “Description of the Business – Risk Factors” in this annual information form which is incorporated by reference into Silver Wheaton’s Form 40-F on file with the U.S. Securities and Exchange Commission in Washington, D.C. Although Silver Wheaton has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Silver Wheaton does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accord ance with applicable securities laws.

Currency Presentation and Exchange Rate Information

This annual information form contains references to United States dollars and Canadian dollars. All dollar amounts referenced, unless otherwise indicated, are expressed in United States dollars. Canadian dollars are referred to as “Canadian dollars” or “C$”.

The high, low, average and closing exchange rates for converting Canadian dollars into United States dollars for each of the three years ended December 31, 2007, as quoted by the Bank of Canada, were as follows:

	Year ended December 31		
	2007	**2006**	**2005**
High	C$1.1853	C$1.1726	C$1.2841
Low	0.9170	1.0990	1.1507
Average [(1)]	1.0748	1.1341	1.2118
Closing	0.9881	1.1653	1.1659

(1) Calculated as an average of the daily noon rates for each period.

On March 25, 2008, the closing exchange rate for Canadian dollars in terms of the United States dollar, as quoted by the Bank of Canada, was US$1.00 = C$1.0173.

Silver Prices

The high, low, average and closing afternoon fixing silver prices in United States dollars per troy ounce for each of the three years ended December 31, 2007, as quoted on the London Bullion Market Association, were as follows:

	Year ended December 31		
	2007	**2006**	**2005**
High	$ 15.82	$ 14.94	$ 9.23
Low	11.67	8.83	6.39
Average	13.38	11.55	7.32
Closing	14.76	12.90	8.83

On March 25, 2008, the closing afternoon fixing silver price in United States dollars per troy ounce, as quoted on the London Bullion Market Association, was $17.58.

CORPORATE STRUCTURE

Pursuant to Articles of Continuance dated December 17, 2004, Silver Wheaton Corp. ("Silver Wheaton" or the "Corporation") was continued under the *Business Corporations Act* (Ontario).

The Corporation's head office is located at Suite 3150, Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8 and its registered office is located at Suite 2100, 40 King Street West, Toronto, Ontario, M5H 3C2.

The Corporation's active subsidiaries are Silver Wheaton (Caymans) Ltd. ("Silver Wheaton Caymans") which is wholly-owned and is governed by the laws of the Cayman Islands, and Silver Wheaton Luxembourg S.a.r.l. which is wholly-owned by Silver Wheaton Caymans and is governed by the laws of Luxembourg. As used in this annual information form, except as otherwise required by the context, reference to "Silver Wheaton" or the "Corporation" means Silver Wheaton Corp., Silver Wheaton (Caymans) Ltd. and Silver Wheaton Luxembourg S.a.r.l.

SILVER WHEATON AND ITS PRINCIPAL SUBSIDIARIES



GENERAL DEVELOPMENT OF THE BUSINESS

Luismin Transaction

On October 15, 2004, the Corporation entered into a silver purchase contract (the "Luismin Silver Purchase Contract") with Goldcorp Inc. ("Goldcorp") (formerly Wheaton River Minerals Ltd.), Silver Wheaton Caymans and Goldcorp Trading (Barbados) Limited ("Goldcorp Trading") (formerly Wheaton Trading (Caymans) Ltd.), a wholly-owned subsidiary of Goldcorp, pursuant to which Silver Wheaton Caymans agreed to purchase 100% of the payable silver produced by Luismin, S.A. de C.V. ("Luismin"), a wholly-owned subsidiary of Goldcorp, from its Mexican mining operations which include the Tayoltita, Santa Rita and Central Block mines in the San Dimas district (collectively, the "San Dimas Mine"), the San Martin mine (recently sold by Goldcorp, however, silver is still required to be delivered to the Corporation by Goldcorp in an amount equal to the silver sales from such mine), the Nukay mine and the Los Filos project (the San Dimas Mine, the San Martin mine, the Nukay mine and the Los Filos project collectively referred to herein as the "Luismin Mines") for an upfront payment of C$46 million in cash and 108 million common shares of the Corporation (generally referred to herein as the "Common Shares"), plus a payment equal to the lesser of (a) $3.90 per ounce of delivered silver (subject to an inflationary price adjustment after October 15, 2007; the inflationary price adjustment is equal to one-half of the US Consumer Price Index up to a maximum of 1.65% and a minimum of 0.4% to be compounded annually after October 15, 2007); and (b) the then prevailing market price per ounce of silver (the "Luismin Transaction").

On March 30, 2006, the Corporation and Goldcorp amended the Luismin Silver Purchase Contract, eliminating any capital expenditure contributions previously required to be paid by Silver Wheaton. In consideration for these amendments, the Corporation issued to Goldcorp 18 million Common Shares, representing approximately 9.8% of the then outstanding Common Shares, and a $20 million one year non-interest bearing promissory note, which was paid in full on March 29, 2007.

See “Description of the Business – San Dimas Mine, Mexico” for details regarding the San Dimas Mine.

Zinkgruvan Transaction

On December 8, 2004, Silver Wheaton Caymans entered into a silver purchase contract (the “Zinkgruvan Silver Purchase Contract”) with Lundin Mining Corporation (“Lundin”) and Zinkgruvan Mining AB (“Zinkgruvan”), a wholly-owned subsidiary of Lundin, pursuant to which Silver Wheaton Caymans agreed to purchase 100% of the payable silver produced by Zinkgruvan from its lead-zinc-silver mine in Sweden (the “Zinkgruvan Mine”) over its entire mine life for an upfront cash payment of $50 million in cash, 6 million Common Shares and 30 million Silver Wheaton common share purchase warrants (TSX: SLW.WT), plus a payment equal to the lesser of (a) $3.90 per ounce of delivered silver (subject to an inflationary price adjustment after December 8, 2007; the inflationary adjustment is equal to one-half of the US Consumer Price Index up to a maximum of 1.65% and a minimum of 0.4% to be compounded annually after December 8, 2007); and (b) th e then prevailing market price per ounce of silver.

Yauliyacu Transaction

On March 23, 2006, Silver Wheaton Caymans entered into a silver purchase contract (the “Yauliyacu Silver Purchase Contract”) with Glencore International AG (“Glencore”) and Anani Investments Ltd., a wholly-owned subsidiary of Glencore, pursuant to which Silver Wheaton Caymans agreed to purchase up to 4.75 million ounces of silver produced per year, for a period of 20 years, based on production from Glencore’s Yauliyacu mining operations in Perú (the “Yauliyacu Mine”), for an upfront cash payment of $285 million, plus a payment equal to $3.90 per ounce of silver delivered under the contract (subject to an inflationary price adjustment after March 23, 2009; the inflationary adjustment is equal to one-half of the US Consumer Price Index up to a maximum of 1.65% and a minimum of 1.0% to be compounded annually after March 23, 2009). In the event that silver produced at the Yauliyacu Mine in any year totals less than 4.75 millio n ounces, the amount sold to Silver Wheaton Caymans in subsequent years will be increased to make up for the shortfall, so long as production allows.

During the term of the contract, Silver Wheaton has a right of first refusal on any future sales of silver streams from the Yauliyacu Mine and a right of first offer on future sales of silver streams from any other mine owned by Glencore at the time of the initial transaction. In addition, Silver Wheaton also has an option to extend the 20 year term of the Yauliyacu Silver Purchase Contract in five year increments, on substantially the same terms as the existing contract, subject to an adjustment related to silver price expectations at the time and other factors.

See “Description of the Business – Yauliyacu Mine, Perú” for details regarding the Yauliyacu Mine.

Stratoni Transaction

On April 23, 2007, Silver Wheaton Caymans entered into a silver purchase contract (the “Stratoni Silver Purchase Contract”) with European Goldfields Limited (“European Goldfields”) and Hellas Gold S.A. (“Hellas Gold”), a 95%-owned subsidiary of European Goldfields, pursuant to which the Corporation agreed to purchase 100% of the payable silver produced by Hellas Gold from the lead-zinc-silver Stratoni mine (the “Stratoni Mine”) located in Greece over its entire mine life, for an upfront cash payment of $57.5 million, plus a payment equal to the lesser of (a) $3.90 per ounce of delivered silver (subject to an annual inflationary adjustment of 1% per annum after April 23, 2010); and (b) the then prevailing market price per ounce of silver. During the term of the contract, Silver Wheaton has a right of first refusal on any future sales of silver streams from any other mine owned by Hellas Gold or European Goldfields.

Peñasquito Transaction

On July 24, 2007, Silver Wheaton Caymans entered into a silver purchase contract (the "Peñasquito Silver Purchase Contract") with Goldcorp and Minera Peñasquito, S.A. de C.V. ("Minera Peñasquito"), a wholly-owned subsidiary of Goldcorp, pursuant to which Silver Wheaton Caymans agreed to purchase 25% of the payable silver produced by Minera Peñasquito from the Peñasquito gold project located in Mexico (the "Peñasquito Project") over its entire mine life, for an upfront cash payment of $485 million, plus a payment equal to the lesser of (a) $3.90 per ounce of delivered silver (subject to an annual inflationary adjustment equal to 50% of the percentage increase in the United States consumer price index, subject to a maximum adjustment of 1.65% and a minimum adjustment of 0.4% per annum three years after commercial production commences and every December 31st thereafter); and (b) the then prevail ing market price per ounce of silver. Goldcorp has provided a completion guarantee to Silver Wheaton that the Peñasquito Project will be constructed with certain minimum production criteria by certain dates.

See "Description of the Business – Peñasquito Project, Mexico" for details regarding the Peñasquito Project.

Rosemont Transaction

On December 20, 2007, the Corporation entered into a binding letter agreement to purchase between 45% and 90% of the life of mine silver production from the copper-molybdenum-silver Rosemont project (the "Rosemont Project") located in Pima County, Arizona and owned by Augusta Resource Corporation ("Augusta"). Subject to the finalization of the structure of the transaction, including tax considerations, the Corporation or Silver Wheaton Caymans will pay an upfront cash payment ranging in value from $135 million to $165 million to acquire 45% of the payable silver, to $240 million to $320 million to acquire 90% of the payable silver, produced for the life of mine. The upfront payment will be made on a drawdown basis to fund construction of the mine as construction milestones are achieved. Silver Wheaton will not be required to pay any further ongoing per ounce payments for silver delivered from Rosemont and is not required to fund or contribute to ongoing capital expenditures, including expansion scenarios. Augusta will provide a completion guarantee that the Rosemont Project will be constructed with certain minimum production criteria by certain dates.

The transaction is subject to (a) Augusta receiving all necessary permits to construct and operate a mine in accordance with their August 2007 Rosemont Feasibility Study, (b) Augusta having entered into committed arrangements for sufficient financing to construct and operate the mine, (c) execution by the parties of definitive agreements on or before June 30, 2008, and (d) receipt of any required regulatory approvals and third-party consents. The tax structuring and decision on the percentage of silver to be sold is expected to be finalized by March 31, 2008 and the transaction is expected to close in the second quarter of 2008.

Mineral Park Transaction

On March 17, 2008, Silver Wheaton Caymans entered into a silver purchase contract (the "Mineral Park Silver Purchase Contract") with Mercator Minerals Ltd. ("Mercator") and Mercator Minerals (Barbados) Ltd., a wholly-owned subsidiary of Mercator, pursuant to which Silver Wheaton Caymans agreed to pay, subject to the completion of certain conditions, an upfront cash payment of $42 million in order to acquire 100% of the payable silver produced by the Mineral Park mine in Arizona (the "Mineral Park Mine"), over its entire mine-life, for the lesser of $3.90 (subject to a 1% annual adjustment beginning three years after a minimum production rate has been met) and the prevailing market price per ounce of delivered silver. Mercator has guaranteed that the Mineral Park Mine will attain a minimum production level by a certain date.

The Mineral Park Mine currently produces copper from SX/EW leach operations, but construction is underway on a flotation operation that will produce copper-silver and molybdenum concentrates. Mercator expects that concentrate production will commence before July 2008 from a 25,000 tons per day operation, with production increasing to 50,000 tons per day approximately nine months later. All permits for the expansion are fully in place and the expected mine life is 25 years. Payable silver production is expected to average approximately 600,000 ounces per annum over the first 21 years of operations and the ore body is considered to have excellent exploration potential.

Strategic Investments

Bear Creek Mining Corporation

On August 11, 2005, the Corporation acquired 4,821,905 common shares of Bear Creek Mining Corporation (TSXV: BCM) ("Bear Creek") on the open market for total consideration of $12.2 million (C$14.6 million). On August 30, 2005, the Corporation acquired 540,000 units of Bear Creek, by way of private placement, for total consideration of $1.5 million (C$1.8 million), each unit being comprised of one common share of Bear Creek and one-half of one common share purchase warrant of Bear Creek. Each whole warrant entitled the Corporation to purchase one common share of Bear Creek at a price of C$4.25 until August 30, 2007, such warrants being fully exercised by the Corporation on January 11, 2007. On September 6, 2006, the Corporation acquired an additional 2,314,600 common shares of Bear Creek on the open market for total consideration of $18.5 million (C$20.6 million). On August 1, 2007, the Corporation acquired 200,000 units of Bear Creek, by way of private placement, for total consideration of $1.6 million (C$1.7 million), each unit being comprised of one common share of Bear Creek and one-half of one common share purchase warrant of Bear Creek. Each whole warrant entitles the Corporation to purchase one common share of Bear Creek at a price of C$10.50 until August 1, 2009. The Corporation currently owns approximately 18% of the outstanding common shares of Bear Creek on an undiluted basis and approximately 18.2% after giving effect to the exercise of the warrants held by the Corporation. Bear Creek's material projects consist of the Corani and Santa Ana silver deposits in Perú.

Revett Minerals Inc.

On November 24, 2006, the Corporation acquired 9,600,000 units of Revett Minerals Inc. (TSX: RVM) ("Revett"), by way of private placement, for total consideration of $9.5 million (C$10.9 million), each unit being comprised of one common share of Revett and one-quarter of one common share purchase warrant of Revett. Each whole warrant entitles the Corporation to purchase one common share of Revett at a price of C$1.36 until May 24, 2009, provided that if the closing price of the common shares of Revett is above C$2.00 for 15 consecutive trading days Revett may accelerate the expiry of the warrants. As part of this investment, the Corporation has been granted the right, under certain conditions, to maintain its pro rata interest in Revett in the event that Revett issues additional equity securities. The Corporation currently owns approximately 16.7% of the outstanding common shares of Revett on an undiluted basis and approximately 19.3% after giving effe ct to the exercise of the warrants held by the Corporation. Revett, through its subsidiaries, owns 67% of both the Rock Creek project and the Troy mine located in northwest Montana, United States.

Sabina Silver Corporation

On December 21, 2006, the Corporation acquired 7,800,000 units of Sabina Silver Corporation (TSXV: SBB) ("Sabina"), by way of private placement, for total consideration of $11.2 million (C$12.9 million), each unit being comprised of one common share of Sabina and one-half of one common share purchase warrant of Sabina. Each whole warrant entitles the Corporation to purchase one common share of Sabina at a price of C$2.75 until December 21, 2010. Furthermore, if the closing price of the common shares of Sabina is above C$5.00 for 15 consecutive trading days, Sabina may accelerate the expiry of the warrants. As part of this investment, the Corporation has been granted the right to maintain its pro rata interest in Sabina in the event that Sabina issues additional equity securities. In addition, the Corporation has a right of first refusal on any future sales of silver streams by Sabina from its existing projects. The Corporation currently owns approximat ely 11.7% of the outstanding common shares of Sabina on an undiluted basis and approximately 16.6% after giving effect to the exercise of the warrants held by the Corporation. Sabina owns 100% of the zinc-silver Hackett River project located in northwest Nunavut, Canada.

Mines Management, Inc.

On November 5, 2007, the Corporation acquired 2,500,000 common shares of Mines Management, Inc. (AMEX: MGN, TSX: MGT) ("Mines Management"), by way of private placement, for total consideration of $10 million. As part of this investment, the Corporation has been granted a right of first refusal over any silver stream sales by Mines Management from any of its projects in Montana. The Corporation currently owns approximately 11.2% of the outstanding common shares of Mines Management. Mines Management owns 100% of the Montanore project located in northwestern Montana.

DESCRIPTION OF THE BUSINESS

Silver Wheaton is a mining company with 100% of its operating revenue from the sale of silver. The Corporation is actively pursuing further growth opportunities, primarily by way of entering into long-term silver purchase contracts. There is no assurance that any such investigations or negotiations will result in the acquisition of additional silver production.

Principal Product

The Corporation's principal product is silver that it has agreed to purchase pursuant to the Luismin Silver Purchase Contract, the Zinkgruvan Silver Purchase Contract, the Yauliyacu Silver Purchase Contract, the Stratoni Silver Purchase Contract, the Peñasquito Silver Purchase Contract and the Mineral Park Silver Purchase Contract. The Corporation expects to enter into a silver purchase contract in respect of the Rosemont Project by mid-2008. There is a worldwide silver market into which the Corporation can sell the silver purchased under the silver purchase contracts and, as a result, the Corporation will not be dependent on a particular purchaser with regard to the sale of the silver that it acquires from the Luismin, Yauliyacu and, in the future, the Peñasquito and Rosemont projects and the Mineral Park Mine. The silver in concentrate from the Zinkgruvan Mine and the Stratoni Mine is purchased from Silver Wheaton by various smelters and offtake rs at the worldwide market price for silver.

Competitive Conditions

Silver Wheaton is the largest public mining company with 100% of its operating revenue from the sale of silver. The ability of the Corporation to acquire additional silver in the future will depend on its ability to select suitable properties and enter into similar silver purchase contracts.

Operations

Raw Materials

The Corporation purchases silver from the Luismin Mines in Mexico, the Zinkgruvan Mine in Sweden and the Peñasquito Project in Mexico for the lesser of $3.90 per ounce of delivered silver (subject to an annual inflationary adjustment equal to 50% of the percentage increase in the United States consumer price index, subject to a maximum adjustment of 1.65% and a minimum adjustment of 0.4% per annum after October 15, 2007 with respect to the Luismin Mines, after December 8, 2007 with respect to the Zinkgruvan Mine and three years after commercial production commences and every December 31st thereafter with respect to the Peñasquito Project) and the then prevailing market price per ounce of silver. The Corporation also purchases silver from the Stratoni Mine in Greece and will purchase silver from the Mineral Park Mine in Arizona, in each case for the lesser of $3.90 per ounce of delivered silver (subject to an annual inflationary adjustment of 1% per annum after April 23, 2010 with respect to the Stratoni Mine and three years after a minimum target rate of 35,000 tons of ore per day has been achieved for a 30-day consecutive period in the case of the Mineral Park Mine) and the then prevailing market price per ounce of silver. The Corporation also purchases silver from the Yauliyacu Mine in Perú for $3.90 per ounce of silver (subject to an annual inflationary adjustment equal to 50% of the percentage increase in the United States consumer price index, subject to a maximum adjustment of 1.65% and a minimum adjustment of 1% per annum after March 23, 2009).

Employees

Currently, the Corporation has 18 employees. Certain administrative services are provided to the Corporation pursuant to an administration services agreement (the "Services Agreement") entered into with Goldcorp on October 15, 2004 pursuant to which the Corporation has agreed to reimburse Goldcorp for such services. Under the Services Agreement, the Corporation pays a monthly fee to Goldcorp based on actual costs incurred by Goldcorp on behalf of Silver Wheaton, including employee compensation costs and other miscellaneous expenses. Silver Wheaton is in the process of becoming fully self reliant and the Services Agreement is scheduled to expire on September 30, 2008.

Foreign Interests

The Corporation currently purchases or expects to be purchasing all of the payable silver from Goldcorp's Luismin Mines in Mexico, Hellas Gold's Stratoni Mine in Greece and Mercator's Mineral Park Mine in the United States, all of the payable silver contained in lead concentrate from Lundin's Zinkgruvan Mine, 25% of all of the payable silver from Goldcorp's Peñasquito Project in Mexico, up to 4.75 million ounces of silver per year based on production from Glencore's Yauliyacu Mine in Perú and between 45% and 90% of all of the payable silver produced from Augusta's Rosemont Project in the United States. Any changes in regulations or shifts in political attitudes in such foreign countries are beyond the control of the Corporation and may adversely affect its business. The Corporation may be affected in varying degrees by such factors as government regulations (or changes thereto) with respect to the restrictions on prod uction, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, land claims of local people and mine safety. The effect of these factors cannot be accurately predicted. See "Description of the Business — Risk Factors — Risks relating to the Mining Interests — Foreign Interests".

Risk Factors

The operations of the Corporation are speculative due to the nature of its business which is the purchase of silver production from producing mining companies. These risk factors could materially affect the Corporation's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Corporation.

Risks Relating to the Corporation

Subject to Same Risk Factors as the Luismin, Zinkgruvan, Yauliyacu, Stratoni and Mineral Park Mines and the Peñasquito and Rosemont Projects

To the extent that they relate to the production of silver from, or the continued operation of, the Luismin Mines, the Zinkgruvan Mine, the Yauliyacu Mine, the Stratoni Mine, the Mineral Park Mine, the Peñasquito Project or the Rosemont Project (collectively, the "Mining Operations"), the Corporation will be subject to the risk factors applicable to the operators of such mines or projects, as set forth below under "Risks relating to the Mining Operations".

Commodity Prices

The price of the Common Shares and the Corporation's financial results may be significantly adversely affected by a decline in the price of silver. The price of silver fluctuates widely, especially in recent years, and is affected by numerous factors beyond the Corporation's control such as the sale or purchase of silver by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major silver-producing countries throughout the world.

In the event that the prevailing market price of silver is $3.90 per ounce or less (subject to certain inflationary price adjustments), the price at which the Corporation can purchase silver from the Luismin Mines, the Zinkgruvan Mine, the Stratoni Mine, the Mineral Park Mine and the Peñasquito and Rosemont projects will be the then prevailing market price per ounce of silver while the price at which the Corporation can purchase silver from the Yauliyacu Mine will be $3.90 and the Corporation will not generate positive cash flow or earnings.

No Control Over Mining Operations

The Corporation has agreed to purchase 100% of all of the payable silver produced by the Luismin Mines, the Stratoni Mine and the Mineral Park Mine, 100% of all of the payable silver contained in lead concentrate produced by the Zinkgruvan Mine, up to 4.75 million ounces of silver produced per year based on production fromthe Yauliyacu Mine, and 25% of all payable silver produced from the Peñasquito Project. The Corporation has also entered into a binding letter agreement to purchase between 45% and 90% of all payable silver produced from the Rosemont Project. Other than the security interests which have been granted in the case of the San Dimas Mine, the Zinkgruvan Mine, the Peñasquito Project, the Stratoni Mine and the Mineral Park Mine, and the guarantees of Glencore in the case of the Yauliyacu Mine and Mercator in the case of the Mineral Park Mine, the Corporation has no contractual rights relating to the operations of such mines. The Corporation will not be entitled to any material compensation if the mining operations do not meet their forecasted silver production targets in any specified period or if the mining operations shut down or discontinue their operations on a temporary or permanent basis. In the case of the Peñasquito Project, the Rosemont Project or the Mineral Park Mine, they may not commence commercial production within the time frames anticipated, if at all, and there can be no assurance that the silver production from the Peñasquito Project, the Rosemont Project or the Mineral Park Mine will ultimately meet forecasts or targets. At any time, any of the operators of the Mining Operations or their successors may decide to suspend or discontinue operations.

Silver Sales from the Luismin Mines Account for a Substantial Portion of the Corporation's Net Earnings

The silver sales from the Luismin Mines currently account for a substantial portion of the Corporation's net earnings. As a result, any significant disruptions at the Luismin Mines could have a material adverse effect on the Corporation's net earnings. The Corporation's reliance on the Luismin Mines is expected to be significantly decreased when the Peñasquito Project ramps up and if and when other silver stream opportunities such as Augusta's Rosemont Project and Mercator's Mineral Park Mine come on stream.

Risk of Non-Completion of Silver Purchase Agreements with Augusta and Mercator

The silver purchase transaction with Augusta is subject to (a) Augusta receiving all necessary permits to construct and operate a mine in accordance with their August 2007 Rosemont Feasibility Study, (b) Augusta having entered into committed arrangements for sufficient financing to construct and operate the mine, (c) execution by the parties of definitive agreements on or before June 30, 2008, and (d) the receipt of any required regulatory approvals and third-party consents. The silver purchase transaction with Mercator is subject to the completion of certain related agreements and the registration of certain charges, as well as receipt of the approval of 66.67% of the holders of Mercator's 11.5% notes repayable February 16, 2012. There can be no assurance that the Corporation will finalize a silver purchase agreement with Augusta on the terms set out in the binding letter agreement or at all, or a silver purchase agreement with Mercator on the terms set ou t in the Mineral Park Silver Purchase Contract or at all.

Operating Model Risk

The Corporation is not directly involved in the ownership or operation of mines. The silver purchase agreements that the Corporation has entered into are subject to most of the significant risks and rewards of a mining company, with the primary exception that, under such agreements the Corporation acquires silver production at a fixed cost. As a result of the Corporation's operating model, the cash flow of the Corporation is dependent upon the activities of third parties which creates the risk that at any time those third parties may (a) have business interests or targets that are inconsistent with those of the Corporation, (b) take action contrary to the Corporation's policies or objectives, (c) be unable or unwilling to fulfill their obligations under their agreements with the Corporation, or (d) experience financial, operational or other difficulties, including insolvency, which could limit a third party's ability to perform its obligations und er the third party arrangements. In addition, the termination of one or more of the Corporation's silver purchase agreements with such third parties could have a material adverse effect on the results of operations or financial condition of the Corporation.

Silver Produced as a By-Product

Silver is produced as a by-product metal at all operations with which the Corporation has silver purchase contracts, therefore, the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the mines.

Acquisition Strategy

As part of the Corporation's business strategy, it has sought and will continue to seek new exploration, mining and development opportunities in the resource industry. In pursuit of such opportunities, the Corporation may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into the Corporation. The Corporation cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit the Corporation.

Market Price of the Common Shares and the Common Share Purchase Warrants

The Common Shares are listed and posted for trading on the TSX and on the NYSE and the Corporation's three series of common share purchase warrants are listed and posted for trading on the TSX. The Corporation's business is in an early stage of development and an investment in the Corporation's securities is highly speculative. Securities of companies involved in the resource industry have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. The price of the Common Shares and the Corporation's common share purchase warrants are also likely to be significantly affected by short-term changes in silver prices or in the Corporation's financial condition or results of operations as reflected in its quarterly earnings reports.

Income Taxes

As the Corporation's profit is derived from its subsidiary, Silver Wheaton Caymans, which is incorporated and operated in the Cayman Islands, the Corporation's profits bear no income tax. The Corporation views the subsidiary's profits as part of its permanent investment in the subsidiary, and it has determined that those profits will be reinvested in foreign jurisdictions for the foreseeable future, therefore, no current income taxes have been recorded.

Changes to taxation laws in either Canada or the Cayman Islands could result in some or all of the Corporation's profits being subject to income tax. No assurance can be given that new taxation rules will not be enacted or that existing rules will not be applied in a manner which could result in the Corporation's profits being subject to income tax.

Dividend Policy

No dividends on the Common Shares have been paid by the Corporation to date. The Corporation anticipates that it will retain all earnings and other cash resources for the foreseeable future for the operation and development of its business. The Corporation does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Corporation's board of directors after taking into account many factors, including the Corporation's operating results, financial condition and current and anticipated cash needs.

Conflicts of Interest

Certain of the directors and officers of the Corporation also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Corporation and its shareholders. In addition, each of the directors is required to declare and refrain from attending the portion of the meeting dedicated to discussing any matter in which such directors may have a conflict of interest or voting on such matter in accordance with the procedures set forth in the *Business Corporations Act* (Ontario) and other applicable laws.

Risks relating to the Mining Operations

Exploration, Development and Operating Risks

Mining operations generally involve a high degree of risk. The Mining Operations are subject to all the hazards and risks normally encountered in the exploration, development and production of silver, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding, environmental hazards and the discharge of toxic chemicals, explosions and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to property, injury or loss of life, environmental damage, work stoppages, delays in production, increased production costs and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the owners or operators of the Mining Operations will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; government regulations, including regulat ions relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; and political stability. The exact effect of these factors cannot be accurately predicted.

Environmental Risks and Hazards

All phases of the Mining Operations are subject to environmental regulation in the jurisdictions in which they operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Mining Operations. Environmental hazards may exist on the properties on which the owners or operators of the Mining Operations hold interests which are unknown to such owners or operators at present and which have been caused by previous or existing owners or operators of the properties.

Government approvals and permits are currently, and may in the future be, required in connection with the Mining Operations. To the extent such approvals are required and not obtained, the Mining Operations may be curtailed or prohibited from continuing operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Mining Operations and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Governmental Regulation

The Mining Operations and exploration activities are subject to extensive foreign laws and regulations governing exploration, development, production, exports, taxes, labour standards, waste disposal, protection and remediation of the environment, reclamation, historic and cultural resources preservation, mine safety and occupation health, handling, storage and transportation of hazardous substances and other matters. The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing the Luismin Mines, the Zinkgruvan Mine, the Yauliyacu Mine, the Stratoni Mine, the Mineral Park Mine, the Peñasquito Project and the Rosemont Project and other facilities in compliance with such laws and regulations are significant. It is possible that the costs and delays associated with compliance with such laws and regulations could become such that the owners or operators of the Mining Operations would not proceed with the development of or continue to operate a mine. As part of their normal course operating and development activities, such owners or operators have expended significant resources, both financial and managerial, to comply with governmental and environmental regulations and permitting requirements, and will continue to do so in the future. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder, and claims for damages to property and persons resulting from the Mining Operations could result in substantial costs and liabilities in the future.

Environmental Regulation

All phases of mining and exploration operations are subject to governmental regulation including environmental regulation. Environmental legislation is becoming more strict, with increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and heightened responsibility for companies and their officers, directors and employees. There can be no assurance that possible future changes in environmental regulation will not adversely affect the Mining Operations. As well, environmental hazards may exist on a property in which the owners or operators of the Mining Operations hold an interest which were caused by previous or existing owners or operators of the properties and of which such owners or operators are not aware at present and which could impair the commercial success, levels of production and continued feasibility and project development and mining operations on these properties.

Luismin Tailings Management Risks

Certain environmental issues have arisen in respect of the tailings facilities at various mining operations of the operator, Luismin, of the Luismin Mines in Mexico. Luismin will be required to make further expenditures to maintain compliance with applicable environmental regulations. To the extent that Luismin's tailings containment sites do not adequately contain tailings and result in pollution to the environment, Luismin may incur environmental liability for mining activities conducted both prior to and during its ownership of the Luismin operations. Should Luismin be unable to fund fully the cost of remedying an environmental problem, Luismin may be required to suspend operations or enter into interim compliance measures pending completion of required remediation, which could have a material adverse effect on Luismin.

Permitting

The Mining Operations are subject to receiving and maintaining permits from appropriate governmental authorities. Although the Corporation believes that, other than as discussed elsewhere in this annual information form, the owners and operators of the Mining Operations currently have all required permits for their respective operations as currently conducted, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations, additional permits for any possible future changes to operations or additional permits associated with new legislation. Prior to any development on any of these properties, permits from appropriate governmental authorities may be required. There can be no assurance that the owners or operators of the Mining Operations will continue to hold all permits necessary to develop or continue operating at any particular property.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or becurtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on the owners or operators of the Mining Operations, resulting in increased capital expenditures or production costs, reduced levels of production at producing properties or abandonment or delays in development of pr operties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Mining Operations.

Mineral Reserve and Mineral Resource Estimates

The reported Mineral Reserves and Mineral Resources for the Mining Operations are only estimates. No assurance can be given that the estimated Mineral Reserves and Mineral Resources will be recovered or that they will be recovered at the rates estimated. Mineral Reserve and Mineral Resource estimates are based on limited sampling, and, consequently, are uncertain because the samples may not be representative. Mineral Reserve and Mineral Resource estimates may require revision (either up or down) based on actual production experience. Market fluctuations in the price of metals, as well as increased production costs or reduced recovery rates, may render certain Mineral Reserves and Mineral Resources uneconomic and may ultimately result in a restatement of estimated reserves and/or resources.

Need for Additional Mineral Reserves

Because mines have limited lives based on Proven and Probable Mineral Reserves, the Mining Operations must continually replace and expand their Mineral Reserves as their mines produce metals. The life-of-mine estimates for the Mining Operations may not be correct. The ability of the owners or operators of the Mining Operations to maintain or increase their annual production of silver will be dependent in significant part on their ability to bring new mines into production and to expand Mineral Reserves at existing mines.

The San Dimas Mine has an estimated mine life of six years based on Proven and Probable Mineral Reserves. Historically, Luismin has sustained operations through the conversion of a high percentage of Inferred Mineral Resources to Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Due to the uncertainty of Inferred Mineral Resources, there is no assurance that Inferred Mineral Resources will be upgraded to Proven and Probable Mineral Reserves as a result of continued exploration.

Land Title

Although the title to the properties owned by Luismin was reviewed by or on behalf of Luismin, no formal title opinions were delivered to Luismin and, consequently, no assurances can be given that there are no title defects affecting such properties. Luismin's properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, Luismin may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Although the owners of the Zinkgruvan Mine have investigated the right to explore and exploit its properties and obtained records from government offices with respect to all of the mineral claims comprising its properties, this should not be construed as a guarantee of title. Other parties may dispute the title to a property or the property may be subject to prior unregistered agreements and transfers or land claims by aboriginal, native, or indigenous peoples. The title may be affected by undetected encumbrances or defects or governmental actions. The owners of the Zinkgruvan Mine have not conducted surveys of all of its properties and the precise area and location of claims or the properties may be challenged.

No assurances can be given that there are no title defects affecting the Yauliyacu Mine, the Stratoni Mine, the Mineral Park Mine, the Peñasquito Project or the Rosemont Project. The Yauliyacu Mine, the Stratoni Mine, the Mineral Park Mine, the Peñasquito Project and the Rosemont Project may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the operators of such operations may be unable to operate them as permitted or to enforce their rights with respect to their properties which may ultimately impair the ability of these operators to fulfill their obligations under the silver purchase agreements with the Corporation.

Commodity Price Fluctuations

The price of metals has fluctuated widely in recent years, and future serious price declines could cause continued development of and commercial production from the Mining Operations to be impracticable. Depending on the price of other metals produced from the mines which generate cash flow to the owners, gold in the case of the Luismin Mines, lead-zinc in the case of the Zinkgruvan Mine, the Yauliyacu Mine and the Stratoni Mine, zinc-gold-lead in the case of the Peñasquito Project and copper-molybdenum in the case of both the Rosemont Project and the Mineral Park Mine, cash flow from mining operations may not be sufficient and such owners could be forced to discontinue production and may lose their interest in, or may be forced to sell, some of their properties. Future production from the Luismin Mines, the Zinkgruvan Mine, the Yauliyacu Mine, the Stratoni Mine, the Mineral Park Mine, the Peñasquito Project and the Rosemont Project is dependent on met al prices that are adequate to make these properties economic.

In addition to adversely affecting the reserve estimates and financial conditions, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Additional Capital

The mining, processing, development and exploration of the Mining Operations may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Mining Operations and related properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on satisfactory terms.

