SILVER WHEATON

the pure silver company

**April 2008**

# Cautionary Statements

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**CAUTIONARY NOTE REGARDING FORWARD LOOKING-STATEMENTS**

Safe Harbor Statement under the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation: Except for the statements of historical fact contained herein, the information presented constitutes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Such forward-looking statements, including but not limited to those with respect to the 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 involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Silver Wheaton to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, 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, 2006 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 actions, events or results to differ materially from those described 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.

**CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES**

This presentation uses the terms "Measured", "Indicated" and "Inferred" Resources. U.S. investors are advised that while such terms are recognized and required by Canadian regulations, the Securities and Exchange Commission does not recognize them. "Inferred 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 resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into reserves. **U.S. investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.**

# A Unique Mining Company

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- 100% Pure Silver
- Simple investment model
- Strong upside potential
  - 98% organic sales growth by 2010
  - Well positioned for further growth
  - No hedging
- Best leverage to silver price
  - 10% increase in silver price results in a 15% increase in 2008 cash flow
- Very low political risk profile
- Significant stake in 6 of the top 30 silver deposits in the world

# Key Advantages

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- Costs are essentially fixed
- Structured to minimize income taxes
- No ongoing CAPEX requirements
  - Yet SLW benefits from production/exploration growth
- No environmental/closure responsibilities
- Downside protection
- Very limited currency risk
  - All contracts in $US

# Mine Locations

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PEÑASQUITO
SILVER WHEATON
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# Peñasquito

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- Goldcorp's world-class zinc-gold-silver-lead deposit in Mexico
- Largest silver deposit in the world
- Reserves and Resources (June 2007)
  - P&P Reserves: 864 M oz
  - M&I Resources: 413 M oz
- Continued excellent potential for exploration growth
- Positive deep drilling shows underground potential
- Construction on schedule; initial production expected by Q4, 2008
- 30% boost in daily tonnage over 2006 feasibility
  - Average payable silver of 31 M/oz per year

# **Peñasquito** Transaction Terms

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- 25% of silver production for the life of mine
- Upfront cash payment of US$ 485 million
- 100% debt financed; no shareholder dilution
- Purchase price is the lower of US$3.90/oz or spot silver
- Goldcorp completion guarantee
- No significant tax is to be paid by Silver Wheaton
- 25% interest in Peñasquito would rank as one of the top 10 silver deposits in the world

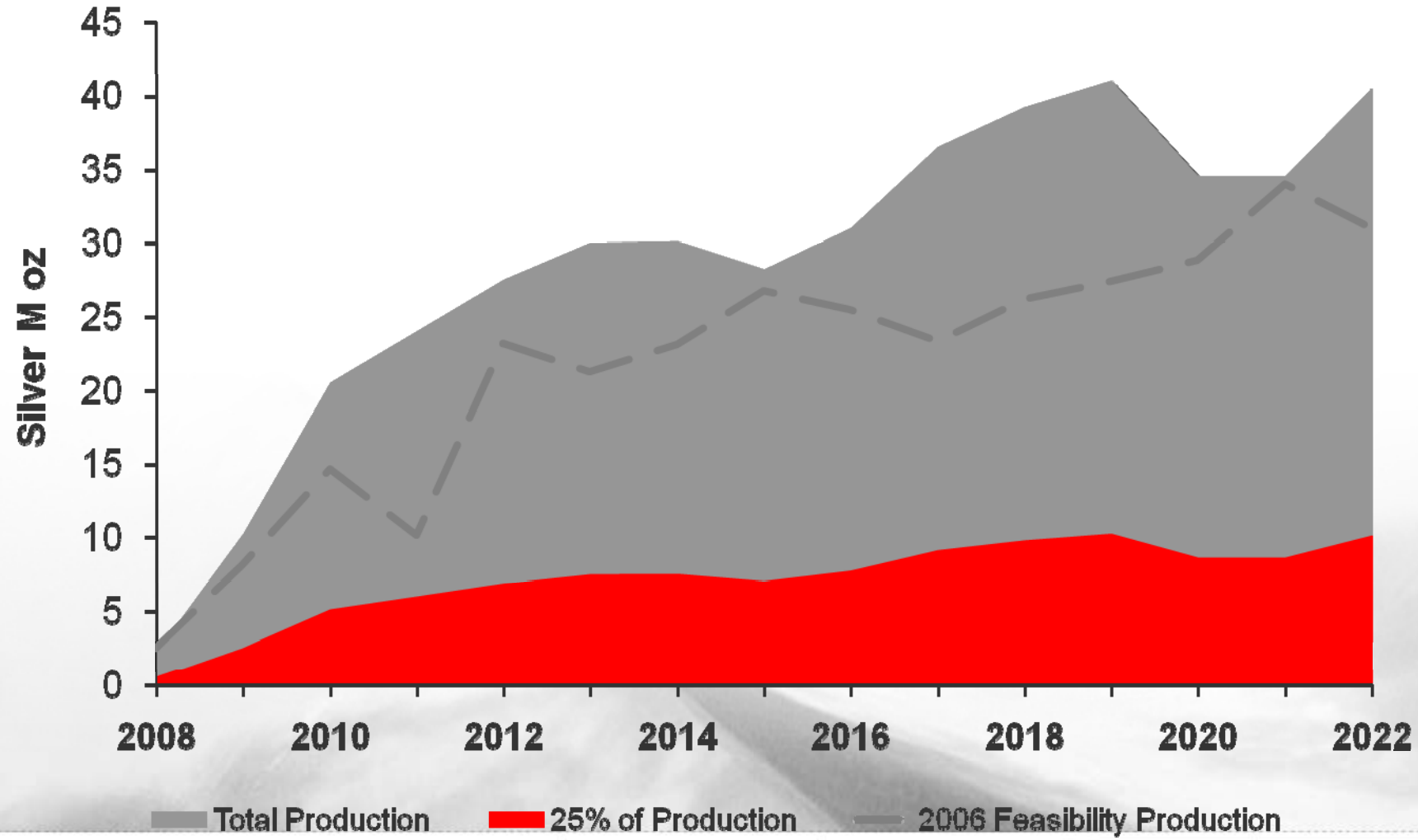
# Peñasquito Project Growth Since Our Acquisition, April 2007

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| | April 2007 | Current | Growth |
|---|---|---|---|
| Silver Reserves/Resources | | | |
| P&P Reserves | 575 M oz | **864 M oz** | **+50%** |
| M&I Resources | 247 M oz | **413 M oz** | **+67%** |
| LOM Silver Production Attributable to SLW (25%) | 92 M oz | **140 M oz** | **+52%** |
| Average Annual Silver Sales Attributable to SLW (25%) | 5.4 M oz | **7.8 M oz** | **+44%** |
| Anticipated Mine Life | 17 yrs | **19 yrs** | **+12%** |
| Underground Potential | Not contemplated | **Yes** | **+%??** |

# Peñasquito Production

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# Mineral Park Mercator Minerals

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- Cu-Mo-Ag open pit mine in northwest Arizona in continuous operations for more than 30 yrs
- Currently going through an expansion to produce a silver bearing copper concentrate
- Current Silver Reserves & Resources:
  - P&P Reserves: 35 M oz
  - M&I Resources: 2 M oz
  - Inferred Resources: 15 M oz
- Expected to produce 600,000 ounces of silver per year for at least 21 years.



# Mineral Park Transaction Terms

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- Payment of US$42 M at closing of the transaction
- Purchase price is the lower of US$3.90/oz or spot silver
- Completion guarantee from Mercator



# Rosemont Finalizing in Q2/08

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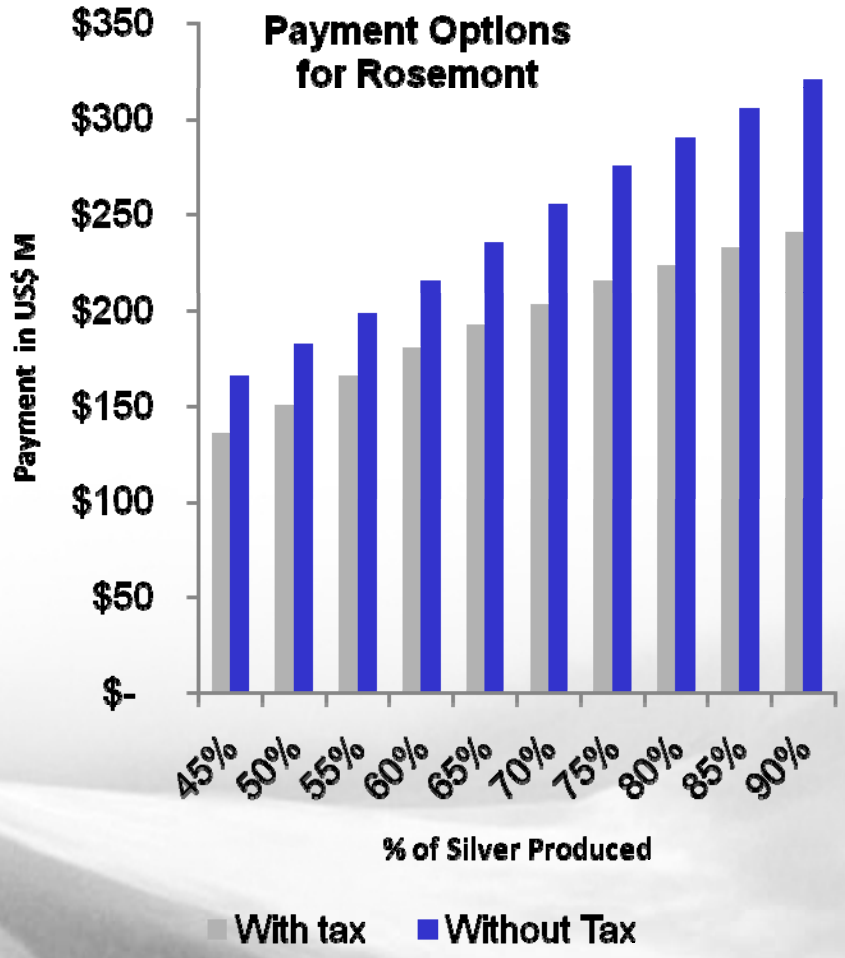
- Cu-Mo-Ag porphyry deposit in Arizona owned by Augusta Resources
- August 2007 Feasibility Study:
  - 75,000 tpd mill
  - Avg. 2.7 M oz/year silver production
  - Minimum mine life of 18 years
- Silver Reserves and Resources:
  - Reserves 62 M oz
  - M&I Resources 5 M oz
  - Inferred Resources 9 M oz
- Permitting in process and commercial production expected to commence in 2010



# Rosemont Transaction Terms

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- Augusta to select a deal ranging from minimum of 45% to maximum of 90% of LOM silver production
- SLW does not pay any ongoing payment for the silver delivered
  - Cash costs for silver are $0 for LOM
- Completion guarantees
- No payments until
  - Permits are in place
  - Adequate financing in place
  - Construction has begun

