SILVER WHEATON MARCH QTR 09: GROSS MARGINS AND SALES VOLUME IMPROVE

	Mar Qtr	Dec Qtr	Change
Operational			
Silver Stream (000' oz Ag)	3,158	2,738	15%
Head Grade (g/t)			
Average Silver Price (US$/oz)	**11.90**	**10.49**	**13%**
Cash Cost (US$/oz)	3.97	3.97	0%
Development Cost (US$/oz)	-	-	
Total Cash Cost (US$/oz)	**3.97**	**3.97**	0%
Gross Margin (US$/oz)	**7.93**	**6.52**	22%
Investment			
Capital Expenditure (US$/oz)	0.60	0.78	
Exploration/Evaluation (US$/oz)	-	-	
Total Investment (US$/oz)	**0.60**	**0.78**	
Corporate			
Net Finance Cost (Revenue) (US$/oz)	-	-	
General Administration (US$/oz)	0.86	0.96	
Total Corporate Costs (US$/oz)	**0.86**	**0.96**	11%
Cash Surplus (Deficit) (US$/oz)	**6.47**	**4.78**	35%
Balance Sheet			
Cash Balance (US$m)	26.7	7.1	276%
Marketable Investments (US$m)	27.5	21.8	26%
Interest Bearing Loans (US$m)	157.2	377.8	-58%
Hedging Liability (US$m)	-	-	
Share Capital			
Shares Outstanding (m)	270.3	223.3	-21%
Insider Holdings (%)	0.22%	0.19%	15%
Share Price (C$) (End of Qtr)	10.35	8.00	29%

Operational

- Silver sales increased 15% to 3.16 Million oz during the quarter with an increase in sales across the board. The only exception was Peñasquito (heap leach operation owned by Goldcorp) which is still building up to commercial production levels. This is now expected in the second half of 2009. Once in full production, Peñasquito will contribute between 1.4 - 1.7 million oz. A significant increase is then expected in 2010 when the milling operation ramps up. Average annual silver production attributable to SLW is forecast at 7.2 million oz over the estimated 22 year mine life.

Sales by Project

Project	Mar Qtr	Dec Qtr	Variance
Luisman	1403	1312	7%
Zinkgruvan	451	303	49%
Yauliyacu	743	602	23%
Stratoni	353	262	35%
Peñasquito	135	190	-29%
Other	73	69	6%
Total	3,158	2,738	15%

Investment

- Consistent with the previous quarter in dollar terms and represents interest on loans associated with the purchase of 25% of the silver from Peñasquito. The rate per oz has fallen as a function of the higher sales volume.

Corporate

- More or less in line in dollar terms but smaller on a per oz basis thanks largely to higher sales volume.

Cash Surplus/Deficit

- The overall cash surplus rose 35% to US$6.47/oz thanks predominantly to an increase in the average sales price received per oz during the quarter. With the 15% increase in silver streams this also led to a smaller investment and corporate expenditure per oz for the quarter.

Balance Sheet

- An increase in cash and a reduction in debt attributable to the capital raising which took place during the quarter (see Share Capital section for details below).

- With a rally in the share prices of mining juniors during the quarter, the value of Silver Wheaton's marketable investments also increased.

Share Capital

- C$287.5m raised via the issuance of 35.9m common shares at C$8.00 per share. Proceeds were used to repay all outstanding debt under the $400m revolving bank loan facility. This is now available to fund future acquisitions.

- Insider ownership of shares also increased marginally thanks primarily to the exercising of corporate warrants.

- The share price got a kick along from improved confidence in the financial markets along with a healthy increase in silver prices during the quarter.

Closing Comments

Silver Wheaton had a solid March quarter with higher sales and profitability. The company also announced it had entered into a definitive agreement with Silverstone Resources to acquire, by way of a plan of arrangement, all the outstanding common shares of Silverstone in exchange for 0.185 common shares of Silver Wheaton. The number of common shares at the completion of the arrangement will be 311 million. The total value of the transaction has been estimated at C$190m on a fully diluted basis. This deal has since been approved and completed. Silver Wheaton also announced during the quarter that their proven and probable silver reserves increased by 24% or 83 million oz in 2008 to 429.7 million ounces. In addition, measured and indicated resources increased 33% to 213.5 million ounces. Attributable inferred resources decreased by 6% to 392.5 million ounces over the same period. Silver Wheaton is very much on the acquisition trail as it looks to further grow shareholder value.

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