Foreign Interests

The operations at the Luismin Mines and the Peñasquito Project are conducted in Mexico, the operations at the Zinkgruvan Mine are conducted in Sweden, the operations at the Yauliyacu Mine are conducted in Perú, the operations of the Stratoni Mine are conducted in Greece and the operations at the Rosemont Project will be, and the Mineral Park Mine are, conducted in the United States, and as such the operations are all exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism, hostage taking, military repression, expropriation, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, the risks of war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchang e and repatriation, and changing political conditions, currency controls and governmental regulations that favour or require the rewarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

The Yauliyacu Mine is located in central Perú and, accordingly, is subject to risks normally associated with the operation of mineral properties in Perú. Perú is a developing country that has experienced political, social and economic unrest in the past and protestors have from time to time targeted foreign mining firms. The mining operations at the Yauliyacu Mine could be affected in varying degrees by political instability and changes in government regulation relating to foreign investment and the mining business, including expropriation. Operations may also be affected in varying degrees by possible terrorism, military conflict, crime, fluctuations in currency rates and high inflation.

Changes, if any, in mining or investment policies or shifts in political attitude in Mexico, Sweden, Perú, Greece or the United States may adversely affect the operations or profitability of the Mining Operations in these countries. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Mining Operations.

Peñasquito Construction and Development Risk

The Peñasquito Project is currently at the construction stage of its development. Construction and development of the project is subject to numerous risks, including, but not limited to, delays in obtaining equipment, material and services essential to completing construction of the project in a timely manner; changes in environmental or other government regulations; currency exchange rates; labour shortages; and fluctuation in metal prices. There can be no assurance that Minera Peñasquito or its successors will have the financial, technical and operational resources to complete the construction and development of the Peñasquito Project in accordance with current expectations or at all.

Rosemont Construction and Development Risk

The Rosemont Project is currently a development stage project and Silver Wheaton is not required to advance any money to Augusta until (a) Augusta has received all necessary permits to construct and operate a mine in accordance with their August 2007 Rosemont Feasibility Study, (b) Augusta has entered into committed arrangements for sufficient financing to construct and operate the mine, and (c) the execution by the parties of definitive agreements on or before June 30, 2008. Construction and development of the project is subject to numerous risks, including, but not limited to, obtaining the necessary approvals and permits; delays in obtaining equipment, material and services essential to completing construction of the project in a timely manner; changes in environmental or other government regulations; currency exchange rates; labour shortages; and fluctuation in metal prices. The construction and development of the Rosemont Project requires significant capita l, technical and managerial resources which Augusta may not be successful in obtaining and which could result in delay or indefinite postponement of further exploration and development of the Rosemont Project. The Rosemont Project may not commence commercial production within the time frames anticipated, if at all, and there can be no assurance that the silver production from the Rosemont Project will ultimately meet forecasts or targets. While the definitive agreement with Augusta relating to the Rosemont Project is expected to include a completion guarantee with minimum production criteria, Augusta or its successors may decide at any point in time to discontinue development of the Rosemont Project temporarily or on a permanent basis. Local environmental and political opposition may impede the development of the Rosemont Project. On January 16, 2007, the Pima County Board of Supervisors voted to oppose the project. However, the right to mine and extract the Mineral Resources is subject to obtaining permits and approvals from federal and state agencies.

Mineral Park Construction and Development Risk

The Mineral Park Mine currently produces copper from SX/EW leach operations, but construction is underway on a flotation operation that will produce copper-silver and molybdenum concentrates. Mercator expects that concentrate production will commence before July 2008 from a 25,000 tons per day operation, with production increasing to 50,000 tons per day approximately nine months later. However, such expansion could be delayed or indefinitely postponed. In addition, the expansion planned for the Mineral Park Mine may not commence within the time frame anticipated, if at all, and there can be no assurance that the silver production from the Mineral Park Mine will ultimately meet forecasts or targets. While the Mineral Park Silver Purchase Contract includes a completion guarantee with minimum production criteria, Mercator or its successors may decide at any point in time to discontinue development of the Mineral Park Mine temporarily or on a permanent basis. Local environmental and political opposition may impede the development of the Mineral Park Mine.

CIM Standards Definitions

The estimated Mineral Reserves and Mineral Resources for the San Dimas Mine, the Los Filos Project, the Peñasquito Project, the Stratoni Mine, the Mineral Park Mine and the Rosemont Project have been calculated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") — Definitions Adopted by CIM Council on December 11, 2005 (the "CIM Standards"). The estimated Mineral Reserves and Mineral Resources for the Zinkgruvan Mine have been calculated in accordance with the current (1999) version of the Australasian Code for Reporting of Mineral Resources and Ore Reserves (the "JORC Code"), the Australian worldwide standards, and were restated by Zinkgruvan staff in accordance with the requirements of the Canadian Securities Administrators' National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") to comply with the CIM Standards. The estimated Mineral R eserves and Mineral Resources for the Yauliyacu Mine have been calculated in accordance with the JORC Code and were audited by Watts, Griffis and McOuat Limited ("WGM") in accordance with the requirements of NI 43-101 and restated to comply with the CIM Standards. The following definitions are reproduced from the CIM Standards:

The term "***Mineral Resource***" is a concentration or occurrence of diamonds, natural, solid, inorganic or fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

The term "***Inferred Mineral Resource***" is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

The term "***Indicated Mineral Resource***" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

The term "***Measured Mineral Resource***" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

The term "***Mineral Reserve***" is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

The term "***Probable Mineral Reserve***" is the economically mineable part of an Indicated Mineral Resource and, in some circumstances, a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

The term "***Proven Mineral Reserve***" is the economically mineable part of a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Mineral Resources

This section and elsewhere in this annual information form use the terms "Measured", "Indicated" and "Inferred" Mineral Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. **United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or an y part of an Inferred Mineral Resource exists, or is economically or legally mineable.**

Summary of Mineral Reserves and Mineral Resources

Mineral Reserves

The following table sets forth the estimated Mineral Reserves (silver only) for the San Dimas Mine as of December 31, 2007:

Proven and Probable Mineral Reserves[(1)(2)(3)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	1.60	387.1	19.9
Probable	3.08	378.2	37.4
Proven + Probable	4.68	381.2	57.3

(1) The Mineral Reserves for the San Dimas Mine set out in the table above have been audited by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards. See "Description of the Business — San Dimas Mine, Mexico — Mineral Reserve and Mineral Resource Estimates" for further details.

(2) Numbers may not add up due to rounding.

(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Reserves (silver only) for the Yauliyacu Mine as of December 31, 2007:

Proven and Probable Mineral Reserves[(1)(2)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	1.41	89.0	4.0
Probable	2.30	135.7	10.0
Proven + Probable	3.72	117.9	14.1

(1) The Mineral Reserves for the Yauliyacu Mine set out in the table above have been audited by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards. See "Description of the Business — Yauliyacu Mine, Perú — Mineral Reserve and Mineral Resource Estimates" for further details.

(2) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Reserves (silver only) for 25% of the Peñasquito Project as of December 31, 2007:

Proven and Probable Mineral Reserves[(1)(2)(3)(4)(5)(6)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	117.25	32.8	123.8
Probable	112.14	25.6	92.2
Proven + Probable	229.39	29.3	216.0

(1) The Mineral Reserves for the Peñasquito Project set out in the table above represent the 25% attributable to the Corporation and have been prepared under the supervision of Robert H. Bryson, Vice President Engineering of Goldcorp Inc., who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards. See "Description of the Business – Peñasquito Project, Mexico – Mineral Reserve and Mineral Resource Estimates" for further details.

(2) The Mineral Reserves have been calculated using assumed metals prices as follows: Gold - $525 per ounce; Silver - $10.00 per ounce; Zinc - $0.80 per pound and Lead - $0.40 per pound.

(3) The Proven and Probable Reserves have been calculated using NSR (Net Smelter Return) cut-off grades and assuming the Mineral Reserves metals prices set forth above. These cut-off grades are: $4.55 NSR for Peñasco-Azul sulphide feed and $5.18 NSR for Chile Colorado sulphide feed. A run-of-mine, heap leach process for gold and silver has been defined for the oxide materials at an NSR cut-off of $1.18 for Peñasco-Azul and at $1.30 for Chile Colorado.

(4) Proven and Probable Mineral Reserves are a subset of Measured and Indicated Mineral Resources.

(5) Numbers may not add up due to rounding.

(6) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Reserves (silver only) for the Los Filos Project as of December 31, 2007:

Proven and Probable Mineral Reserves[(1)(2)(3)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	33.71	3.4	3.7
Probable	55.31	2.9	5.2
Proven + Probable	89.02	3.1	8.8

(1) The Mineral Reserves for the Los Filos Project set out in the table above have been estimated by Reynaldo Rivera, MAusIMM at Luismin, who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.

(2) Numbers may not add up due to rounding.

(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The Los Filos Project is not considered to be a material property to the Corporation.

The following table sets forth the estimated Mineral Reserves (silver only) for the Zinkgruvan Mine as of December 31, 2007:

Proven and Probable Mineral Reserves [(1)(2)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	8.31	114.0	30.4
Probable	2.25	62.0	4.5
Proven + Probable	10.56	102.9	34.9

(1) The Mineral Reserves for the Zinkgruvan Mine set out in the table above have been estimated by Lars Malmström, Chief Geologist at Zinkgruvan, and Per Hedström, Senior Geologist at Zinkgruvan, who are qualified persons under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.

(2) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The Zinkgruvan Mine is not considered to be a material property to the Corporation.

The following table sets forth the estimated Mineral Reserves (silver only) for the Stratoni Mine as of June 15, 2007:

Proven and Probable Mineral Reserves[(1)(2)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	1.92	171.9	10.6
Probable	0.26	172.1	1.4
Proven + Probable	2.18	171.9	12.1

(1) The Mineral Reserves for the Stratoni Mine set out in the table above have been estimated by Patrick Forward, General Manager, Exploration of European Goldfields Limited, who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.

(2) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The Stratoni Mine is not considered to be a material property to the Corporation.

The following table sets forth the estimated Mineral Reserves (silver only) for the San Martin Mine as of December 31, 2006:

Proven and Probable Mineral Reserves[(1)(2)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	0.32	33.0	0.3
Probable	0.71	48.0	1.1
Proven + Probable	1.03	43.0	1.4

(1) The Mineral Reserves for the San Martin Mine set out in the table above have been audited by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.

(2) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The San Martin Mine is not considered to be a material property to the Corporation.

The following table sets forth the estimated Mineral Reserves (silver only) for the Mineral Park Mine as of December 29, 2006:

Proven and Probable Mineral Reserves[(1)(2)(3)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	315.88	2.9	29.0
Probable	81.33	2.4	6.4
Proven + Probable	397.21	2.8	35.4

(1) Jim Tompkins, P.Eng., Mercator's independent mining engineer, a Qualified Person as defined by National Instrument 43-101, supervised the preparation of and verified the Mercator technical information contained in this AIF. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.

(2) The above Mineral Reserves do not include SX/EW leachable Mineral Reserves of 74.84 million tonnes, which only produces copper to the credit of Mercator.

(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The Mineral Park Mine is not considered to be a material property to the Corporation.

Mineral Resources

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Mineral Resources

This section uses the terms "Measured", "Indicated" and "Inferred" Mineral Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. **United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists , or is economically or legally mineable.**

The following table sets forth the estimated Mineral Resources (silver only) for the San Dimas Mine as of

December 31, 2007:

Inferred Mineral Resources [(1)(2)(3)]
(Excluding Proven and Probable Mineral Reserves)

Tonnes (millions)	**Silver Grade** (grams per tonne)	**Contained Silver** (millions of ounces)
17.55	324.4	183.0

(1) The Mineral Resources for the San Dimas Mine set out in the table above have been audited by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Resources are classified as Inferred, and are based on the CIM Standards. See “Description of the Business — San Dimas Mine, Mexico — Mineral Reserve and Mineral Resource Estimates” for further details.

(2) Inferred Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.

(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Resources (silver only) for the Yauliyacu Mine as of December 31, 2007:

Measured, Indicated and Inferred Mineral Resources [(1)(2)(3)]
(Excluding Proven and Probable Mineral Reserves)

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Measured	0.46	90.1	1.3
Indicated	4.67	247.6	37.2
Measured + Indicated	5.13	233.7	38.5
Inferred	11.62	216.7	80.9

(1) The Mineral Resources for the Yauliyacu Mine set out in the table above have been estimated by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards. See “Description of the Business – Yauliyacu Mine, Perú – Mineral Reserve and Mineral Resource Estimates” for further details.

(2) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.

(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Resources (silver only) for 25% of the Peñasquito Project as of December 31, 2007:

Measured, Indicated and Inferred Mineral Resources [(1)(2)(3)(4)(5)(6)(7)]
(Excluding Proven and Probable Mineral Reserves)

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Measured	26.75	21.1	18.2
Indicated	142.86	18.5	85.1
Measured + Indicated	169.61	18.9	103.3
Inferred	305.00	13.0	127.1

(1) The Mineral Resources for the Peñasquito Project set out in the table above represent the 25% attributable to the Corporation and have been prepared under the supervision of Robert H. Bryson, Vice President Engineering of Goldcorp Inc., who is a qualified person under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.
See “Description of the Business — Peñasquito Project, Mexico — Mineral Reserve and Mineral Resource Estimates” for further details.

(2) Mineral Resource classification was based on kriging variance and the number of informing samples. For the Oxide Domain, classification was based on the gold kriging variance and the number of informing samples. For the sulphide domains classification was based on the zinc kriging variance and the number of informing samples. All Mineral Resources meet the defined classification criteria and cutoff grades for Peñasquito.

(3) Mineral Resources have been calculated using assumed long-term metals prices as follows: Gold - $650 per ounce; Silver $13.00 per ounce; Zinc - $1.00 per pound and Lead - $0.50 per pound.

(4) The Measured and Indicated Resources have been calculated using NSR (Net Smelter Return) cut-off grades and assuming the long- term Mineral Resource metals prices set forth above. These cutoff grades are $4.55 NSR for Peñasco-Azul sulphide feed and $5.18 NSR for Chile Colorado sulphide feed. A run-of-mine, heap leach process for gold and silver has been defined for the oxide materials at an NSR cutoff of $1.18 for Peñasco-Azul and at $1.30 for Chile Colorado.

(5) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.

(6) Numbers may not add up due to rounding.

(7) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Resources (silver only) for the Los Filos Project as of December 31, 2007:

Measured, Indicated and Inferred Mineral Resources [(1)(2)(3)]
(Excluding Proven and Probable Mineral Reserves)

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Measured	6.25	3.4	0.7
Indicated	12.66	3.0	1.2
Measured + Indicated	18.92	3.1	1.9
Inferred	2.39	2.9	0.2

(1) The Mineral Resources for the Los Filos Project set out in the table above have been estimated by Reynaldo Rivera, MAusIMM at Luismin, who is a qualified person under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.
(2) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.
(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The Los Filos Project is not considered to be a material property to the Corporation.

The following table sets forth the estimated Mineral Resources (silver only) for the Zinkgruvan Mine as of December 31, 2007:

Measured, Indicated and Inferred Mineral Resources [(1)(2)(3)(4)]
(Excluding Proven and Probable Mineral Reserves)

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Zinc Concentrate			
Measured	0.55	24.0	0.4
Indicated	3.68	109.0	12.9
Measured + Indicated	4.23	97.9	13.3
Inferred	4.32	67.0	9.3
Copper Concentrate			
Indicated	3.10	32.0	3.2
Inferred	0.77	20.0	0.5
Totals			
Measured	0.55	24.0	0.4
Indicated	6.78	73.8	16.1
Measured + Indicated	7.33	70.0	16.5
Inferred	5.09	59.9	9.8

(1) The Mineral Resources for the Zinkgruvan Mine set out in the table above have been estimated by Lars Malmström, Chief Geologist at Zinkgruvan, and Per Hedström, Senior Geologist at Zinkgruvan, who are qualified persons under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.
(2) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.
(3) Numbers may not add up due to rounding.
(4) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Resources (silver only) for the Stratoni Mine as of June 15, 2007:

Inferred Mineral Resources [(1)(2)(3)(4)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Inferred	0.55	181.0	3.2

(1) The Mineral Resources for the Stratoni Mine set out in the table above have been estimated by Patrick Forward, General Manager, Exploration of European Goldfields Limited, who is a qualified person under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.
(2) Measured and Indicated resources fully convert to Proven and Probable reserves.
(3) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.
(4) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The Stratoni Mine is not considered to be a material property to the Corporation.

The following table sets forth the estimated Mineral Resources (silver only) for the San Martin Mine as of December 31, 2006:

Inferred Mineral Resources [(1)(2)(3)]

Deposit	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
San Martin	1.88	60.0	3.6
San Pedrito	1.12	221.0	8.0
Total Inferred	3.01	120.3	11.6

(1) The Mineral Resources for the San Martin Mine set out in the table above have been estimated by Velasquez Spring, P. Eng., Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.
(2) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.
(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The San Martin Mine is not considered to be a material property to the Corporation.

The following table sets forth the estimated Mineral Resources (silver only) for the Mineral Park Mine as of December 29, 2006:

Measured, Indicated and Inferred Mineral Resources [(1)(2)(3)]
(Including Proven and Probable Mineral Reserves)

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Measured	290.47	2.60	24.2
Indicated	154.18	2.64	13.1
Measured + Indicated	444.65	2.61	37.3
Inferred	198.40	2.33	14.9

(1) Jim Tompkins, P.Eng., Mercator's independent mining engineer, a Qualified Person as defined by National Instrument 43-101, supervised the preparation of and verified the Mercator technical information contained in this AIF. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.
(2) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.

(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The Mineral Park Mine is not considered to be a material property to the Corporation.

San Dimas Mine, Mexico

At the request of the Corporation, Velasquez Spring, P.Eng., Senior Geologist at WGM, and Gordon Watts, P.Eng., Senior Associate Mineral Economist at WGM, prepared a report dated February 22, 2008 entitled "An Audit of the Mineral Reserves/Resources Tayoltita, Santa Rita, San Antonio Mines as of December 31, 2007 for Silver Wheaton Corp." (the "San Dimas Report"). Velasquez Spring, P.Eng. and Gordon Watts, P.Eng. are each qualified persons and independent of the Corporation within the meaning of NI 43-101.

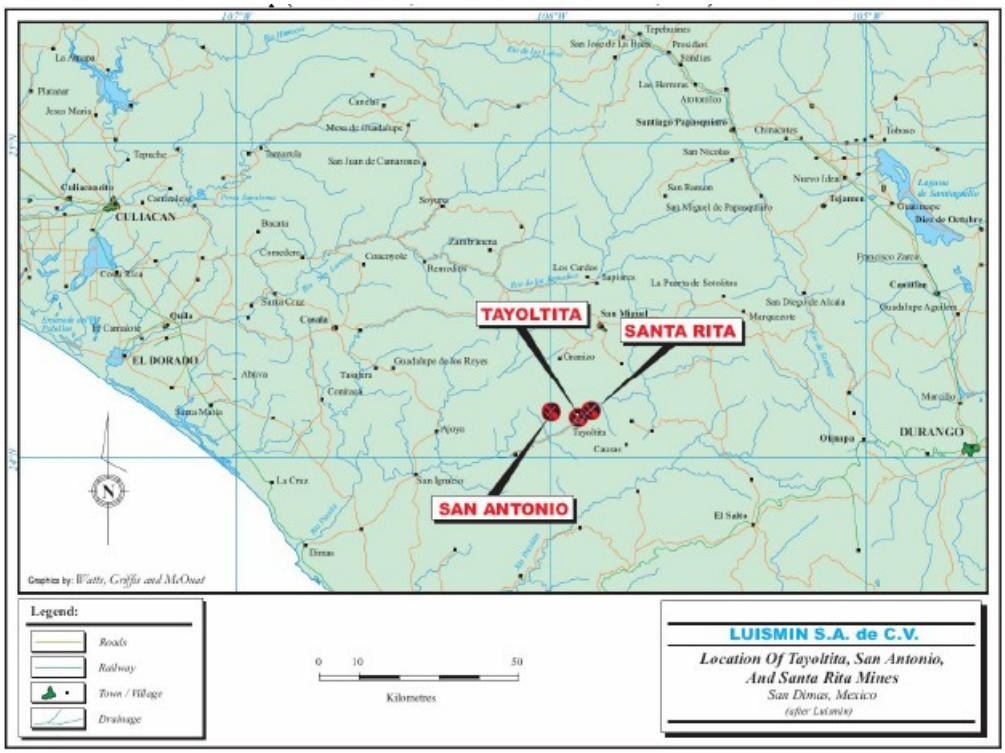
The following description of the San Dimas Mine has been summarized from the San Dimas Report and readers should consult the San Dimas Report to obtain further particulars regarding the San Dimas Mine. The San Dimas Report is available for review on the SEDAR website located at www.sedar.com under the Corporation's profile.

Prior to 2004, the three Luismin mines in the San Dimas district were treated as separate mining units with production from the Tayoltita and Santa Rita mines processed at the Tayoltita mill and production from the San Antonio mine processed at the San Antonio mill. In late 2003, the San Antonio mill was placed on care and maintenance and closed, and, with all mine production to be processed through the Tayoltita mill, a reclassification was made into three new mining units: Tayoltita, Santa Rita and the Central Block (which includes the San Antonio mine) (hereinafter referred to as "San Antonio/Central Block"). During 2003, the three operations were also merged and centralized into a single operation under the same management. It is reported now as San Dimas.

Project Description and Location

Luismin's three operating mines in the San Dimas district, on the border of Durango and Sinaloa States, are the Tayoltita, Santa Rita and Central Block mines which are located 125 kilometres northeast from Mazatlan, Sinaloa or approximately 150 kilometres west of the city of Durango (Figure 1). These properties are surveyed and contained in a contiguous block. The properties cover an area of 22,468.2 hectares and are held by Desarrollos Mineros San Luis, S.A. de C.V., a wholly-owned subsidiary of Luismin.

Figure 1: San Dimas Mines Location Map (Source: Watts, Griffis and McOuat Limited, 2008)



Accessibility, Climate, Local Resources, Infrastructure and Physiography

The San Dimas district is accessed by aircraft in a one hour flight from either Mazatlan or Durango, or by driving ten hours from the city of Durango. Most of the personnel and light supplies for the San Dimas Mine arrive on Luismin's regular flights from Mazatlan and Durango. Heavy equipment and supplies are brought in by road from Durango or via a rough road which follows the river bed to San Ignacio but the road is only accessible for about six months of the year during the dry season. San Ignacio is connected by 70 kilometres of paved roads to Mazatlan.

The Santa Rita mining area is located three kilometres upstream from Tayoltita. The ore from the Santa Rita mine is trucked along a winding road that follows the Piaxtla River to the Tayoltita mill. The Central Block mining area is located seven kilometres west of the Tayoltita mine in the State of Sinaloa. The mine is accessed, from Tayoltita, by a three kilometre long road along the north side of the Piaxtla River and bypassing the town of Tayoltita to the portal of the San Luis Tunnel or along the San Antonio river bed to the San Antonio/Central Block mill. Infrastructure at the San Antonio/Central Block mine includes a mill, small campsite, warehouse, analytical fire assay laboratory and maintenance shops. The mill was placed on care and maintenance in November 2003.

The San Dimas district is located in the central part of the Sierra Madre Occidental, a mountain range characterized by very rugged topography with steep, often vertical walled valleys and narrow canyons. Elevations vary from 2,400 metres above mean sea level on the high peaks to elevations of 400 metres above mean sea level in the valley floor of the Piaxtla River.

Regionally, the climate is variable from the coast to the high plateau. The climate of the San Dimas area is semi-tropical, characterized by relatively high temperatures and humidity, with hot summers (maximum about 35 degrees Celsius) and mild winters. At higher elevations in the Sierra, frosty nights occur in the winter (November to March). The majority of the precipitation occurs in the summer (June through September), however, tropical rainstorms during October to January can result in considerable additional rainfall. The total average annual rainfall varies from about 66 to 108 centimetres. Weather does not affect the operations and mining is carried out throughout the year in the San Dimas district.

Trees grow sufficiently on the higher ridges to support a timber industry while the lower slopes and valleys are covered with thick brush, cactus and grasses. Subsistence farming, ranching, mining and timber cutting are the predominant activities of the region's population. Tayoltita is the most important population centre in the area with approximately 8,000 inhabitants, including mining company personnel. Population outside the mining and sawmill camps is sparse.

Water for the mining operations is obtained from wells and from the Piaxtla River. The town of Tayoltita obtains its water supply from an underground thermal spring at the Santa Rita mine. Electrical power is provided by a combination of their own power systems and by the Federal Power Commission's supply system. Luismin operates hydroelectric and back-up diesel generators, which are interconnected with the Federal Power Commission's supply system.

History

The San Dimas district has experienced a long mining history. Precious metals production was first reported in 1757. The Spanish continued working several of the mines until the start of the Mexican War of Independence (1810). Mining activity in the district then decreased and did not start-up again until the 1880's when the Tayoltita mine was acquired by the San Luis Mining Company. Later the Contraestaca (San Antonio) mine was discovered along with several large bonanza grade orebodies.

In 1904, the first cyanide mill in Mexico was built at Tayoltita. By 1940, the Candelaria mine had been mined out and the Candelaria and Contraestaca mines were purchased by the San Luis Mining Company.

A mining law introduced in 1959 in Mexico required that the majority of a Mexican mining company be held by Mexicans and forced the sale of 51% of the shares of the San Luis Mining Company to Mexicans. In 1961, Minas de San Luis, S.A. de C.V. was formed and assumed operations of the mine. In 1978, the remaining 49% interest was obtained by Luismin.

Historical production through 2007 from the San Dimas district is estimated at 572 million ounces of silver and 10.6 million ounces of gold, placing the district third in Mexico for precious metal production after Pachuca and Guanajuato. Production from the San Dimas district during 2007 was approximately 225,600 ounces of gold and 6.9 million ounces of silver (these production numbers do not include production from the San Martin Mine).

Geological Setting

The general geological setting of the San Dimas district is comprised of two major volcanic successions totalling approximately 3,500 metres in thickness: the Lower Volcanic Group ("LVG") and the Upper Volcanic Group ("UVG") separated by an erosional and depositional unconformity.

The LVG is of Eocene age predominantly composed of andesites and rhyolitic flows and tuffs and has been locally divided into five units. The LVG outcrops along the canyons formed by major westward drainage systems and have been intruded by younger members of the batholith complex of granitic to granodioritic composition. The Socavón rhyolite is the oldest volcanic unit in the district, its lower contact destroyed by the intrusion of the Piaxtla granite.

More than 700 metres thick, the Socavón rhyolite is host for several productive veins in the district. Overlying the Socavón rhyolite is the 20 to 75 metres thick, well bedded Buelna andesite. The Buelna andesite is overlain by the Portal rhyolite, ranging in thickness from 50 to 250 metres.

The overlying productive andesite is more than 750 metres in thickness and has been divided into two varieties based on grain size, but is of identical mineralogy.

The overlying Camichin unit, composed of purple to red interbedded rhyolitic and andesite tuffs and flows, is more than 300 metres thick. It is the host rock of most of the productive ore shoots of Patricia, Patricia 2, Santa Rita, Magdalena and other lesser veins in the Santa Rita mine.

The Las Palmas Formation, at the top of the LVG, is made up of green conglomerates at the base and red arkoses and shales at the top, with a total thickness of approximately 300 metres. This unit outcrops extensively in the Tayoltita area.

The UVG overlies the eroded surface of the LVG unconformably. In the San Dimas district, the UVG is divided into a subordinate lower unit composed mainly of lavas of intermediate composition called Guarisamey andesite and an upper unit called the Capping rhyolite. The Capping rhyolite is mainly composed of rhyolitic ash flows and air-fall tuffs and is up to 1,500 metres thick in the eastern part of the district however within most of the district is about 1,000 metres thick.

The San Dimas district lies within an area of complex normal faulting along the western edge of the Sierra Madre Occidental. Compressive forces first formed predominantly east-west and east-northeast tension gashes that were later cut by transgressive north-northwest striking slip faults. The strike-slip movements caused the development of secondary north-northeast faults, with right lateral displacement.

Five major north-northwest-trending normal faults divide the district into five tilted fault blocks generally dipping 35º to the east. In most cases, the faults are post ore in age and offset both the LVG and UVG. All major faults display northeast-southwest extension and dip from near vertical to less than 55º.

Exploration

Typical of epithermal systems, the silver and gold mineralization at the San Dimas district exhibits a vertical zone with a distinct top and bottom that Luismin has termed the Favourable Zone. At the time of deposition, this Favourable Zone was deposited in a horizontal position paralleling the erosional surface of the LVG on which the UVG was extruded.

This favourable, or productive, zone at San Dimas is some 300 to 600 metres in vertical extent and can be correlated, based both on stratigraphic and geochronologic relationships, from vein system to vein system and from fault block to fault block. Using this concept of the dip of the unconformity at the base of the UVG, Luismin is able to infer the dip of the Favourable Zone and with considerable success explore and predict the Favourable Zone in untested areas.

At the Tayoltita deposit, silver-gold ratios have been a useful exploration tool. In most of the veins, detailed studies have shown that silver-gold ratios increase progressively within the ore zone with the contours strongly elongated along the strike of the vein. The horizontal elongations of the silver-gold ratios are thought to represent the former flow path of the ore fluids which were subhorizontal at the time of the ore deposition suggesting ore shoots can be found along these possible fluid paths.

Luismin applies a 30% probability factor to the volume of the Favourable Zone to estimate the volume/tonnage of Inferred Mineral Resources that will later be discovered in the zone. For more than 30 years, Luismin has historically and successfully applied the 30% factor. The factor was originally developed by comparing the explored area of the active veins at that time (San Luis, Guadalupe, Arana, Cedral, etc.) to the mined out area plus the Mineral Reserve area.

Deposit Types and Mineralization

The deposits of the San Dimas district are high grade, silver-gold-epithermal vein deposits characterized by low sulphidation and adularia-sericitic alteration formed during the final stage of igneous and hydrothermal activity from quartz-monzonitic and andestic intrusions. As is common in epithermal deposits, the hydrothermal activity that produced the epithermal vein mineralization began a few million years after the intrusion of the closely associated plutonic rocks and several million years after the end of the volcanism that produced the rocks that host the hydrothermal systems. Older veins appear more common in the eastern part of the district whereas younger veins are found in the western part.

The mineralization is typical of epithermal vein structures with banded and drusy textures. Within the district, the veins occupy east-west trending fractures except in southern part of Tayoltita where they strike mainly northeast and in the Santa Rita mine where they strike north-northwest. The veins were formed in two different systems. The east-west striking veins were the first system developed, followed by a second system of north-northeast striking veins. Veins pinch and swell and commonly exhibit bifurcation, horse-tailing and cymoidal structures. The veins vary from a fraction of a centimetre in width to 15 metres, but average 1.5 metres. They have been followed underground from a few metres in strike-length to more than 1,500 metres. Three major stages of mineralization have been recognized in the district: (1) an early stage; (2) an ore forming stage; and (3) a late stage quartz. Three distinct sub-stages of the ore forming stage also have been identif ied, each characterized by distinctive mineral assemblages with ore grade mineralization always occurring in the three sub-stages: (1) quartz-chlorite-adularia; (2) quartz-rhodonite; and (3) quartz-calcite. The minerals characteristic of the ore forming stage are composed mainly of white, to light grey, medium to coarse grained crystalline quartz with intergrowths of base metal sulphides (sphalerite, chalcopyrite and galena) as well as pyrite, argentite, polybasite, stromeyerite, native silver and electrum.

The ore shoots within the veins have variable strike lengths (5 to 600 metres), however, most average 150 metres in strike length. Down-dip extensions are up to 200 metres but are generally less than the strike length.

Drilling

Exploration of the Favourable Zone at the San Dimas district is done both by diamond drilling and by underground development work. Diamond drilling is predominantly done from underground stations due to the rugged topography, and the distances from the surface locations to the targets. All exploration drilling and the exploration underground development work are done in-house by Luismin. Diamond drilling is of NQ/HQ size with excellent core recoveries (in the range of +95%) at a cost of approximately $45 per metre.

Luismin conducts a continuous program of exploration/development diamond drilling throughout the year at each of its mines with its own rigs. Twelve diamond drill rigs are stationed at the San Dimas Mine.

Sampling Method and Approach

Other than the control samples collected at the mill for material balance, two principal types of samples are collected daily from the mine workings: (1) samples of the mineralized zones exposed by the mine workings; and, (2) samples of the diamond drill core from the exploration/development drilling. Samples are also collected, but on a less routine basis, from mine cars and from the blasted rock pile in a stope.

Individual samples collected from a mineral shoot in certain veins can show considerable variation both vertically and horizontally in the vein as observed by samples from subsequent slices of the stope or from samples taken from the top of the pile of blasted rock in the stope compared to the samples from the back. Grade control in these veins is achieved in part by the considerable number of samples taken.

Drill core samples, after being sawn in half, are bagged, tagged and sent to the mine assay laboratory. Several hundreds of samples are collected and processed every month at the mine assay laboratory.

Sample Preparation, Analysis and Security

In the San Dimas district, the mine workings are sampled under the direction of the Luismin Geological Department initially across the vein, at 1.5 metres intervals, with splits along the sample line taken to reflect geological changes. No sample length is greater than 1.5 metres. Once the ore block has been outlined and the mining of the block has begun, the sample line spacing may be increased to three metres. Sampling is done by chip-channel sampling, approximately 10 centimetres wide, cut across the vein. Sample chips of similar size are collected on a canvas sheet, then broken into smaller sized fragments, coned and quartered to produce a 1 to 2 kilogram sample, which is sent for fire assay to the mine assay laboratory. Sampled intervals are clearly marked on the underground rock faces with spray paint.

Samples are crushed, homogenized, ground and split at the mine assay laboratory to produce a 10 gram representative pulp sample for fire assaying. Routine quality control is carried out with every tenth sample repeated as a check assay done at the mine assay laboratory, and check assays between the Luismin mine laboratories. Routine assaying of standards is also carried out at the mine assay laboratory.

Luismin has not routinely sent samples from the mines to off-site laboratories for check assays. In 2000, Luismin sent a suite of 199 samples (approximately 40 from each deposit) to three off-site laboratories, DMC Durango, Bondar Clegg and Barringer, for check assays for silver and gold. These samples were also assayed at the Tayoltita and San Antonio/Central Block laboratories. In general, there was good correlation between the samples assayed at the San Dimas laboratories and the samples assayed at the off-site laboratories and between the San Dimas laboratories. There was good correlation between samples assayed at the Tayoltita laboratories and the samples assayed at the San Antonio/Central Block laboratories.

Luismin's experience has shown considerable variation in grade within the mineralized shoots of the veins, and sampling of the muck piles is not routinely carried out.

Mineral Reserve and Mineral Resource Estimates

Rather than estimating Mineral Reserves/Mineral Resources over a minimum mining width and then applying corrections for dilution and mine losses to determine Mineral Reserves, the method presently used by Luismin is to estimate the reserve in each of the underground mining blocks by using the conventional mining block estimation methods for underground mines and later applying a tonnage and grade correction to determine mineable Mineral Reserves.

Mineral Reserves and Mineral Resources are estimated using the CIM Standards. See "Description of the Business – CIM Standards Definitions" for CIM Standards definitions.