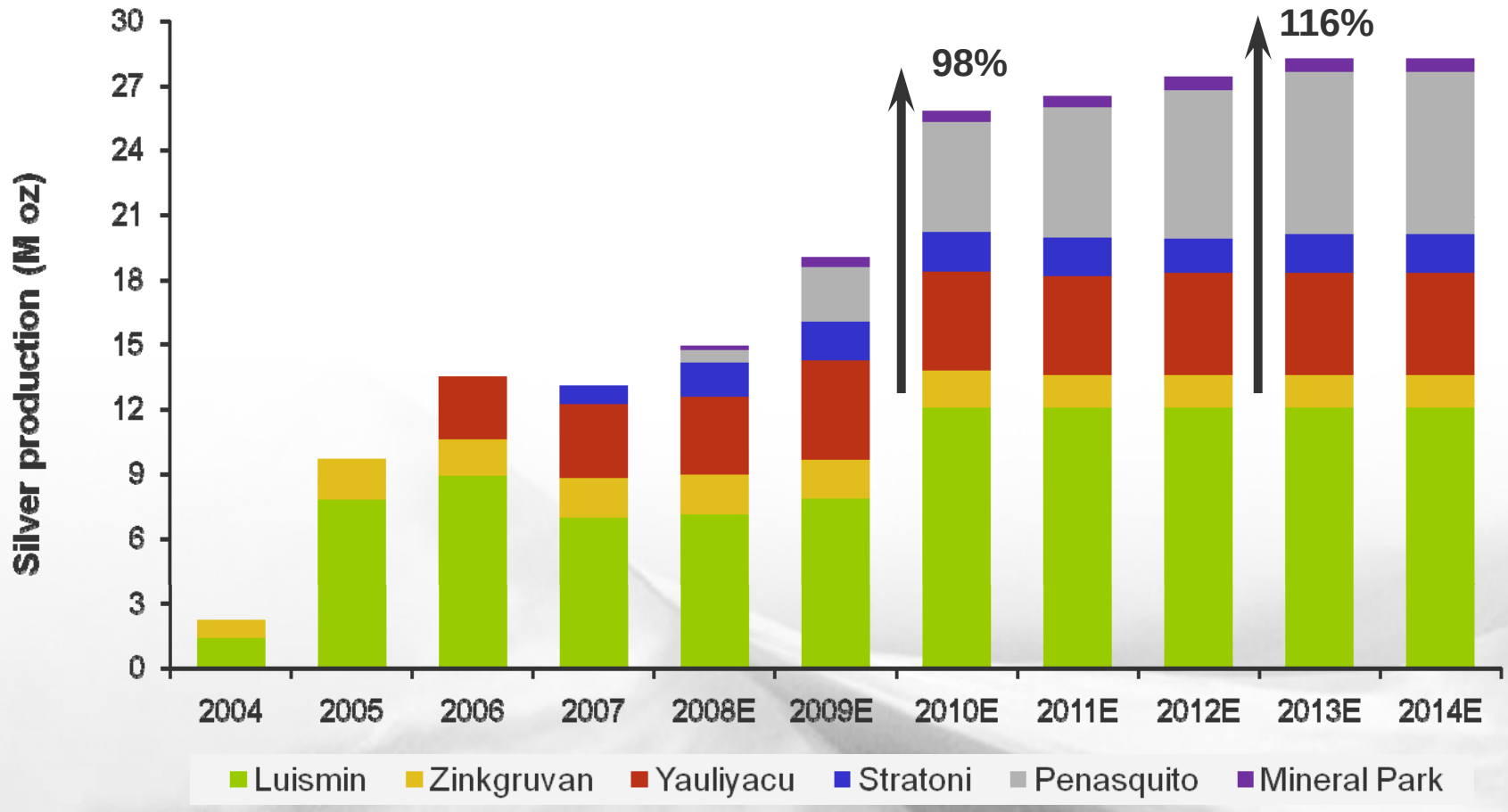


# WHERE ARE WE NOW?



# Silver Sales Growth[1] No Further CAPEX To Be Paid

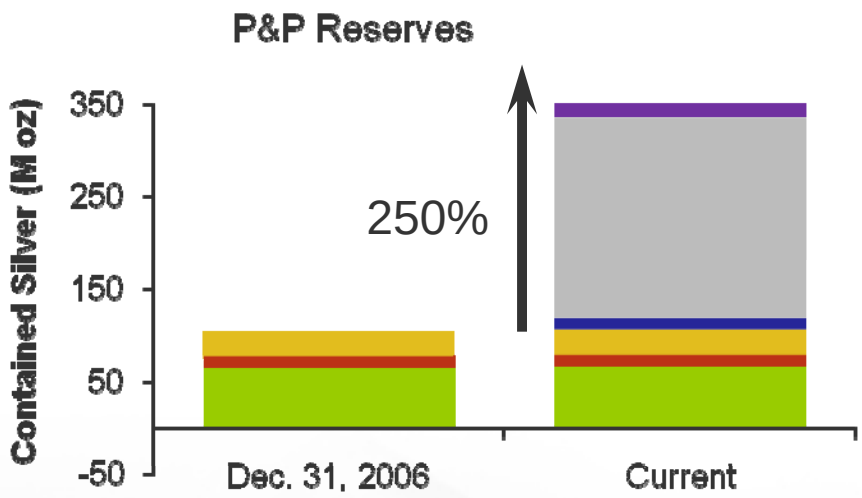
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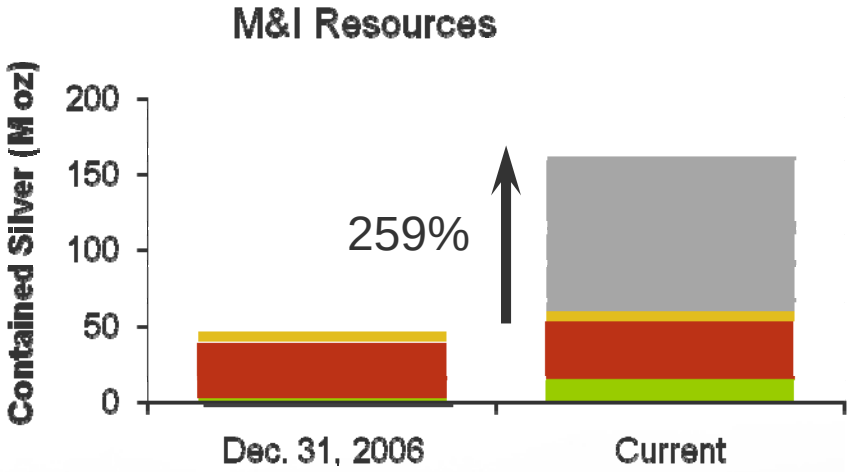


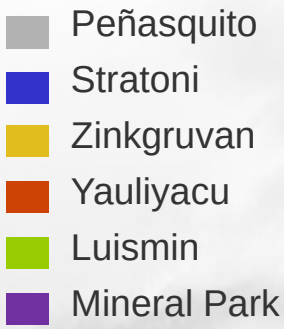

*1 Does not include Rosemont*

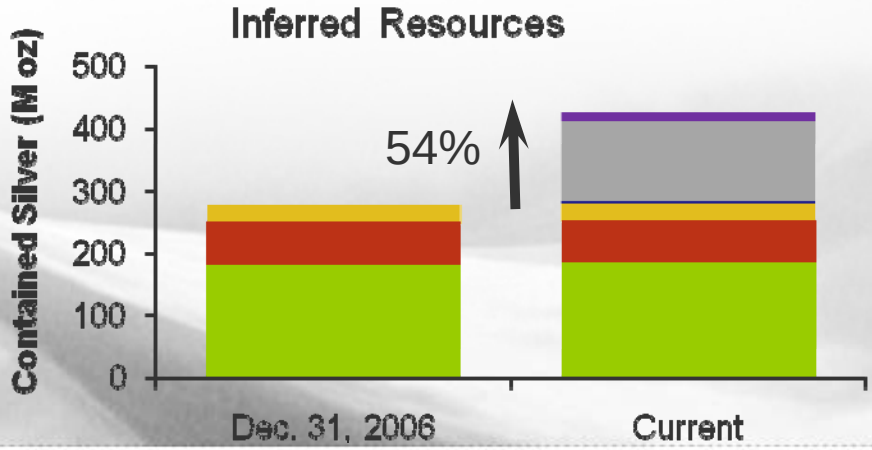
# Attributable Reserves & Resources[1]

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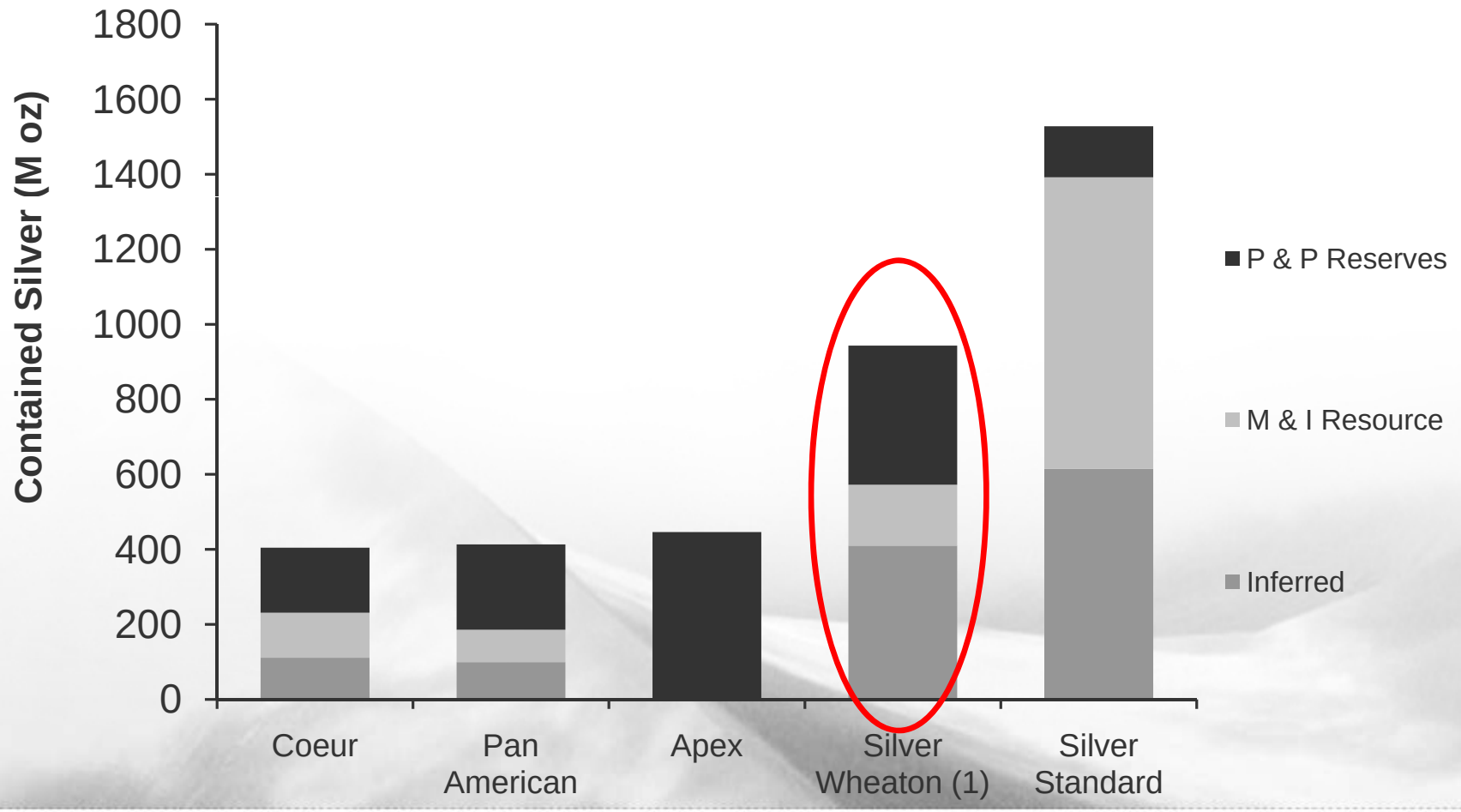




1 Does not include Rosemont

# Current Attributable Reserves & Resources

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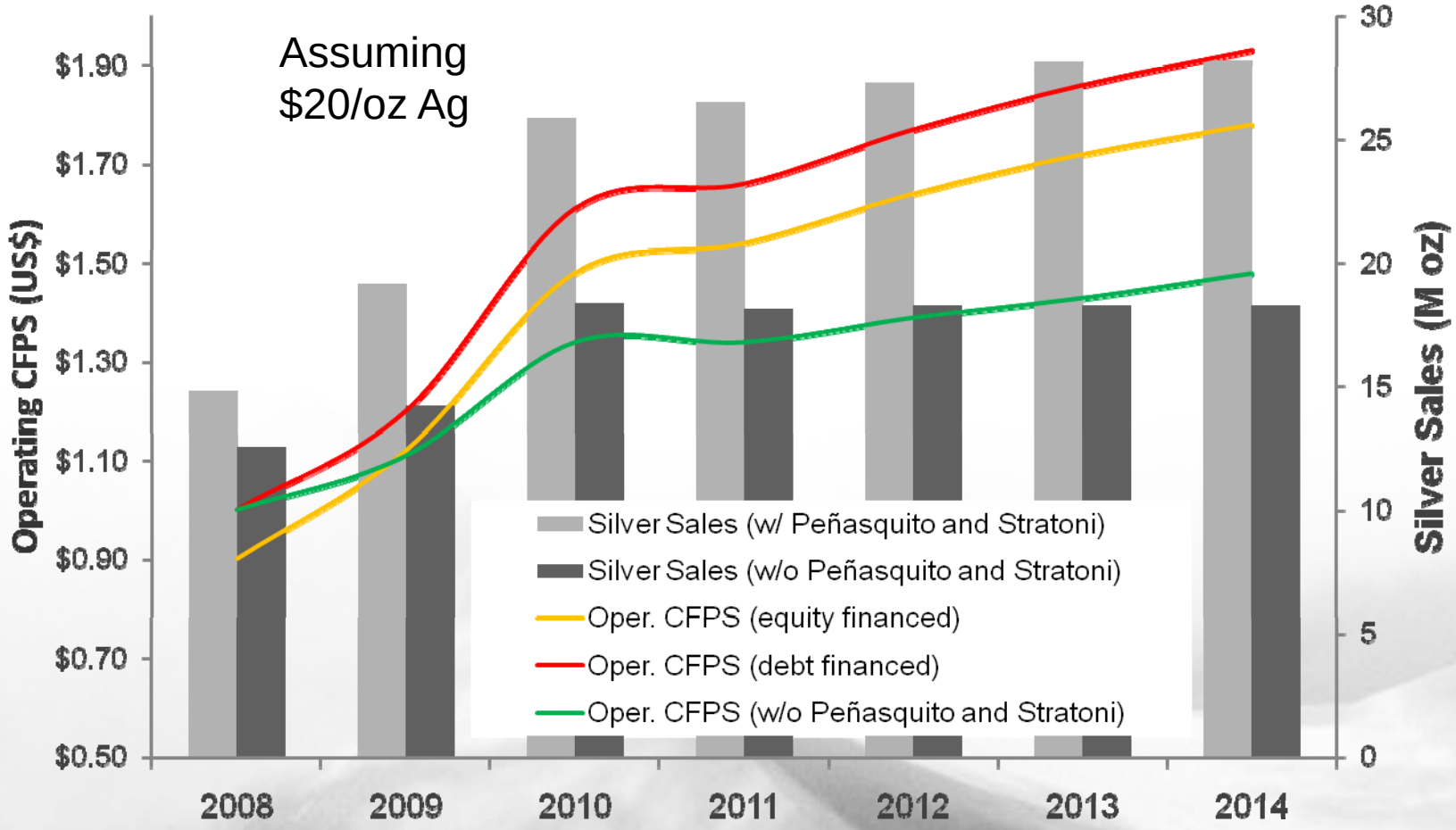



*Source: Company Reports*

*1 Does not include Rosemont*

# 2007 Value Accretion

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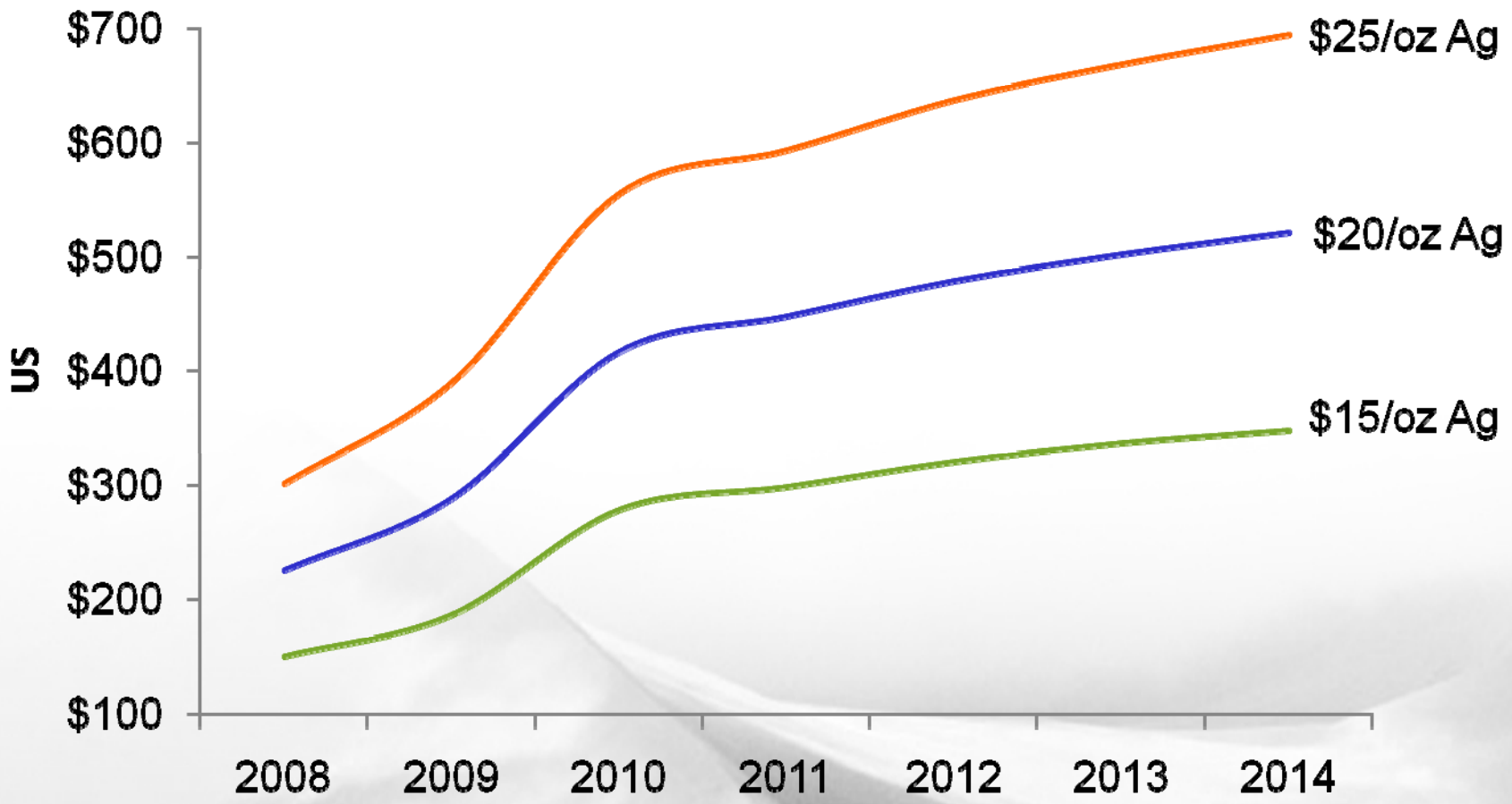





*Does not include Rosemont*

# Projected EBITDA Existing Contracts

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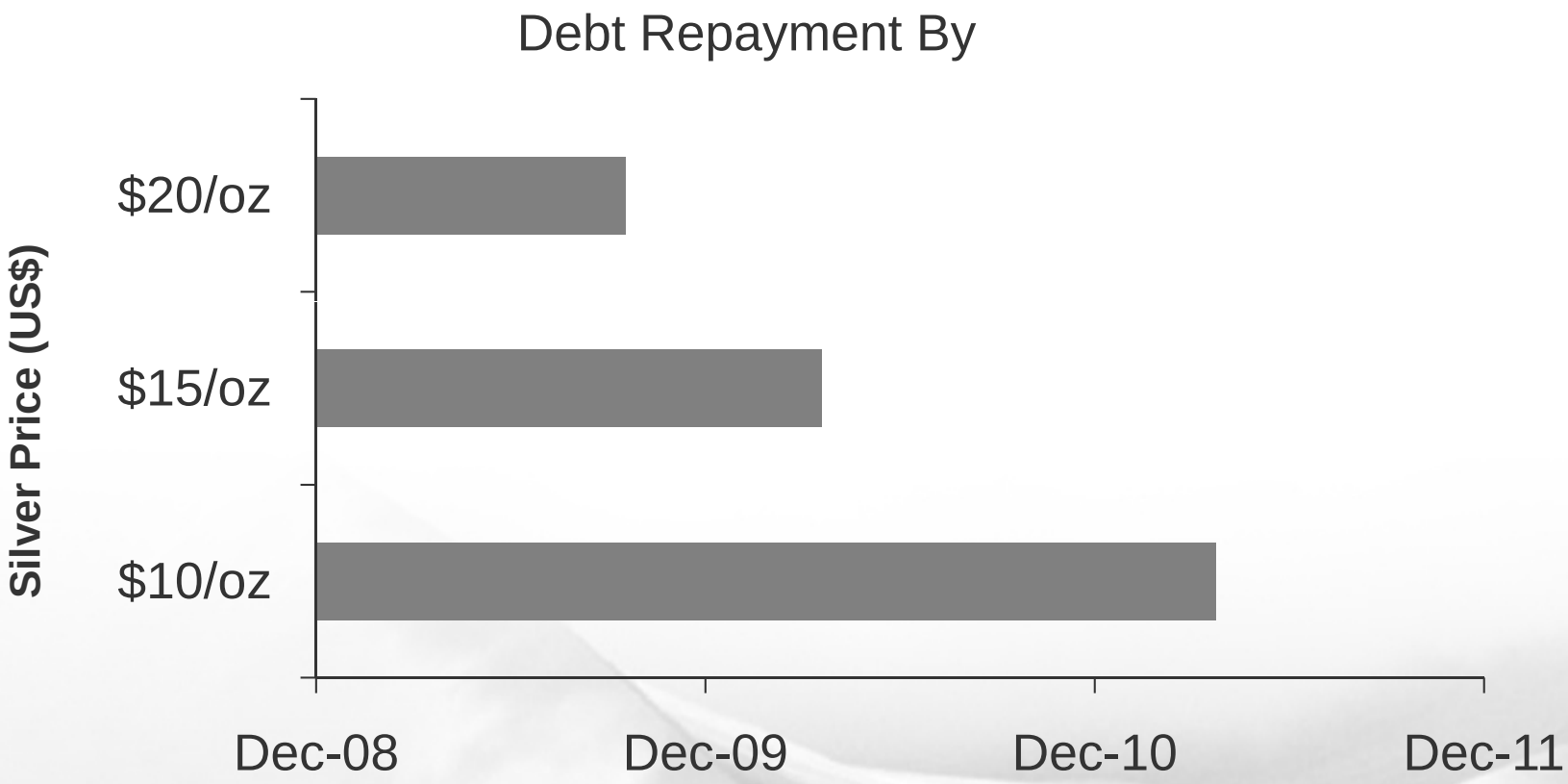