The following table sets forth the estimated Mineral Reserves (silver only) for the three properties comprising the San Dimas Mine as of December 31, 2007:

Proven and Probable Mineral Reserves[(1)(2)(3)(4)(5)(6)(7)]

Deposit	Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Tayoltita	Proven	0.32	317.6	3.3
	Probable	1.11	310.1	11.1
	Proven + Probable	1.43	311.8	14.4
Santa Rita	Proven	0.23	338.6	2.5
	Probable	0.44	336.8	4.8
	Proven + Probable	0.68	337.4	7.3
San Antonio/Central Block	Proven	1.04	419.5	14.1
	Probable	1.53	439.8	21.6
	Proven + Probable	2.57	431.6	35.6
Total	Proven	1.60	387.1	19.9
	Probable	3.08	378.2	37.4
	Proven + Probable	4.68	381.2	57.3

(1) The Mineral Reserves for the San Dimas Mine set out in the table above have been audited by Velasquez Spring, P.Eng, Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.
(2) Cut-off grades, based on total operating costs for Tayoltita, Santa Rita and San Antonio/Central Block, were $73.07 per tonne.
(3) All Mineral Reserves are diluted.
(4) The tonnage factor is 2.7 tonnes per cubic metre.
(5) Based on a silver price of $10.00 per ounce and a gold price of $500 per ounce.
(6) Numbers may not add up due to rounding.
(7) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Resources (silver only) for the three properties comprising the San Dimas Mine as of December 31, 2007:

Inferred Mineral Resources [(1)(2)(3)]
(Excluding Proven and Probable Mineral Reserves)

Deposit	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Tayoltita	7.98	321.3	82.4
Santa Rita	4.06	329.2	42.9
San Antonio/ Central Block	5.52	325.3	57.7
Total	17.55	324.4	183.0

(1) The Inferred Mineral Resources for the San Dimas Mine set out in the table above have been audited by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is a qualified person under NI 43-101. The Mineral Resources are classified as Inferred, and are based on the CIM Standards.
(2) Inferred Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.
(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

Mining Operations

Underground gold and silver mining operations are carried out at the Tayoltita, Santa Rita and San Antonio/Central Block mines. The operations employ cut-and-fill mining with primary access provided by adits and internal ramps from an extensive tunnel system through the steep mountainous terrain. All milling operations are now carried out at a central milling facility at Tayoltita. The ore processing is by conventional cyanidation followed by zinc precipitation of the silver and gold followed by refining to doré. The San Antonio/Central Block mill was placed on care and maintenance in November 2003 with all milling consolidated to the Tayoltita mill and all former San Antonio mine production considered part of the Central Block mine operation.

Tayoltita Mine

The Tayoltita mine is the oldest operating mine in the San Dimas area. The main access is a 4.4 kilometre tunnel from a portal approximately 400 metres northeast of the Tayoltita mill. About 570,000 cubic feet per minute of ventilation air is supplied by a combination of natural flow from the access tunnel as well as fan driven through a system of raises. Raises for ventilation, ore and waste passes are typically developed with boring machines.

The mining method employs mechanized cut-and-fill mining on vein mineralization using waste rock as backfill. The veins vary from 1 to 3 metres in width and generally dip at 75º to 80º.

Production drilling is completed with jackleg drills or single boom jumbos depending on the vein thickness. Ore is hauled from the stoping areas, using load, haul and dump ("LHD") equipment, then by rail haulage to surface through the main access tunnel. The rail haulage has a trolley system using eight tonne cars.

Santa Rita Mine

The Santa Rita mine main access is by adit approximately three kilometres to the northeast of the Tayoltita mill site. The mining method employs cut-and-fill mining on vein mineralization. The vein dip can vary from subvertical to as low as 35º. In some of the flatter lying areas, the vein thickness allows for a room and pillar mining operation. Ventilation is maintained by three exhaust fans providing 530,000 cubic feet of air per minute.

The ore haulage is by LHD equipment either to an internal shaft or directly to rail haulage on the main access tunnel where 2.5 -tonne rail cars are used on a trolley line to surface. The shaft employs a double drum hoist with 2.2 -tonne skips. A tunnel excavation to connect the rail haulage to the Tayoltita tunnel has been completed and has reduced ore transport costs by the elimination of the transfer to trucks at surface. With the haulage integrated into the Tayoltita haulage system, it provides for more blending of the mill ore supply.

San Antonio and Central Block

The San Antonio/Central Block mine is located northwest of Tayoltita and is connected by 20 kilometres of winding dirt road over the mountains. In 2001, the San Luis tunnel was completed which provides for easier access between San Antonio/Central Block and Tayoltita as well as integration of support services of the two locations.

Mining operations at San Antonio/Central Block work veins that vary in thickness from one to six metres and employ mechanized cut-and-fill mining methods. Ventilation is by a combination of natural and fan forced methods supplying 290,000 cubic feet of air per minute to the operations. Ore haulage is by a combination of LHD equipment with highway-type trucks used to haul the ore to the Tayoltita mill.

The San Antonio/Central Block site includes a mill and some limited accommodation for the workforce. The mill operation was shutdown in November 2003 and all milling consolidated at the expanded Tayoltita mill facility. Following the San Antonio mill shutdown, all underground production was integrated into the Central Block mine area. Ore haulage from the Central Block mine utilizes a short tunnel on the north side of the Piaxtla River that provides ore haulage to the Tayoltita mill and bypasses the townsite. The decision to terminate the San Antonio milling operations was made primarily due to the exhaustion of the tailings storage capacity.

Milling Operations

The San Dimas district now has one milling facility at Tayoltita to process the production from the three active mining areas in San Dimas. The Tayoltita mill has a conventional process flowsheet that employs cyanidation and zinc precipitation for recovery of the gold and silver. The mill currently has an installed leaching capacity of 2,100 tonnes per day. The construction and installation to increase the Tayoltita crushing and grinding capacity of the mill to 3,200 tonnes per day is currently underway and expected to be completed at the end of 2008. In 2007, the mill averaged 1,935 tonnes per day.

The Tayoltita mill presently employs two-stage crushing and single-stage ball milling to achieve 80% passing 200 mesh. Leaching is completed in a series of tanks providing 72 hours of leach residence time. The pregnant solution is recovered in a counter current decant circuit with the gold and silver recovered from solution in a zinc precipitation circuit. Two positive displacement pumps operating in parallel move a high density tailings slurry to a box canyon east of the mill site for permanent disposal. Refining uses an induction furnace to produce 1,000 ounce silver and gold doré bars.

Environmental

Luismin's practice in the design and operation of tailings containment sites complies with the requirements of Mexico and with the permits issued for the dams in use at San Dimas; however, improvements are being made to bring all of the tailings dam designs and operations into compliance with international guidelines. Various assessments and geotechnical testing have been carried out in the past six years to investigate the safety of the dams, design remediation measures and improve the operational performance of the tailings facilities, and various construction works and operational procedures to increase dam safety and improve management of the tailings operations have been initiated. The San Dimas tailings now employs a "dry tailings stacking" technique and is one of the three dry tailings operations in Mexico.

Tailings Management

At the time of Wheaton River's acquisition of the Luismin operations, the practice in the design and operation of tailings containment sites in the San Dimas district complied with the requirements of Mexico and with the permits issued for the dams. To bring the facilities into compliance with international guidelines, a series of improvements were identified as necessary to reduce risk as well as the potential environmental impact. Since the acquisition, a number of improvements have been made and extensive work is planned to further improve the standard of the tailings operation.

Luismin's past practice has been to discharge tailings from the cyanidation mills to unlined structures designed to settle the solids and collect solutions for recycling to the milling operations. The containment dams were typically constructed with cyclone underflow with the overflow draining to decant structures in the central portion of the dam. Previously, the tailings containment sites had not been subjected to comprehensive geotechnical investigations before construction, normal safety factors in dam design nor monitoring or control of seepage.

The deficiencies with the tailings management aspect of the operations are being addressed by Luismin and capital investments are currently being made to upgrade the containment structures and tailings operations to bring them in line with international guidelines. In 2005, $1.3 million was spent on the Tayoltita tailings with an additional expenditure of $2.2 million in 2006. In 2005, $1.9 million was spent on the San Antonio/Central Block tailings with an additional expenditure of $0.6 million in 2006. Environmental requirements in Mexico can be expected to become more aligned with international guidelines in the future. The planned capital expenditures and changes to upgrade the Luismin tailings management are expected to continue to comply with the operating standards required in Mexico, and to ultimately achieve compliance with international guidelines.

Tayoltita Tailings

The very rugged mountainous terrain and steep walled canyons in the San Dimas district have presented formidable challenges to the tailings management as the scale of operations grew and storage areas were depleted. The Tayoltita operation has developed numerous tailings disposal sites in the valley near the mill and, in more recent years, a tailings dam has been constructed in a valley to the east of the mill. At that time the operation relied on ten pumping stations to elevate the tailings slurry to the containment site. The tailings and solution return pipelines were suspended across the river valley on cable supports without any provisions for spill containment in the event of a pipeline failure.

The historical tailings management practice has been to gradually build containment basins on the steep hillsides using thickened tailings while continuously decanting the solutions for recycle to the mill. On abandonment, the dried tailings have been left to dehydrate and efforts to establish a natural vegetation cover have been undertaken. The abandoned dams in the area are subject to erosion and instability until remediation measures are taken. On three of the older tailings dams near the Tayoltita mill, the land has been reclaimed for use as a soccer field, a softball field and a garden nursery.

Monitoring of the Piaxtla River downstream of the Tayoltita tailings deposits has not shown any environmental impact on the water quality.

Under the current San Dimas plan, the Tayoltita mill operation and future expansion will process all ore mined in the district with all tailings deposited in the currently active tailings disposal dam. Since the acquisition by Wheaton River in 2002, significant capital improvements have been made at the Tayoltita tailings operation and further improvements to the dam and operating practices are planned.

The ten relay tailings slurry pumping stations have been replaced with three positive displacement pumps operating in parallel with the capacity to pump high density tailings the full distance to the dam. High capacity thickeners have been added to the mill to increase the tailings density and reduce the solution containment, hydrostatic heads, and return capacity required at the tailings dam. At the river crossing, the tailings pipelines are suspended in a spill recovery trough with provision to divert any spills into a containment area. The installation of a tailings filtration plant to allow for dry placement of tailings is near completion.

Construction of the initial phase of an earthen berm against the downstream side of the dam has been completed to increase the safety factor of the containment structure. The project includes the construction of a seepage drainage and collection system below the dam.

San Antonio/Central Block Tailings

Due primarily to the exhausted capacity of the tailings dam, the San Antonio/Central Block mill operation was shutdown in 2003. The tailings facility is located in a turn in a steep walled river canyon downstream of the mill operation. The river has been diverted through two tunnels which have been excavated in the canyon wall on the inside of the river bend. A third tunnel for road access has been excavated and also serves as an additional channel for the river in high flow periods. In the 2002 due diligence by Wheaton River, the primary concern identified with the San Antonio/Central Block tailings facility over the long-term was stability of the dams and maintenance of the diversion tunnels, and the ability of the facility to withstand an extreme storm event, hurricane or an earthquake.

Since the shutdown of the mill operations, some of the risk has been removed by elimination of the hydrostatic head in the tailings facility and diversion of a local drainage channel. It has been proposed that the dam safety factor be increased by extending the concrete wall on the upstream dam and protection of the downstream dam by covering it with mine waste rock. These measures would also decrease the erosion potential of the tailings. Some of this work was initiated while options to close and reclaim the tailings facility were studied.

Luismin has now received approval to reclaim the San Antonio/Central Block tailings facility by stabilizing the tailings in their current location, subject to the submittal of an environmental assessment that demonstrates the validity of the plan. During 2007, in agreement with the design by Knight Piesold (Canadian geotechnical consultant), the emplacement of rock filled berm began with about 60% completed, however the rains and the lack of an access road significantly affected progress.

During 2008, the works will be completed with a cover of compacted (low strength) concrete on the dam face that will form a three step spillway waterfall in the case of a maximum flow of water (rainfall).

Capital and Operating Costs

A series of capital expenditures is required to address the remaining environmental deficiencies with the Luismin operations, sustain the existing operations and complete planned expansions of the production capacity. The capital expenditures in 2007 totaled $56.6 million with the total capital expenditure projected for years 2008 to 2011 at approximately $23 million per year. Some of the major capital expenditure items for 2008 include $1.5 million to upgrade the tailings management practice at Tayoltita, $4.5 million to compete the remediation of the San Antonio tailings dam and $2.6 million to continue the mill expansion. Up to 2007, $23 million has been invested in the Tayoltita mill expansion to increase capacity from 2,100 to 3,200 tonnes per day for this central milling facility. The remaining expenditures are committed to sustaining the existing production facilities with equipment replacement and ongoing exploration and mine development.

In 2007, operating costs in the San Dimas district for the three mines averaged $73.07 per tonne. Detailed operating costs are separately accounted for in all aspects of the mining operations to determine the appropriate cutoff grade for use in planning and scheduling the mining operations.

Markets and Contracts

Luismin ships 45% of the silver and gold doré bars to Peñoles in Torreon, Mexico where a refining cost of $4.25 per kilogram of doré, based on 99.8% of the contained gold and silver, is charged to Luismin. The remaining 55% of the doré bars are shipped to the Johnson Matthey refinery in Salt Lake City, Utah where the payment to Luismin is based on 99.8% of the silver and gold content, less a refining charge of $0.14 per troy ounce of doré received.

Yauliyacu Mine, Perú

At the request of the Corporation, Velasquez Spring, P.Eng., Senior Geologist, Robert Didur, P.Eng., Senior Associate Mining Consultant and Gordon Watts, P.Eng., Senior Associate Mineral Economist at WGM, prepared a report dated March 28, 2008 entitled "A Technical Review of the Yauliyacu Lead/Zinc Mine, Junin Province, Perú for Silver Wheaton Corp." (the "Yauliyacu Report"). Velasquez Spring, P.Eng. is the qualified person and is independent of the Corporation within the meaning of NI 43-101.

The following description of the Yauliyacu Mine has been summarized from the Yauliyacu Report and readers should consult the Yauliyacu Report to obtain further particulars regarding the Yauliyacu Mine. The Yauliyacu Report is available for review on the SEDAR website located at www.sedar.com under the Corporation's profile.

Project Description and Location

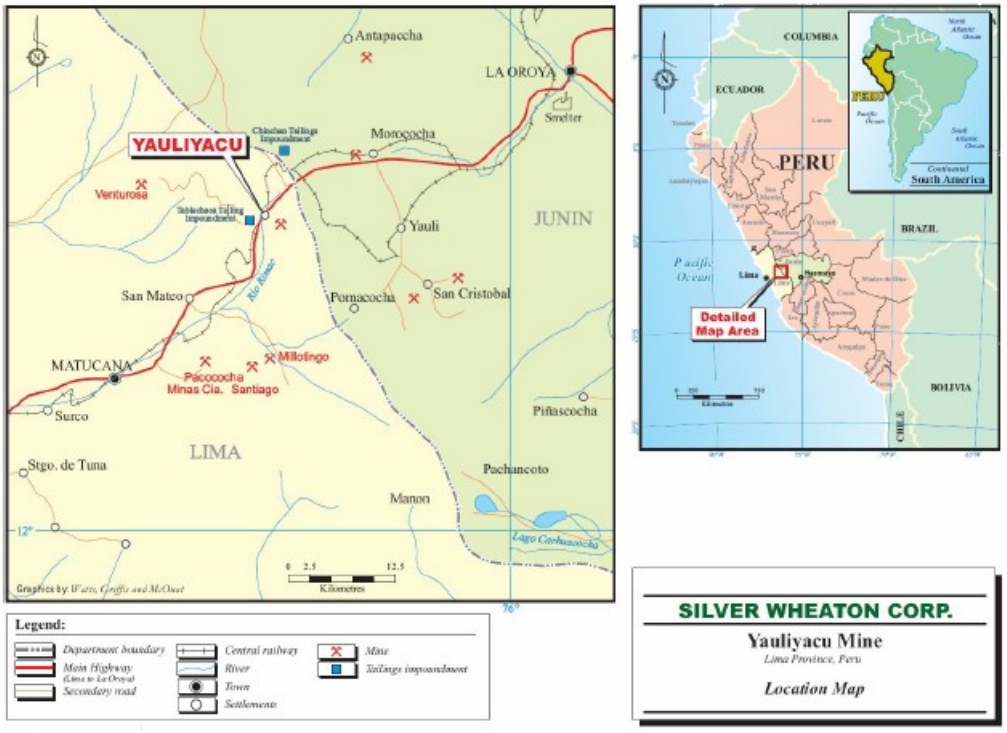
The Yauliyacu Mine is a low cost operation zinc-lead-silver mine located in central Perú, owned by Empresa Minera Los Quenuales S.A. ("Empresa"), an indirect subsidiary of Glencore.

The mining concessions related to the Yauliyacu Silver Purchase Contract consist of 21 surveyed concessions totalling 14,194.02 hectares. Empresa holds other mining concessions in the area that are not included in the Yauliyacu Silver Purchase Contract.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Yauliyacu Mine is accessible by paved road and is located approximately 2½ hours east of Lima, Perú, along the central highway that runs east from Lima to the mine and continues up and over the Andean Cordillera into the Perúvian jungle (Figure 2). The central highway runs parallel to the valley of Rio Rimac, as does a railroad that was built to service the La Oroya smelter and the Cerro de Pasco mines. The mine is also accessible from Callao, a port city located 10 kilometres west from Lima on the Pacific coast.

Figure 2: Yauliyacu Mine Location Map (Source: Watts, Griffis and McOuat Limited, 2008)



The western slopes of the Andes present strong topographic and climatic contrasts. Along the continental divide, the snow covered peaks (more than 4,500 metres above sea level) present a frigid to glacial climate, while areas between 4,000 to 4,500 metres above sea level exhibit cold climates. The property at 4,200 metres above sea level exhibits a cold climate during the dry season (May to November) with below freezing temperatures at nighttime, while during the wet season the temperature is more temperate, the highest temperatures being recorded in November and December.

The western flank of the Andes is characterized by abrupt topography with an alignment of continuous chains of mountain peaks that limit, to the east, the steep and deep valleys that descend down the Pacific coast in a west to southwest direction. These valleys vary in altitude from 800 metres above sea level, the elevation of the mountain spurs at the coastal plain, to 4,000 metres above sea level, the elevation of the head of the valleys on the edge of the altiplano. The altiplano above 4,000 metres is characterized by an area of moderate relief with the landforms produced by glacial and fluvial glacial forces. The altiplano is made up of pampas, hills and chains of smooth mountains that increase in elevation progressively towards the continental divide.

The area surrounding the Yauliyacu Mine is poorly inhabited except for the numerous experienced miners. The majority of the inhabitants are located along the valleys and are engaged in raising livestock and in agriculture. The major agricultural production comes from the cultivated terraces along the sides of the rivers. Water in the major valleys flows year round, the product of glacial melts at the headwaters, and in general is readily available. The Rio Rimac flows year round and is a major water source of the city of Lima. The water for agriculture along the slope, however, is brought downstream from the rivers by a series of far-reaching aqueducts.

The Yauliyacu Mine is a well developed mine with 26 levels and the complete infrastructure typical of an operating mine, including various repair shops, an assaying laboratory, mine offices, living quarters, dining facilities and a medical centre.

A high voltage power line, belonging to Electro-Andes S.A., provides power to the Yauliyacu Mine. There are plans for the mine to participate in the building of a gas turbine electrical generator that will be connected to an electrical grid to ensure that the mine has sufficient electrical power during low precipitation periods during which less water flows through Perú's hydroelectric power generators.

Tailings are pumped 5.5 kilometres from the Yauliyacu mill at 4,210 metres above sea level to the Chinchan tailings pond area at an approximate elevation of 4,465 metres above sea level. The Graton Tunnel, built by the Cerro de Pasco Mining Company, extends from the Rimac River for 11.5 kilometres under the Yauliyacu Mine and is connected to the mine to assist in drainage and ventilation.

History

Mining in the Casapalca district dates back to the early Spanish colonial period when it was restricted to outcropping or near surface veins. It is believed that the Spanish were primarily recovering native silver from rich hydrothermal veins or from the oxidized zones. Modern style mining began in 1887 with Backus and Johnston on the Rayo vein. Backus and Johnston started the exploration, development and exploitation of several of the mineralized structures in the Casapalca district.

In 1921, Cerro de Pasco Corp. acquired the Casapalca mine and most of the mining permits and licenses that now make up the Yauliyacu Mine are from their original land holdings. The Cerro de Pasco Corp. also built the 11.5 kilometre Graton Tunnel at 3,240 metres above sea level that extends under the Yauliyacu Mine.

In 1974, Centromin Perú, a state-owned company gained ownership of the Casapalca mining district and through development and selective mining on a mass-scale increased production to 64,000 tons per month. In 1997, Empresa, whose largest shareholder is Quenuales International, purchased the mine. In the purchase agreement, the Casapalca mining district was split into two mining areas, the Yauliyacu Mine and the Casapalca mine (the "Casapalca Mine"). The Casapalca Mine is owned by Cia. Minera Casapalca S.A., a privately-owned company. Although both mines are connected underground, the Casapalca Mine operates independently.

In late 2007, production at Yauliyacu mine was impacted by a labour disturbance at the neighbouring Casapalca Mine resulting in production shortfall of 3% for the year.

Geological Setting

The regional geological setting of the western side of the Andean Cordillera of central Perú is an area of deeply dissected valleys of steep slopes, with elevations varying from 800 metres above sea level at the bottom of the valleys on the west side to more than 5,400 metres above sea level on the east side at the continental divide.

The Yauliyacu property is underlain by a series of tertiary aged bedded rocks consisting principally of sandstone, calcareous shales, limestones, breccias, tuffs and lavas that are exposed in a series of anticlines and synclines that are part of the Casapalca Anticlinorium.

The mineralization occurs in hydrothermal polymetallic veins and as disseminated orebodies. The ore forming minerals are mainly sphalerite, galena, tetrahedrite, tennantite and chalcopyrite and the typically gangue minerals pyrite, quartz, calcite, rhodocrosite, dolomite, sericite and manganiferous calcite occurring as fracture infillings. A mineralogical study of the vein mineralization indicated a cross cutting relationship of four different stages of fluid movement and precipitation.

The main mineralized veins within the Casapalca district are referred to as the principal veins (the "L", "M", "N" and "N3" veins) are located in the central part, and are those being exploited at depth. The L and M veins have the same strike, N20E and dip moderately west. The N and N3 veins strike east-west and dip steeply north. Offshoots and splays from the main vein structures forming cuerpos are a common feature.

Exploration

Exploration at the Yauliyacu Mine is carried out by both diamond drilling and by underground development work. The 2007 exploration program consisted of 61,737 metres of drilling and more than 13,481 metres of development at an expenditure of $20.8 million and was being carried out within the current mine infrastructure to upgrade Mineral Resources to Mineral Reserves.

In order to explore the continuity of mineralization of certain veins at the Yauliyacu Mine and to define new Mineral Resources and their content of zinc, silver and copper at depth, a drilling program has been planned for 2008.

Deposit Types and Mineralization

The Yauliyacu deposit is described as a hydrothermal polymetallic vein type deposit, believed to result from circulating hydrothermal fluids that extracted, transported and then precipitated the sulphide minerals into open space fillings and as replacement bodies. Chloride-rich brines and recirculating meteoric waters interacted to produce the ore fluids which as a result of decreasing pressure and temperature and reactions with the wall rock or by mixing of the fluids precipitated the sulphides. The origin of the metals is thought to be either magmatic or from the interaction of the fluids with the country rocks accumulating the metals. Characteristic of this type of deposit is the problem of the continuity of the mineralization and the mineralogical variations along the vein system. As the hydrothermal fluids precipitate the sulphides resulting in changes to the chemical composition of the fluids, this produces a continually varying chemical and mineralogical deposition along the vein.

The mineralization of the Casapalca occurs in two forms as hydrothermal polymetallic veins and as disseminated ore bodies. The veins are known to be up to 5 kilometres of which 4 kilometres have been exposed underground. Typically the veins are 0.3 to 1.2 metres in width with a known vertical range of over 2 kilometres. Strike slip faulting, prior to the mineralization event, has controlled the vein structures with the formation of duplexes.

Drilling

Diamond drilling is of BQ/HQ size with excellent core recovery in the range of 95% at a drilling cost of $50 per metre in 2006. Drilling is carried out throughout the year by nine machines and crews under contract. At the core shack, detailed logging is carried out, the core sample intervals marked, half-split by diamond sawing, bagged, tagged and shipped to the mine laboratory for analysis. Core boxes are well marked and stored orderly for future reference.

Sampling and Analysis

Other than the control samples collected daily at the Yauliyacu Mine for material balance, two principal types of samples are collected daily from the mine workings: samples of the veins/mineralized zones exposed by the mine workings and samples of the diamond drill core from the exploration/development drilling. Channel samples are collected by hand with a hammer and chisel across the vein every two metres. Care is taken to collect samples that are representative of both hard and soft portions and collected according to changes in mineralization. Sample lengths vary between 0.1 of a metre and 1.0 metre with a minimum weight of 3 kilograms per metre of sample. Separate samples are collected from the hanging and footwall as well as from the veins.

The Yauliyacu laboratory sampling preparation procedure analysis is done completely in-house. The individual channel sample or the entire half-split core is passed through the first stage crusher. The entire sample is then passed through the second stage crusher. The sample is reduced to about 150 grams by a Jones Riffle Splitter and is pulverized. After verification of a sieve test, the sample is homogenized. A 0.2 gram sample is extracted, bagged, tagged and sent for atomic absorption spectrometre (“AAS”) analysis for lead, zinc, copper and silver. The quality control in the mine analytical laboratory is achieved in several manners taking into account the AAS analytical method and its sensitivity to temperature changes, particularly at the high altitude of Yauliyacu. Although the Yauliyacu laboratory does not use international standard samples or blank samples in the sample analytical routine, a series of tests were done to test the analytical precis ion at Yauliyacu by running analyses on duplicate samples on more than 300 samples over a four week period. Since a random selection of samples were analysed each day during the four week period, this provided an overall view of the precision. The analytical precision, as well as the AAS analytical method for samples, were both considered acceptable.

Security of Samples

Sample security at the mine is provided by a well established control for the bagging, tagging and daily processing of the numerous samples collected at the Yauliyacu Mine.

Mineral Reserve and Mineral Resource Estimates

The Yauliyacu geological staff estimate and classify Mineral Reserves and Mineral Resources according to the JORC Code. The restated estimates now comply with NI 43-101 requirements and meet the CIM Standards. See "Description of the Business – CIM Standards Definitions" for CIM Standards definitions.

The following table sets forth the estimated Mineral Reserves (silver only) for the Yauliyacu Mine as of December 31, 2007:

Proven and Probable Mineral Reserves[(1)(2)(3)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	1.41	89.0	4.1
Probable	2.30	135.7	10.0
Proven + Probable	3.72	117.9	14.1

(1) The Mineral Reserves for the Yauliyacu Mine set out in the table above has been audited by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is the qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.

(2) Official figures for the silver grades at the Yauliyacu Mine are reported in ounces per metric tonne. For clarity, WGM has converted them to grams per tonne using a conversion factor of 31.104 grams per troy ounce.

(3) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Resources (silver only) for the Yauliyacu Mine as of December 31, 2007:

Measured, Indicated and Inferred Mineral Resources[(1)(2)(3)(4)]
(Excluding Proven and Probable Mineral Reserves)

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Measured	0.46	90.9	1.3
Indicated	4.67	247.6	37.2
Measured + Indicated	5.13	233.7	38.5
Inferred	11.62	216.7	80.9

(1) The Mineral Resources for the Yauliyacu Mine set out in the table above have been audited by Velasquez Spring, P.Eng., Senior Geologist at WGM, who is the qualified person under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.

(2) Official figures for the silver grades at the Yauliyacu Mine are reported in ounces per metric tonne. For clarity, WGM has converted them to grams per tonne using a conversion factor of 31.104 grams per troy ounce.

(3) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.

(4) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

Mining Operations

The Yauliyacu underground mining operation is accessed by a series of adits in the mountainous setting of the mine with the main access located at the 4210 level. The mine has 26 levels, including four main operating levels, at approximately 60 metre spacing. The mine is currently divided into six separate operating sections, each managed by an individual mine foreman. A seventh section will soon be created with development of the lower mine levels. Section III, comprising upper portion of the mine, will soon end production.

Communications in the mine have been modernized over the past two years with the installation of fibre optics cabling that enables personnel in underground offices to prepare production reports online. Modern mine planning utilizes both Datamine and AutoCad to support production and mine development planning.

Production has been sustained historically from a combination of narrow vein mining and mining of wider zones in the veins; the latter are referred to as cuerpas or "orebodies" to distinguish them from veins. Mining has progressed from above the mill elevation to the current mixture of production from both above and below the main haulage level. Mine production above the main rail haulage is handled through an ore pass system with production below this elevation is hoisted in an internal shaft.

Mining Method

The Yauliyacu mining operation currently employs a number of mining methods to extract the mineralization. These include open stoping in the wider “orebody” areas of the veins to narrow vein methods using cut-and-fill and shrinkage. In areas where the geometry of the narrow veins allows, long-hole mining is being used with holes varying between 14 to 18 metres in length. In the narrower veins and down to the limit of the mining width, hand held drilling is employed. Currently, approximately 60% of the production is sustained by hand held drilling. Wherever possible, trackless equipment is used for drilling and mucking.

The Yauliyacu concentrator is located immediately adjacent to the main mine access at an elevation of 4,210 metres above sea level. Despite the steep terrain of the mill location, the installation is a modern milling facility that has been upgraded during the expansion of the capacity to 3,600 tonnes per day in the 1998 to 2001 period. The concentrator has three flotation circuits with the capacity to produce three separate concentrates of zinc, lead and copper but current smelter terms make it more favourable to produce the copper with the lead in a bulk concentrate.

Due to the steep walled valley with a small river and highway, the mill site development was restricted to an area on the east side of the valley. The west side of the valley near the mill site has a reclaimed tailings area which is terraced and protected with concrete retaining walls along the river channel. The operating history of the mine has long since exhausted any near mine or downstream potential for the deposition of tailings. The current operation pumps the tailings up the valley to the Chinchan impoundment. Alternatives for tailings disposal for the life of mine are now being reviewed.

The company plans to utilize spare capacity in the nearby Rosaura Mill owned by Perubar S.A. as the mill’s dedicated feed source declines to zero by mid-2009. The mill’s current capacity of 2,400 tonne per day is based on processing of relatively soft ore. It is expected that 1,800 to 2,000 tonne per day of low grade Zn-Cu ore from Yauliyacu’s ‘horizontes’ orebodies could be processed in the Rosaura mill following only minor modifications including installation of a crusher and flotation circuit modifications. Ore would be transported from Yauliyacu mine to the Rosaura mill using the mine’s expanded rail haulage capability on the 3930 level.

Metallurgical Results

During 2007, the Yauliyacu mill had a zinc recovery of 89.0 % to the zinc concentrate and 88.1% lead recovery and 72.2% copper recovery to a bulk concentrate. Silver recovery in the bulk concentrate was 80.6% while 5.8% was recovered in zinc concentrate. The Yauliyacu concentrator operating history since the most recent expansion to 3,600 tonnes per day shows a high mechanical availability with the annual operating time consistently above 92%. The metallurgical results in the same period have shown slightly improved recoveries of the four metals.

Environmental

The Yauliyacu Mine operation complies with Perúvian water quality requirements. The mine has two main monitoring points located at the tailings dam and at the Graton Tunnel, with two additional points at the mine entrances. The water quality is monitored for iron, lead, zinc, pH, total cyanide, temperature, quantity and total suspended solids. Since 2004, there have not been any issues with compliance with the water quality Environmental Regulations nor any issues with noise or the air quality associated with the mine. Construction of a new water treatment plant is underway to treat discharges from mine, plant and tailings for recirculation to the plant. Efforts are underway to achieve ISO 14000 certification in the near future.

The current tailings operation to support the Yauliyacu mining and milling operations are a significant part of the operation due to the location of the tailings dam. The currently active deposition site is located 5.5 km away and 260 metres higher than the mill site elevation. The tailings pumping operation uses three positive displacement pumps (800 hp, 700 hp, and 700 hp) for operating and standby capacity to deliver the tailings to the dam. The high density tailings are cycloned at the containment dam with the coarser high density tailings used to build the containment structure and the finer lower density cyclone overflow directed upstream of the dam. A 'French drain' system at the foot of the dam facilitates the collection and removal of water infiltrating from the cycloned tailings.

Reclaim water is collected with reclaim pumps located at the upstream extremity of the dam and piped over the containment dam. Drainage water from the catchment basin in which the tailings dam is located is channelled in an open ditch above and around the dam and cascades down the steep slope to the river downstream of the containment structure.

An independent geotechnical analysis of the tailings dam operation in 2004 identified a number of deficiencies with the tailings operation that have been addressed on an ongoing basis. Expenditures on Chinchan tailings structure has totalled $977 thousand over the last two years with an additional $250 thousand budgeted for 2008. Reinforcement of the dam with a buttress of mine waste rock at 2.5:1 slope is progressing. Plans for 2008 include installation of eight additional piezometers for monitoring; extension of the French drain; and construction of a water collection ditch.

At the time of the site visit, significant water flows were observed in the drainage diversion ditch around the Chinchan dam. The tailing dam buttress was being constructed but was not complete. Construction of the French drain extension and ditch were in progress.

In 2007, Quenuales engaged consultant Vector Peru S.A.C. (Vector) to develop a comparative study at a conceptual engineering design level between the expansion of the present tailing deposit at Chinchan and the proposed new tailings deposit Tablachaca III. Vector submitted their preliminary report in December 2007 which also included an assessment of the impact of operating the paste backfill plant.

The Yauliyacu mine operation has a backfill plant designed to produce high density paste fill for supplying the underground workings using a portion of the mill tailings. The plant was shut down in 2002 due to low metal prices and not re-opened. Plans are to refurbish the backfill plant and purchase and install a new tailings pump and a new tailings line in 2009 to feed the plant. The paste backfill plant will have the combined benefit of reducing the surface tailings storage requirements as well as providing the necessary fill required for some of the underground stoping operations.

Capital and Operating Costs

Capital requirements to improve and sustain the Yauliyacu operation have increased annually over the past two years and are currently forecast to remain a significant expenditure over the life of mine as the company focuses on expanding resources and reserves and increasing production to two million tonnes per year.

Capital expenditures in 2006 and 2007 were $19.7 million and $25.1 million respectively. The capital budget for 2008 is $33.2 million. The major portion of the capital budget estimate is required for mine development and deepening, plus exploration drilling and associated mine development. The balance of the capital required is to sustain and replace the mine and mill equipment. Annual expenditures beyond 2008 are forecast to continue in the range $25 to $35 million.

Operating costs at Yauliyacu increased 13% or $3.22 per tonne from 2005 to 2007 despite a $1.30 per tonne reduction in power cost, the result of returning to a long-term power purchase contract. Recent cost increases are mainly due to increased mining costs because of a higher percentage of vein mining, deepening mine workings, and increased mining contractor rates.

The 2008 Budget forecasts unit operating cost of $28.78 per tonne (on site costs only). The latest (2007) 10 year mine plan forecasts an average operating cost of $26.90 per tonne driven largely by economies of scale associated with increasing production to 1.98 million tonne ore per year.

The underground mining costs have a range from $13.42 per tonne for the wider higher productivity zones up to $45.83 per tonne for the mining the minimum mining widths in the narrower veins.

Production Estimates

WGM prepared a forward looking study on the Yauliyacu Mineral Reserves and Mineral Resources. This study includes Inferred Mineral Resources and extends over a period of 17 years with an estimated production rate of 1.98 million tonnes of ore per year.

Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Due to the uncertainty which may attach to Inferred Mineral Resources, there is no assurance that Inferred Mineral Resources will be upgraded to Proven and Probable Mineral Reserves as a result of continued exploration. The production schedule is a preliminary assessment which is preliminary in nature and includes Inferred Mineral Resources that are too speculative geologically to have economic considerations applied to them to enable them to be categorized as Mineral Reserves. There is no certainty that the preliminary assessment will be realized.

Peñasquito Project, Mexico

Robert H. Bryson, MMSA, Vice President, Engineering at Goldcorp, Fred H. Brown, CPG, independent consultant to Goldcorp, Reynaldo Rivera, AusIMM, Vice President, Exploration at Luismin, S.A. de C.V., and Steven Ristorcelli, CPG, of Mine Development Associates prepared a report dated December 31, 2007, as amended February 8, 2008, entitled “Peñasquito Project Technical Report Concepción del Oro District, Zacatecas State, México” (the “Peñasquito Report”) readdressed to Silver Wheaton. Robert H. Bryson, MMSA, Fred H. Brown, CPG, Reynaldo Rivera, AusIMM and Steven Ristorcelli, CPG are each qualified persons and each of Messrs. Brown and Ristorcelli are independent of the Corporation within the meaning of NI 43-101.

The following description of the Peñasquito Project has been summarized from the Peñasquito Report and readers should consult the Peñasquito Report to obtain further particulars regarding the Peñasquito Project. The Peñasquito Report is available for review on the SEDAR website located at *www.sedar.com* under the Corporation’s profile.

Property Description and Location

Goldcorp owns, through its wholly-owned Mexican subsidiary, Minera Peñasquito, S.A. de C.V. (“Minera Peñasquito”), 100% of the mineral rights to a large area covering approximately 39,000 hectares located in the north-eastern portion of the State of Zacatecas in north-central Mexico (the “Peñasquito Property”). The closest major town is Concepción del Oro which lies approximately 27 kilometres east of the Peñasquito Property on Mexican highway 54, a well maintained, paved highway which links the major cities of Zacatecas (in the state of Zacatecas), approximately 250 kilometres to the southwest with Saltillo (in the state of Coahuila) approximately 125 kilometres to the northeast.

Investigations on the Peñasquito Property have identified several major sulphide mineralization zones with significant values of silver, gold, zinc and lead. The Peñasquito Report considers the economic development of three zones, the Peñasco (the “Peñasco Zone”), the Azul (the “Azul Zone”) and the Chile Colorado (the “Chile Colorado Zone”), which have been the subject of most of the geological and metallurgical investigations to date (collectively the “Peñasquito Project”). In addition to the sulphide mineralization, the three zones also have substantial oxide ore caps which contain recoverable gold and silver. The gold and silver to be recovered from the oxide ores have been included in the Peñasquito Project economic evaluation.

The following table lists the mineral claims associated with the development of the Peñasquito Project. This table is not a complete list of Minera Peñasquito's mineral claims in the area.

List of Pertinent Claims — Peñasquito Project						
Claim	**Type**	**Title**	**File No.**	**Area (Hectares)**	**Date Issued**	**Expiry Date**
EL PEÑASQUITO	Exploitation	196289	43/885	2.000	1993-07-16	2011-07-11
LA PEÑA	Exploitation	203264	07/1.3/547	58.000	1996-06-28	2046-06-27
LAS PEÑAS	Exploitation	212290	8/1.3/00983	40.000	2000-09-29	2050-09-28
ALFA	Exploitation	201997	7/1.3/485	1100.000	1995-10-11	2045-10-10
BETA	Exploitation	211970	8/1.3/01137	2054.761	2000-08-18	2050-08-17
SEGUNDA RED. CONCHA	Exploration	218920	8/2/00018	23304.691	2006-11-22	2050-11-06
MAZAPIL 3 F. I	Exploration	217001	007/13852	1950.702	2002-06-14	2008-06-13
MAZAPIL 10	Exploration	223327	93/26975	1073.555	2004-10-02	2010-10-01

A 2% net smelter return royalty is owed to Royal Gold, Inc. (as a result of its acquisition of Kennecott Canada Explorations Inc. ("Kennecott") in 2006) on production from both the Peñasco Zone and the Chile Colorado Zone.

There is no previous mine development of any form in the immediate area of the Peñasco Zone or the Chile Colorado Zone and as such no environmental liabilities are attached to the Peñasquito Project. All drilling pads are cleaned and rehabilitated on an ongoing basis.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility and Infrastructure

An adequate network of road and rail services exists in the region to support the Peñasquito Project. Road access to the Peñasquito Project is presently gained west out of Concepción del Oro approximately 15 kilometres to the town of Mazapil and then a further 12 kilometres west from Mazapil. The road is very steep immediately west of Concepción del Oro with numerous tight switchbacks. It is either paved or cobbled and maintained to approximately 6 kilometres west of Mazapil, and after that, the road becomes a well-maintained gravel road. The Chile Colorado Zone is within two kilometres of this main road and the Peñasco Zone lies directly beneath the road. A system of gravel roads to the east connects to Cedros and eventually to Torreon and the Torreon/Fresnillo highway.

Goldcorp has completed construction of 2 kilometres of a new road east from Mazapil to join Highway 54 approximately 25 kilometres south of Concepción del Oro. This road will provide superior grade and alignment to the old road from Concepción del Oro. Use of this new road has eliminated the rather steep switchback sections of the current cobblestone road just west of Concepción del Oro and reduces the impact to the town of Concepción del Oro itself. There is one railhead approximately 100 kilometres to the west.

Negotiations for a high voltage power line right-of-way are complete and the towers to the property have been installed.

Given the mining experience in the area and the high unemployment rate, there is expected to be an adequate pool of mining personnel available.

There is adequate space for development of the process facilities and the tailings and waste areas. The tailings disposal will be constructed as a four-sided containment area using alluvial material for a starter dam and tailings for raising the embankment. In general, this is a very favourable site for development.

Water

The National Water Law and its regulations control all water use in Mexico. Comisión Nacional del Agua ("CNA") is the responsible agency. Applications are submitted to this agency indicating the annual water needs for the mine operation and the source of water to be used. The CNA grants water concessions according to the availability in the source area.

The Peñasquito Project will apply for permits to pump up to 40 million m^3 per year. The required hydro-geological studies are currently being conducted that will prove to authorities that the aquifers in the region have enough available water to provide this amount.

The first two phases of hydro-geological studies have been completed (ending in December 2006). A third phase is in progress for Cedros Basin which is anticipated to be completed during the second quarter of 2008. Based on the completed studies, a 4.6 million m^3 per year concession was obtained on August 26, 2006. Using existing studies, another application for an additional water concession of 9.1 million m^3 per year has been submitted. An application for the remaining water requirements will be submitted following completion of the third phase of the hydro-geological study.

Surface Rights

Surface rights in the vicinity of the Peñasco Zone and the Chile Colorado Zone are held by private individuals and three Ejidos. Signatures indicating agreement to the granting of access to Minera Peñasquito have been obtained from all three of the Ejidos and nearly all the private owners. Goldcorp is currently in negotiations to finalize surface rights to the land required for the project.

An Ejido is a communal ownership of land recognized by the federal laws in Mexico. While mineral rights are administered by the federal government through federally issued mining concessions, an Ejido controls surface rights over communal property through a board of directors which is headed by a president. An Ejido may also allow individual members of the Ejido to obtain title to specific parcels of land and thus the right to rent or sell the land. Relations with the Ejidos remain positive.

Climate

The climate in the area of the Peñasquito Project is generally dry with precipitation being limited for the most part to a rainy season of June and July. Annual precipitation for the area is approximately 700 millimetres, most of which falls in the rainy season. Temperatures range between 20 degrees Celsius and 30 degrees Celsius in the summer and 0 degrees Celsius and 15 degrees Celsius in the winter.

Physiography

The Peñasquito Project area lies within a wide valley bounded to the north by the Sierra El Mascaron and the south by the Sierra Las Bocas. Except for one small outcrop, the area is covered by up to 30 metres of alluvium. The terrain is generally flat, rolling hills. Vegetation is mostly scrub, with cactus and coarse grasses. The prevailing elevation of the Peñasquito Property is approximately 1,900 metres above sea level.

History

The region in which the Peñasquito Property is located has a strong tradition of mining going back to the mid 1500s when silver mining first started in the region and the city of Zacatecas was founded. Up until the 19th century, 20% of all silver mined in the world was reportedly mined from the region surrounding the city of Zacatecas. Mining remains active in the State of Zacatecas.

Some limited exploration of the Peñasquito Project area was carried out during the 1950s, however, it was not until 1994 when Kennecott initiated a comprehensive exploration program in the project area that the size and potential of the mineralized system were recognized.

Western Copper Holdings Ltd. (“Western Copper”) acquired 100% of the Peñasquito Project from Kennecott in March 1998. On August 24, 2000, Western Copper optioned the Peñasquito Property to Mauricio Hochschild & Cia Ltda. (“Hochschild”), a Peruvian company. During the fourth quarter of 2000, Hochschild completed a 14 hole, 4,601 metre drill program, with 11 holes drilled in the Chile Colorado Zone. However, Hochschild returned the property to Western Copper after spending more than $1 million on drilling and land payments.

In 2002, Western Copper resumed active drilling of the Peñasquito Property. Western Copper changed its name to Western Silver Corporation (“Western Silver”) in 2003 and continued drilling into April 2006. Western Copper and Western Silver drilled a total of 443 holes (220,880 metres) in the period from 1998 to 2006. Glamis Gold Ltd. (“Glamis”) acquired Western Silver on May 3, 2006. Glamis continued drilling from May 2006 through its merger with Goldcorp in November 2006. Goldcorp continued aggressive drilling of the Peñasquito Property through the end of 2007. From May 2006 to December 2007, Glamis and Goldcorp drilled a total of 324 diamond core holes (213,988 metres).

Geological Setting

The regional geology is dominated by Mesozoic sedimentary rocks intruded by Tertiary stocks of intermediate composition (granodiorite and quartz monzonite). The sedimentary rocks formed in the Mexico Geosyncline, a 2.5 - kilometre thick series of marine sediments deposited during the Jurassic and Cretaceous Periods consisting of a 2,000-metre thick sequence of carbonaceous and calcareous turbidic siltstones and interbedded sandstones underlain by a 1,200 to 2,000-metre thick limestone sequence.

The Mesozoic sedimentary units of the Mazapil area were folded into east-west arcuate folds, cut by northeast- and north-striking faults, and intruded by Tertiary granodiorite, quartz monzonite, and quartz-feldspar porphyry. Tertiary stocks are exposed in the ranges, but not in the valley at Peñasquito. Two diatremes breccia pipes, believed to be related to quartz-feldspar porphyry stocks beneath the Peñasquito area, explosively penetrated Caracol sedimentary units, and probably breached the surface and erupted. These two diatremes, Peñasco and Brecha Azul, are the principal hosts for gold-silver-zinc-lead mineralization at Peñasquito. There is a single outcrop of altered breccia near the center of the Peñasco pipe. Weak sulphide mineralization outcrops on the west side of the outcrop, representing the uppermost expression of much larger mineralized zones below.

Both breccia pipes are believed to have erupted and breached the surface. Their eruption craters and ejecta aprons have since been eroded away, and the current bedrock surface at the Peñasquito Property is estimated to be on the order of 50 to 100 metres below the original paleo surface. Both of the breccia pipes sit within a hydrothermal alteration shell consisting of a central sericite-pyrite-quartz (phyllic) alteration assemblage, surrounding sericite-pyrite-quartz-calcite assemblage, and peripheral chlorite-epidote-pyrite (propylitic) alteration halo.

Mineralization

Sulphide mineralization in the Chile Colorado Zone and the Peñasco Zone is hosted by breccias within the diatreme pipes (Brecha Azul and Peñasco) and by surrounding siltstone and sandstone (Cretaceous Caracol Formation) outside of the pipes.

The Peñasco Zone is comprised of disseminated sulfides in crudely stratified breccias within the diatreme, cut by closely related quartz-felspar porphyry and felsite dikes, and by sulphide disseminations in siltstone and sandstone horizons of the surrounding sedimentary units (Caracol Formation). Breccia units consist of sediment-clast breccias high in the sequence, mixed-clast breccias (sediment and intrusion clasts) at intermediate-depths, and underlying intrusion-clast breccias. All breccias have a matrix of milled, fine-grained intrusion clasts. All of these units may be mineralized, including the cross-cutting dikes. The Chile Colorado Zone is very similar to the Peñasco Zone, with sphalerite-galena-gold-silver hosted by breccias within the Brecha Azul diatreme pipe and by Caracol siltstone and sandstone surrounding the pipe. The Peñasco diatreme is about 900 meters east-west by 800 meters north-south immediately below the alluvial cover; the Brecha Azul diatreme is about 500 meters in diameter at its uppermost extent. Crackle breccias along the inner margins of the diatremes host some of the highest grade mineralization. Sulfide mineralization consists of disseminations and less common veinlets of medium to coarse-grained sphalerite-galena-argentite, various silver sulfosalts, including minor tetrahedrite-polybasite, and common gangue of calcite-rhodochrosite-quartz-fluorite.

At Chile Colorado, the highest grade mineralization outside of the diatremes pipes occurs as stockwork veins and disseminations hosted by weakly silicified sandstone, siltstone or shale of the Caracol Formation. This mineralization is localized by north-south trending fracture zones. At Peñasco, the most prominent mineralization outside of the diatreme is at SW Peñasco where it occurs as disseminations and veinlet stockworks in weakly silicified Caracol siltstone and sandtone, and as garnet-sulfide skarns and shalerite-galena mantos in the limestone units of the underlying Indidura and Cuesta del Cura formations (Cretaceous).

Sphalerite and galena associated with carbonate and pyrite occur locally as massive veins. Pyrite, sphalerite and galena often occur as discrete crystals and disseminations within sandstone and siltstone units surrounding the diatremes. Late-stage carbonates and pyrite fracture fillings occur throughout the Caracol sedimentary sequence distal to the primary mineralized zones at Peñasquito.

Exploration

Kennecott completed numerous air and ground based geophysical surveys on the Peñasquito concessions between 1994 and 1997. The aeromagnetic survey of the region defined an 8 kilometres by 4 kilometres, north-south trending magnetic high centered roughly on the Peñasco Breccia. These surveys provided an understanding of the relationship of Peñasquito mineralization to underlying intrusions (magnetometer surveys), located sulphide stockworks (IP surveys), and discovered the Brecha Azul diatremes (gravity survey). The successful identification and location of sulphide stockworks led directly to the initial “ore-grade” discovery at Chile Colorado.

In 2004, Western Silver initiated additional CSAMT and IP surveys that extended coverage on the older lines, and extended coverage to the east of the pre-existing coverage. The geophysical database for the Peñasquito Project area now provides a detailed geophysical database that images changes in geology and has identified other targets of interest.

Kennecott completed an extensive rapid air blast (“RAB”) drilling campaign across much of the Peñasquito Project area after the discovery of the Chile Colorado Zone. This program, designed to systematically test the entire project area, consisted of 250 holes. The holes penetrated the extensive overburden cover and collected chip samples from the top few metres of bedrock. Twenty-eight of the RAB holes in this campaign by Kennecott were drilled within and immediately adjacent to the Peñasco Zone. The geochemical survey results identified broad zinc, lead, gold and silver anomalies that warranted further exploration. Exploration drilling results have subsequently confirmed significant mineralization in the Peñasco and Chile Colorado zones.

Exploration has continued uninterrupted since 2002. Between one and nine exploration drill rigs have been on site at any given time since then. To the date of the resource estimate set out below under “Mineral Resource and Mineral Reserve Estimates”, 782 drillholes totalling 396,000 metres had been drilled.

Drilling

The Peñasquito Project has been drilled by five mining and exploration companies, beginning with Kennecott in 1995 and extending through Western Copper/Western Silver, Mauricio Hochschield, Glamis and Goldcorp. Drilling has focused on the exploration of three principal areas: the original Chile Colorado Zone, the Brecha Azul Zone (Azul Breccia, Azul NE and Luna Azul) and the Peñasco Zone (including El Sotol). Work for the latest resource and reserve update concentrated on in-fill exploration drilling of the Peñasco Zone and the Brecha Azul Zone.

The following table summarizes exploration drilling performed and assayed to date on the Peñasquito Property. This data has been used in the preparation of the resource estimates used in the Peñasquito Report. Additional exploration drilling is ongoing.

	TOTAL DRILL HOLES	
CATEGORY	**Number**	**Meters**
Holes in Database (1)	782	396,426
Hochschild Holds Excluded for Resource Estimate	14	4,601
PP (water wells) Series Excluded for Resource Estimate	7	2,064
Holes Used for Resource Estimate including condemnation	761	389,761

(1) 15,135 metres are reverse circulation drilling; the balance are core.

Sampling, Analysis, Security and Data Verification

Due to the alluvial cover, the vast majority of resource sampling at the Peñasquito Project has been done using diamond core drilling or, less commonly, reverse-circulation drilling. Most diamond drilling is HQ size core, but narrowing to NQ diameter at depth in the longer holes. Drillhole spacing is generally on 50 metre centres in the main deposits spreading out to 400 metre spaced holes in the condemnation zones. Drilling covers an area approximately 8,000 metres east-west by 4,500 metres north-south with the majority of holes concentrated in an area 2,100 metres east-west by 2,800 metres north-south.

Minera Peñasquito has sampled drill holes from bedrock to final depth. The standard sample interval is 2.0 metres. Some samples are limited to geological boundaries and are less than 2.0 metres in length. A senior geologist examines the core, defines the primary sample contacts, and designates the axis along which to cut the core. Special attention in veined areas was taken to ensure representative splits were made perpendicular and not parallel to veins.

Geological logging is very detailed and follows the geological legend on a regional scale. Once the core has been measured, marked, photographed, and logged geotechnically and geologically, the core boxes are brought to the diamond saw cutting stations located at the project site. The core is sawed in half. One-half of every sample is placed into a heavy plastic bag that the splitter's helper has previously marked with the drill hole and sample number and the sample tag has been inserted into the plastic bag. Standard reference material samples and blanks are inserted into the sample stream going to the assay laboratory in a documented sequence on a frequency of one standard reference sample every 40 samples and a blank every 50 samples. The analytical laboratory also inserts its own standard reference samples.

The plastic bags are placed into large sacks and picked up by an ALS Chemex transport truck which delivers them directly to ALS Chemex Laboratories (“ALS”) in Guadalajara, Mexico approximately twice per week, where the samples are prepped and pulped. Pulps are then sent to ALS in Vancouver, British Columbia where they are assayed and checked. At present ALS is Minera Peñasquito’s primary assay lab. Check samples are sent to Acme Laboratories (“Acme”) of Vancouver, British Columbia. Both ALS and Acme are ISO9002-certified laboratories and both use industry standard sample preparation procedures.

The sample preparation procedures on site before shipment to the laboratory have been independently reviewed and deemed secure and adequate.

The quality assurance and quality control (the “QA/QC”) procedures employed by Minera Peñasquito have been independently audited by MDA (Mine Development Associates, Reno, Nevada). Based on a review of Minera Peñasquito’s QA/QC procedures to date (April 2007), the database used for resource estimates is sufficiently reliable for use in Mineral Resource estimation but some reservations had been noted.

The Peñasquito Report states that no significant problems were identified during reviews of the drilling data, that the holes appear to have been properly located and downhole-surveyed and to have recovered an adequate sample (core recovery during the later Minera Peñasquito campaigns averaged 97.8%) .

IMC (Independent Mining Consultants Inc., Tucson, Arizona) supplemented the check assay data by performing numerous paired comparisons of grades from different drilling and assaying campaigns, including those for which no check assays are available. The results show no evidence to indicate that any of the Minera Peñasquito and Kennecott database assays are affected by large analytical or sample preparation biases. However, they do suggest that the Hochschild grades are quite heavily high-biased relative to the Minera Peñasquito and Kennecott grades for gold, silver and zinc. No Hochschild samples were available for re-assay, so the precautionary decision was taken not to use the Hochschild assays when estimating grades in the resource model.

The paired-comparison reviews did not detect any biases between core and reverse circulation drilling (about 10% of the exploration drilling is reverse circulation).

Mineral Reserve and Mineral Resource Estimates

The following table sets forth the estimated Mineral Reserves (silver only) for 25% of the Peñasquito Project as of December 31, 2007:

Proven and Probable Mineral Reserves[(1)(2)(3)(4)(5)(6)]

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Proven	117.25	32.8	123.8
Probable	112.14	25.6	92.2
Proven + Probable	229.39	29.3	216.0

(1) The Mineral Reserves for the Peñasquito Project set out in the table above represent the 25% attributable to the Corporation and have been prepared under the supervision of Robert H. Bryson, Vice President Engineering of Goldcorp Inc., who is a qualified person under NI 43-101. The Mineral Reserves are classified as Proven and Probable, and are based on the CIM Standards.

(2) The Mineral Reserves have been calculated using assumed metals prices as follows: Gold - $525 per ounce; Silver - $10.00 per ounce; Zinc - $0.80 per pound and Lead - $0.40 per pound.

(3) The Proven and Probable Reserves have been calculated using NSR (Net Smelter Return) cut-off grades and assuming the Mineral Reserves metals prices set forth above. These cut-off grades are: $4.55 NSR for Peñasco-Azul sulphide feed and $5.18 NSR for Chile Colorado sulphide feed. A run-of-mine, heap leach process for gold and silver has been defined for the oxide materials at an NSR cut-off of $1.18 for Peñasco-Azul and at $1.30 for Chile Colorado.

(4) Proven and Probable Mineral Reserves are a subset of Measured and Indicated Mineral Resources.

(5) Numbers may not add up due to rounding.

(6) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

The following table sets forth the estimated Mineral Resources (silver only) for 25% of the Peñasquito Project as of December 31, 2007:

Measured, Indicated and Inferred Mineral Resources [(1)(2)(3)(4)(5)(6)(7)]
(Excluding Proven and Probable Mineral Reserves)

Category	Tonnes (millions)	Silver Grade (grams per tonne)	Contained Silver (millions of ounces)
Measured	26.75	21.1	18.2
Indicated	142.86	18.5	85.1
Measured + Indicated	169.61	18.9	103.3
Inferred	305.00	13.0	127.1

(1) The Mineral Resources for the Peñasquito Project set out in the table above represent the 25% attributable to the Corporation and have been prepared under the supervision of Robert H. Bryson, Vice President Engineering of Goldcorp Inc., who is a qualified person under NI 43-101. The Mineral Resources are classified as Measured, Indicated and Inferred, and are based on the CIM Standards.

(2) Mineral Resource classification was based on kriging variance and the number of informing samples. For the Oxide Domain, classification was based on the gold kriging variance and the number of informing samples. For the sulphide domains classification was based on the zinc kriging variance and the number of informing samples. All Mineral Resources meet the defined classification criteria and cutoff grades for Peñasquito.

(3) Mineral Resources have been calculated using assumed long-term metals prices as follows: Gold - $650 per ounce; Silver $13.00 per ounce; Zinc - $1.00 per pound and Lead - $0.50 per pound.

(4) The Measured and Indicated Resources have been calculated using NSR (Net Smelter Return) cut-off grades and assuming the long-term Mineral Resource metals prices set forth above. These cutoff grades are $4.55 NSR for Peñasco-Azul sulphide feed and $5.18 NSR for Chile Colorado sulphide feed. A run-of-mine, heap leach process for gold and silver has been defined for the oxide materials at an NSR cutoff of $1.18 for Peñasco-Azul and at $1.30 for Chile Colorado.

(5) Mineral Resources are not known to the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability.

(6) Numbers may not add up due to rounding.

(7) Silver is produced as a by-product metal at all operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the time.

Proposed Mining Operations

Mine Plan

The mine plan will provide sulphide ore to a mill flotation plant that will produce two concentrates for sale: a lead concentrate and a zinc concentrate. Both concentrates will have gold and silver credits. Likewise, the mine plan will provide oxide and mixed ores to a heap leach operation that will produce a silver and gold doré.

The mine plan provides for a combined production schedule for both sulphide and oxide ores from both the Peñasco and Chile Colorado zones. The calendar year 2007, the start of mining operations, is taken as Year 1 in the mining schedule. Half-way through Year 3, sufficient sulphide ore is available such that the mill operation can begin under a 15-month start-up and commissioning mode. Commercial mill production is scheduled to begin in Year 4 and is planned to continue through Year 20 at an annual mining rate of 46.8 million tonnes of sulphide ore per year. The total material mined per year increases over the first four years to peak at 216.0 million tonnes (592,000 tonnes per day). The production rate increases correspond to significant increases in the equipment quantities of the mining fleet. Commercial sulphide production is scheduled for 20 years.

Mining begins in the Peñasco pit, which provides the only sulphide mill feed through Year 11, and continues to provide mill feed through Year 20. Waste stripping begins in the Chile Colorado Zone in Year 10 and sulphide ore is mined during Year 12 through Year 20.

Environmental Permitting

A large number of permits are in the process of being obtained in order to bring the Peñasquito Project into production. For the most part, federal laws regulate mining in Mexico, but there are some project components subject to state or local approval. The Secretary of Environment and Natural Resources (“SEMARNAT”) is the chief agency regulating environmental matters in Mexico. Three SEMARNAT permits needed to begin mine construction have been obtained: The Environmental Impact Assessment (“EIA”), the Risk Study and the Land Use Change. A land use license from the municipality of Mazapil and an archaeological release letter from the National Institute of Anthropology and History have also been obtained. An explosives permit from the National Secretary of Defence has

also been obtained.

Optimization and detailed design for the Peñasquito Project is continuing and certain of the project parameters may change as such work progresses. No smelting, refining or transportation contracts have yet been entered into.

Mine Life

Based on the current estimates of Proven and Probable Mineral Reserves, together with the selected production rate, result in a mine life of 19 years.

DIVIDENDS

The Corporation currently intends to retain future earnings, if any, for use in its business and does not anticipate paying dividends on the Common Shares in the foreseeable future. Any determination to pay any future dividends will remain at the discretion of the Corporation's board of directors and will be made taking into account its financial condition and other factors deemed relevant by the board. The Corporation has not paid any dividends since its incorporation.

DESCRIPTION OF CAPITAL STRUCTURE

Authorized Capital

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preference shares (the "Preference Shares"), issuable in series. As of March 25, 2008, 223,714,717 Common Shares and no Preference Shares are issued and outstanding.

Common Shares

Holders of Common Shares are entitled to receive notice of any meetings of shareholders of the Corporation, to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Corporation's board of directors at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of the Corporation are entitled to receive on a pro rata basis the net assets of the Corporation after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranki ng senior in priority to or on a pro rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any preemptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Preference Shares

The Preference Shares may, at any time or from time to time, be issued in one or more series. The Corporation's board of directors shall fix before issue, the number of, the consideration per share of, the designation of, and the provisions attaching to the shares of each series. Except as required by law or as otherwise determined by the Corporation's board of directors in respect of a series of shares, the holder of a Preference Share shall not be entitled to vote at meetings of shareholders. The Preference Shares of each series rank on a priority with the Preference Shares of every other series and are entitled to preference over the Common Shares and any other shares ranking subordinate to the Preference Shares with respect to priority and payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation.

TRADING PRICE AND VOLUME

Common Shares

The Common Shares are listed and posted for trading on the TSX and the NYSE under the symbol “SLW”. The following table sets forth information relating to the trading of the Common Shares on the TSX for the months indicated.

Month	High (C$)	Low (C$)	Volume
January 2007	12.78	10.50	18,023,163
February 2007	13.05	11.35	19,579,018
March 2007	11.70	10.41	20,416,619
April 2007	13.34	10.73	32,800,239
May 2007	13.75	11.28	30,325,062
June 2007	12.89	11.50	21,628,753
July 2007	15.56	12.64	27,244,468
August 2007	14.65	10.45	27,057,900
September 2007	14.40	11.90	21,713,461
October 2007	15.99	13.12	25,643,137
November 2007	16.75	14.02	27,064,738
December 2007	17.37	13.83	19,123,869

The price of the Common Shares as quoted by the TSX at the close of business on December 31, 2007 was C$16.80 and on March 25, 2008 was C$16.83.

Warrants

The common share purchase warrants (the "Warrants") of the Corporation (five of which are exercisable to acquire one Common Share at a price of C$4.00 until August 5, 2009) are listed and posted for trading on the TSX under the symbol "SLW.WT". The following table sets forth information relating to the trading of the Warrants on the TSX for the months indicated.

Month	High (C$)	Low (C$)	Volume
January 2007	1.85	1.45	1,807,026
February 2007	1.90	1.57	1,539,125
March 2007	1.70	1.40	2,493,452
April 2007	1.92	1.43	6,831,426
May 2007	1.95	1.50	2,875,605
June 2007	1.80	1.52	6,578,954
July 2007	2.34	1.73	3,263,307
August 2007	2.15	1.36	2,921,966
September 2007	2.10	1.61	1,979,830
October 2007	2.39	1.85	2,417,032
November 2007	2.64	2.05	9,064,454
December 2007	2.68	2.00	6,631,370

The price of the Warrants as quoted by the TSX at the close of business on December 31, 2007 was C$2.68 and on March 25, 2008 was C$2.58.

Series A Warrants

The Series A common share purchase warrants (the "Series A Warrants") of the Corporation (five of which are exercisable to acquire one Common Share at a price of C$5.50 until November 30, 2009) are listed and posted for trading on the TSX under the symbol "SLW.WT.A". The following table sets forth information relating to the trading of the Series A Warrants on the TSX for the months indicated.

Month	High (C$)	Low (C$)	Volume
January 2007	1.68	1.26	1,207,804
February 2007	1.74	1.32	1,420,575
March 2007	1.46	1.21	551,921
April 2007	1.66	1.30	1,505,200
May 2007	1.74	1.33	1,733,910
June 2007	1.60	1.29	816,657
July 2007	2.05	1.54	959,478
August 2007	1.88	1.15	707,789
September 2007	1.91	1.45	894,250
October 2007	2.10	1.57	794,221
November 2007	2.32	1.76	2,945,416
December 2007	2.44	1.74	2,252,607

The price of the Series A Warrants as quoted by the TSX at the close of business on December 31, 2007 was C$2.44 and on March 25, 2008 was C$2.34.

Series B Warrants

The Series B common share purchase warrants (the "Series B Warrants") of the Corporation (each of which is exercisable to acquire one Common Share at a price of C$10.00 until December 22, 2010) are listed and posted for trading on the TSX under the symbol "SLW.WT.B". The following table sets forth information relating to the trading of the Series B Warrants on the TSX for the months indicated.

Month	High (C$)	Low (C$)	Volume
January 2007	7.40	5.00	283,018
February 2007	7.24	5.75	196,940
March 2007	6.40	4.65	240,140
April 2007	6.80	5.02	524,788
May 2007	6.65	4.95	299,175
June 2007	6.15	5.09	135,008
July 2007	8.50	5.95	261,850
August 2007	8.00	5.28	175,430
September 2007	8.00	5.90	96,895
October 2007	8.00	6.25	158,694
November 2007	8.58	6.85	233,141
December 2007	9.00	6.74	172,019

The price of the Series B Warrants as quoted by the TSX at the close of business on December 31, 2007 was C$8.90 and on March 25, 2008 was C$10.00.

DIRECTORS AND OFFICERS

The following table sets forth the name, province/state and country of residence, position held with the Corporation and principal occupation of each person who is a director and/or an officer of the Corporation.

Name, Province/State and Country of Residence	Position(s) with the Corporation	Principal Occupation
Eduardo Luna Mexico City, Mexico	Chairman of the Board and Director since December 2004 (5)	Chairman of the Board of Silver Wheaton
Peter D. Barnes British Columbia, Canada	President, Chief Executive Officer and Director since April 2006 (5)	President and Chief Executive Officer of Silver Wheaton
Lawrence I. Bell (1) British Columbia, Canada	Director since April 2006 (5)	Chairman of Canada Line (Rapid Transit) Project
John A. Brough (1)(3) Ontario, Canada	Director since October 2004 (5)	Corporate Director
R. Peter Gillin (1)(2)(3) Ontario, Canada	Director since October 2004 (5)	Chairman and Chief Executive Officer of Tahera Diamond Corporation (diamond exploration and development company)
Douglas M. Holtby (2) British Columbia, Canada	Director since April 2006 (5)	Vice Chairman and Lead Director of Goldcorp (mining company) and President and Chief Executive Officer of Arbutus Road Investments Inc. (a private investment company)
Wade D. Nesmith (2)(3)(4) British Columbia, Canada	Director since October 2004 (5)	Associate Counsel (Lang Michener LLP)
Nolan Watson British Columbia, Canada	Chief Financial Officer	Chief Financial Officer of Silver Wheaton
Randy V. J. Smallwood British Columbia, Canada	Executive Vice President, Corporate Development	Executive Vice President, Corporate Development of Silver Wheaton
Michael J. Johnson British Columbia, Canada	Vice President, Legal and Corporate Secretary	Vice President, Legal of Silver Wheaton

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(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.
(3) Member of the Corporate Governance and Nominating Committee.
(4) Lead Director.
(5) Directors are elected at each annual meeting of Silver Wheaton's shareholders and serve as such until the next annual meeting or until their successors are elected or appointed.

The principal occupations, businesses or employments of each of the Corporation's directors and officers within the past five years are disclosed in the brief biographies set forth below.

Eduardo Luna – Chairman of the Board. Mr. Luna has been Chairman of the Corporation since October 2004 (and was Interim Chief Executive Officer of the Corporation from October 2004 to April 2006), Executive Vice President of Wheaton River Minerals Ltd. ("Wheaton River") from June 2002 to April 2005, Executive Vice President of Goldcorp from March 2005 to September 2007 and President of Luismin, S.A. de C.V. from 1991 to 2007. He holds a degree in Advanced Management from Harvard University, an MBA from Instituto Tecnologico de Estudios Superiores de Monterrey and a Bachelor of Science in Mining Engineering from Universidad de Guanajuato. He held various executive positions with Minera Autlan for seven years and with Industrias Peñoles for five years. He is the former President of the Mexican Mining Chamber and the former President of the Silver Institute. He serves as Chairman of the Advisory Board of the Faculty of Mines at the University of Guanajuato and of the Mineral Resources

Council in Mexico.

Peter D. Barnes – President, Chief Executive Officer and Director. Mr. Barnes is currently the President, Chief Executive Officer and a director of Silver Wheaton. He was Executive Vice President and Chief Financial Officer of Silver Wheaton from October 2004 to April 2006, Executive Vice President and Chief Financial Officer of Goldcorp from March 2005 to April 2006, and prior to such time he was Executive Vice President of Wheaton River from February 2003 and Chief Financial Officer of Wheaton River from July 2003. Mr. Barnes is a Chartered Accountant with over 20 years of senior management experience, and holds a Bachelor of Science in Economics from the University of Hull, England.

Lawrence I. Bell – Director. Mr. Lawrence Bell is currently the Chairman of Canada Line (Rapid Transit) Project and served as the non-executive Chairman of British Columbia Hydro and Power Authority until December 2007. From August 2001 to November 2003, Mr. Bell was Chairman and Chief Executive Officer of British Columbia Hydro and Power Authority and, from 1987 to 1991, he was Chairman and Chief Executive Officer of British Columbia Hydro and Power Authority. He is also a director of International Forest Products Limited and Goldcorp and is former Chairman of the University of British Columbia Board of Directors. Prior to these positions, Mr. Bell was Chairman and President of the Westar Group and Chief Executive Officer of Vancouver City Savings Credit Union. In the province's public sector, Mr. Bell has served as Deputy Minister of Finance and Secretary to the Treasury Board.