*Does not include Rosemont*

# Debt Sensitivity

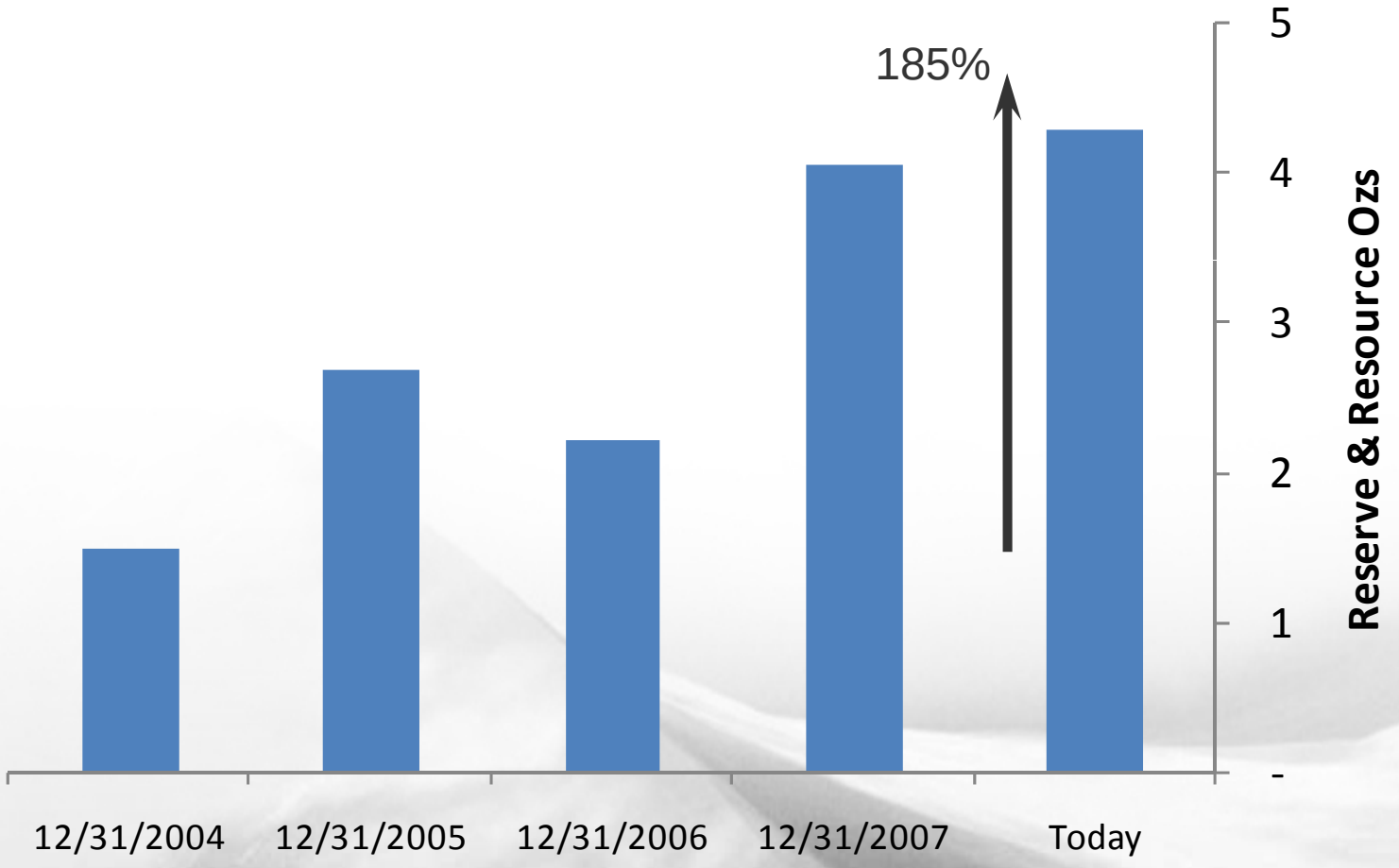
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- Assuming in-the-money warrants are exercised in 2009 and proceeds are applied to debt

# Reserves & Resources per Share

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# Capital Structure As of Mar., 2008

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| | | |
|---|---|---|
| Shares Outstanding | 223.3 million | |
| SLW.WT Warrants | 23.5 million[1] | exercise @ C$ 4.00 |
| SLW.WT.A Warrants | 7.7 million[1] | exercise @ C$ 5.50 |
| SLW.WT.B Warrants | 7.8 million | exercise @ C$10.00 |
| Options | 3.1 million | avg.exercise @ C$6.15 |
| Shares Fully Diluted | 265.2 million | |

3 Month Avg. Daily Volume

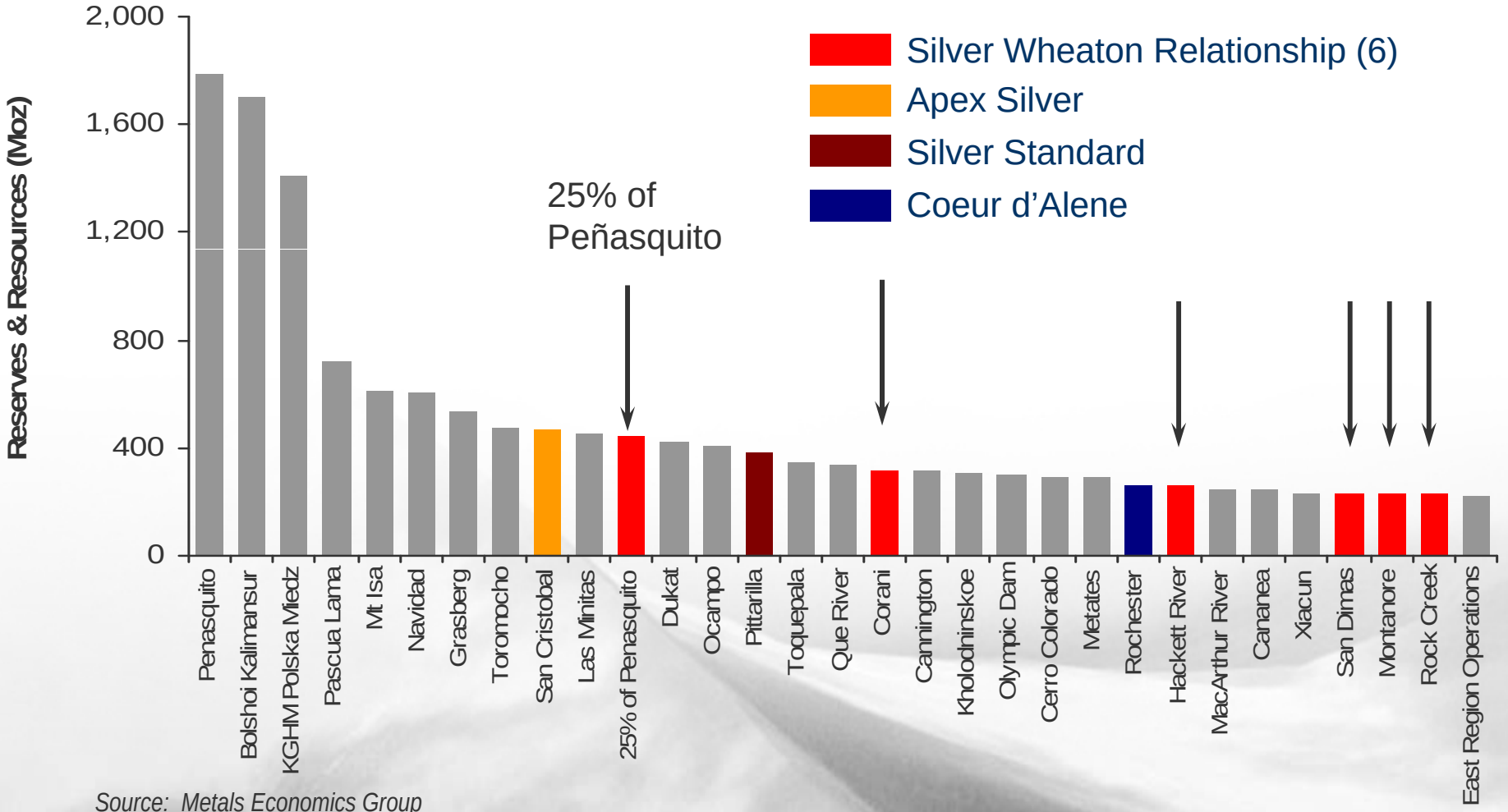
| | |
|---|---|
| TSX: | 2,500,000 shares |
| NYSE: | 3,560,000 shares |

*1 Consolidated based on 0.2 SLW.wt and SLW.WT.A for every common share of SLW*

# Top 30 Silver Deposits in the World

Producing Mines and Development Projects

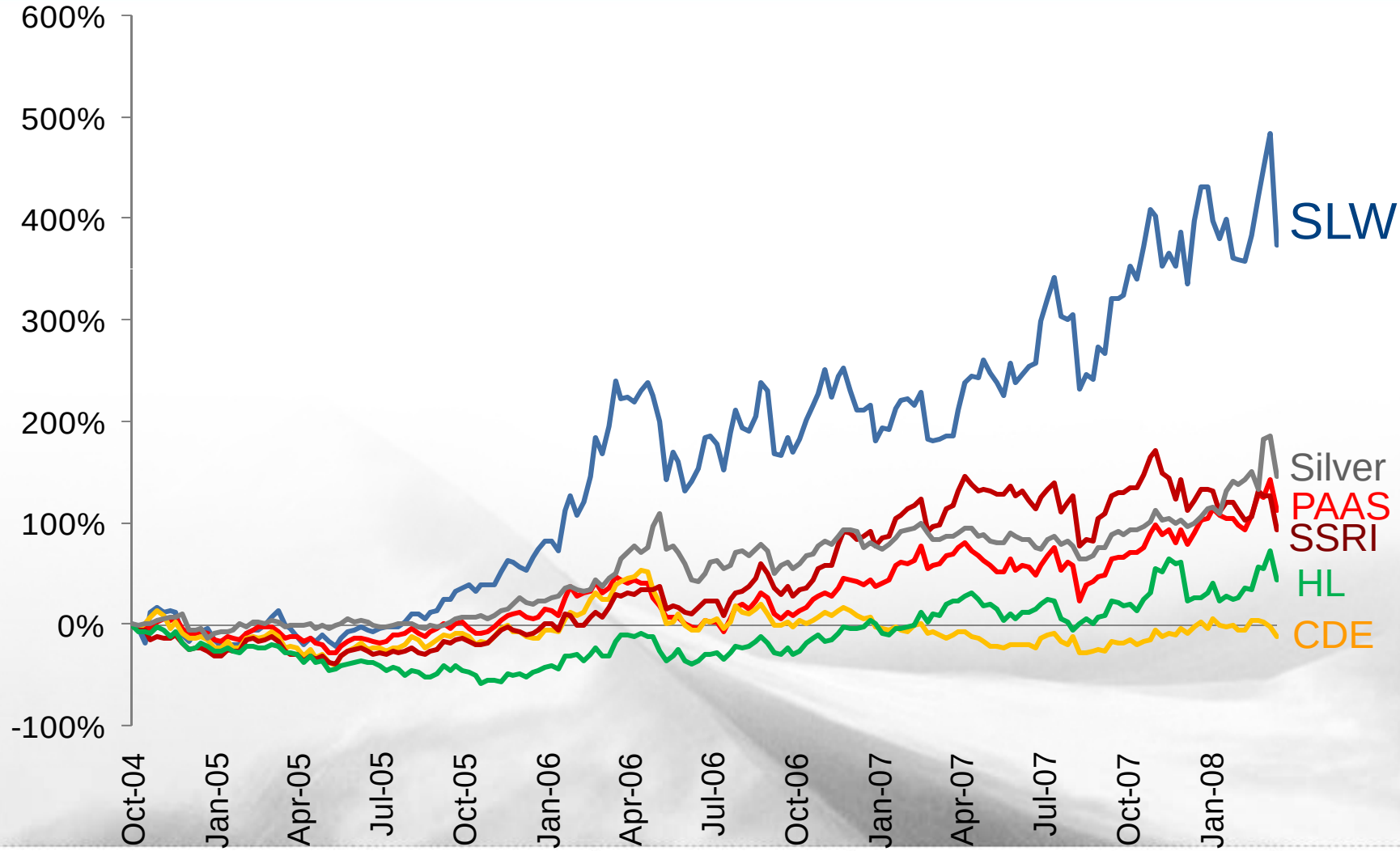
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*Source: Metals Economics Group*

# Leverage to Silver Price Performance Since Inception (Oct. '04)

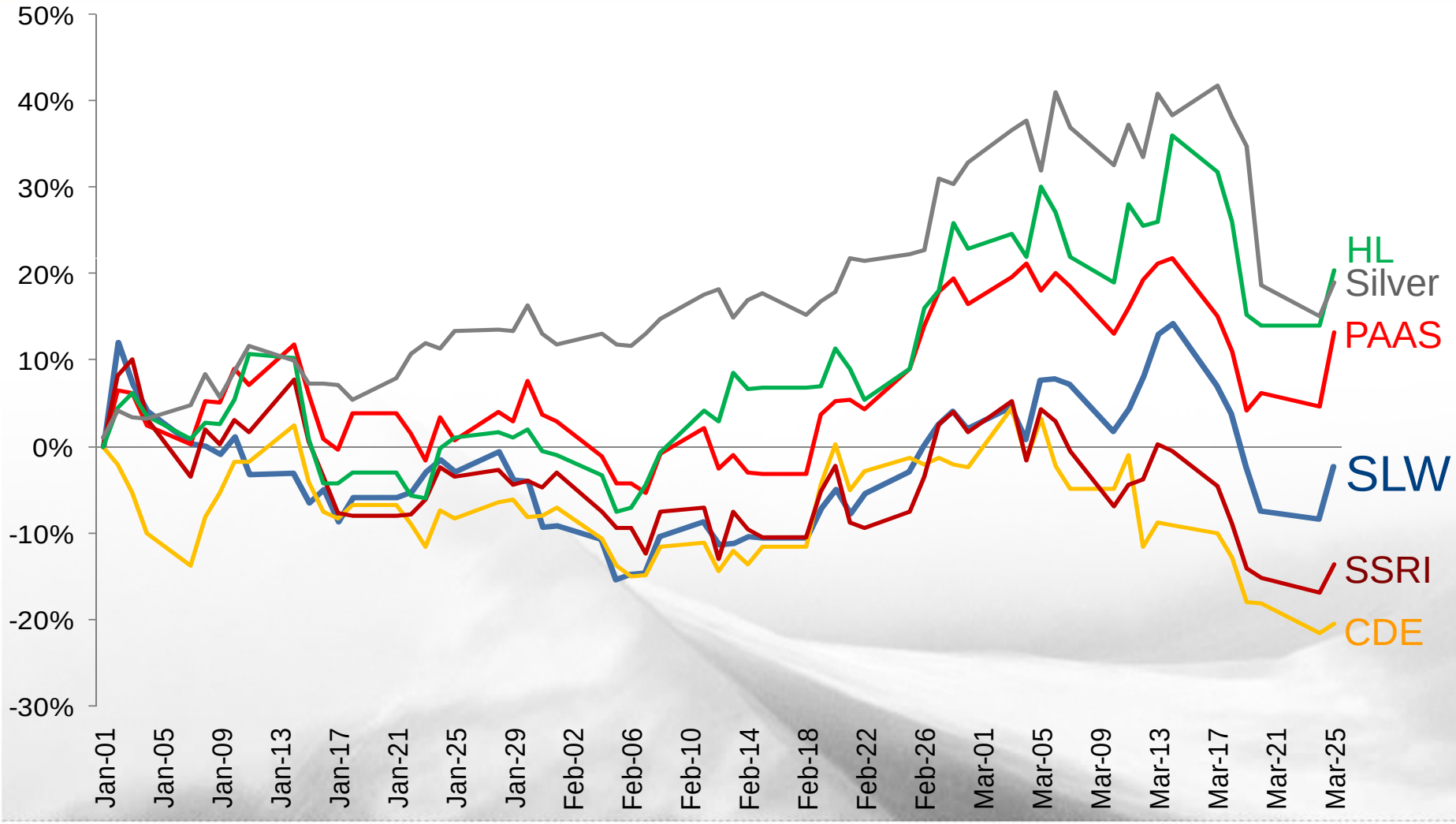
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*Source: Thomson*