John A. Brough – Director. Mr. Brough had been President of both Torwest, Inc. and Wittington Properties Limited, real estate development companies, from 1998 to December 31, 2007, upon his retirement. Prior thereto, from 1996 to 1998, Mr. Brough was Executive Vice President and Chief Financial Officer of iSTAR Internet, Inc. Prior thereto, from 1974 to 1996, he held a number of positions with Markborough Properties, Inc., his final position being Senior Vice President and Chief Financial Officer which position he held from 1986 to 1996. Mr. Brough is an executive with over 30 years of experience in the real estate industry. He is currently a director and Chairman of the Audit Committee of Kinross Gold Corporation, a director of Livingston International Income Fund, a director and Chairman of the Audit Committee and Lead Director of First National Financial Income Fund and a director of Quadra Mining Ltd. He holds a Bachelor of Arts degree in Political Science and Economics from the University of Toronto and is a Chartered Accountant. He is also a graduate of the Institute of Corporate Directors – Director Education Program at the University of Toronto, Rotman School of Management.

R. Peter Gillin – Director. Mr. Gillin has been Chairman and Chief Executive Officer of Tahera Diamond Corporation, a diamond exploration, development and production company, since October 2003. Since 2004, Mr. Gillin has been a member of the Independent Review Committee of TD Asset Management Inc. and, since December 2005, a director of Trillium Health Care Products Inc. From November 2002 to May 2003, Mr. Gillin was President and Chief Executive Officer of Zemex Corporation, an industrial minerals corporation. From 1996 to 2002, Mr. Gillin was Vice Chairman and a director of N.M. Rothschild & Sons Canada Limited, an investment bank, and, from 2001 to 2002, was Acting Chief Executive Officer of N.M. Rothschild & Sons Canada Limited. He is a Chartered Financial Analyst.

Douglas M. Holtby – Director. Mr. Holtby is currently the Vice Chairman of the Board and Lead Director of Goldcorp and President and Chief Executive Officer of a private investment company, Arbutus Road Investments Inc. From June 1989 to June 1996, Mr. Holtby was President, Chief Executive Officer and a director of WIC Western International Communications Ltd., from 1989 to 1996, he was Chairman of Canadian Satellite Communications Inc., from 1998 to 1999, he was a Trustee of ROB.TV and CKVU, from 1974 to 1989, he was President of Allarcom Limited and, from 1982 to 1989, he was President and a shareholder of Allarcom Pay Television Limited. Mr. Holtby is a Chartered Accountant and a graduate of the Institute of Corporate Directors -Director Education Program at the University of Toronto, Rotman School of Management.

Wade D. Nesmith – Lead Director. Mr. Nesmith is currently associate counsel with Lang Michener LLP, a law firm where he previously practiced from 1993 to 1998 and where he was associate counsel during 2004. From 2000 to 2003, he was Vice President, Strategic Development of Westport Innovations Inc., a high performance, low emissions engines and fuel systems company, and, from 1999 to 2000, he was the principal of the law firm of Nesmith & Associates. Mr. Nesmith was the former Superintendent of Brokers for the Province of British Columbia. From December 2003 to March 2005, Mr. Nesmith was a director of Oxford Automotive Inc., a U.S. based, tier-one auto parts manufacturer. He also served as Chairman of the Executive Committee and the Compensation Committee of Oxford Automotive Inc.

Nolan Watson – Chief Financial Officer. Mr. Watson, a former Valedictorian of the Chartered Accounting Program, is a Chartered Financial Analyst charterholder and holds a Bachelor of Commerce Degree, with honours, from the University of British Columbia. Prior to joining Silver Wheaton in January 2005, he worked in the Corporate Finance department of Deloitte & Touche LLP where he specialized in financial advisory services, including mergers and acquisitions.

Randy V. J. Smallwood – Executive Vice President, Corporate Development. Mr. Smallwood holds a geological engineering degree from the University of British Columbia. He was previously Director of Project Development for Wheaton River from 1993 through its merger with Goldcorp and until 2007. He has been instrumental in building Wheaton River, Goldcorp and Silver Wheaton over a five year period of acquisitions. Prior to joining Wheaton River, Mr. Smallwood worked with Homestake Mining Company, Teck Corp. and Westmin Resources.

Michael J. Johnson – Vice President, Legal. Mr. Johnson holds a Master of Laws degree from Osgoode Hall Law School at York University, a Bachelor of Laws Degree from Dalhousie University and a Bachelor of Arts degree (honours, first class) from Simon Fraser University. Prior to joining Silver Wheaton, Mr. Johnson practiced mining law for several years at two pre-eminent international law firms headquartered in Canada, during which time he was involved in numerous domestic and cross-border mergers and acquisitions and various other corporate finance-related matters.

As at March 25, 2008, the directors and executive officers of Silver Wheaton, as a group, beneficially owned, directly and indirectly, or exercised control or direction over 206,700 Common Shares, representing less than one percent of the total number of Common Shares outstanding before giving effect to the exercise of options or warrants to purchase Common Shares held by such directors and executive officers. The statement as to the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of Silver Wheaton as a group is based upon information furnished by the directors and executive officers.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director of the Corporation is, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. No director of the Corporation is, or within ten years prior to the date hereof has been, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, other than (a) Lawrence I. Bell who was a director of a mining company when it filed a plan of reorganization under Chapter 11 on December 22, 1998; (b) Wade D. Nesmith who was a director of an automotive company which applied for Chapter 11 bankruptcy protection in December 2004 and emerged from Chapter 11 bankruptcy protection in March 2005; and (c) R. Peter Gillin who is the Chairman and Chief Executive Officer of Tahera Diamond Corporation which announced on January 16, 2008 that it h ad obtained an order from the Ontario Superior Court of Justice granting Tahera Diamond Corporation protection pursuant to the provisions of the Companies' Creditors Arrangement Act.

Conflicts of Interest

To the best of Silver Wheaton's knowledge, and other than as disclosed in this annual information form, there are no known existing or potential material conflicts of interest between Silver Wheaton and any director or officer of Silver Wheaton, except that certain of the directors and officers serve as directors and officers of other public companies and therefore it is possible that a conflict may arise between their duties as a director or officer of Silver Wheaton and their duties as a director or officer of such other companies. See "Description of the Business — Risk Factors — Conflicts of Interest" and "Interest of Management and Others in Material Transactions".

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described below and elsewhere in this annual information form, since September 1, 2004, no director, executive officer or 10% shareholder of the Corporation or any associate or affiliate of any such person or company, has or had any material interest, direct or indirect, in any transaction that has materially affected or will materially affect the Corporation or any of its subsidiaries.

On October 15, 2004, the Corporation completed the Luismin Transaction. Pursuant to the Luismin Transaction, Goldcorp became an indirect holder of approximately 75% of the then outstanding Common Shares. In connection with the Luismin Transaction, the Corporation entered into the Services Agreement with Goldcorp whereby the Corporation has agreed to reimburse Goldcorp for the use of a portion of its office facilities and the services of its personnel. See "General Development of the Business – Luismin Transaction".

On March 30, 2006, Silver Wheaton and Goldcorp amended the Luismin Silver Purchase Contract, as described elsewhere in this annual information form. As a result of this transaction, the Corporation issued 18 million Common Shares and paid $20 million to Goldcorp. In addition, in September 2006, in connection with Goldcorp's acquisition of Glamis Gold Ltd. ("Glamis"), Silver Wheaton agreed to waive its right to acquire an interest in any of Glamis' Mexican projects. In exchange for this waiver, Silver Wheaton received a right of first refusal on future silver production from Goldcorp's Peñasquito gold project in Mexico for so long as Goldcorp held at least 20% of the Common Shares.

In December 2006, Goldcorp sold 18 million Common Shares pursuant to a public offering for gross proceeds to Goldcorp of approximately C$217.9 million.

During May 2007, the Corporation entered into a 9 year lease agreement with Goldcorp for office space. The Corporation began making lease payments in December 2007 which totaled $17,500.

In July 2007, the Corporation completed the purchase from Goldcorp of 25% of the life of mine silver production from the Peñasquito Project for a cash payment of $485 million. Eduardo Luna, Executive Vice President of Goldcorp at the time of completion of this transaction, is Chairman of the board of directors of the Corporation and each of Lawrence I. Bell and Douglas M. Holtby are directors of both the Corporation and Goldcorp. See "General Development of the Business – Peñasquito Transaction".

In February 2008, Goldcorp sold its remaining 108 million Common Shares pursuant to a public offering for gross proceeds to Goldcorp of C$1.566 billion. Goldcorp is no longer a shareholder of Silver Wheaton.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is CIBC Mellon Trust Company ("CIBC Mellon") at its principal offices in Vancouver, British Columbia and Toronto, Ontario.

The warrant agent for the Warrants, the Series A Warrants and the Series B Warrants is CIBC Mellon at its principal offices in Vancouver, British Columbia and Toronto, Ontario.

MATERIAL CONTRACTS

The only material contracts entered into by the Corporation within the year ended December 31, 2007 or before such time that are still in effect, other than in the ordinary course of business, are as follows:

1. The Luismin Silver Purchase Contract, as amended, referred to under the heading "General Development of the Business – Luismin Transaction" in this annual information form;

2. The Yauliyacu Silver Purchase Contract referred to under the heading "General Development of the Business – Yauliyacu Transaction" in this annual information form;

3. The Peñasquito Silver Purchase Contract referred to under the heading "General Development of the Business – Peñasquito Transaction" in this annual information form; and

4. The $500 million credit facility dated as of July 20, 2007 between the Corporation and the lenders.

Each of such contracts is available on SEDAR at www.sedar.com under the Corporation's profile.

INTERESTS OF EXPERTS

The following individuals are the qualified persons as defined by NI 43-101 in connection with the Mineral Reserve and Mineral Resource estimates contained in this annual information form:

1. Velasquez Spring, P.Eng., Senior Geologist at WGM, is the qualified person responsible for the Mineral Reserve and Mineral Resource estimates for the San Dimas Mine.

2. Velasquez Spring, P.Eng., Senior Geologist at WGM, is the qualified person responsible for the Mineral Reserve and Mineral Resource estimates for the San Martin Mine.

3. Robert H. Bryson, MMSA, Vice President, Engineering at Goldcorp, is the qualified person responsible for the Mineral Reserve and Mineral Resource estimates for the Peñasquito Project.

4. Reynaldo Rivera, MAusIMM at Luismin, is the qualified person responsible for the Mineral Reserve and Mineral Resource estimates for the Los Filos Project.

5. Lars Malmström, Chief Geologist at Zinkgruvan, and Per Hedström, Senior Geologist at Zinkgruvan, are the qualified persons responsible for the Mineral Reserve and Mineral Resource estimates for the Zinkgruvan Mine.

6. Patrick Forward, General Manager, Exploration of European Goldfields Limited, is the qualified person responsible for the Mineral Reserve and Mineral Resource estimates for the Stratoni Mine.

7. Jim Tompkins, P.Eng., Mercator's independent mining engineer, a Qualified Person as defined by National Instrument 43-101, supervised the preparation of and verified the technical information in connection with the Mineral Reserve and Mineral Resource estimates for the Mineral Park Mine.

The following are the technical reports prepared in accordance with NI 43-101 from which technical information contained in this annual information form has been derived:

1. San Dimas Mine — Velasquez Spring, P.Eng., Senior Geologist at WGM, and Gordon Watts, P.Eng., Senior Associate Mineral Economist at WGM, prepared a report in accordance with NI 43-101 entitled “An Audit of the Mineral Reserves/Resources Tayoltita, Santa Rita and San Antonio Mines as of December 31, 2007 for Silver Wheaton Corp.” dated February 22, 2008.

2. Yauliyacu Mine — Velasquez Spring, P.Eng., Senior Geologist, Robert Didur, P.Eng., Senior Associate Mining Consultant and Gordon Watts, P.Eng., Senior Associate Mineral Economist at WGM, prepared a report in accordance with NI 43-101 entitled “A Technical Review on the Yauliyacu Lead/Zinc Mine, Junin Province, Perú for Silver Wheaton Corp.” dated March 28, 2008.

3. Peñasquito Project — Robert H. Bryson, MMSA, Vice President, Engineering at Goldcorp, Fred H. Brown, CPG, independent consultant to Goldcorp, Reynaldo Rivera, AusIMM, Vice President, Exploration at Luismin, S.A. de C.V., and Steven Ristorcelli, CPG, Principal Geologist at Mine Development Associates, Inc., prepared a report in accordance with NI 43-101 entitled “Peñasquito Project Technical Report Concepcíon del Oro District, Zacatecas State, México” dated December 31, 2007, as amended February 8, 2008.

Each of such reports are available on SEDAR at www.sedar.com under the Corporation’s profile and a summary of such reports is contained in this annual information form under “Description of the Business – San Dimas Mine, Mexico, – Yauliyacu Mine, Perú, – Peñasquito Project, Mexico”, respectively.

Other than 5,858 common shares of Goldcorp and options to purchase a further 70,350 common shares of Goldcorp held by Mr. Bryson, none of the aforementioned qualified persons held any securities of the Corporation or of any associate or affiliate of the Corporation when they prepared the reports referred to above or following the preparation of such reports nor did they receive any direct or indirect interest in any securities of the Corporation or of any associate or affiliate of the Corporation in connection with the preparation of such reports.

Other than Messrs. Bryson and Rivera who are officers of Goldcorp and Luismin, S.A. de C.V., none of the aforementioned qualified persons are currently expected to be elected, appointed or employed as a director, officer or employee of the Corporation or of any associate or affiliate of the Corporation.

Deloitte & Touche LLP, are the independent auditors for the Corporation.

AUDIT COMMITTEE

The Corporation's Audit Committee is responsible for monitoring the Corporation's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents and monitoring the performance and independence of the Corporation's external auditors. The committee is also responsible for reviewing the Corporation's annual audited financial statements, unaudited quarterly financial statements and management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the full board of directors of the Corporation.

The Audit Committee's charter sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Corporation's board of directors. A copy of the charter is attached hereto as Schedule "A".

The members of the Corporation's current Audit Committee are John A. Brough (Chairman), Lawrence I. Bell and R. Peter Gillin. Each of Messrs. Brough, Bell and Gillin are independent and financially literate within the meaning of Multilateral Instrument 52-110 *Audit Committees* ("MI 52-110"). In addition to being independent directors as described above, all members of the Corporation's Audit Committee must meet an additional "independence" test under MI 52-110 in that their directors' fees are the only compensation they, or their firms, receive from the Corporation and that they are not affiliated with the Corporation.

The Audit Committee met six times in 2007. Each of Messrs. Brough, Bell and Gillin were present at all six meetings.

Relevant Education and Experience

Set out below is a description of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member.

John A. Brough – Mr. Brough had been President of both Torwest, Inc. and Wittington Properties Limited, real estate development companies, from 1998 to December 31, 2007, upon his retirement, and he has 30 years of experience in the real estate industry. Prior thereto, from 1996 to 1998, Mr. Brough was Executive Vice President and Chief Financial Officer of iSTAR Internet, Inc. He has a Bachelor of Arts degree in Political Science and Economics from the University of Toronto, is a Chartered Accountant and is currently a director and Chairman of the Audit Committee of Kinross Gold Corporation, a director of Livingston International Income Fund and a director and Chairman of the Audit Committee of First National Financial Income Fund and a director of Quadra Mining Ltd. Mr. Brough has graduated from the Director's Education Program at the University of Toronto, Rotman School of Management.

Lawrence I. Bell – Mr. Lawrence Bell is currently the Chairman of Canada Line (Rapid Transit) Project and served as the non-executive Chairman of British Columbia Hydro and Power Authority until December 2007. From August 2001 to November 2003, Mr. Bell was Chairman and Chief Executive Officer of British Columbia Hydro and Power Authority and, from 1987 to 1991, he was Chairman and Chief Executive Officer of British Columbia Hydro and Power Authority. He is also a director of International Forest Products Limited and Goldcorp and is former Chairman of the University of British Columbia Board of Directors. Prior to these positions, Mr. Bell was Chairman and President of the Westar Group and Chief Executive Officer of Vancouver City Savings Credit Union. In the province's public sector, Mr. Bell has served as Deputy Minister of Finance and Secretary to the Treasury Board.

R. Peter Gillin – Mr. Gillin is currently the Chairman and Chief Executive Officer of Tahera Diamond Corporation and is also a member of the Independent Review Committee of TD Asset Management Inc. for the purposes of Mutual Reliance Review System applications under National Instrument 81-102 *Mutual Funds*. Mr. Gillin has an Honours Business Administration degree from the Richard Ivey School of Business at the University of Western Ontario and is a Chartered Financial Analyst.

Pre-Approval Policies and Procedures

The Audit Committee's charter sets out responsibilities regarding the provision of non-audit services by the Corporation's external auditors. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor's independence and requires Audit Committee pre-approval of permitted audit and audit-related services.

External Auditor Service Fees

Audit Fees

The aggregate audit fees billed by the Corporation's external auditors for the year ended December 31, 2007 were C$296,000 (year ended December 31, 2006 – C$182,500).

Audit-Related Fees

The aggregate audit-related fees billed by the Corporation's external auditors for the year ended December 31, 2007 were C$Nil (year ended December 31, 2006 – C$125,000).

Tax Fees

The aggregate tax fees in respect of tax compliance, tax advice and tax planning billed by the Corporation's external auditors for the year ended December 31, 2007 were C$169,100 (year ended December 31, 2006 – C$166,900).

All Other Fees

There were no other fees billed by the Corporation's external auditors during the last two financial years.

ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans will be contained in the management information circular of the Corporation to be prepared in connection with the Corporation's annual and special meeting of shareholders scheduled to be held on May 14, 2008 which will be available on SEDAR at www.sedar.com. Additional financial information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2007.

SCHEDULE "A"

SILVER WHEATON CORP.
AUDIT COMMITTEE CHARTER

I. PURPOSE

The Audit Committee is a committee of the Board of Directors (the "Board") of Silver Wheaton Corp. ("Silver Wheaton" or the "Company"). The primary function of the Audit Committee is to assist the Board in fulfilling its financial reporting and controls responsibilities to the shareholders of the Company and the investment community. The external auditors will report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities are:

A. overseeing the integrity of the Company's financial statements and reviewing the financial reports and other financial information provided by the Company to any governmental body or the public and other relevant documents;

B. assisting the Board in oversight of the Company's compliance with legal and regulatory requirements;

C. recommending the appointment and reviewing and appraising the audit efforts of the Company's independent auditor, overseeing the non-audit services provided by the independent auditor, overseeing the independent auditor's qualifications and independence and providing an open avenue of communication among the independent auditor, financial and senior management and the Board of Directors;

D. assisting the Board in oversight of the performance of the Company's internal audit function;

E. serving as an independent and objective party to oversee and monitor the Company's financial reporting process and internal controls, the Company's processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements;

F. preparing Audit Committee report(s) as required by applicable regulators; and

G. encouraging continuous improvement of, and fostering adherence to, the Company's policies, procedures and practices at all levels.

II. COMPOSITION AND OPERATIONS

A. The Committee shall operate under the guidelines applicable to all Board committees.

B. The Audit Committee shall be comprised of at least three directors, all of whom are "independent" as such term is defined in the Board Guidelines.

C. In addition, unless otherwise authorized by the Board, no director shall be qualified to be a member of the Audit Committee if such director (i) is an "affiliated person", as defined in Appendix One, or (ii) receives (or his/her immediate family member or the entity for which such director is a director, member, partner or principal and which provides consulting, legal, investment banking, financial or other similar services to the Company), directly or indirectly, any consulting, advisory, or other compensation from the Company other than compensation for serving in his or her capacity as a member of the Board and as a member of Board committees.

D. All members shall, to the satisfaction of the Board of Directors, be “financially literate” as defined in Appendix One, and at least one member shall have accounting or related financial management expertise to qualify as a “financial expert” as defined in Appendix One.

E. If a Committee member simultaneously serves on the audit committees of more than three public companies, the Committee shall seek the Board’s determination as to whether such simultaneous service would impair the ability of such member to effectively serve on the Company’s audit committee and ensure that such determination is disclosed.

F. The Committee shall meet at least four times annually, or more frequently as circumstances require. The Committee shall meet within 45 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related MD&A and shall meet within 90 days following the end of the fiscal year end to review and discuss the audited financial results for the year and related MD&A prior to their publishing.

G. The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary. For purposes of performing their audit related duties, members of the Committee shall have full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the financial position of the Company with senior employees, officers and independent auditors of the Company.

H. As part of its job to foster open communication, the Committee should meet at least annually with management and the independent auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. In addition, the Committee or at least its Chair should meet with the independent auditor and management quarterly to review the Company’s financial statements.

I. Each of the Chairman of the Committee, members of the Committee, Chairman of the Board, independent auditors, Chief Executive Officer, Chief Financial Officer or Secretary shall be entitled to request that the Chairman of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request.

III. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Audit Committee shall:

A. Create an agenda for the ensuing year.

B. Review and update this Charter at least annually, as conditions dictate.

C. Describe briefly in the Company’s annual report and more fully in the Company’s Management Information Circular the Committee’s composition and responsibilities and how they were discharged.

D. Documents/Reports Review

i) Review with management and the independent auditors, the Company’s interim and annual financial statements, management discussion and analysis, earnings releases and any reports or other financial information to be submitted to any governmental and/or regulatory body, or the public, including any certification, report, opinion, or review rendered by the independent auditor for the purpose of recommending their approval to the Board prior to their filing, issue or publication. The Chair of the Committee may represent the entire Committee for purposes of this review in circumstances where time does not allow the full Committee to be available.

ii) Review analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.

iii) Review the effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the financial statements of the Company.

iv) Review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures related to executive travel and entertainment, and review the results of the procedures performed in these areas by the independent auditor, based on terms of reference agreed upon by the independent auditor and the Audit Committee.

v) Review expenses of the Board Chair and CEO annually.

vi) Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the issuer's financial statements, as well as review any financial information and earnings guidance provided to analysts and rating agencies, and periodically assess the adequacy of those procedures.

E. Independent Auditor

i) Recommend to the Board and approve the selection of the independent auditor, consider the independence and effectiveness and approve the fees and other compensation to be paid to the independent auditor.

ii) Monitor the relationship between management and the independent auditor including reviewing any management letters or other reports of the independent auditor and discussing any material differences of opinion between management and the independent auditor.

iii) Review and discuss, on an annual basis, with the independent auditor all significant relationships they have with the Company to determine their independence and report to the Board of Directors.

iv) Review and approve requests for any non-audit services to be performed by the independent auditor and be advised of any other study undertaken at the request of management that is beyond the scope of the audit engagement letter and related fees. Pre- approval of non-audit services is satisfied if:

v) Ensure disclosure of any specific policies or procedures adopted by the Committee to satisfy pre-approval requirements for non-audit services by the Company's external auditor.

vi) Review the relationship of non-audit fees to audit fees paid to the independent Auditor to ensure that auditor independence is maintained.

vii) Ensure that both the audit and non-audit fees are disclosed to shareholders by category.

viii) Review the performance of the independent auditor and approve any proposed discharge and replacement of the independent auditor when circumstances warrant. Consider with management and the independent auditor the rationale for employing accounting/auditing firms other than the principal independent auditor.

ix) At least annually, consult with the independent auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the organization's financial statements. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.

x) Arrange for the independent auditor to be available to the Audit Committee and the full Board as needed. Ensure that the auditors report directly to the Audit Committee and are made accountable to the Board and the Audit Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.

xi) Oversee the work of the independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services.

xii) Ensure that the independent auditors are prohibited from providing the following non- audit services and determining which other non-audit services the independent auditors are prohibited from providing:

a) bookkeeping or other services related to the accounting records or financial statements of the Company;

b) financial information systems design and implementation;

c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports;

d) actuarial services;

e) internal audit outsourcing services;

f) management functions or human resources;

g) broker or dealer, investment adviser or investment banking services;

h) legal services and expert services unrelated to the audit; and

i) any other services which the Public Company Accounting Oversight Board determines to be impermissible.

xiii) Approve any permissible non-audit engagements of the independent auditors, in accordance with applicable legislation.

F. Financial Reporting Processes

i) In consultation with the independent auditor review the integrity of the organization's financial and accounting controls and reporting processes, both internal and external.

ii) Consider the independent auditor's judgments about the quality and appropriateness, not just the acceptability, of the Company's accounting principles and financial disclosure practices, as applied in its financial reporting, particularly about the degree of aggressiveness or conservatism of its accounting principles and underlying estimates and whether those principles are common practices or are minority practices.

iii) Consider and approve, if appropriate, major changes to the Company's accounting principles and practices as suggested by management with the concurrence of the independent auditor and ensure that the accountants' reasoning is described in determining the appropriateness of changes in accounting principles and disclosure.

G. Process Improvement

i) Discuss with independent auditors (i) the auditors' internal quality-control procedures; and (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, or by any inquiry of investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues.

ii) Reviewing and approving hiring policies for employees or former employees of the past and present independent auditors.

iii) Establish regular and separate systems of reporting to the Audit Committee by each of management and the independent auditor regarding any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments.

iv) Review the scope and plans of the independent auditor's audit and reviews prior to the audit and reviews being conducted. The Committee may authorize the independent auditor to perform supplemental reviews or audits as the Committee may deem desirable.

v) Following completion of the annual audit and quarterly reviews, review separately with each of management and the independent auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and reviews, including any restrictions on the scope of work or access to required information and the cooperation that the independent auditor received during the course of the audit and reviews.

vi) Review any significant disagreements among management and the independent auditor in connection with the preparation of the financial statements.

vii) Where there are significant unsettled issues the Committee shall ensure that there is an agreed course of action for the resolution of such matters.

viii) Review with the independent auditor and management significant findings during the year and the extent to which changes or improvements in financial or accounting practices, as approved by the Audit Committee, have been implemented. This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.

ix) Review activities, organizational structure, and qualifications of the CFO and the staff in the financial reporting area and see to it that matters related to succession planning within the Company are raised for consideration at the full Board.

H. Ethical and Legal Compliance

i) Review management's monitoring of the Company's system in place to ensure that the Company's financial statements, reports and other financial information disseminated to governmental organizations, and the public satisfy legal requirements.

ii) Review, with the Company's counsel, legal and regulatory compliance matters, including corporate securities trading policies, and matters that could have a significant impact on the organization's financial statements.

iii) Review implementation of compliance with the Sarbanes-Oxley Act, Ontario Securities Commission requirements and other legal requirements.

iv) Ensure that the CEO and CFO provide written certification with annual and interim financial statements and interim MD&A and the Annual Information Form.

I. Risk Management

i) Make inquires of management and the independent auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risk to the Company.

ii) Ensure that the disclosure of the process followed by the Board and its committees, in the oversight of the Company's management of principal business risks, is complete and fairly presented.

iii) Review management's program of risk assessment and steps taken to address significant risks or exposures, including insurance coverage.

J. General

i) Conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel, accountants and other professionals to assist it in the conduct of any investigation.

ii) The Committee may, from time to time, engage and set the compensation for outside consultants, advisors or other resources with the approval of the Board Chair in consultation with the CEO.

iii) The Company must provide funding for the Committee to pay ordinary administrative expenses that are necessary for the Committee to carry out its duties.

iv) Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

v) Ensure disclosure in the Annual Information Form if, at any time since the commencement of most recently completed financial year, the issuer has relied on any possible exemptions for Audit Committees.

vi) Perform any other activities consistent with this Charter, the Company's Articles and By- laws and governing law, as the Committee or the Board deems necessary or appropriate.

IV. ACCOUNTABILITY

A. The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on audit and financial matters relative to the Company.

B. The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

C. The minutes of the Audit Committee should be filed with the Corporate Secretary.

APPENDIX ONE TO SCHEDULE "A"
SILVER WHEATON CORP. AUDIT COMMITTEE CHARTER

Affiliated Person under SEC Rules

An "affiliated person", in accordance with the rules of the United States Securities and Exchange Commission adopted pursuant to the *Sarbanes-Oxley Act*, means a person who directly or indirectly controls the Company, or a director, executive officer, partner, member, principal or designee of an entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

Financial Literacy Under Multilateral Instrument 52-110

"Financially literate", in accordance with MI 52-110, means that the director has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Financial Expert Under SEC Regulation S-K

A person will qualify as "financial expert" if he or she possesses the following attributes:

a) an understanding of financial statements and generally accepted accounting principles;
b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;
c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities;
d) an understanding of internal controls and procedures for financial reporting; and
e) an understanding of audit committee functions.

A person shall have acquired such attributes through:

a) education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions;
b) experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;
c) experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or
d) other relevant experience

Exhibit 99.2

[annual report]

2007

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SILVER WHEATON

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2007

This Management's Discussion and Analysis should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2007 and related notes thereto which have been prepared in accordance with Canadian generally accepted accounting principles. The Company's accounting policies are consistent with United States generally accepted accounting principles in all material respects except as outlined in Note 13 to the consolidated financial statements. This Management's Discussion and Analysis contains "forward looking" statements that are subject to risk factors set out in the cautionary note contained herein. All figures are in United States dollars unless otherwise noted. This Management's Discussion and Analysis has been prepared as of March 17, 2008.

2007 HIGHLIGHTS

- Net earnings of $91.9 million ($0.41 per share) from the sale of 13.1 million ounces of silver, compared to $85.2 million ($0.40 per share) from the sale of 13.5 million ounces of silver in 2006.
- Operating cash flows of $119.3 million (2006 - $104.7 million).
- On April 23, 2007, the Company entered into an agreement with Hellas Gold S.A., a subsidiary of European Goldfields Ltd., to acquire all of the silver produced from Hellas Gold's Stratoni mining operations in Greece for the life of mine. Silver Wheaton made an upfront cash payment of $57.5 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2010), for silver delivered under the contract.
- On July 24, 2007, the Company entered into an agreement with Goldcorp to acquire 25% of the silver produced from Goldcorp's Peñasquito project in Mexico for the life of mine. Silver Wheaton made an upfront cash payment of $485 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2011), for silver delivered under the contract.
- On July 24, 2007, the Company entered into a credit agreement with the Bank of Nova Scotia and BMO Capital Markets, as co-lead arrangers and administrative agents, to borrow $200 million under a non revolving term loan (the "Term Loan") and up to $300 million under a revolving term loan (the "Revolving Loan"). The Revolving Loan is for a period of 7 years and the Term Loan is to be repaid in equal installments over a period of 7 years, however, prepayments are allowed at any time. In order to fund the Peñasquito transaction the Term Loan was drawn in full and the Revolving Loan was drawn in the amount of $246 million.
- On December 20, 2007, the Company entered into a binding letter agreement to acquire between 45% and 90% of the silver produced by Augusta Resource Corporation's Rosemont Copper Project in Arizona for the life of mine. Augusta must elect the percentage of life of mine silver subject to the transaction, which will be between a minimum of 45% and a maximum of 90%, on or before March 31, 2008. Subject to the finalization of the transaction structure, including tax considerations and upon receipt of all necessary mining permits by Augusta, Silver Wheaton will pay an upfront cash payment ranging in value from $135 million to $165 million to acquire 45% of the payable silver, and $240 million to $320 million to acquire 90% of the payable silver, produced for the life of mine.
- Subsequent to year end, Goldcorp sold its entire 48% interest in Silver Wheaton of 108 million common shares, on a bought deal basis, at a price of Cdn$14.50 per common share for aggregate gross cash proceeds to Goldcorp of Cdn$1.6 billion.

OVERVIEW

Silver Wheaton Corp. ("Silver Wheaton" or the "Company") is the largest public mining company with 100% of its revenue from silver production. The Company's goal is to be recognized as the most profitable and best managed silver company in the world.

The Company has entered into five long-term silver contracts with Goldcorp (Luismin mines in Mexico and Peñasquito project in Mexico), Lundin Mining (Zinkgruvan mine in Sweden), Glencore (Yauliyacu mine in Peru) and

Hellas Gold (Stratoni mine in Greece), whereby Silver Wheaton acquires silver production from the counterparties at a price of $3.90 per ounce, subject to an inflationary adjustment. In addition, on December 20, 2007, the Company signed a binding letter agreement to acquire between 45% and 90% of the life of mine silver to be produced by Augusta Resource Corporation's ("Augusta") Rosemont Copper Project ("Rosemont") in Arizona. As a result, the primary drivers behind the Company's financial results are the volume of silver production at the various mines and the price of silver.

The Company expects, based upon its current contracts, to have annual silver sales of approximately 15 million ounces in 2008, increasing to 19 million ounces in 2009 and 25 million ounces in 2010. Silver Wheaton is actively pursuing further growth opportunities.

SUMMARIZED FINANCIAL RESULTS

	Years Ended December 31		
	2007	2006	2005
Silver sales ($000's)	$ 175,434	$ 158,541	$ 70,895
Ounces (000's)	13,068	13,531	9,702
Average realized silver price ($'s per ounce)	$ 13.42	$ 11.72	$ 7.31
Total cash cost ($'s per ounce) [1]	$ 3.91	$ 3.90	$ 3.90
Net earnings ($000's)	$ 91,862	$ 85,220	$ 25,291
Earnings per share			
Basic	$ 0.41	$ 0.40	$ 0.15
Diluted	$ 0.37	$ 0.37	$ 0.15
Cash flow from operations ($000's)	$ 119,261	$ 104,722	$ 29,971
Total assets ($000's)	$ 1,208,474	$ 662,893	$ 266,151
Total liabilities ($000's)	$ 426,243	$ 21,354	$ 1,961
Shareholders' equity ($000's)	$ 782,231	$ 641,539	$ 264,190

1) Refer to discussion on non-GAAP measures

SILVER WHEATON

QUARTERLY FINANCIAL RESULTS

	2007				2006			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Silver sales ($000's)	$ 50,240	$ 39,598	$ 41,464	$ 44,132	$ 43,651	$ 41,766	$ 47,413	$ 25,711
Ounces (000's)	3,543	3,129	3,053	3,343	3,534	3,520	3,805	2,672
Average realized silver price ($'s per ounce)	$ 14.18	$ 12.66	$ 13.58	$ 13.20	$ 12.35	$ 11.86	$ 12.46	$ 9.62
Total cash cost ($'s per ounce) [1]	$ 3.93	$ 3.90	$ 3.90	$ 3.90	$ 3.90	$ 3.90	$ 3.90	$ 3.90
Net earnings ($000's)	$ 24,886	$ 19,184	$ 22,855	$ 24,937	$ 23,762	$ 22,518	$ 25,159	$ 13,781
Earnings per share								
Basic	$ 0.11	$ 0.09	$ 0.10	$ 0.11	$ 0.11	$ 0.10	$ 0.12	$ 0.07
Diluted	$ 0.10	$ 0.08	$ 0.09	$ 0.10	$ 0.10	$ 0.09	$ 0.11	$ 0.07
Cash flow from operations ($000's)	$ 34,414	$ 27,102	$ 27,846	$ 29,899	$ 29,829	$ 28,262	$ 32,699	$ 13,932
Total assets ($000's)	$ 1,208,474	$ 1,200,304	$ 748,696	$ 700,893	$ 662,893	$ 638,123	$ 614,349	$ 578,150
Total liabilities ($000's)	$ 426,243	$ 440,514	$ 4,048	$ 2,787	$ 21,354	$ 21,202	$ 20,885	$ 181,317
Shareholders' equity ($000's)	$ 782,231	$ 759,790	$ 744,648	$ 698,106	$ 641,539	$ 616,921	$ 593,464	$ 396,833

1) Refer to discussion on non-GAAP measures

Changes in sales, net earnings and cash flow from operations from quarter to quarter are affected primarily by fluctuations in production at the mines and timing of shipments that are in the normal course of operations, as well as changes in the price of silver. During the fourth quarter of 2007, the number of ounces sold was 13% higher than during the third quarter, due to increased production at Yauliyacu and Zinkgruvan, as well as delayed shipments at Zinkgruvan and Stratoni at the end of the third quarter for which the sales were recognized in the fourth quarter.

RESULTS OF OPERATIONS AND OPERATIONAL REVIEW

The Company has five business segments, the silver produced by the Luismin, Zinkgruvan, Yauliyacu and Stratoni mines, and corporate operations. The acquisition of silver from the Yauliyacu and Stratoni mines began in May 2006 and June 2007, respectively.

	Year Ended December 31, 2007					
	Luismin	Zinkgruvan	Yauliyacu	Stratoni	Corporate	**Total**
Silver sales ($000's)	$ 92,284	$ 25,315	$ 46,055	$ 11,780	$ -	**$ 175,434**
Ounces (000's)	6,913	1,845	3,442	868	-	**13,068**
Average realized silver price ($'s per ounce)	$ 13.35	$ 13.72	$ 13.38	$ 13.57	$ -	**$ 13.42**
Total cash cost ($'s per ounce) [1]	$ 3.91	$ 3.90	$ 3.90	$ 3.90	$ -	**$ 3.91**
Net earnings (loss) ($000's)	$ 62,532	$ 15,109	$ 20,088	$ 4,941	$ (10,808)	**$ 91,862**
Cash flow from (used in) operations ($000's)	$ 65,782	$ 17,991	$ 32,632	$ 8,337	$ (5,481)	**$ 119,261**

1) Refer to discussion on non-GAAP measures

	Year Ended December 31, 2006				
	Luismin	Zinkgruvan	Yauliyacu	Corporate	**Total**
Silver sales ($000's)	$ 103,850	$ 18,903	$ 35,788	$ -	**$158,541**
Ounces (000's)	8,978	1,686	2,867	-	**13,531**
Average realized silver price ($'s per ounce)	$ 11.57	$ 11.21	$ 12.48	$ -	**$ 11.72**
Total cash cost ($'s per ounce) [1]	$ 3.90	$ 3.90	$ 3.90	$ -	**$ 3.90**
Net earnings (loss) ($000's)	$ 65,691	$ 9,506	$ 14,034	$ (4,011)	**$ 85,220**
Cash flow from (used in) operations ($000's)	$ 68,293	$ 13,152	$ 24,607	$ (1,330)	**$104,722**

1) Refer to discussion on non-GAAP measures

	Year Ended December 31, 2005			
	Luismin	Zinkgruvan	Corporate	**Total**
Silver sales ($000's)	$ 57,406	$ 13,489	$ -	**$ 70,895**
Ounces (000's)	7,886	1,816	-	**9,702**
Average realized silver price ($'s per ounce)	$ 7.28	$ 7.43	$ -	**$ 7.31**
Total cash cost ($'s per ounce) [1]	$ 3.90	$ 3.90	$ -	**$ 3.90**
Net earnings (loss) ($000's)	$ 23,721	$ 3,335	$ (1,765)	**$ 25,291**
Cash flow from operations ($000's)	$ 26,485	$ 4,340	$ (854)	**$ 29,971**

1) Refer to discussion on non-GAAP measures

SILVER WHEATON

LUISMIN

On October 15, 2004, a 100% owned subsidiary of the Company, Silver Wheaton (Caymans) Ltd. ("SW Caymans"), entered into an agreement (amended on March 30, 2006) with Goldcorp to acquire all of the silver produced by Goldcorp's Luismin mining operations in Mexico (owned at the date of the transaction) for a period of 25 years. During 2007, SW Caymans purchased 6.9 million ounces (2006 – 9.0 million ounces) of silver at a total cash cost of $3.91 per ounce (2006 - $3.90 per ounce), and sold it for an average price of $13.35 per ounce (2006 - $11.57 per ounce). The number of ounces sold during the year decreased from 2006 due to a reduction in the average grade of ore milled at Luismin's San Dimas mine, from 436 grams per tonne in 2006 to 338 grams per tonne in 2007. The Company's cash flows and net earnings under the Luismin silver purchase contract for the year ended December 31, 2007 were $65.8 million (2006 - $68.3 million) and $62.5 million (2006 - $65.7 million) respectively.

As at December 31, 2007, the Luismin mines had proven and probable reserves of 66.1 million ounces of silver, measured and indicated resources of 1.9 million ounces of silver and inferred resources of 183.2 million ounces of silver (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

The results of the Luismin mine operations for the years ended December 31, 2007 and 2006 are shown below:

	2007				2006			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Ore milled (tonnes)	213,100	202,997	197,100	232,400	285,800	276,700	267,400	255,800
Grade (grams/tonne)[1]								
- Gold	5.81	7.37	6.09	6.46	6.07	6.50	6.61	6.18
- Silver	354	381	286	326	296	316	358	348
Recovery (%)								
- Gold	94%	92%	92%	95%	94%	94%	94%	94%
- Silver	91%	91%	90%	92%	90%	89%	89%	87%
Production (ounces)								
- Gold	37,400	44,385	35,600	45,900	52,600	54,400	53,700	47,800
- Silver	1,829,400	1,865,533	1,341,300	1,898,300	2,118,200	2,233,200	2,388,400	2,192,000
Sales (ounces)								
- Gold	34,500	44,039	34,543	46,500	52,200	53,400	54,900	46,500
- Silver	1,681,300	1,900,000	1,393,600	1,937,270	2,146,220	2,213,500	2,447,500	2,171,000

1) Grades exclude Nukay, a Luismin mine, which does not produce silver

During January 2007, Luismin sold the San Martin mine. Therefore, the results of the Luismin mine operations including the ore milled, grade, recovery and production figures, do not include the results of the San Martin mine after January 2007. In accordance with the Luismin silver contract, Luismin purchases all of the silver produced by the San Martin mine and continues to sell it to Silver Wheaton at $3.95 per ounce, subject to an inflationary adjustment on October 15 of each year. During the fourth quarter, silver sales at Luismin were approximately 148,000 ounces less than the silver production, due primarily to timing of product shipments.

ZINKGRUVAN

On December 8, 2004, SW Caymans entered into an agreement to acquire all of the silver produced by Lundin Mining's Zinkgruvan mining operations in Sweden ("Zinkgruvan") for the life of mine. During 2007, SW Caymans purchased 1.8 million ounces (2006 – 1.6 million ounces) of silver under the contract at a total cash cost of $3.90 per ounce, and sold 1.8 million ounces (2006 – 1.7 million ounces) for an average price of $13.72 per ounce (2006 - $11.21 per ounce). The Company's cash flows and net earnings under the Zinkgruvan silver purchase contract for 2007 were $18.0 million (2006 - $13.2 million) and $15.1 million (2006 - $9.5 million) respectively.

As at December 31, 2007, Zinkgruvan had proven and probable silver reserves of 34.9 million ounces, measured and indicated silver resources of 16.5 million ounces and inferred silver resources of 9.8 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

YAULIYACU

On March 23, 2006, SW Caymans entered into an agreement with Glencore International AG ("Glencore") to acquire up to 4.75 million ounces of silver per year for a period of 20 years, based on the production from Glencore's Yauliyacu mining operations in Peru. During 2007, SW Caymans purchased 3.4 million ounces (2006 – 2.9 million ounces) of silver at a total cash cost of $3.90 per ounce, and sold it for an average price of $13.38 per ounce (2006 - $12.48 per ounce). The Company's cash flows and net earnings under the Yauliyacu silver purchase contract for 2007 were $32.6 million (2006 - $24.6 million) and $20.1 million (2006 - $14.0 million) respectively.

During the term of the contract, Silver Wheaton has a right of first refusal on any future sales of silver streams from the Yauliyacu mine and a right of first offer on future sales of silver streams from any other mine owned by Glencore at the time of the initial transaction. In addition, Silver Wheaton has an option to extend the 20 year term of the contract in five year increments, on substantially the same terms as the existing contract, subject to an adjustment related to silver price expectations at the time and other factors.

As at December 31, 2007, Yauliyacu had proven and probable silver reserves of 14.1 million ounces, measured and indicated silver resources of 38.5 million ounces and inferred silver resources of 80.9 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

STRATONI

On April 23, 2007, SW Caymans entered into an agreement with Hellas Gold S.A. ("Hellas Gold"), a subsidiary of European Goldfields Ltd., to acquire all of the silver produced from Hellas Gold's Stratoni mining operations in Greece for the life of mine. Silver Wheaton made an upfront cash payment of $57.5 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2010), for silver delivered under the contract.

During June 2007, the Company began purchasing silver under the contract and during the year, SW Caymans purchased 0.9 million ounces of silver at a total cash cost of $3.90 per ounce, and sold it for an average price of $13.57 per ounce. The Company's cash flows and net earnings under the Stratoni silver purchase contract for 2007 were $8.3 million and $4.9 million respectively.

During the term of the contract, Silver Wheaton has a right of first refusal on any future sales of silver streams from any other mine owned by European Goldfields or Hellas Gold.

As at December 31, 2006, Stratoni had proven and probable silver reserves of 12.1 million ounces and inferred silver resources of 3.2 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

PEÑASQUITO

On July 24, 2007, SW Caymans entered into an agreement to acquire 25% of the silver produced from Goldcorp's Peñasquito project in Mexico for the life of mine, for an upfront cash payment of $485 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2011), for silver delivered under the contract.

Silver Wheaton is not required to fund any capital expenditures at Peñasquito, including any expansion scenarios. Goldcorp has provided a completion guarantee to Silver Wheaton that the Peñasquito mine will be constructed with certain minimum production criteria by certain dates.

As at June 25, 2007, Peñasquito had proven and probable silver reserves of 864 million ounces, measured and indicated silver resources of 413 million ounces and inferred silver resources of 508 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

ROSEMONT

On December 20, 2007, the Company entered into a binding letter agreement to acquire between 45% and 90% of the silver produced by Augusta's Rosemont Copper Project in Arizona for the life of mine. Augusta must elect the percentage of life of mine silver subject to the transaction, which will be between a minimum of 45% and a maximum of 90%, on or before March 31, 2008.

Subject to the finalization of the transaction structure, including tax considerations, Silver Wheaton will pay an upfront cash payment ranging in value from $135 million to $165 million to acquire 45% of the payable silver, and $240 million to $320 million to acquire 90% of the payable silver, produced for the life of mine.

The upfront payment will be made on a drawdown basis to fund construction of the mine as construction milestones are achieved. Silver Wheaton will not be required to pay any further ongoing per ounce payments for silver delivered from Rosemont and is not required to fund or contribute to ongoing capital expenditures, including expansion scenarios. Augusta will provide a completion guarantee that the Rosemont mine will be constructed with certain minimum production criteria by certain dates.

The transaction is subject to (a) Augusta receiving all necessary permits to construct and operate a mine in accordance with their August 2007 Rosemont Feasibility Study (the "Feasibility Study"), (b) Augusta having entered into committed arrangements for sufficient financing to construct and operate the mine, and (c) execution by the parties of definitive agreements on or before June 30, 2008 as well as receipt of any required regulatory approvals and third-party consents. Augusta expects production at the Rosemont project to start in late 2010 with an average of 2.7 million ounces of silver produced each year over the mine life, currently expected to be a minimum of 18 years.

CORPORATE

(in thousands)	Years Ended December 31 2007	2006	2005
General and administrative[1]	$ 9,700	$ 5,700	$ 2,443
Project evaluation	360	211	91
Interest expense	-	717	-
Interest income	(1,508)	(3,221)	(705)
Loss on mark-to-market of warrants held	1,669	-	-
Other	565	604	(64)
Future income tax expense	22	-	-
Corporate net loss	$ 10,808	$ 4,011	$ 1,765
1) Stock based compensation (a non-cash item) included in General and administrative	$ 2,735	$ 1,768	$ 463

General and administrative expenses totaled $9.7 million during 2007 compared with $5.7 million during 2006. This increase resulted primarily from increased insurance costs, exchange listing and investor relations costs, and salary and stock based compensation expenses incurred as a result of hiring additional employees. Stock based compensation expense during 2007, a non-cash item, included $2.6 million (2006 - $1.7 million) of amortization of the fair value of share purchase options issued, which was determined using the Black-Scholes option valuation method. During the year, 21,333 (2006 – 15,000) restricted share rights and 945,000 (2006 – 550,000) share purchase options were issued.

The Company incurred interest costs of $13.3 million and upfront debt financing costs of $2.5 million during the year in order to finance the acquisition of the Peñasquito silver contract and as a result these amounts were capitalized to the cost of the contract. In 2006, the Company incurred interest expense of $0.7 million and upfront debt financing costs of $1.1 million.

Project evaluation expenses of $0.4 million (2006 - $0.2 million) were incurred in pursuing additional silver acquisition opportunities.

Interest income during the year of $1.5 million (2006 - $3.2 million) was the result of interest earned on cash balances held in short-term money market instruments.

Effective January 1, 2007, the Company has adopted the provisions of Section 3855, Financial Instruments – Recognition and Measurement, which classifies the warrants held by the Company for long-term investment purposes as derivatives that are marked-to-market each reporting period with any gain or loss reflected in net earnings. The loss recorded in 2007 from the mark-to-market of the warrants held was $1.7 million.

NON-GAAP MEASURES - TOTAL CASH COSTS PER OUNCE OF SILVER CALCULATION

Silver Wheaton has included, throughout this document, certain non-GAAP performance measures, including total cash costs of silver on a sales basis. These non-GAAP measures do not have any standardized meaning prescribed by GAAP, nor are they necessarily comparable with similar measures presented by other companies. Cash costs are presented as they represent an industry standard method of comparing certain costs on a per unit basis. The Company believes that certain investors use this information to evaluate the Company's performance. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. During the year ended December 31, 2007, the Company's total cash costs, which were equivalent to the Company's Cost of Sales in accordance with GAAP, were $3.91 per ounce of silver (2006 – $3.90 per ounce).

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2007, the Company had cash and cash equivalents of $10.0 million (December 31, 2006 – $60.0 million) and a working capital deficiency of $23.2 million (December 31, 2006 – working capital of $40.0 million). Included in the working capital deficiency at December 31, 2007 is the current portion of long term bank debt of $28.6 million (December 31, 2006 - $nil). During the year, the Company generated operating cash flows of $119.3 million compared with $104.7 million during 2006. The Company applies surplus cash flows to pay down the revolving bank debt facility, which is recorded as a long-term liability.

In the opinion of management, cash flows are sufficient to support the Company's normal operating requirements on an ongoing basis.

LONG-TERM INVESTMENTS

During the year, Silver Wheaton invested $17.0 million to acquire significant ownership positions in publicly traded companies owning substantial undeveloped silver resources. At December 31, 2007, the Company held investments in such companies with a market value of $119.4 million.

Bear Creek

At December 31, 2007, Silver Wheaton owned 8,146,505 common shares and warrants exercisable to acquire an additional 100,000 common shares, representing approximately 18% of the outstanding shares of Bear Creek Mining Corporation ("Bear Creek") on an undiluted basis. At December 31, 2007, the fair value of the Company's investment in Bear Creek was $59.4 million.

Revett

At December 31, 2007, Silver Wheaton owned 12,382,900 common shares and warrants exercisable to acquire an additional 2,400,000 common shares, representing approximately 17% of the outstanding shares of Revett Minerals Inc. ("Revett") on an undiluted basis. At December 31, 2007, the fair value of the Company's investment in Revett was $10.8 million.

Sabina

At December 31, 2007, Silver Wheaton owned 7,800,000 common shares and warrants exercisable to acquire an additional 3,900,000 common shares, representing approximately 12% of the outstanding shares of Sabina Silver Corporation ("Sabina") on an undiluted basis. At December 31, 2007, the fair value of the Company's investment in Sabina was $17.0 million.

Mines Management

During 2007, Silver Wheaton acquired by way of private placement 2,500,000 common shares of Mines Management, Inc. ("Mines Management") at a price of $4.00 per share, for total consideration of $10.0 million. As a result, at December 31, 2007, Silver Wheaton owned 2,500,000 common shares, representing approximately 11% of the outstanding shares of Mines Management on an undiluted basis. At December 31, 2007, the fair value of the Company's investment in Mines Management was $8.6 million.

ACQUISITION OF SILVER INTERESTS

On April 23, 2007, the Company entered into an agreement with Hellas Gold, a subsidiary of European Goldfields Ltd., to acquire all of the silver produced from Hellas Gold's Stratoni mining operations in Greece for the life of mine. Silver Wheaton made an upfront cash payment of $57.5 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2010), for silver delivered under the contract.

On July 24, 2007, the Company entered into an agreement with Goldcorp to acquire 25% of the silver produced from the Peñasquito project in Mexico for the life of mine. Silver Wheaton made an upfront cash payment of $485 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2011), for silver delivered under the contract.

On December 20, 2007 the Company signed a binding letter agreement to acquire between 45% and 90% of the life of mine silver to be produced by Augusta's Rosemont Copper Project in Arizona. Augusta must elect the percentage of life of mine silver subject to the transaction, which will be between a minimum of 45% and a maximum of 90%, on or before March 31, 2008. Subject to the finalization of the transaction structure, including tax considerations and upon receipt of all necessary mining permits by Augusta, Silver Wheaton will pay an upfront cash payment ranging in value from $135 million to $165 million to acquire 45% of the payable silver, and $240 million to $320 million to acquire 90% of the payable silver, produced for the life of mine.

BANK DEBT

On July 24, 2007, the Company cancelled its undrawn $25 million revolving loan facility and entered into a credit agreement with the Bank of Nova Scotia and BMO Capital Markets, as co-lead arrangers and administrative agents, to borrow $200 million under a non revolving term loan (the "Term Loan") and up to $300 million under a revolving term loan (the "Revolving Loan"). The Revolving Loan is for a period of 7 years and the Term Loan is to be repaid in equal installments over a period of 7 years, however, prepayments are allowed at any time. Silver Wheaton has committed to pay down the Revolving Loan, within 61 days after the end of each fiscal quarter, by an amount equal to 90% of the cash flows reported for the quarter. The Revolving Loan can be drawn down at any time to finance acquisitions or investments. In order to fund the Peñasquito transaction, the Term Loan was drawn in full and the Revolving Loan was drawn in the amount of $246 million.

Amounts drawn incur interest at LIBOR plus 0.875% to 1.75% per annum dependent upon the Company's leverage ratio. Undrawn amounts are subject to a 0.2% to 0.45% per annum commitment fee dependent on the Company's leverage ratio. Under the credit agreement, the Company is required to maintain a Debt Service Coverage Ratio greater than or equal to 1.25 : 1, a Leverage Ratio less than or equal to 5 : 1 (decreasing to 4 : 1 on September 30, 2008 and to 3.5 : 1 on September 30, 2009), and a Tangible Net Worth greater than 80% of the Tangible Net Worth at June 30, 2007 plus 50% of Net Income for each fiscal quarter thereafter. Both the Term Loan and the Revolving Loan are secured against the Company's assets, including the Company's silver interests. The Company has paid $2.5 million in debt financing costs relating to the credit agreement which were capitalized to the cost of the Peñasquito contract. During 2007, the Company repaid $7.1 million and $19 .0 million of the balances outstanding on the Term Loan and Revolving Loan, respectively.

PROMISSORY NOTE

On March 30, 2006, as partial consideration for amendments made to the Luismin silver purchase contract, the Company issued a non-interest bearing $20 million promissory note to Goldcorp, due on March 30, 2007. The promissory note was repaid in full during March 2007.

CONTRACTUAL OBLIGATIONS

Silver Interests

In connection with the Luismin, Zinkgruvan and Stratoni silver contracts, the Company has committed to purchase 100% of the silver produced by each mine for a per ounce cash payment of the lesser of $3.95, $3.96 and $3.90 respectively, and the then prevailing market price, subject to an annual inflationary adjustment. This inflationary adjustment is subject to a minimum of 0.4% and a maximum of 1.65% per annum for Luismin and Zinkgruvan, and is fixed at 1.0% per annum for Stratoni. In connection with the Yauliyacu silver purchase contract, the Company has committed to purchase up to 4.75 million ounces of silver per year, based on production at the Yauliyacu mine, for a per ounce cash payment of $3.90, subject to an inflationary adjustment. This inflationary adjustment, which will begin in 2009, is subject to a minimum of 1.0% and a maximum of 1.65% per annum. In connection with the Peñasquito silver purchase contract, the Company has committed to purchase 25% of the silver produced by the Peñasquito mine for a per ounce cash payment of the lesser of $3.90 and the then prevailing market price, subject to an inflationary adjustment. This inflationary adjustment, which will begin in 2011, is subject to a minimum of 0.4% and a maximum of 1.65% per annum.

In addition, on December 20, 2007 the Company signed a binding letter agreement to acquire between 45% and 90% of the life of mine silver to be produced by Augusta's Rosemont Copper Project. Augusta must elect the percentage of life of mine silver subject to the transaction, which will be between a minimum of 45% and a maximum of 90%, on or before March 31, 2008. Subject to the finalization of the transaction structure, including tax considerations, Silver Wheaton will pay an upfront cash payment ranging in value from $135 million to $165 million to acquire 45% of the payable silver, and $240 million to $320 million to acquire 90% of the payable silver, produced for the life of mine.

Other Contractual Obligations

(in thousands)	2008	2009 - 2011	2012 - 2013	After 2013	**Total**
Bank debt	$ 28,560	$ 85,680	$ 57,120	$ 248,500	**$ 419,860**
Operating leases	467	1,459	1,012	1,658	**4,596**
Other	228	683	-	-	**911**
Total contractual obligations	$ 29,255	$ 87,822	$ 58,132	$ 250,158	**$ 425,367**

SHARE CAPITAL

During the year, the Company received cash proceeds of $7.3 million (2006 - $7.0 million) from the exercise of 2,331,965 (2006 – 2,477,334) share purchase options at a weighted average exercise price of Cdn$3.39 (2006 -Cdn$3.27) per option. As of March 17, 2008, there were 223,713,917 outstanding common shares, 3,617,001 share purchase options and 163,179,289 share purchase warrants, which are convertible into 38,860,578 common shares.

RISKS AND UNCERTAINTIES

The primary risk factors affecting the Company and its profitability include fluctuations in silver production, currency fluctuations, government regulations, foreign operations, income taxes and changes in silver prices.

SILVER PRODUCTION

The Company has agreed to purchase all of the silver produced by the Luismin, Zinkgruvan and Stratoni mines, up to 4.75 million ounces per year based on the production from the Yauliyacu mine and 25% of the production from the Peñasquito mine. Other than the security interests which have been granted to Silver Wheaton, the Company has no contractual rights relating to the mine operations, nor does it have any legal ownership in or operational control of the mines. Other than the penalties that may be payable by Luismin, Zinkgruvan, and Yauliyacu to Silver Wheaton, the Company will not be entitled to any compensation if the mines do not meet their forecasted silver production targets in any specified period or if they shut down or discontinue their mining operations on a temporary or permanent basis.

CURRENCY FLUCTUATIONS

Exchange rate fluctuations may affect the costs that the Company incurs in its operations. Silver is sold in US dollars and a portion of the Company's costs are incurred in Canadian dollars. From time to time, the Company may transact currency hedging to reduce the risk associated with currency fluctuations. There is no assurance that its hedging strategies will be successful. Currency hedging may require margin activities. Sudden fluctuations in currencies could result in margin calls that could have an adverse effect on the Company's financial position.

GOVERNMENT REGULATIONS

The mining, processing, development and mineral exploration activities of the companies that Silver Wheaton purchases silver from are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could result in production disturbances.

FOREIGN OPERATIONS

SW Caymans purchases silver from companies that operate in Mexico, Sweden, Peru and Greece, and as such the Company's operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary between the four countries and include, but are not limited to, terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risk of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular j urisdiction.

Failure of these companies to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

INCOME TAXES

As the Company's profit is derived from its subsidiary, SW Caymans, which is incorporated and operated in the Cayman Islands, the Company's profits bear no income tax. Management views the subsidiary's profits as part of its permanent investment in the subsidiary, and it has determined that those profits will be reinvested in foreign jurisdictions for the foreseeable future, therefore, no current income taxes have been recorded.

Changes to taxation laws in either Canada or the Cayman Islands, could result in some or all of the Company's profits being subject to income tax. No assurance can be given that new taxation rules will not be enacted or that existing rules will not be applied in a manner which could result in the Company's profits being subject to income tax.

SILVER PRICES

Profitability of the Company depends on silver prices. A $1.00 per ounce change in the price of silver would impact 2008 net earnings by approximately $15 million.

Silver prices are affected by numerous factors such as the sale or purchase of silver by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuations in the value of the US dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major silver producing countries throughout the world.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Note 2 of the Company's audited consolidated financial statements describes all of the significant accounting policies.

SILVER INTERESTS

Silver interests are a significant asset of the Company, with a carrying value of $1.1 billion at December 31, 2007. This amount represents the capitalized expenditures related to the acquisition of the Luismin, Zinkgruvan, Yauliyacu, Stratoni and Peñasquito silver purchase contracts. Each of these mines estimates the reserves and resources relating to each contract. Silver Wheaton uses these estimates to determine the estimated number of ounces that will be acquired from each operation and the cost of these assets is separately allocated to reserves, resources and exploration potential. The value allocated to reserves is classified as depletable and is depreciated on a unit-of-sale basis over the estimated recoverable proven and probable reserves at the mine corresponding to the specific contract. The value associated with resources and exploration potential is the value beyond proven and probable reserves at acquisition and is classified as non-depletable until suc h time as it is transferred to the depletable category as a result of the conversion of resources or exploration potential into reserves. Evaluations of the carrying values of each contract are undertaken annually to determine if estimated undiscounted future net cash flows are less than the carrying value. Estimated undiscounted future net cash flows are calculated using estimated production, sales prices and purchase costs. If it is determined that the future net cash flows from an operation are less than the carrying value then a write-down is recorded with a charge to operations. At December 31, 2007, no write-down was required.

REVENUE RECOGNITION

Revenue from the sale of silver is recognized in the accounts when persuasive evidence of an arrangement exists, title and risk passes to the buyer, collection is reasonably assured and the price is reasonably determinable. Revenue from the sale of silver may be subject to adjustment upon final settlement of estimated metal prices, weights, and assays. Adjustments to revenue for metal prices are recorded monthly and other adjustments are recorded on final settlement.

CHANGES IN ACCOUNTING POLICIES

The Company adopted the provisions of Sections 3855, Financial Instruments – Recognition and Measurement, 3861, Financial Instruments – Disclosure and Presentation, 1530, Comprehensive Income, 3865, Hedges and 3251, Equity, on January 1, 2007 which address the classification, recognition and measurement of financial instruments in the financial statements and the inclusion of other comprehensive income. As a result of adopting these new standards the Company recorded a non-cash increase of $39.5 million to opening long-term investments, a non-cash increase of $3.3 million to future income tax liability and a non-cash pre-tax adjustment of $37.7 million ($31.1 million net of tax) as a one-time cumulative effect of a change in accounting policy in opening accumulated other comprehensive income. In addition, the Company recorded a non-cash increase of $4.9 million to opening retained earnings to recognize the value of income tax losses not previously recognized, an d to record the cumulative effect of the change in accounting policy as it relates to warrants held by the Company and a decrease in deferred debt financing costs.

The Company has added two new accounting policies in relation to these new standards, as described below.

LONG-TERM INVESTMENTS

Long-term investments in equity securities are classified as available-for-sale because the Company intends to hold the investments for more than one year. Unrealized holding gains and losses related to available-for-sale investments are excluded from net income and are included in other comprehensive income until such gains or losses are realized or an other than temporary impairment is determined to have occurred.

Warrants held by the Company are for long-term investment purposes, however, due to their nature they meet the definition of a derivative and are marked-to-market on a quarterly basis. Mark-to-market gains and losses relating to the warrants are included in net income in the period they occur.

The Company estimates the fair value of financial instruments at the balance sheet date using quoted market prices for available-for-sale securities and a Black-Scholes option pricing model for warrants held.

INTEREST AND DEBT FINANCING COSTS

Interest and debt financing costs are expensed when they are incurred, unless they are directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of preparation for their intended use or sale, in which case they are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

FUTURE CHANGES IN ACCOUNTING POLICIES

CAPITAL DISCLOSURES

The CICA issued a new accounting standard, Section 1535, Capital Disclosures ("Section 1535"), which requires the disclosure of both qualitative and quantitative information that enables users of financial statements to evaluate the entity's objectives, policies and processes for managing capital. Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new standard became effective for the Company on January 1, 2008.

FINANCIAL INSTRUMENTS

The CICA issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which replace Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements and carrying forward unchanged its presentation requirements for financial instruments. Sections 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. These new standards became effective for the Company on January 1, 2008.

IMPACT OF ADOPTING SECTIONS 1535, 3862 AND 3863

The Company is currently analyzing the requirements of these new standards.

RELATED PARTY TRANSACTIONS

At December 31, 2007, Goldcorp owned 48% of the Company's outstanding common shares. During the year, the Company purchased 6.9 million ounces (2006 – 9.0 million ounces) of silver from a subsidiary of Goldcorp at an average price of $3.91 per ounce (2006 - $3.90 per ounce), for total consideration of approximately $27.0 million (2006 - $35.0 million).

During the year, Silver Wheaton repaid a $20 million promissory note due to Goldcorp.

On July 24, 2007, SW Caymans entered into an agreement to acquire 25% of the life of mine silver production from Goldcorp's Peñasquito project in Mexico, for an upfront cash payment of $485 million, as described elsewhere in this Management's Discussion and Analysis.

The Company has an agreement with Goldcorp whereby Goldcorp provides certain management and administrative services at cost. During the year, total costs reimbursed to Goldcorp were $193,000 compared to $249,000 during 2006. This agreement allows for cancellation by Silver Wheaton with 30 days notice at any time.

During May 2007, the Company entered into a 9 year lease agreement with Goldcorp for office space. The Company began making lease payments in December 2007 which totaled $17,500.

At December 31, 2007, the Company owed Goldcorp $152,000 (2006, Goldcorp owed the Company - $18,000).

On February 14, 2008, Goldcorp sold its entire 48% interest in Silver Wheaton by way of a secondary offering, as described in the subsequent events section of this Management's Discussion and Analysis.

SUBSEQUENT EVENTS

SALE OF SHARES

Subsequent to year end, Goldcorp sold its entire 48% interest in Silver Wheaton of 108 million common shares, on a bought deal basis, at a price of Cdn$14.50 per common share for aggregate gross cash proceeds to Goldcorp of Cdn$1.6 billion.

MINERAL PARK ACQUISITION

On March 17, 2008 the Company entered into an agreement with Mercator Minerals Ltd. ("Mercator") to acquire all of the silver produced from Mercator's Mineral Park mine in Arizona for the life of mine. Total upfront consideration to be paid is $42 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to a one percent annual adjustment beginning three years after a minimum production level has been met), for silver delivered under the contract. Payment for the transaction will be drawn from existing credit facilities and Silver Wheaton is not required to pay any further capital expenditures for the life of the mine. Mercator will provide a completion guarantee to Silver Wheaton, specifying a minimum production level by a certain date.

The Mineral Park mine currently produces copper from SX/EW leach operations, but construction is well underway on a flotation operation that will produce copper-silver and molybdenum concentrates. Mercator expects that concentrate production will commence before July 2008 from a 25,000 tons per day operation, with production increasing to 50,000 tons per day approximately nine months later. All permits for the expansion are in place and the expected mine life is 25 years. Payable silver production is expected to average approximately 600,000 ounces per annum over the first 21 years of operations and the ore body is considered to have excellent exploration potential.

CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

Silver Wheaton's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the design and effectiveness of Silver Wheaton's disclosure controls and procedures, as defined in the rules of the U.S. Securities and Exchange Commission and Canadian Securities Administrators, as of December 31, 2007. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that Silver Wheaton's disclosure controls and procedures were effective as of December 31, 2007.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, are responsible for establishing and maintaining adequate internal controls over financial reporting. Under the supervision of the Chief Financial Officer, the Company's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles ("GAAP"). The Company's controls include policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Company's management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual financial statements or interim financial statements.

The Company's management, including its Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

There have been no significant changes in the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

The Company's management, including its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's internal controls over financial reporting using the framework and criteria established in Internal Control – Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management has concluded that the internal controls over financial reporting were effective as of December 31, 2007.

The Company's auditor, Deloitte & Touche LLP, an independent registered public accounting firm, has issued a report on internal controls over financial reporting under Audit Standard No. 5 of the Public Company Accounting Oversight Board (United States). This report has been included with the Company's audited financial statements.

FINANCIAL INSTRUMENTS

During the year ended December 31, 2007, the Company has used a mixture of cash, short-term debt and long-term debt to maintain an appropriate capital structure, ensuring sufficient liquidity required to meet the needs of the business and the flexibility to continue growing through acquisition. The Company does not use interest rate contracts or other derivative financial instruments to manage the risks associated with its operations and therefore, in the normal course of business, it is inherently exposed to currency, interest rate and commodity price fluctuations. The Company holds certain financial instruments as long-term investments and therefore is inherently exposed to various risk factors including currency risk, market price risk and liquidity risk.

OUTLOOK

The Company expects, based upon its current contracts, to have silver sales of approximately 15 million ounces for the year ending December 31, 2008, increasing to 19 million ounces in 2009 and 25 million ounces in 2010.

The Company is unhedged and actively pursuing further growth opportunities.