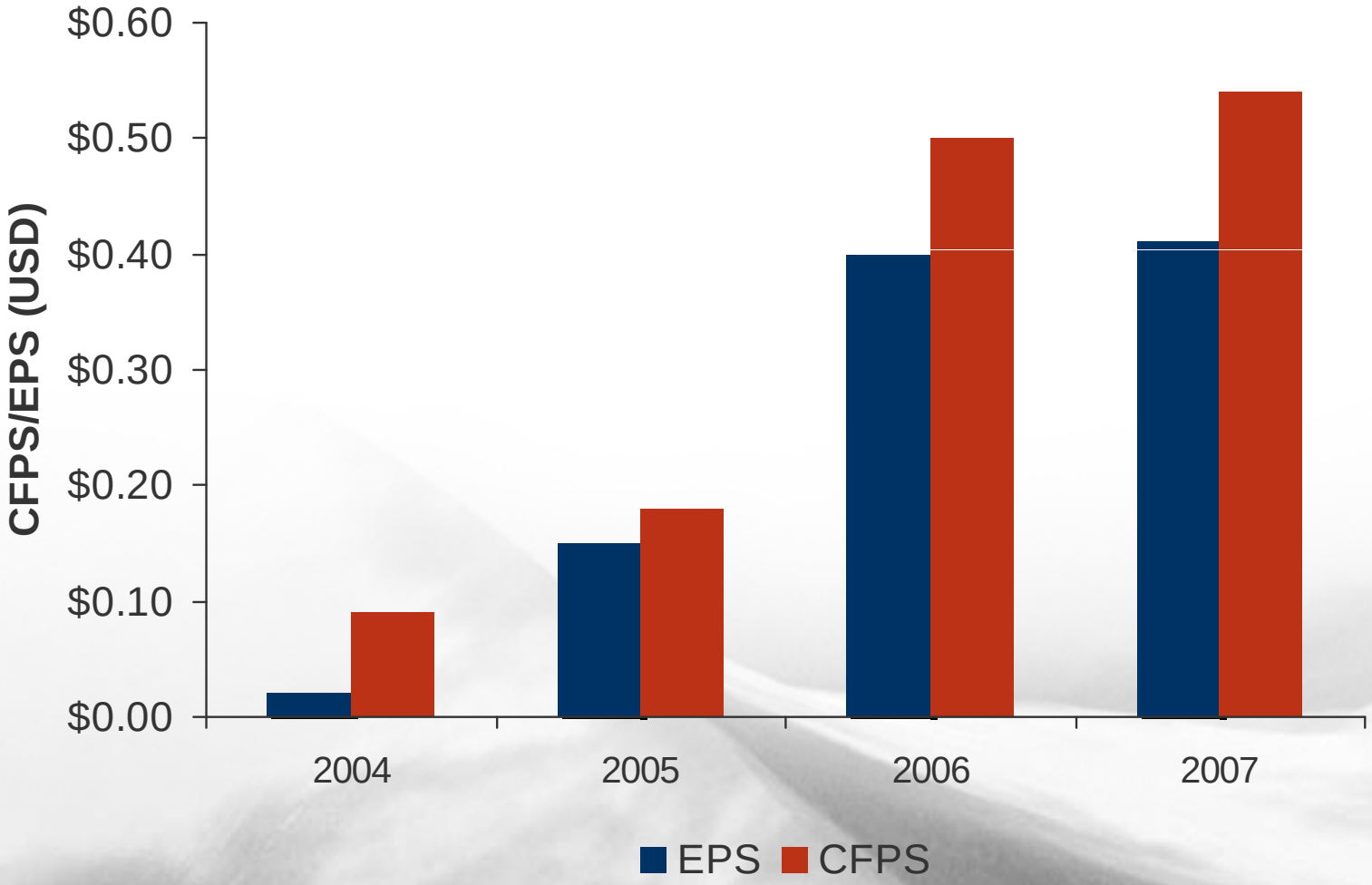
# Performance Year To Date

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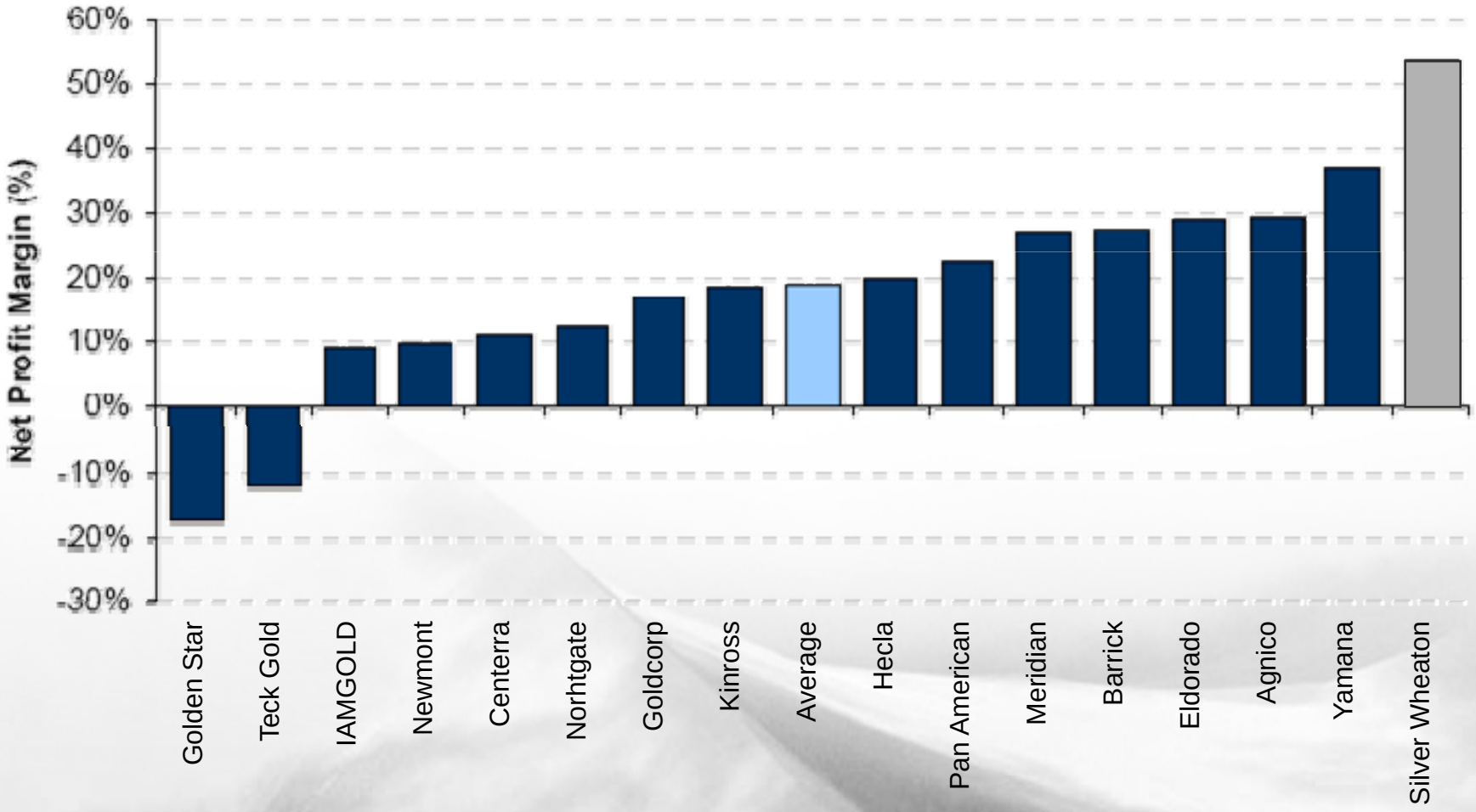
# Financial Performance

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# Net Profit Margin – 9 months/2007 Precious Metal Companies

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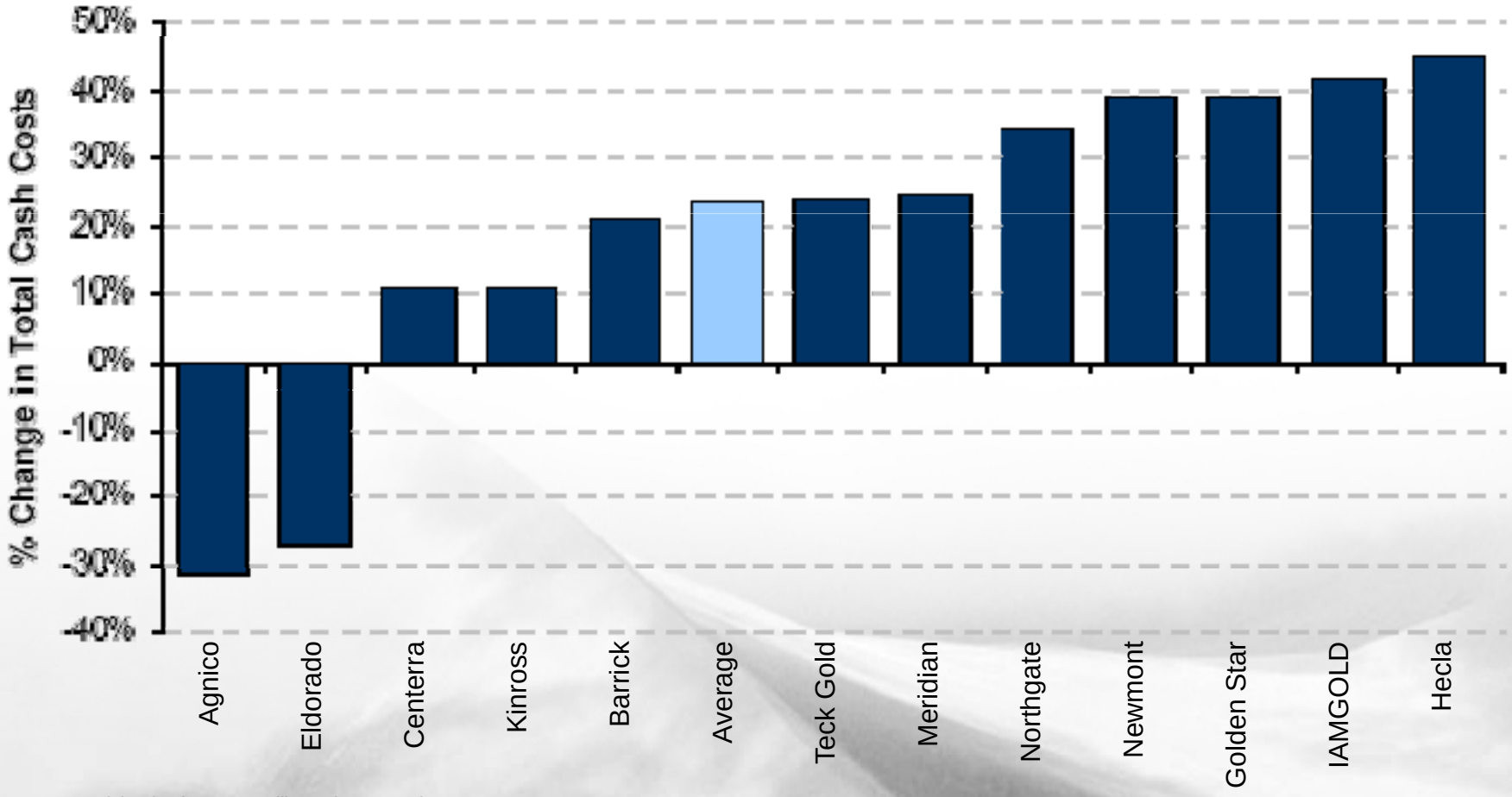



*Source: Michael Jalonen, Merrill Lynch Research*

# Change in Total Cash Costs – Precious Metals Companies

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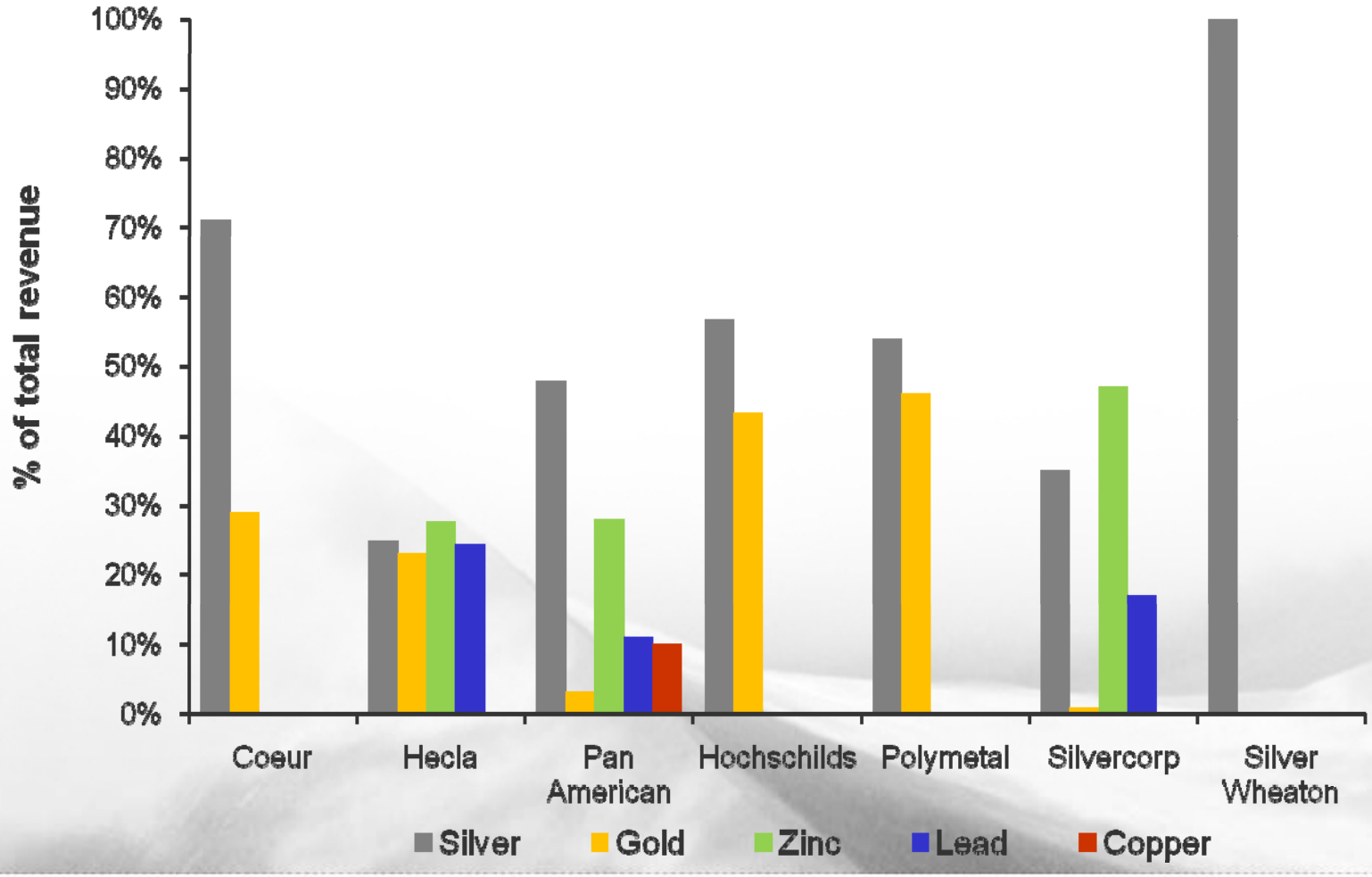
9 Months ’07 vs. 9 Months ‘06