SILVER WHEATON

RESERVES AND RESOURCES (1)

Proven and Probable Reserves (1,4,5,6,7,8,9,10,11)

	PROVEN			PROBABLE			PROVEN & PROBABLE		
Silver	Tonnes Mt	Grade g Ag/t	Contained M oz	Tonnes Mt	Grade g Ag/t	Contained M oz	Tonnes Mt	Grade g Ag/t	Contained M oz
Luismin									
San Dimas	1.60	387	19.9	3.08	378	37.5	4.68	381	57.3
Los Filos	33.71	3	3.7	55.31	3	5.2	89.02	3	8.8
San Martin	0.32	33	0.3	0.71	48	1.1	1.03	43	1.4
Zinkgruvan (Zn)	8.31	114	30.4	2.25	62	4.5	10.56	103	34.9
Yauliyacu	1.41	89	4.0	2.30	136	10.0	3.72	118	14.1
Peñasquito (25%)									
Mill	106.72	34	116.8	95.06	27	83.1	201.78	31	199.9
Heap Leach	10.53	21	7.1	17.08	16	9.0	27.61	18	16.1
Stratoni	1.92	172	10.6	0.26	172	1.4	2.18	172	12.1
Total			**192.8**			**151.8**			**344.6**

Measured & Indicated Resources (1,2,3,4,5,6,7,8,9,10,11)

	MEASURED			INDICATED			MEASURED & INDICATED		
Silver	Tonnes Mt	Grade g Ag/t	Contained M oz	Tonnes Mt	Grade g Ag/t	Contained M oz	Tonnes Mt	Grade g Ag/t	Contained M oz
Luismin									
Los Filos	6.25	3	0.7	12.66	3	1.2	18.92	3	1.9
San Martin	0.02	204	0.2	0.20	234	1.5	0.22	231	1.7
Zinkgruvan (Zn)	0.55	24	0.4	3.68	109	12.9	4.23	98	13.3
Zinkgruvan (Cu)	-	-	-	3.10	32	3.2	3.10	32	3.2
Yauliyacu	0.46	90	1.3	4.67	248	37.2	5.13	234	38.5
Peñasquito (25%)									
Mill	24.78	22	17.8	134.19	19	83.1	158.97	20	100.9
Heap Leach	1.97	7	0.4	8.67	7	2.0	10.64	7	2.4
Total			**20.8**			**141.1**			**161.9**

Inferred Resources (1,2,3,4,5,6,7,8,9,10,11)

	INFERRED		
Silver	Tonnes Mt	Grade g Ag/t	Contained M oz
Luismin			
San Dimas	17.55	324	183.0
Los Filos	2.39	3	0.2
San Martin	1.79	139	8.0
Zinkgruvan (Zn)	4.32	67	9.3
Zinkgruvan (Cu)	0.77	20	0.5
Yauliyacu	11.62	217	80.9
Peñasquito (25%)			
Mill	294.75	13	122.8
Heap Leach	10.25	13	4.3
Stratoni	0.56	181	3.2
Total			**412.2**

Notes:

1. All Mineral Reserves and Mineral Resources have been calculated in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101, or the AusIMM JORC equivalent.
2. All Mineral Resources are exclusive of Mineral Reserves.
3. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.
4. Reserves and Resources are reported as of December 31, 2007, with the following conditions or exceptions;
   a. Reserves and Resources for Peñasquito are reported as of August 9, 2007.
   b. Reserves and Resources for San Martin are reported as of December 31, 2006 with the exception of the San Pedrito project, which is reported as of December 31, 2005.
   c. Reserves and Resources for Zinkgruvan are reported as of December 31, 2007.
   d. Reserves and Resources for Yauliyacu are reported as of December 31, 2007.
   e. Reserves and Resources for Stratoni are reported as of December 31, 2006.
5. Qualified Persons for the Mineral Reserve and Mineral Resource estimates as defined by the National Instrument 43-101 are as follows:
   a. San Dimas – Reynaldo Rivera, MAusIMM (Chief Geologist), Luismin S.A. de C.V., the Mexican operating subsidiary of Goldcorp Inc.
   b. Los Filos – Reynaldo Rivera, MAusIMM (Chief Geologist), Luismin S.A. de C.V., the Mexican operating subsidiary of Goldcorp Inc.
   c. Peñasquito – Bob Bryson, P. Eng. (Vice President, Engineering), Goldcorp Inc.
   d. Stratoni – Patrick Forward (General Manager, Exploration), European Goldfields.
   e. San Martin –Velasquez Spring, P.Eng. (Senior Geologist) Watts, Griffis and McOuat Limited.
   f. Yauliyacu – Velasquez Spring, P.Eng. (Senior Geologist) Watts, Griffis and McOuat Limited.
   g. Zinkgruvan – Per Hedstrom (Senior Geologist) and Lars Malmstrom (Chief Geologist), both employees of Zinkgruvan
   h. Corporate Overview – Randy V.J. Smallwood, P.Eng. (Executive Vice President of Corporate Development), Silver Wheaton Corp.
6. Mineral Reserves are estimated using appropriate recovery rates and US$ commodity prices of $10 per ounce of silver unless otherwise noted below;
   a. $7.00 / oz silver – San Martin
   b. $13.00 / oz silver – Yauliyacu
7. Mineral Resources are estimated using appropriate recovery rates and US$ commodity prices of $13 per ounce of silver, unless otherwise noted below;
   a. $8.00 / oz silver – San Martin
   b. $5.50 / oz silver – The San Pedrito project at San Martin
   c. $10.00 / oz silver – Zinkgruvan
8. Silver Wheaton's purchase agreement with Glencore provides for the delivery of up to 4.75 million ounces of silver per year for 20 years so long as production allows. Silver production at Yauliyacu in excess of 4.75 million ounces per year is to the credit of Glencore; however, in the event that silver produced at Yauliyacu in any year totals less than 4.75 million ounces, the amount sold to Silver Wheaton in subsequent years will be increased to make up for the shortfall, so long as production allows. A portion of the reserves and resources from Yauliyacu may relate to production which may be for the credit of Glencore.
9. Peñasquito reserves and resources represent the 25% attributable to Silver Wheaton.
10. Silver is produced as a byproduct metal at the various operations, therefore the economic cut-off applied to the reporting of silver reserves and resources will be influenced by changes in the commodity prices of other metals at the mine.
11. The Los Filos Project is not considered to be a material property to the Company.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information contained herein contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the future price of silver, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, reserve determination and reserve conversion rates. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Silver Wheaton to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the integration of acquisitions, the absence of control over mining operations from which Silver Wheaton purchases silver and risks related to these mining operations, including risks related to international operations, actual results of current exploration activities, actual results of current reclamation activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, as well as those factors discussed in the section entitled "Description of the Business – Risk Factors" in Silver Wheaton's annual information form for the year ended December 31, 2007 incorporated by reference into Silver Wheaton's Form 40-F on file with the U.S. Securities and Exchange Commission in Washington, D.C. and available on SEDAR at www.sedar.com. Although Silver Wheaton has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Silver Wheaton does not undertake to update any forward-looking statements that are incorporated by reference herein, except in acc ordance with applicable securities laws.

CAUTIONARY LANGUAGE REGARDING RESERVES AND RESOURCES

Readers should refer to the annual information form of Silver Wheaton for the year ended December 31, 2007 and other continuous disclosure documents filed by Silver Wheaton since January 1, 2007 available at www.sedar.com, for further information on Mineral Reserves and Resources, which is subject to the qualifications and notes set forth therein as well as for additional information relating to the Company more generally. Mineral Resources which are not Mineral Reserves, do not have demonstrated economic viability.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources: These tables use the terms "Measured", "Indicated" and "Inferred" Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. **United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.**

MANAGEMENT'S RESPONSIBILTY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Silver Wheaton Corp. ("Silver Wheaton") were prepared by management, which is responsible for the integrity and fairness of the information presented, including the many amounts that must of necessity be based on estimates and judgments. These consolidated financial statements were prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Financial information appearing throughout our management's discussion and analysis is consistent with these consolidated financial statements.

In discharging our responsibility for the integrity and fairness of the consolidated financial statements and for the accounting systems from which they are derived, we maintain and rely on a comprehensive system of internal controls designed to ensure that transactions are authorized, assets are safeguarded and proper records are maintained. These controls include business planning; delegation of authority; careful selection and hiring of staff; accountability for performance within appropriate and well-defined areas of responsibility; and the communication of policies and guidelines of business conduct throughout the company.

The Board of Directors oversees management's responsibilities for financial reporting through the Audit Committee, which is composed entirely of directors who are neither officers nor employees of Silver Wheaton. The Audit Committee reviews Silver Wheaton's interim and annual consolidated Financial Statements and Management's Discussion and Analysis (MD&A) and recommends them for approval by the Board of Directors. Other key responsibilities of the Audit Committee include monitoring Silver Wheaton's system of internal controls, monitoring its compliance with legal and regulatory requirements, selecting the external auditors and reviewing the qualifications, independence and performance of the external auditors.

Deloitte & Touche LLP, Independent Registered Chartered Accountants appointed by the shareholders of Silver Wheaton upon the recommendation of the Audit Committee and Board, have performed an independent audit of the consolidated financial statements and their report follows. The auditors have full and unrestricted access to the Audit Committee to discuss their audit and related findings.

/s/ Peter Barnes	/s/ Nolan Watson
Peter Barnes	Nolan Watson
President and Chief Executive Officer	Chief Financial Officer

March 17, 2008

REPORT OF INDEPENDENT REGISTERED CHARTERED ACCOUNTANTS

To the Board of Directors and Shareholders of Silver Wheaton Corp.

We have audited the accompanying consolidated balance sheets of Silver Wheaton Corp. and subsidiaries (the "Company") as of December 31, 2007 and 2006, and the related consolidated statements of operations, cash flows and shareholders' equity for each of the three years in the period ended December 31, 2007 and the consolidated statement of comprehensive income for the year ended December 31, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Silver Wheaton Corp. and subsidiaries as of December 31, 2007 and 2006, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2007 in conformity with Canadian generally accepted accounting principles.

As discussed in Note 2 to the consolidated financial statements, the Company adopted Canadian Institute of Chartered Accountants Handbook Sections 1530 - Comprehensive Income, 3251 - Equity, 3855 - Financial Instruments – Recognition and Measurement, 3861 - Financial Instruments – Disclosure and Presentation and 3865 - Hedges, effective January 1, 2007.

On March 17, 2008, we reported separately to the Shareholders of Silver Wheaton Corp. that we have also audited, in accordance with Canadian generally accepted auditing standards, consolidated financial statements for the same periods, prepared in accordance with Canadian generally accepted accounting principles but which excluded the footnote providing a reconciliation of accounting principles generally accepted in Canada and the United States of America as it related to the Company.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal controls over financial reporting as of December 31, 2007, based on the criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 17, 2008 expressed an unqualified opinion on the Company's internal controls over financial reporting.

/s/ Deloitte

Independent Registered Chartered Accountants

Vancouver, Canada

March 17, 2008

SILVER WHEATON

MANAGEMENT'S REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management of Silver Wheaton Corp. ("Silver Wheaton") is responsible for establishing and maintaining adequate internal controls over financial reporting. Internal controls over financial reporting is a process designed by, or under the supervision of, the President and Chief Executive Officer and the Chief Financial Officer and effected by the Board of Directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. It includes those policies and procedures that:

(i) pertain to the maintenance of records that accurately and fairly reflect, in reasonable detail, the transactions related to Silver Wheaton's assets
(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and Silver Wheaton receipts and expenditures are made only in accordance with authorizations of management and Silver Wheaton's directors
(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of Silver Wheaton assets that could have a material effect on Silver Wheaton's financial statements.

Due to its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements on a timely basis. Also, projections of any evaluation of the effectiveness of internal controls over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of Silver Wheaton's internal controls over financial reporting as of December 31, 2007, based on the criteria set forth in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management believes that, as of December 31, 2007, Silver Wheaton's internal controls over financial reporting were effective.

The effectiveness of Silver Wheaton's internal controls over financial reporting, as of December 31, 2007, has been audited by Deloitte & Touche LLP, Independent Registered Chartered Accountants, as stated in their report which appears on the following page.

/s/ Peter Barnes	/s/ Nolan Watson
Peter Barnes	Nolan Watson
President and Chief Executive Officer	Chief Financial Officer

March 17, 2008

REPORT OF INDEPENDENT REGISTERED CHARTERED ACCOUNTANTS

To the Board of Directors and Shareholders of Silver Wheaton Corp.

We have audited the internal controls over financial reporting of Silver Wheaton Corp. and subsidiaries (the "Company") as of December 31, 2007, based on the criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal controls over financial reporting and for its assessment of internal controls over financial reporting, included in the accompanying Management's Report on Internal Controls Over Financial Reporting. Our responsibility is to express an opinion on the effectiveness of the Company's internal controls over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal controls over financial reporting were maintained in all material respects. Our audit included obtaining an understanding of internal controls over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal controls over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expendit ures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal controls over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal controls over financial reporting as of December 31, 2007, based on the criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2007 of the Company and our report dated March 17, 2008 expressed an unqualified opinion on those financial statements and included an explanatory paragraph regarding the Company's adoption of Canadian Institute of Chartered Accountants Handbook Sections 1530 - Comprehensive Income, 3251 - Equity, 3855 - Financial Instruments – Recognition and Measurement, 3861 - Financial Instruments – Disclosure and Presentation and 3865 - Hedges.

/s/ Deloitte

Independent Registered Chartered Accountants

Vancouver, Canada
March 17, 2008

SILVER WHEATON

CONSOLIDATED STATEMENTS OF OPERATIONS

(US dollars and shares in thousands, except per share amounts)	Note	Years Ended December 31 2007	2006	2005
Silver sales		$ 175,434	$ 158,541	$ 70,895
Cost of sales		51,059	52,772	37,839
Depreciation and amortization		21,705	16,538	6,000
		72,764	69,310	43,839
Earnings from operations		102,670	89,231	27,056
Expenses and other income				
General and administrative [1]		9,700	5,700	2,443
Project evaluation		360	211	91
Interest expense		-	717	-
Interest income		(1,508)	(3,221)	(705)
Loss on mark-to-market of warrants held	3	1,669	-	-
Other		565	604	(64)
		10,786	4,011	1,765
Earnings before tax		91,884	85,220	25,291
Future income tax expense	10	(22)	-	-
Net earnings		$ 91,862	$ 85,220	$ 25,291
1) Stock based compensation (a non-cash item) included in General and administrative		$ 2,735	$ 1,768	$ 463
Basic earnings per share		$ 0.41	$ 0.40	$ 0.15
Diluted earnings per share		$ 0.37	$ 0.37	$ 0.15
Weighted average number of shares outstanding				
- basic	7(e)	221,909	210,538	167,538
- diluted	7(e)	246,728	232,566	170,987

The accompanying notes form an integral part of these audited consolidated financial statements

SILVER WHEATON

CONSOLIDATED BALANCE SHEETS

(US dollars and shares in thousands)	Note	December 31 2007	December 31 2006
Assets			
Current			
Cash and cash equivalents		$ 9,965	$ 59,994
Accounts receivable		1,428	1,220
Other		303	133
		11,696	61,347
Long-term investments	3	119,409	65,992
Silver interests	4	1,075,023	534,683
Other		2,346	871
		$ 1,208,474	$ 662,893
Liabilities			
Current			
Accounts payable		$ 1,021	$ 396
Accrued liabilities		5,362	958
Promissory note	5	-	20,000
Current portion of bank debt	6	28,560	-
		34,943	21,354
Bank debt	6	391,300	-
		426,243	21,354
Shareholders' Equity			
Share purchase options	7(c)	5,328	4,680
Restricted share units	7(d)	262	111
Warrants	7(b)	38,776	38,824
Share capital			
Common shares			
Authorized: unlimited shares, no par value; Issued and outstanding: 222,934 (December 31, 2006: 220,562)	7(a)	495,695	486,071
Retained earnings		208,658	111,853
Accumulated other comprehensive income	2	33,512	-
		782,231	641,539
		$ 1,208,474	$ 662,893
Commitments and contingencies	6,11		

Peter Barnes – Director

Eduardo Luna - Chairman

The accompanying notes form an integral part of these audited consolidated financial statements

SILVER WHEATON

CONSOLIDATED STATEMENTS OF CASH FLOWS

(US dollars in thousands)	Note	2007	2006	2005
Operating Activities				
Net earnings		$ 91,862	$ 85,220	$ 25,291
Items not affecting cash				
Depreciation and amortization		21,705	16,538	6,000
Debt financing costs		-	950	-
Future income tax expense	10	22	-	-
Stock based compensation		2,735	1,768	463
Loss on mark-to-market of warrants held	3	1,669	-	-
Other		295	(221)	60
Change in non-cash working capital	8	973	467	(1,843)
Cash generated by operating activities		119,261	104,722	29,971
Financing Activities				
Bank debt drawn down	6	446,000	125,000	-
Bank debt repaid		(26,140)	(125,000)	-
Promissory note repaid	5	(20,000)	-	-
Debt financing costs		-	(1,124)	-
Shares issued	7(a)	-	175,150	86,219
Share issue costs		-	(7,793)	(4,816)
Warrants exercised		293	280	100
Share purchase options exercised		7,347	7,018	1,979
Cash generated by financing activities		407,500	173,531	83,482
Investing Activities				
Purchase of long-term investments	3	(17,003)	(50,813)	(15,069)
Silver interests	4	(557,940)	(285,408)	(483)
Deferred project evaluation		(1,253)	-	-
Other		(828)	-	(182)
Cash applied to investing activities		(577,024)	(336,221)	(15,734)
Effect of exchange rate changes on cash and cash equivalents		234	221	33
(Decrease) increase in cash and cash equivalents		(50,029)	(57,747)	97,752
Cash and cash equivalents, beginning of year		59,994	117,741	19,989
Cash and cash equivalents, end of year		$ 9,965	$ 59,994	$ 117,741

At December 31, 2007, the Company's cash and cash equivalents consisted of $6.5 million in cash (December 31, 2006 - $8.0 million) and $3.5 million in cash equivalents (December 31, 2006 - $52.0 million). Cash equivalents include term deposits and treasury bills with original maturities of less than 90 days.

The accompanying notes form an integral part of these audited consolidated financial statements

SILVER WHEATON

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(US dollars in thousands)	Common Shares	Share Purchase Options	Restricted Share Units	Warrants	Retained Earnings	Accumulated Other Comprehensive Income	Total
At December 31, 2005	$ 193,711	$ 4,953	$ 26	$ 38,867	$ 26,633	$ -	$ 264,190
Fair value of stock based compensation	-	1,657	111	-	-	-	1,768
Share purchase options exercised	8,948	(1,930)	-	-	-	-	7,018
Restricted share units exercised	26	-	(26)	-	-	-	-
Warrants exercised	323	-	-	(43)	-	-	280
Shares issued	290,712	-	-	-	-	-	290,712
Share issue costs	(7,649)	-	-	-	-	-	(7,649)
Net earnings	-	-	-	-	85,220	-	85,220
At December 31, 2006	486,071	4,680	111	38,824	111,853	-	641,539
Change in accounting policies (Note 2)	-	-	-	-	4,943	31,063	36,006
At January 1, 2007 as adjusted	486,071	4,680	111	38,824	116,796	31,063	677,545
Fair value of stock based compensation	-	2,559	176	-	-	-	2,735
Share purchase options exercised	9,258	(1,911)	-	-	-	-	7,347
Restricted share units exercised	25	-	(25)	-	-	-	-
Warrants exercised	341	-	-	(48)	-	-	293
Net earnings	-	-	-	-	91,862	-	91,862
Other comprehensive income	-	-	-	-	-	2,449	2,449
At December 31, 2007	$ 495,695	$ 5,328	$ 262	$ 38,776	$ 208,658	$ 33,512	$ 782,231

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(US dollars in thousands)	Year Ended December 31 2007
Net earnings	$ 91,862
Other comprehensive income	
Loss on available-for-sale securities, net of future tax benefit of $3,702 (Note 3)	2,307
Reclassification adjustment for loss included in net earnings, net of tax of $28	142
	2,449
Comprehensive income	$ 94,311

The accompanying notes form an integral part of these audited consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007 (US DOLLARS)

1. DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Silver Wheaton Corp. ("Silver Wheaton" or the "Company") is engaged in the silver mining business.

The Company has entered into five long-term silver contracts with Goldcorp (Luismin mines in Mexico and Peñasquito project in Mexico), Lundin Mining (Zinkgruvan mine in Sweden), Glencore (Yauliyacu mine in Peru) and Hellas Gold (Stratoni mine in Greece), whereby Silver Wheaton acquires silver production from the counterparties at an average fixed price of $3.91 per ounce, subject to an inflationary adjustment (Note 4).

The Company trades on the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE) under the symbol SLW.

2. ACCOUNTING POLICIES

BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). A reconciliation of Canadian GAAP to accounting principles generally accepted in the United States ("US GAAP") is provided in Note 13.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its 100% owned subsidiary Silver Wheaton (Caymans) Ltd. ("SW Caymans").

USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas where management's judgment is applied are silver contract valuations, depreciation and income taxes. Actual results could differ from those reported.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, and those short-term money market instruments that are readily convertible to cash with an original term to maturity of less than 90 days.

SILVER INVENTORY

Silver inventory is valued at the lower of average cost and net realizable value.

LONG-TERM INVESTMENTS

Long-term investments in equity securities are classified as available-for-sale because the Company intends to hold the investments for more than one year. Unrealized holding gains and losses related to available-for-sale investments are excluded from net income and are included in other comprehensive income until such gains or losses are realized or an other than temporary impairment is determined to have occurred.

Warrants held by the Company are for long-term investment purposes, however, due to their nature they meet the definition of a derivative and are marked-to-market on a quarterly basis. Mark-to-market gains and losses relating to the warrants are included in net income in the period they occur.

The Company estimates the fair value of financial instruments at the balance sheet date using quoted market prices for available-for-sale securities and a Black-Scholes option pricing model for warrants held.

SILVER INTERESTS

Contracts for which settlement is called for in silver, the amount of which is based on production at the mines, are recorded at cost. The cost of these assets is separately allocated to reserves, resources and exploration potential. The value allocated to reserves is classified as depletable and is depreciated on a unit-of-sale basis over the estimated recoverable proven and probable reserves at the mine corresponding to the specific contract. The value associated with resources and exploration potential is the value beyond proven and probable reserves at acquisition and is classified as non-depletable until such time as it is transferred to the depletable category as a result of the conversion of resources or exploration potential into reserves.

Evaluations of the carrying values of each contract are undertaken each year to determine if estimated undiscounted future net cash flows are less than the carrying value. Estimated undiscounted future net cash flows are calculated using estimated production, sales prices and purchase costs. If it is determined that the future net cash flows from an operation are less than the carrying value then a write-down is recorded with a charge to operations.

INTEREST AND DEBT FINANCING COSTS

Interest and debt financing costs are expensed when they are incurred, unless they are directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of preparation for their intended use or sale, in which case they are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

REVENUE RECOGNITION

Revenue from the sale of silver is recognized in the accounts when persuasive evidence of an arrangement exists, title and risk passes to the buyer, collection is reasonably assured and the price is reasonably determinable. Revenue from the sale of silver may be subject to adjustment upon final settlement of estimated metal prices, weights, and assays. Adjustments to revenue for metal prices are recorded monthly and other adjustments are recorded on final settlement.

STOCK-BASED COMPENSATION

The fair value of all stock-based awards granted is estimated using the Black-Scholes model. The compensation cost related to stock options granted to employees and directors is recorded in the consolidated statements of operations.

INCOME TAXES

The future income tax asset and liability method of accounting for income taxes is used. As the Company's operating profit is derived from its subsidiary, SW Caymans, which is incorporated and operated in the Cayman Islands, the Company's profits bear no income tax. Management views the subsidiary's profits as part of its permanent investment in the subsidiary, and it has determined that those profits will be reinvested in foreign jurisdictions for the foreseeable future, therefore, no current income taxes have been recorded.

EARNINGS PER SHARE

Earnings per share calculations are based on the weighted average number of common shares and common share equivalents issued and outstanding during the period. Diluted earnings per share are calculated using the treasury method which requires the calculation of diluted earnings per share by assuming that outstanding share purchase options and warrants, with an average market price that exceeds the average exercise prices of the options and warrants for the year, are exercised and the proceeds are used to repurchase shares of the Company at the average market price of the common shares for the period.

FOREIGN CURRENCY TRANSLATION

Foreign currency monetary assets and liabilities are translated into United States dollars at the exchange rates prevailing at the balance sheet date. Non-monetary assets denominated in foreign currencies are translated using the rate of exchange at the transaction date. Foreign currency transactions are translated at the United States dollar rate prevailing on the transaction dates. Foreign exchange gains and losses are included in the determination of earnings except for the foreign exchange gains and losses on the Company's available-for-sale investments which are included in the determination of Comprehensive Income.

CHANGES IN ACCOUNTING POLICIES

Financial Instruments

The Company adopted the provisions of Sections 3855, Financial Instruments – Recognition and Measurement ("Section 3855"), 3861, Financial Instruments – Disclosure and Presentation, 1530, Comprehensive Income, 3865, Hedges and 3251, Equity, on January 1, 2007 which address the classification, recognition and measurement of financial instruments in the financial statements and the inclusion of other comprehensive income ("OCI"). As a result of adopting these new standards, the Company recorded a non-cash increase of $39.5 million to opening long-term investments, a non-cash increase of $3.3 million to future income tax liability and a non-cash pre-tax adjustment of $37.7 million ($31.1 million net of tax) as a one-time cumulative effect of a change in accounting policy in opening accumulated other comprehensive income. In addition, the Company recorded a non-cash increase of $5.1 million to opening retained earnings to recognize the value of i ncome tax losses not previously recognized and to record the cumulative effect of the change in accounting policy as it relates to warrants held by the Company.

Under Section 3855, share purchase warrants held by the Company are classified as derivatives and marked-to-market each reporting period. As a result, the Company realized a non-cash increase of $1.9 million to opening long-term investments and retained earnings as a one-time cumulative effect of a change in accounting policy on January 1, 2007.

Also under Section 3855, the Company adopted a policy to expense debt financing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset when they are incurred and as a result the Company recorded a non-cash adjustment to decrease opening retained earnings by $0.2 million to eliminate the opening balance of debt financing costs that were capitalized and amortized under the Company's previous accounting policy.

The carrying values of cash and cash equivalents, accounts receivable and accounts payable approximate their fair values due to their short-term nature. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments.

FUTURE ACCOUNTING CHANGES

Capital Disclosures

The CICA issued a new accounting standard, Section 1535, Capital Disclosures ("Section 1535"), which requires the disclosure of both qualitative and quantitative information that enables users of financial statements to evaluate the entity's objectives, policies and processes for managing capital. Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new standard became effective for the Company on January 1, 2008.

Financial Instruments

The CICA issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which replace Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements and carrying forward unchanged its presentation requirements for financial instruments. Sections 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. These new standards became effective for the Company on January 1, 2008.

Impact of Adopting Sections 1535, 3862 and 3863

The Company is currently analyzing the requirements of these new standards.

3 . LONG-TERM INVESTMENTS

(in thousands)	December 31 2007 Fair Value	December 31 2006 Fair Value
Available-for-sale	$ 118,333	$ 102,288
Warrants	1,076	3,210
Transitional adjustment on available-for-sale (Note 2)	-	(37,652)
Transitional adjustment on warrants (Note 2)	-	(1,854)
	$ 119,409	$ 65,992

AVAILABLE-FOR-SALE

(in thousands)	December 31, 2007 Fair Value	Mark-to-Market Gains (Losses) Included in OCI	December 31, 2006 Fair Value	Book Value	Transitional Adjustment (Note 2)
Bear Creek[1]	$ 59,361	$ (5,374)	$ 61,264	$ 32,136	$ 29,128
Revett	10,777	(2,824)	13,602	10,849	2,753
Sabina	16,104	1,445	14,659	10,317	4,342
Mines Management	8,552	(1,448)	-	-	-
Other	23,539	6,806	12,763	11,334	1,429
	$ 118,333	$ (1,395)	$ 102,288	$ 64,636	$ 37,652
Future tax benefit (expense) in OCI		3,702			(6,589)
		2,307			31,063
Reclassification adjustment for loss included in net income, net of tax of $28		142			-
	$ 118,333	$ 2,449	$ 102,288	$ 64,636	$ 31,063

1) Certain of the Bear Creek warrants were exercised on January 11, 2007

WARRANTS

(in thousands)	December 31, 2007 Fair Value	Mark-to-Market Gains (Losses) Included in Earnings	December 31, 2006 Fair Value	Book Value	Transitional Adjustment (Note 2)
Bear Creek[1]	$ 33	$ (220)	$ 1,170	$ 47	$ 1,123
Revett	49	(493)	542	423	119
Sabina	914	(583)	1,498	886	612
Other	80	(373)	-	-	-
	$ 1,076	$ (1,669)	$ 3,210	$ 1,356	$ 1,854

1) Certain of the Bear Creek warrants were exercised on January 11, 2007

At December 31, 2007, Silver Wheaton owned 8,146,505 common shares and warrants exercisable to acquire an additional 100,000 common shares, representing approximately 18% of the outstanding shares of Bear Creek Mining Corporation ("Bear Creek") on an undiluted basis.

At December 31, 2007, Silver Wheaton owned 12,382,900 common shares and warrants exercisable to acquire an additional 2,400,000 common shares, representing approximately 17% of the outstanding shares of Revett Minerals Inc. (“Revett”) on an undiluted basis.

At December 31, 2007, Silver Wheaton owned 7,800,000 common shares and warrants exercisable to acquire an additional 3,900,000 common shares, representing approximately 12% of the outstanding shares of Sabina Silver Corporation (“Sabina”) on an undiluted basis.

During 2007, Silver Wheaton acquired by way of private placement 2,500,000 common shares of Mines Management, Inc. (“Mines Management”), at a price of $4.00 per share for total consideration of $10.0 million. As a result, at December 31, 2007, Silver Wheaton owned 2,500,000 common shares, representing approximately 11% of the outstanding shares of Mines Management on an undiluted basis.

The warrants acquired as part of the private placements have been valued using a Black-Scholes option pricing model.

By holding these long-term investments, the Company is inherently exposed to various risk factors including currency risk, market price risk and liquidity risk.

4. SILVER INTERESTS

	December 31, 2007			December 31, 2006		
(in thousands)	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Luismin	$ 194,807	$ (9,369)	$ 185,438	$ 194,807	$ (6,660)	$ 188,147
Zinkgruvan	77,919	(9,102)	68,817	77,919	(6,102)	71,817
Yauliyacu	285,292	(23,116)	262,176	285,292	(10,573)	274,719
Stratoni	57,724	(3,453)	54,271	-	-	-
Peñasquito	504,321	-	504,321	-	-	-
	$ 1,120,063	$ (45,040)	$ 1,075,023	$ 558,018	$ (23,335)	$ 534,683

The value allocated to reserves is classified as depletable and is depreciated on a units-of-sale basis over the estimated recoverable proven and probable reserves at the mine. The value associated with resources and exploration potential is the value beyond proven and probable reserves allocated at acquisition and is classified as non-depletable until such time as it is transferred to the depletable category as a result of the conversion of resources or exploration potential into reserves.

	December 31, 2007			December 31, 2006		
(in thousands)	Depletable	Non-Depletable	Total	Depletable	Non-Depletable	Total
Luismin	$ 17,237	$ 168,201	$ 185,438	$ 19,946	$ 168,201	$ 188,147
Zinkgruvan	33,740	35,077	68,817	36,740	35,077	71,817
Yauliyacu	21,715	240,461	262,176	34,258	240,461	274,719
Stratoni	35,408	18,863	54,271	-	-	-
Peñasquito	-	504,321	504,321	-	-	-
	$ 108,100	$ 966,923	$ 1,075,023	$ 90,944	$ 443,739	$ 534,683

LUISMIN

On October 15, 2004, SW Caymans entered into an agreement (amended on March 30, 2006) to acquire all of the silver produced by Goldcorp's Luismin mining operations in Mexico (owned at the date of the transaction) for a period of 25 years. Total consideration, including consideration issued as part of the March 30, 2006 amendment, was $36.7 million in cash up front, a $20 million promissory note and 126 million common shares of the Company. In addition, a per ounce cash payment of the lesser of $3.95 and the prevailing market price is due (subject to an inflationary adjustment on October 15 of each year).

On February 14, 2008, Goldcorp sold its entire 48% interest in Silver Wheaton by way of a secondary offering, as described in Note 14.

ZINKGRUVAN

In December, 2004, SW Caymans entered into an agreement to acquire all of the silver produced by Lundin Mining Corporation's Zinkgruvan mine in Sweden for an upfront payment of $50 million in cash, 6 million Silver Wheaton common shares and 30 million Silver Wheaton common share purchase warrants (each warrant grants the holder the right to purchase 0.20 of one of the Company's common shares). In addition, a per ounce cash payment of the lesser of $3.96 and the prevailing market price is due (subject to an inflationary adjustment on December 8 each year).

YAULIYACU

On March 23, 2006, SW Caymans entered into an agreement with Glencore International AG ("Glencore") to acquire up to 4.75 million ounces of silver per year, for a period of 20 years, based on the production from Glencore's Yauliyacu mining operations in Peru. The upfront payment was $285 million, comprised of $245 million in cash and a $40 million promissory note which was paid in full on May 31, 2006. In addition, a cash payment of $3.90 per ounce of silver delivered under the contract is due (subject to an inflationary adjustment commencing in 2009). In the event that silver produced at Yauliyacu in any year totals less than 4.75 million ounces, the amount sold to Silver Wheaton in subsequent years will be increased to make up for the shortfall, so long as production allows.

During the term of the contract, Silver Wheaton has a right of first refusal on any future sales of silver streams from the Yauliyacu mine and a right of first offer on future sales of silver streams from any other mine owned by Glencore at the time of the initial transaction. In addition, Silver Wheaton also has an option to extend the 20 year term of the silver purchase agreement in five year increments, on substantially the same terms as the existing agreement, subject to an adjustment related to silver price expectations at the time and other factors.

STRATONI

On April 23, 2007, SW Caymans entered into an agreement with Hellas Gold S.A. ("Hellas Gold"), a subsidiary of European Goldfields Ltd. ("European Goldfields") to acquire all of the silver produced from Hellas Gold's Stratoni mining operations in Greece for the life of mine. Silver Wheaton made an upfront cash payment of $57.5 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2010), for silver delivered under the contract.

During the term of the contract, Silver Wheaton has a right of first refusal on any future sales of silver streams from any other mine owned by European Goldfields or Hellas Gold.

The allocation of the purchase price is summarized in the table below:

(in thousands)

Purchase Price		
Cash	$	57,500
Acquisition costs		224
	$	57,724

PEÑASQUITO

On July 24, 2007, SW Caymans entered into an agreement to acquire 25% of the silver produced from Goldcorp's Peñasquito project in Mexico for the life of mine, for an upfront cash payment of $485 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to an inflationary adjustment commencing in 2011), for silver delivered under the contract.

Silver Wheaton is not required to fund any capital expenditures at Peñasquito, including any expansion scenarios. Goldcorp has provided a completion guarantee to Silver Wheaton that the Peñasquito mine will be constructed with certain minimum production criteria by certain dates.

The allocation of the purchase price is summarized in the table below:

(in thousands)

Purchase Price		
Cash	$	485,000
Acquisition costs		3,560
Capitalized interest and debt financing costs		15,761
	$	504,321

ROSEMONT

On December 20, 2007, the Company signed a binding letter agreement to acquire between 45% and 90% of silver produced by Augusta Resource Corporation's ("Augusta") Rosemont Copper Project in Arizona for the life of mine. Augusta must elect the percentage of life of mine silver subject to the transaction, which will be between a minimum of 45% and a maximum of 90%, on or before March 31, 2008.

Subject to the finalization of the transaction structure, including tax considerations, Silver Wheaton will pay an upfront cash payment ranging in value from $135 million to $165 million to acquire 45% of the payable silver, and $240 million to $320 million to acquire 90% of the payable silver, produced for the life of mine.

The upfront payment will be made on a drawdown basis to fund construction of the mine as construction milestones are achieved. Silver Wheaton will not be required to pay any further ongoing per ounce payments for silver delivered from Rosemont and is not required to fund or contribute to ongoing capital expenditures, including expansion scenarios. Augusta will provide a completion guarantee that the Rosemont mine will be constructed with certain minimum production criteria by certain dates.

The transaction is subject to (a) Augusta receiving all necessary permits to construct and operate a mine in accordance with their August 2007 Rosemont Feasibility Study, (b) Augusta having entered into committed arrangements for sufficient financing to construct and operate the mine, and (c) execution by the parties of definitive agreements on or before June 30, 2008 as well as receipt of any required regulatory approvals and third-party consents. Augusta expects production at the Rosemont project to start in late 2010 with an average of 2.7 million ounces of silver produced each year over the mine life, currently expected to be a minimum of 18 years.

5. PROMISSORY NOTE

On March 30, 2006, as partial consideration for amendments made to the Luismin silver purchase contract, the Company issued a non-interest bearing $20 million promissory note to Goldcorp, due on March 30, 2007. The promissory note was repaid in full during March 2007.