*Source: Michael Jalonen, Merrill Lynch Research*

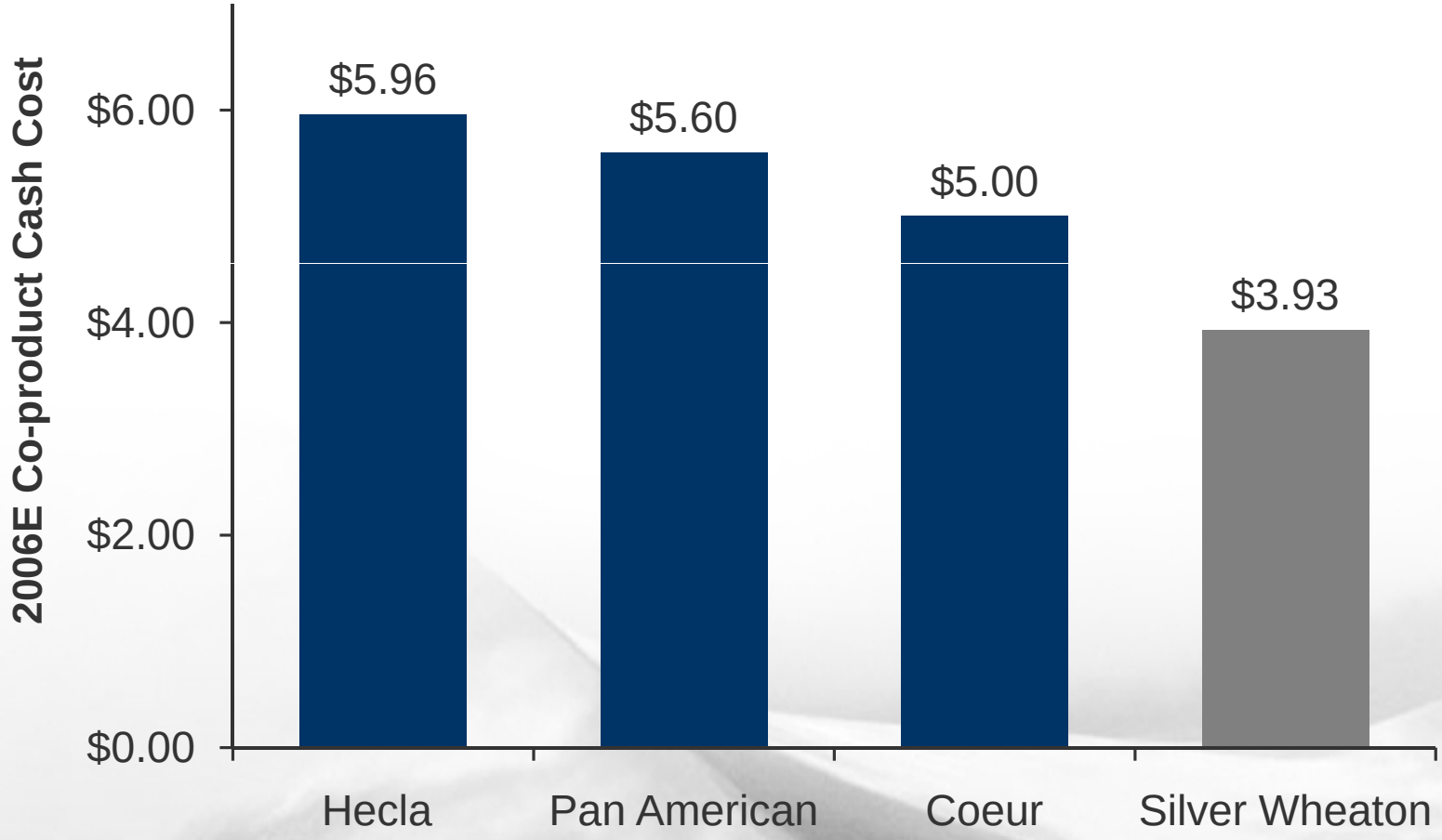
# Silver companies From Q3/2007 (3 months)

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# Silver Wheaton – A Low Cost Producer

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*Source: Cormark Securities*

# Silver Production Contracts

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| | *Luismin* | *Zinkgruvan* | *Yauliyacu* | *Stratoni* | *Peñasquito 25%* | *Mineral Park* |
|---|---|---|---|---|---|---|
| Company | goldcorp | lundin mining | GLENCORE INTERNATIONAL AG | European GOLDFIELDS LIMITED | goldcorp | MERCATOR MINERALS LTD. |
| Contract Length | 25 yrs | LOM | 20 yrs | LOM | LOM | LOM |
| Ag Prod. | 100% | 100% | up to 4.75 M oz/yr | 100% | 25% | 100% |
| Mine Life | 25+ yrs | 25+ yrs | 25+ yrs | 7+ yrs | 19+ yrs | 21+ yrs |
| Cash Costs | $3.90/oz[1] | $3.90/oz[1] | $3.90/oz | $3.90/oz[1] | $3.90/oz[1] | $3.90/oz[1] |
| Annual Ag Production | 7-12 M oz | 2 M oz | up to 4.75 M oz | 1-2 M oz | Up to10 M oz | .6 M oz |

*1 SLW pays the lesser of $3.90 and spot price on these contracts;*

# SLW Equity Investments

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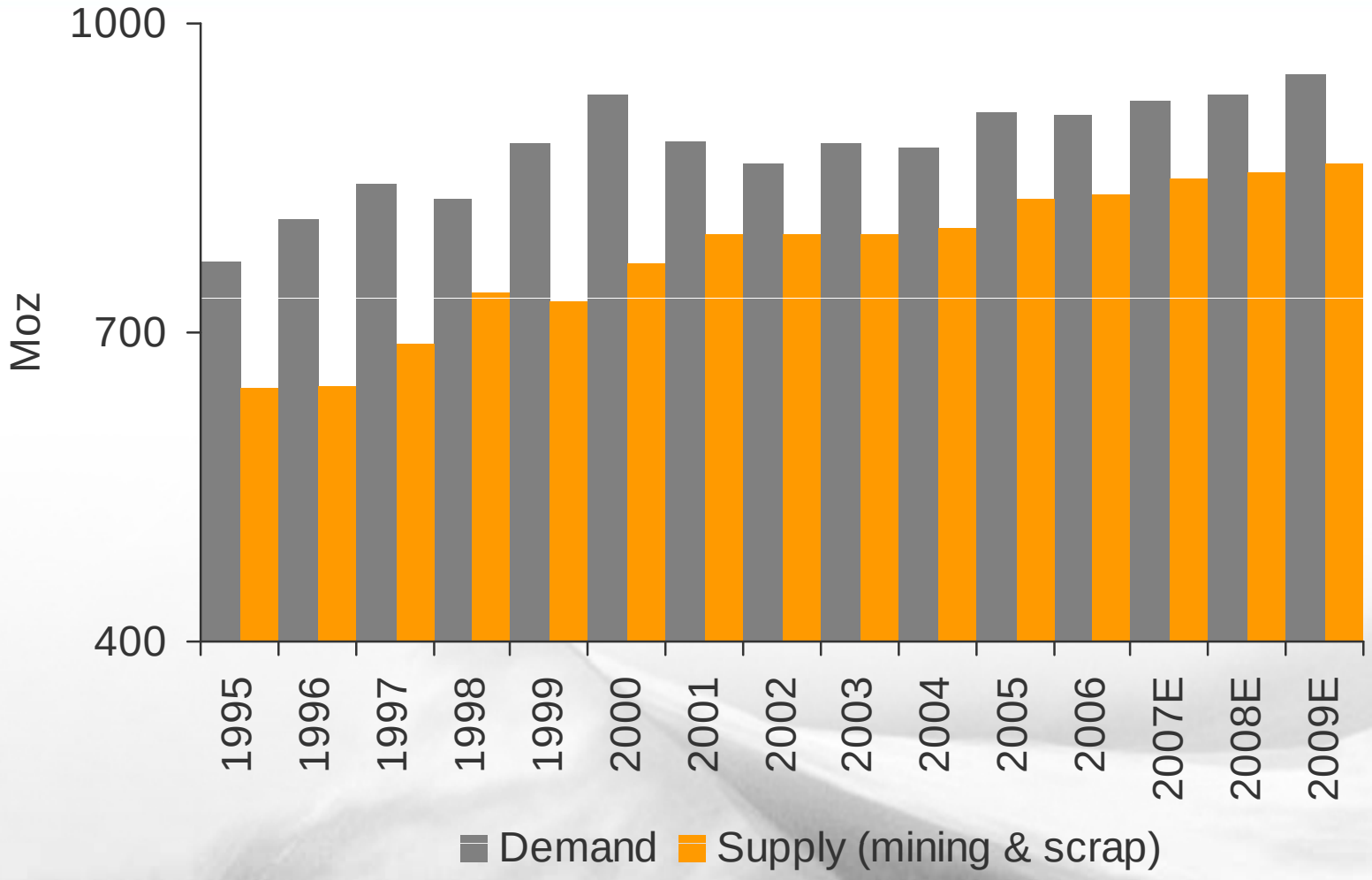
| | Bear Creek Mining Corporation | Revett Minerals | Sabina Silver Corporation | Mines Management, Inc. |
|---|---|---|---|---|
| Property of Interest | Corani | Rock Creek | Hackett River | Montanore |
| Ownership | 18% | 17% | 12% | 11% |
| Stage | Pre-Feasibility | Pre-Feasibility | Pre-Feasibility | Advanced Exploration |
| Resource (Ag M oz) | *M&I 327*<br>*Inf. 35* | *Inf. 229* | *Ind. 205*<br>*Inf. 52* | *M&I 164*<br>*Inf. 65* |
| Est. Annual Ag Production | 15 M oz/yr | 6 M oz/yr | 12 M oz/yr | N/A |

*Source: Company Reports*

# WHY SILVER?

# Silver Supply & Demand

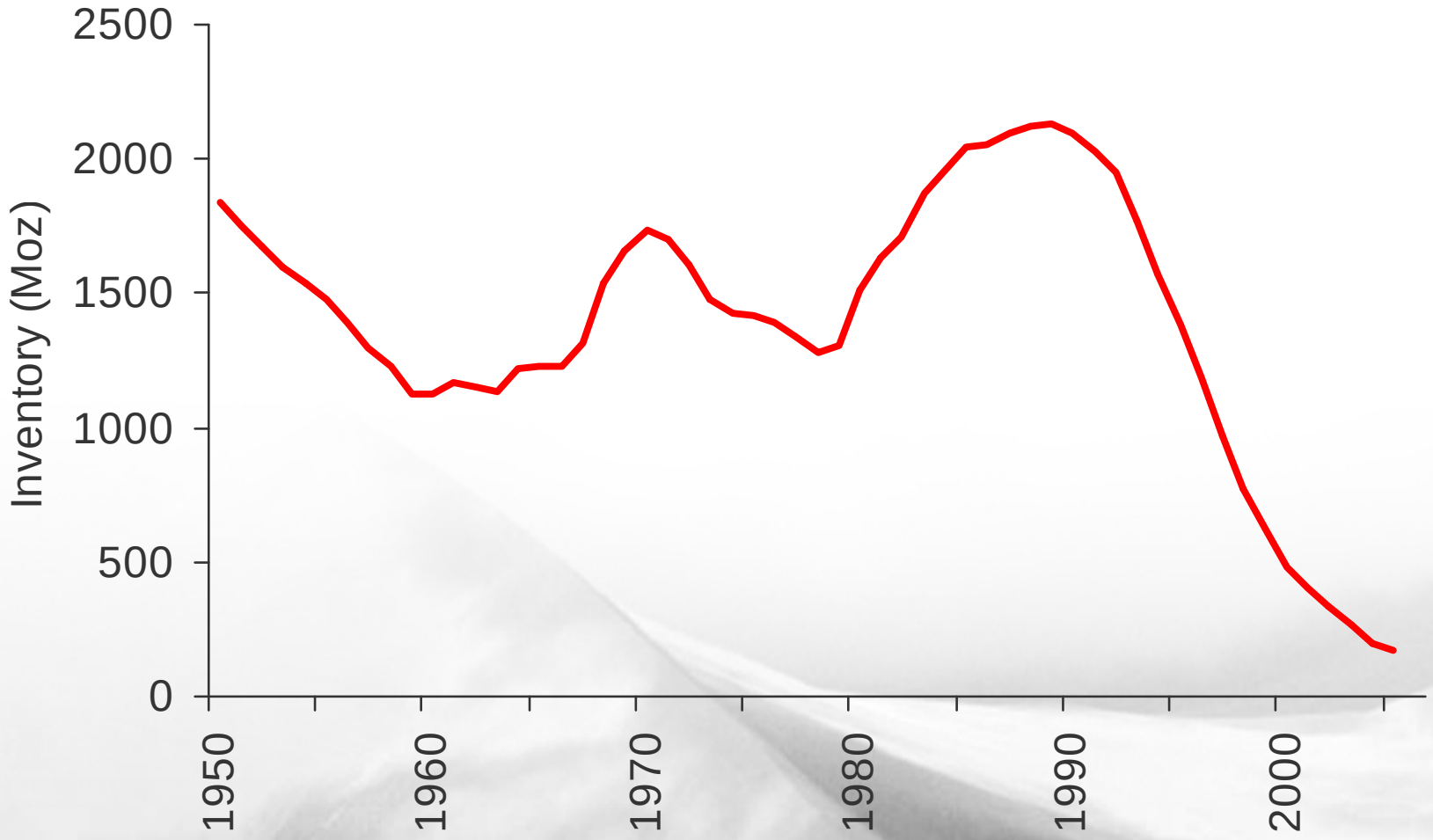
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*Source: GFMS & RBC Capital Markets*

# Silver Inventories Are At A Historical Low

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*Source: CPM Group, 2006*

# Demand For Industrial Applications

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- Roughly 4% in average annual growth (11% in 2005)
- Demand is relatively inelastic to the price of silver (low proportion of cost)

## Primary Uses

- Electrical & Electronics
- Chemicals
- Brazing Alloys

## New Areas of Growth

- Solar
- LCD/Plasma Screens
- Medical Instruments
- Biocides

## Positive Trends

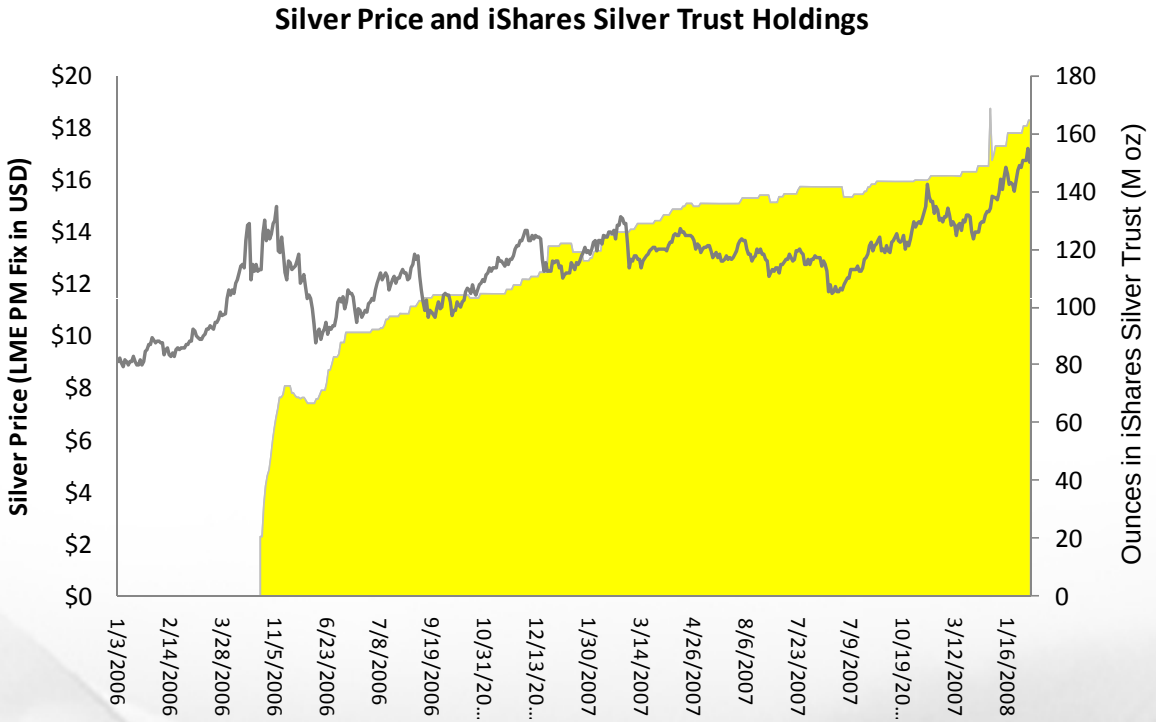
- Growth in Middle Class in China & India
- Growing use of Mobile Phones
- Computerization in Third World
- More Stringent Environmental Laws

*Source: CPM Group, RBC Capital Markets*

# Investment - A Major Catalyst of Silver Price

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- Demand for silver ETF's expected to increase
  - iShares growing applied for +360 M oz
  - New ETF's emerging
- Increased mine production expected to be offset by increased industrial demand




- Silver demand for ETF's expected to result in a tightening of the silver market

*Source: GFMS & iShares and Bloomberg*

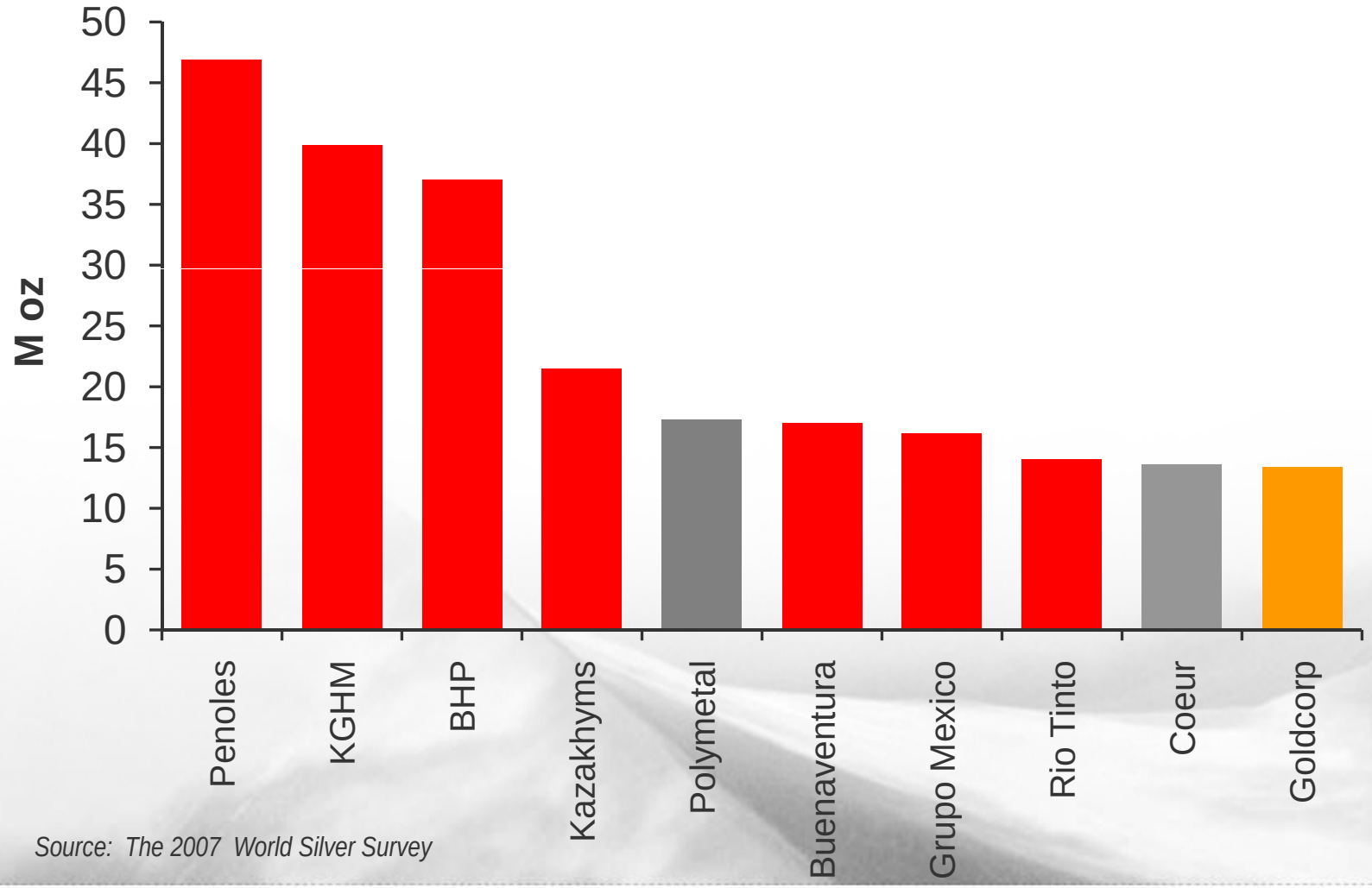
# Silver Wheaton vs Silver ETF

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| | SILVER WHEATON | Silver ETF |
|---|---|---|
| Pure Silver | ☑ | ☑ |
| Best Leverage to Silver Price | ☑ | |
| Organic Growth | ☑ | |
| Further Growth Potential | ☑ | |

# Top Ten Silver Producing Companies

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*Source: The 2007 World Silver Survey*

# Silver Wheaton – Going Forward

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- Take advantage of huge growth opportunities
  - Valuation arbitrage
  - Financing tool
  - Hedging tool
- How will we do this?
  - Leverage existing partnerships
  - New partnerships
  - Strategic investments

# Near-term Catalysts

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- Sale of Goldcorp's entire 48% interest in Silver Wheaton
- Growth opportunities
- Strengthening silver prices
- H2/2008: Peñasquito heap leach operation commences

# Summary

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- 100% Pure Silver
- Established, long life, low cost mines
- Strong cash flow & earnings
- Strongly leveraged to increases in silver price
- Downside protection
- Very low political risk profile
- Well positioned for further growth