6. BANK DEBT

On July 24, 2007, the Company cancelled its undrawn $25 million revolving loan facility and entered into a credit agreement with the Bank of Nova Scotia and BMO Capital Markets, as co-lead arrangers and administrative agents, to borrow $200 million under a non revolving term loan (the "Term Loan") and up to $300 million under a revolving term loan (the "Revolving Loan"). The Revolving Loan is for a period of 7 years and the Term Loan is to be repaid in equal installments over a period of 7 years, however, prepayments are allowed at any time. Silver Wheaton has committed to pay down the Revolving Loan, within 61 days after the end of each fiscal quarter, by an amount equal to 90% of the cash flows reported for the quarter. The Revolving Loan can be drawn down at any time to finance acquisitions or investments. In order to fund the Peñasquito transaction, the Term Loan was drawn in full and the Revolving Loan was drawn in the amount of $246 million.

Amounts drawn incur interest at LIBOR plus 0.875% to 1.75% per annum dependent upon the Company's leverage ratio. Undrawn amounts are subject to a 0.2% to 0.45% per annum commitment fee dependent on the Company's leverage ratio. Under the credit agreement, the Company is required to maintain a Debt Service Coverage Ratio greater than or equal to 1.25 : 1, a Leverage Ratio less than or equal to 5 : 1 (decreasing to 4 : 1 on September 30, 2008 and to 3.5 : 1 on September 30, 2009), and a Tangible Net Worth greater than 80% of the Tangible Net Worth at June 30, 2007 plus 50% of Net Income for each fiscal quarter thereafter. Both the Term Loan and the Revolving Loan are secured against the Company's assets, including the Company's silver interests. The Company has paid $2.5 million in debt financing costs relating to the credit agreement which was capitalized to the cost of the Peñasquito contract. During 2007, the Company repaid $7.1 million and $19. 0 million of the balances outstanding on the Term Loan and Revolving Loan, respectively.

	December 31, 2007		
(in thousands)	Term Loan	Revolving Loan	**Total**
Current portion	$ 28,560	$ -	**$ 28,560**
Long-term portion	164,300	227,000	**391,300**
	$ 192,860	$ 227,000	**$ 419,860**
Interest capitalized	$ 6,045	$ 7,206	**$ 13,251**
Effective interest rate	6.88%	6.85%	**6.87%**

The required principal payments under the Term Loan and the Revolving Loan for the next five years and thereafter are as follows:

(in thousands)	Term Loan	Revolving Loan
2008	$ 28,560	$ -
2009	28,560	-
2010	28,560	-
2011	28,560	-
2012	28,560	-
Thereafter	50,060	227,000
	$ 192,860	$ 227,000

7. SHAREHOLDERS' EQUITY

(A) SHARES ISSUED

A summary of the Company's issued and outstanding shares at December 31, 2007, 2006 and 2005, and the changes for the periods ending on those dates is presented below:

	Number of Shares		Weighted Average Price (Cdn$)
At December 31, 2004	167,010,000		
Public offering	15,625,000	$	6.40
Options exercised	710,000		3.27
Warrants exercised	30,000		4.00
At December 31, 2005	183,375,000		
Shares issued to Goldcorp in connection with Luismin Transaction	18,000,000		7.41
Public offering	16,644,000		12.00
Options exercised	2,477,331		3.27
Warrants exercised	63,280		5.08
Restricted share units exercised	2,500		-
At December 31, 2006	220,562,111		
Options exercised	2,331,965		3.39
Warrants exercised	37,661		9.05
Restricted share units exercised	2,500		-
At December 31, 2007	222,934,237		

On December 22, 2005, the Company raised gross proceeds of $86.2 million (Cdn$100.0 million) from a private placement of 15,625,000 subscription receipts at a price of Cdn$6.40 per unit. Each subscription receipt was automatically converted without payment of additional consideration into one common share and one-half of one Series "B" common share purchase warrant (TSX: SLW.WT.B) of the Company. Each Series "B" warrant entitles the holder to purchase one common share at a price of Cdn$10.00 per share for a period of 5 years expiring December 22, 2010.

On March 30, 2006, in connection with the Luismin amendment, the Company issued 18 million common shares to Goldcorp (Note 4), valued on the date of announcement (February 13, 2006) at the closing price of $6.42 (Cdn$7.41) per share.

On April 20, 2006, the Company raised gross proceeds of $175 million (Cdn$200 million) from a public offering of 16,644,000 common shares at a price of Cdn$12.00 per share. Share issue costs totalling $7.5 million were incurred as a part of this offering.

(B) WARRANTS

A summary of the Company's warrants at December 31, 2007, 2006 and 2005, and the changes for the periods ending on those dates is presented below:

	Warrants Outstanding		Weighted Avg Exercise Price (Cdn$)	Exchange Ratio
At December 31, 2004	158,000,000	$	0.88	0.2
Issued in connection with public offering	7,812,500		10.00	1.0
Exercised	(150,000)		0.80	0.2
At December 31, 2005	165,662,500		1.31	0.24
Exercised	(316,400)		1.02	0.2
At December 31, 2006	165,346,100		1.31	0.24
Exercised	(61,905)		5.50	0.61
At December 31, 2007	165,284,195	$	1.31	0.24

Each share purchase warrant and Series "A" warrant (TSX: SLW.WT and SLW.WT.A, respectively) entitles the holder the right to purchase 0.20 of one of the Company's common shares at the applicable exercise price. Each Series "B" warrant entitles the holder the right to purchase one of the Company's common shares.

The following table summarizes information about the warrants outstanding at December 31, 2007:

	Warrants Outstanding		Exercise Price (Cdn$)	Exchange Ratio	Common Shares to be Issued Upon Exercise of Warrants		Effective Price Per Share (Cdn$)	Expiry Date
Share purchase warrants	117,232,000	$	0.80	0.20	23,446,400	$	4.00	Aug 5, 2009
Series "A" warrants	40,271,295		1.10	0.20	8,054,259		5.50	Nov 30, 2009
Series "B" warrants	7,780,900		10.00	1.00	7,780,900		10.00	Dec 22, 2010
	165,284,195				39,281,559	$	5.50	

(C) SHARE PURCHASE OPTIONS

The Company has established a share purchase option plan whereby the Company's board of directors may, from time to time, grant options to directors, employees or consultants. The maximum term of any option may be ten years, but generally options are granted for five years. The exercise price of an option is not less than the closing price on the TSX on the last trading day preceding the grant date.

Stock-based compensation expense during 2007 included $2.6 million (2006 - $1.7 million) of amortization of the fair value of share purchase options issued. During 2007, 945,000 options were issued with a fair market value of $4.1 million which was determined using the Black-Scholes option valuation method assuming no dividends are to be paid, a weighted average volatility of the Company's share price of 48%, an annual risk-free interest rate of 4.1% and expected lives of 2.9 years.

At December 31, 2007 there were 2,745,000 options available for grant under the plan.

A summary of the Company's options at December 31, 2007, 2006 and 2005, and the changes for the periods ending on those dates is presented below:

	Number of Shares	Weighted Avg Exercise Price (Cdn$)
At December 31, 2004	6,500,000	$ 3.26
Granted	630,000	5.59
Exercised	(710,000)	3.27
At December 31, 2005	6,420,000	3.48
Granted	550,000	12.10
Exercised	(2,477,334)	3.27
At December 31, 2006	4,492,666	4.66
Granted	945,000	13.30
Exercised	(2,331,965)	3.39
At December 31, 2007	3,105,701	$ 8.24

The following table summarizes information about the options outstanding and exercisable at December 31, 2007:

Exercise Prices (Cdn$)	Options Outstanding	Weighted Average Remaining Contractual Life	Options Exercisable
$ 3.25	1,174,000	1.8 years	1,174,000
$ 6.03 - $ 8.55	486,701	3.0 years	470,034
$ 12.45	500,000	3.3 years	333,333
$ 12.60	740,000	4.1 years	-
$ 15.83	205,000	4.8 years	68,334
	3,105,701	3.0 years	2,045,701

(D) RESTRICTED SHARE UNITS

During the year, the Company issued 20,000 restricted share units at a price of Cdn$12.60 and 1,333 restricted share units at a price of Cdn$12.01 (2006 - 15,000 restricted share units at a price of Cdn$11.83) . At December 31, 2007 there were 45,394 restricted share units outstanding.

(E) DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated based on the following weighted average number of shares outstanding:

	Years Ended December 31		
	2007	2006	2005
Basic weighted average number of shares outstanding (000's)	221,909	210,538	167,538
Effect of dilutive securities			
Stock options	1,944	3,075	1,490
Share purchase warrants	22,833	18,921	1,950
Restricted share units	42	32	9
Diluted weighted average number of shares outstanding	246,728	232,566	170,987

The following lists the stock options and share purchase warrants excluded from the computation of diluted earnings per share because the exercise prices exceeded the average market value of the common shares of Cdn$13.12 (2006 – Cdn$10.60, 2005 – Cdn$4.36) .

(in thousands)	Years Ended December 31		
	2007	2006	2005
Stock options	205	500	530
Share purchase warrants	-	-	15,913

8. SUPPLEMENTAL CASH FLOW INFORMATION

(in thousands)	Note	Years Ended December 31		
		2007	2006	2005
Change in non-cash working capital				
Accounts receivable		$ (208)	$ 1,271	$ (2,074)
Accounts payable		654	(1,251)	(9)
Accrued liabilities		697	681	139
Other		(170)	(234)	101
		$ 973	$ 467	$ (1,843)
Non-cash investing activities, in connection with the acquisition of silver contracts				
Shares issued to Goldcorp	4	$ -	$ 115,560	$ -
Promissory note issued to Goldcorp	5	$ -	$ 20,000	$ -
Interest paid		$ 9,699	$ 717	$ -
Income tax paid		$ -	$ -	$ -

9. RELATED PARTY TRANSACTIONS

At December 31, 2007, Goldcorp owned 48% of the Company's outstanding common shares. During the year, the Company purchased 6.9 million ounces (2006 – 9.0 million ounces) of silver from a subsidiary of Goldcorp at an average price of $3.91 per ounce (2006 - $3.90 per ounce), for total consideration of approximately $27.0 million (2006 - $35.0 million).

During the year, Silver Wheaton repaid a $20 million promissory note due to Goldcorp.

On July 24, 2007, SW Caymans entered into an agreement to acquire 25% of the silver produced from Goldcorp's Peñasquito project in Mexico for the life of mine, for an upfront cash payment of $485 million, as described in Note 4.

The Company has an agreement with Goldcorp whereby Goldcorp provides certain management and administrative services at cost. During the year, total costs reimbursed to Goldcorp were $193,000 compared to $249,000 during 2006. This agreement allows for cancellation by Silver Wheaton with 30 days notice at any time.

During May 2007, the Company entered into a 9 year lease agreement with Goldcorp for office space. The Company began making lease payments in December 2007 which totaled $17,500.

At December 31, 2007, the Company owed Goldcorp $152,000 (2006, Goldcorp owed the Company - $18,000).

On February 14, 2008, Goldcorp sold its entire 48% interest in Silver Wheaton by way of a secondary offering, as described in Note 14.

10. INCOME TAXES

The provision for income taxes differs from the amount that would be obtained by applying the statutory income tax rate to consolidated earnings before income taxes due to the following:

	Years Ended December 31		
(in thousands)	2007	2006	2005
Earnings from continuing operations before income taxes	$ 91,862	$ 85,220	$ 25,291
Canadian federal and provincial income tax rates	34.1%	34.1%	35.6%
Income tax expense based on above rates	31,343	29,077	9,004
Change in valuation allowance	(5,320)	2,677	568
Tax effect of non-deductible expenditures	6,715	603	174
Lower effective tax rates on earnings of foreign subsidiary	(30,556)	(32,357)	(9,746)
Impact of reduction in tax rates on future income taxes	(2,160)	-	-
Future income tax expense	$ 22	$ -	$ -

The components of future income taxes are as follows:

(in thousands)	Years Ended December 31 2007	2006
Future income tax assets		
Non-capital losses	$ 8,894	$ 4,436
Deductible temporary differences	3,724	3,986
Value of future income tax assets	12,618	8,422
Valuation allowance	(575)	(8,422)
	12,043	-
Future income tax liabilities		
Taxable temporary differences	(12,043)	-
	$ -	$ -

Deductible temporary differences are comprised primarily of book to tax differences relating to debt and equity financing fees. Taxable temporary differences are comprised primarily of book to tax differences relating to the value of the Company's long-term investments and an unrealized foreign exchange gain on the Company's long-term debt.

All of the Company's income generating activities, including the sale of silver, are conducted by its 100% owned subsidiary SW Caymans. SW Caymans operates in the Cayman Islands and is subject to a statutory tax rate of nil%. The Company does not have any plans to repatriate this money to Canada.

At December 31, 2007, the Company had available non-capital losses for Canadian income tax purposes which may be carried forward to reduce taxable income in future years. If not utilized, the non-capital losses in the amount of Cdn$27.9 million will expire as follows: 2013 - Cdn$0.5 million, 2014 - Cdn$0.4 million, 2015 – Cdn$4.0 million, 2026 – Cdn$8.4 million, 2027 – Cdn$14.6 million.

11. COMMITMENTS

In connection with the Luismin, Zinkgruvan and Stratoni silver contracts (Note 4), the Company has committed to purchase 100% of the silver produced by each mine for a per ounce cash payment of the lesser of $3.95, $3.96 and $3.90 respectively, and the then prevailing market price, subject to an inflationary adjustment. In connection with the Yauliyacu silver purchase contract, the Company has committed to purchase up to 4.75 million ounces of silver per year, based on production at the Yauliyacu mine, for a per ounce cash payment of $3.90, subject to an inflationary adjustment. In connection with the Peñasquito silver purchase contract, the Company has committed to purchase 25% of the silver produced by the Peñasquito mine for a per ounce cash payment of the lesser of $3.90 and the then prevailing market price, subject to an inflationary adjustment.

In addition, on December 20, 2007 the Company signed a binding letter agreement to purchase between 45% and 90% of the life of mine silver to be produced by Augusta's Rosemont Copper Project (Note 4).

The Company is committed to an annual operating lease for the Company's office space and certain other commitments. The minimum annual payments for the next five years and thereafter are as follows:

(in thousands)

2008	$ 695
2009	705
2010	711
2011	726
2012	503
Thereafter	2,167
	$ 5,507

12. SEGMENTED INFORMATION

The Company's reportable operating segments are summarized in the table below. This information has been segmented on a silver interest basis.

	Year Ended December 31, 2007						
(in thousands)	Luismin	Zinkgruvan	Yauliyacu	Stratoni	Peñasquito	Corporate	**Consolidated**
Statements of Operations							
Silver sales	$ 92,284	$ 25,315	$ 46,055	$ 11,780	$ -	$ -	**$ 175,434**
Cost of sales	27,043	7,206	13,424	3,386	-	-	**51,059**
Depreciation	2,709	3,000	12,543	3,453	-	-	**21,705**
Earnings from operations	62,532	15,109	20,088	4,941	-	-	**102,670**
Expenses and other income	-	-	-	-	-	(10,808)	**(10,808)**
Net earnings (loss)	$ 62,532	$ 15,109	$ 20,088	$ 4,941	$ -	$ (10,808)	**$ 91,862**
Cash flow from (used in) operations	$ 65,782	$ 17,991	$ 32,632	$ 8,337	$ -	$ (5,481)	**$ 119,261**
Total assets	$ 185,438	$ 69,252	$ 262,176	$ 54,942	$ 504,321	$ 132,345	**$ 1,208,474**

(in thousands)	Year Ended December 31, 2006				
	Luismin	Zinkgruvan	Yauliyacu	Corporate	**Consolidated**
Statements of Operations					
Silver sales	$ 103,850	$ 18,903	$ 35,788	$ -	**$ 158,541**
Cost of sales	35,016	6,575	11,181	-	**52,772**
Depreciation	3,143	2,822	10,573	-	**16,538**
Earnings from operations	65,691	9,506	14,034	-	**89,231**
Expenses and other income	-	-	-	(4,011)	**(4,011)**
Net earnings (loss)	$ 65,691	$ 9,506	$ 14,034	$ (4,011)	**$ 85,220**
Cash flow from (used in) operations	$ 68,293	$ 13,152	$ 24,607	$ (1,330)	**$ 104,722**
Total assets	$ 188,935	$ 72,072	$ 274,720	$ 127,166	**$ 662,893**

(in thousands)	Year Ended December 31, 2005			
	Luismin	Zinkgruvan	Corporate	**Consolidated**
Statements of Operations				
Silver sales	$ 57,406	$ 13,489	$ -	**$ 70,895**
Cost of sales	30,754	7,085	-	**37,839**
Depreciation	2,931	3,069	-	**6,000**
Earnings from operations	23,721	3,335	-	**27,056**
Expenses and other income	-	-	(1,765)	**(1,765)**
Net earnings (loss)	$ 23,721	$ 3,335	$ (1,765)	**$ 25,291**
Cash flow from (used in) operations	$ 26,485	$ 4,340	$ (854)	**$ 29,971**

13 . RECONCILIATION TO UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

These financial statements are prepared in accordance with accounting principles generally accepted in Canada ("Canadian GAAP"). A reconciliation of earnings determined in accordance with Canadian GAAP to earnings and comprehensive income determined under accounting principles which are generally accepted in the United States ("US GAAP") is as follows:

(in thousands)	Years Ended December 31 2007	2006	2005
Net earnings as reported under Canadian GAAP	$ 91,862	$ 85,220	$ 25,291
Mark-to-market losses on Canadian $ share purchase warrants (a)	(215,228)	(175,973)	(50,051)
Transfer of securities held as available-for-sale to held-for-trading	1,854	-	-
Net loss in accordance with US GAAP	$ (121,512)	$ (90,753)	$ (24,760)
Unrealized (loss) gains on available-for-sale securities net of tax of $3,702, $3,399 and $nil (b)	2,307	29,527	6,580
Reclassification adjustment for loss included in net earnings, net of tax of $28	142	-	-
Transfer of securities held as available-for-sale to held-for-trading	(1,854)	-	-
Comprehensive loss under US GAAP	$ (120,917)	$ (61,226)	$ (18,180)
Loss per share in accordance with US GAAP			
Basic and diluted loss per share	$ (0.55)	$ (0.43)	$ (0.15)

Assets, liabilities and shareholders' equity determined in accordance with Canadian GAAP are reconciled to assets, liabilities and shareholders' equity in accordance with US GAAP as follows:

(in thousands)	December 31 2007	December 31 2006
Assets		
In accordance with Canadian GAAP	$ 1,208,474	$ 662,893
Unrealized gains on available-for-sale securities (b)	-	39,506
In accordance with US GAAP	$ 1,208,474	$ 702,399
Liabilities		
In accordance with Canadian GAAP	$ 426,243	$ 21,354
Derivative liability for Canadian $ share purchase warrants (a)	487,495	272,489
Deferred tax liability on available-for-sale securities (b)	-	3,399
Liabilities in accordance with US GAAP	$ 913,738	$ 297,242

Shareholders' Equity				
In accordance with Canadian GAAP	$	782,231	$	641,539
Mark-to-market losses in retained earnings for Canadian $ share purchase warrants (a)		(449,281)		(234,052)
Reclassification of Canadian $ share purchase warrants as a derivative		(38,776)		(38,824)
Fair value increment on Canadian share purchase warrants exercised (a)		562		387
Cumulative unrealized gains on available-for-sale securities, net of tax of $nil and $3,399 (b)		-		36,107
In accordance with US GAAP	$	294,736	$	405,157
Accumulated Other Comprehensive Income				
In accordance with Canadian GAAP	$	33,512	$	-
Cumulative unrealized gains on available-for-sale securities, net of tax of $nil and $3,399 (b)		-		36,107
In accordance with US GAAP	$	33,512	$	36,107

A) SHARE PURCHASE WARRANTS

For Canadian GAAP purposes, share purchase warrants are classified and accounted for as equity in the Company's financial statements. In 2006, a technical interpretation of US GAAP, in accordance with SFAS 133, Accounting for Derivative Instruments and Hedging Activities, requires share purchase warrants with an exercise price denominated in a currency other than the Company's functional currency be classified and accounted for as a financial liability. This non-cash adjustment has no effect on the Company's cash flow or liquidity.

B) LONG-TERM INVESTMENTS

Prior to the adoption of the new Canadian accounting standards for financial instruments on January 1, 2007 (Note 2), a US and Canadian GAAP difference existed in the accounting for the Company's long-term investments, which, under US GAAP (SFAS 115), are classified as available-for-sale and trading securities and carried at fair value. In 2006 the unrealized holding gains on available-for-sale securities were not recognized under Canadian GAAP, but were recognized under US GAAP as a component of comprehensive income and reported as a net amount in a separate component of shareholders' equity until realized. For the year ended December 31, 2006, under US GAAP the Company's long-term investments increased by $29.5 million, with a corresponding increase in the realized deferred income tax liability of $3.4 million for the period.

C) SHARE BASED PAYMENTS

The Company has adopted SFAS 123(R), Share Based Payment ("SFAS123(R)"), effective January 1, 2006. The Company had previously adopted SFAS 123, Share Based Payment. The adoption of SFAS 123(R) did not have a material change on the Company's accounting for share based payments.

D) COMPREHENSIVE INCOME

Under US GAAP, SFAS 130, Reporting Comprehensive Income establishes rules for the reporting and display of comprehensive income and its components. Comprehensive income is net income, plus certain other items that are recorded directly to shareholders' equity such as foreign currency translation adjustments and unrealized gains (losses) on securities. A US and Canadian GAAP difference existed prior to the adoption of the new Canadian accounting standard for Comprehensive Income on January 1, 2007 (Note 2).

E) ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES

In July 2006, the FASB issued FIN 48, Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109 ("FIN 48"). This interpretation provides guidance on the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 prescribes a recognition threshold and measurement of a tax position taken or expected to be taken in a tax return. This interpretation also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Effective January 1, 2007 the Company adopted FIN 48. The adoption did not result in any adjustment to opening retained earnings under US GAAP. As a result of the implementation of FIN 48, the Company did not recognize any liabilities for unrecognized tax benefits. In the event that the Company recognizes interest accrued related to unrecognized tax benefits, it will be recorded in interest expense. Any penalties will be recorded in general and administrative expense.

The Company is subject to taxation in Canada and various other foreign jurisdictions. The Company is currently open to audit under the statute of limitations by the Canada Revenue Agency for years ended December 31, 2004 through 2006.

FUTURE ACCOUNTING CHANGES

Accounting for Certain Hybrid Financial Instruments

In February 2006, the FASB issued SFAS 155, Accounting for Certain Hybrid Financial Instruments – an amendment of FASB statement 133 and 140 ("SFAS 155"). This Statement simplifies accounting for certain hybrid financial statements by permitting fair value remeasurements for any hybrid financial instrument that contains an embedded derivative that would otherwise require bifurcation, and eliminates the restriction on the passive derivative instruments that a qualifying special - purpose entity (“SPE”) may hold, with any changes in fair value recognized to earnings. SFAS 155 is effective for all financial instruments acquired or issued beginning January 1, 2007. The adoption of SFAS 155 did not have a material impact on the Company’s Consolidated Financial Statements.

Fair Value Measurements

In September 2006, the FASB issued SFAS 157, Fair Value Measurements, which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. This statement is effective for fiscal periods beginning January 1, 2008. The Company is currently evaluating the impact of the adoption of this standard on its Consolidated Financial Statements. In addition, in February 2007, the FASB issued SFAS 159, The Fair Value Option for Financial Assets and Financial Liabilities - including an amendment of FASB Statement No. 115 (“SFAS No. 159”), which permits entities to choose to measure many financial instruments and certain other items at fair value. This statement is effective for fiscal periods beginning January 1, 2008. The Company is currently evaluating the impact of the adoption of this standard on its Consolidated Financial Statements.

14. SUBSEQUENT EVENTS

SALE OF SHARES

Subsequent to year end, Goldcorp sold its entire 48% interest in Silver Wheaton of 108 million common shares, on a bought deal basis, at a price of Cdn$14.50 per common share for aggregate gross cash proceeds to Goldcorp of Cdn$1.6 billion.

MINERAL PARK ACQUISITION

On March 17, 2008 the Company entered into an agreement with Mercator Minerals Ltd. (“Mercator”) to acquire all of the silver produced from Mercator’s Mineral Park mine in Arizona for the life of mine. Total upfront consideration to be paid is $42 million. In addition, a per ounce cash payment of the lesser of $3.90 and the prevailing market price is due (subject to a one percent annual adjustment beginning three years after a minimum production level has been met), for silver delivered under the contract. Payment for the transaction will be drawn from existing credit facilities and Silver Wheaton is not required to pay any further capital expenditures for the life of the mine. Mercator will provide a completion guarantee to Silver Wheaton, specifying a minimum production level by a certain date.

The Mineral Park mine currently produces copper from SX/EW leach operations, but construction is well underway on a flotation operation that will produce copper-silver and molybdenum concentrates. Mercator expects that concentrate production will commence before July 2008 from a 25,000 tons per day operation, with production increasing to 50,000 tons per day approximately nine months later. All permits for the expansion are in place and the expected mine life is 25 years. Payable silver production is expected to average approximately 600,000 ounces per annum over the first 21 years of operations and the ore body is considered to have excellent exploration potential.

CANADA – HEAD OFFICE

SILVER WHEATON CORP.
Park Place, Suite 3150-666 Burrard Street
Vancouver, BC V6C 2X8
T 604 684 9648
F 604 684 3123

CAYMAN ISLANDS OFFICE

SILVER WHEATON (CAYMANS) LTD.
Unit #5 - 201 Governors Square
23 Lime Tree Bay Ave
P.O. Box 1791 George Town, Grand Cayman
Cayman Islands KY1-1109

STOCK EXCHANGE LISTING

Toronto Stock Exchange: SLW
New York Stock Exchange: SLW

DIRECTORS

Peter Barnes
Lawrence Bell
John Brough
Peter Gillin
Douglas Holtby
Eduardo Luna, Chairman
Wade Nesmith

OFFICERS

PETER BARNES
President and Chief Executive Officer

RANDY SMALLWOOD
Executive Vice President, Corporate Development

NOLAN WATSON
Chief Financial Officer

MICHAEL JOHNSON
Vice President, Legal

TRANSFER AGENT

CIBC MELLON TRUST COMPANY
1600-1066 West Hastings Street
Vancouver, BC V6E 3X1
Toll-free in Canada and the United States: 800 387 0825
Outside of Canada and the United States: 416 643 5500
Email: inquiries@cibcmellon.com

AUDITORS
Deloitte & Touche LLP
Vancouver, BC

INVESTOR RELATIONS

DAVID AWRAM
Director, Investor Relations
Toll-free: 800 380 8687
Email: info@silverwheaton.com

Exhibit 99.3

CERTIFICATION

I, Peter Barnes, certify that:

1. I have reviewed this annual report on Form 40-F of Silver Wheaton Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 28, 2008

By: /s/ Peter Barnes
Peter Barnes
Chief Executive Officer

CERTIFICATION

I, Nolan Watson, certify that:

1. I have reviewed this annual report on Form 40-F of Silver Wheaton Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 28, 2008

By: /s/ Nolan Watson
Nolan Watson
Chief Financial Officer

Exhibit 99.4

CERTIFICATION PURSUANT TO

18 U.S.C. §1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Silver Wheaton Corp. (the "Company") on Form 40-F for the period ended December 31, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter Barnes, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 28, 2008 /s/ Peter Barnes

Peter Barnes
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Silver Wheaton Corp. and will be retained by Silver Wheaton Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Silver Wheaton Corp. (the "Company") on Form 40-F for the period ended December 31, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nolan Watson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 28, 2008 /s/ Nolan Watson

Nolan Watson
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Silver Wheaton Corp. and will be retained by Silver Wheaton Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.5

Consent of Independent Registered Chartered Accountants

We consent to the incorporation by reference in Registration Statement No. 333-128128 on Form S-8 and to the use of our reports dated March 17, 2008 relating to the consolidated financial statements of Silver Wheaton Corp. (which report expresses an unqualified opinion and includes an explanatory paragraph relating to the adoption of Canadian Institute of Chartered Accountants Handbook Sections 1530 - Comprehensive Income, 3251 - Equity, 3855 - Financial Instruments – Recognition and Measurement, 3861 - Financial Instruments – Disclosure and Presentation and 3865 - Hedges, effective January 1, 2007) and the effectiveness of Silver Wheaton Corp.'s internal control over financial reporting appearing in this Annual Report on Form 40-F of Silver Wheaton Corp. for the year ended December 31, 2007.

/s/ Deloitte & Touche LLP

Independent Registered Chartered Accountants
Vancouver, Canada
March 28, 2008

Exhibit 99.6

CONSENT OF V. SPRING

I hereby consent to the use of my name in connection with the following documents and reports, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. Information regarding the resource and reserve estimates of the San Dimas Mine;
2. Information regarding the resource and reserve estimates of the Yauliyacu Mine;
3. Information regarding the resource and reserve estimates of the San Martin Mine;
4. The technical report dated March 28, 2008, entitled "A Technical Review on the Yauliyacu Lead/Zinc Mine, Junin Province, Perú for Silver Wheaton Corp." (the "Yauliyacu Report");
5. The technical report dated February 22, 2008 entitled "An Audit for the Mineral Reserves/Resources Tayoltita, Santa Rita and San Antonio Mines as of December 31, 2007 for Silver Wheaton Corp." (the "San Dimas Report"); and
6. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the San Dimas Mine, the Yauliyacu Mine, the Yauliyacu Report and the San Dimas Report and the properties described therein.

Date: March 28, 2008

/s/ Velasquez Spring, P. Eng

Name: Velasquez Spring, P. Eng
Title: Senior Geologist,
Watts, Griffis and McOuat Limited

Exhibit 99.7

CONSENT OF R. RIVERA

I hereby consent to the use of my name in connection with the following documents and report, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. Information regarding the resource and reserve estimates of the Los Filos Project;

2. The technical report dated December 31, 2007, as amended, February 8, 2008, entitled "Peñasquito Project Technical Report Concepcíon del Oro District, Zacatecas State, México" (the "Peñasquito Report"); and

3. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Los Filos Project and the Peñasquito Report and the properties described therein.

Date: March 28, 2008

/s/ Reynaldo Rivera, AUSIMM

_____

Name: Reynaldo Rivera, AUSIMM
Title: Vice President, Exploration at Luismin, S.A. de C.V.

Exhibit 99.8

CONSENT OF L. MALMSTRÖM

I hereby consent to the use of my name in connection with the following documents, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. Information regarding the resource and reserve estimates of the Zingruvan Mine; and
2. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Zingruvan Mine and the properties described therein.

Date: March 28, 2008

/s/ Lars Malmström
_____
Name: Lars Malmström
Title: Chief Geologist, Zingruvan

Exhibit 99.9

CONSENT OF P. HEDSTRÖM

I hereby consent to the use of my name in connection with the following documents, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. Information regarding the resource and reserve estimates of the Zingruvan Mine; and

2. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Zingruvan Mine and the properties described therein.

Date: March 28, 2008

/s/ Per Hedström

_____

Name: Lars Malmström
Title: Senior Geologist, Zingruvan

Exhibit 99.10

CONSENT OF P. FORWARD

I hereby consent to the use of my name in connection with the following documents, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. Information regarding the resource and reserve estimates of the Stratoni Mine; and
2. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Stratoni Mine and the properties described therein.

Date: March 28, 2008

/s/ Patrick Forward

_____

Name: Patrick Forward
Title: General Manager, Exploration of
European Goldfields Limited

Exhibit 99.11

CONSENT OF R. BRYSON

I hereby consent to the use of my name in connection with the following documents and reports, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. Information regarding the resource and reserve estimates of the Peñasquito Project;

2. The technical report dated December 31, 2007, as amended, February 8, 2008, entitled "Peñasquito Project Technical Report Concepcíon del Oro District, Zacatecas State, México" (the "Peñasquito Report"); and

3. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Peñasquito Project and the Peñasquito Report and the properties described therein.

Date: March 28, 2008

/s/ Robert Bryson, MMSA

_____

Name: Robert H. Bryson, MMSA
Title: Vice President, Engineering, Goldcorp Inc.

Exhibit 99.12

CONSENT OF J. TOMPKINS

I hereby consent to the use of my name in connection with the following documents, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. Information regarding the resource and reserve estimates of the Mineral Park Mine; and
2. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Mineral Park Mine and the properties described therein.

Date: March 28, 2008

/s/ Jim Tompkins, P. Eng

_____

Name: Jim Tompkins, P. Eng
Title: Engineering Manager,
Mercator Minerals Inc.

Exhibit 99.13

CONSENT OF G. WATTS

I hereby consent to the use of my name in connection with the following documents and reports, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. The technical report dated March 28, 2008, entitled "A Technical Review on the Yauliyacu Lead/Zinc Mine, Junin Province, Perú for Silver Wheaton Corp." (the "Yauliyacu Report");

2. The technical report dated February 22, 2008 entitled "An Audit for the Mineral Reserves/Resources Tayoltita, Santa Rita and San Antonio Mines as of December 31, 2007 for Silver Wheaton Corp." (the "San Dimas Report"); and

3. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the San Dimas Mine, the Yauliyacu Mine, the Yauliyacu Report and the San Dimas Report and the properties described therein.

Date: March 28, 2008

/s/ Gordon Watts, P. Eng

_____

Name: Gordon Watts, P. Eng
Title: Senior Associate Mineral Economist,
Watts, Griffis and McOuat Limited

Exhibit 99.14

CONSENT OF R. DIDUR

I hereby consent to the use of my name in connection with the following documents and report, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. The technical report dated March 28, 2008, entitled "A Technical Review on the Yauliyacu Lead/Zinc Mine, Junin Province, Perú for Silver Wheaton Corp." (the "Yauliyacu Report"); and

2. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Yauliyacu Mine and the Yauliyacu Report and the properties described therein.

Date: March 28, 2008

/s/ Robert Didur, P. Eng

_____

Name: Robert Didur, P. Eng
Title: Senior Associate Mining Consultant,
Watts Griffis and McOuat Limited

Exhibit 99.15

CONSENT OF S. RISTORCELLI

I hereby consent to the use of my name in connection with the following documents and report, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. The technical report dated December 31, 2007, as amended, February 8, 2008, entitled "Peñasquito Project Technical Report Concepcíon del Oro District, Zacatecas State, México" (the "Peñasquito Report"); and

2. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Peñasquito Project and the Peñasquito Report and the properties described therein.

Date: March 28, 2008

/s/ Steven Ristorcelli, CPG

_____

Name: Steven Ristorcelli, CPG
Title: Principal Geologist, Mine Development Associates, Inc.

Exhibit 99.16

CONSENT OF F. BROWN

I hereby consent to the use of my name in connection with the following documents and report, which are being filed as exhibits to and incorporated by reference into the registration statement on Form 40-F of Silver Wheaton Corp. (the "Company") being filed with the United States Securities and Exchange Commission:

1. The technical report dated December 31, 2007, as amended, February 8, 2008, entitled "Peñasquito Project Technical Report Concepcíon del Oro District, Zacatecas State, México" (the "Peñasquito Report"); and

2. The annual information form of the Company dated March 28, 2008, which includes reference to my name in connection with information relating to the Peñasquito Report and the properties described therein.

Date: March 28, 2008

/s/ Fred Brown, CPG
_____
Name: Fred H. Brown, CPG
Title: Independent Consultant