



SECOND
QUARTER
REPORT
2010

Management's Discussion and Analysis of Results of Operations and Financial Condition for the Three and Six Months Ended June 30, 2010

This Management's Discussion and Analysis should be read in conjunction with Silver Wheaton Corp.'s ("Silver Wheaton" or the "Company") interim unaudited consolidated financial statements for the three and six months ended June 30, 2010 and related notes thereto which have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). In addition, the following should be read in conjunction with the 2009 audited consolidated financial statements, the related Management's Discussion and Analysis and the 2009 Annual Information Form as well as other information relating to Silver Wheaton on file with the Canadian provincial securities regulatory authorities and on SEDAR at www.sedar.com. 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 August 11, 2010.

Second Quarter Highlights

- Net earnings for the three and six months ended June 30, 2010 increased by almost 200% to \$53.3 million (\$0.16 per share) and \$97.9 million (\$0.29 per share), respectively, compared with \$18.4 million (\$0.07 per share) and \$33.5 million (\$0.12 per share) for the comparable periods in 2009.
- Operating cash flows for the three and six months ended June 30, 2010 increased by more than 150% to \$67.0 million (\$0.20 per share¹) and \$124.6 million (\$0.36 per share¹), respectively, compared with \$26.5 million (\$0.09 per share¹) and \$49.6 million (\$0.17 per share¹) for the comparable periods in 2009.
- Attributable silver equivalent production for the three and six months ended June 30, 2010 was 5.7 million ounces (5.3 million ounces of silver and 5,800 ounces of gold) and 11.1 million ounces (10.2 million ounces of silver and 13,400 ounces of gold), respectively, representing an increase of 33% and 48% over the comparable periods in 2009.
- Silver equivalent sales for the three and six months ended June 30, 2010 were 5.1 million ounces (4.6 million ounces of silver and 7,600 ounces of gold) and 10.1 million ounces (9.1 million ounces of silver and 16,200 ounces of gold), respectively, representing an increase of 74% and 66% over the comparable periods in 2009.
- Total cash costs for the three and six months ended June 30, 2010 were \$4.03 per silver equivalent ounce, an increase of 1% over the comparable periods of 2009.
- Cash operating margin¹ (defined as revenue less cash costs) for the three and six months ended June 30, 2010 was \$14.45 and \$13.82 per silver equivalent ounce, respectively, representing an increase of 44% and 54% over the comparable periods of 2009.
- As at June 30, 2010, approximately 1.4 million payable silver equivalent ounces attributable to the Company have been produced at the various mines and will be recognized in future sales as they are delivered to the Company under the terms of their contracts.
- Production at Goldcorp Inc.'s world-class gold-silver-lead-zinc Peñasquito mine continues to ramp up on or ahead of schedule, with the second sulphide processing line achieving mechanical completion ahead of its previously expected third quarter completion date. Peñasquito's Line 1 is regularly operating at a designed daily throughput of 50,000 tonnes, and Line 2 is now in the commissioning phase and ramping up to add another 50,000 tonnes per day of capacity. Upon completion of the high pressure grinding circuit, Peñasquito is anticipated to ramp up to full production capacity of 130,000 tonnes per day by early 2011. Annual production attributable to Silver Wheaton from the mine is expected to average approximately 7 million ounces of silver over the estimated 22 year mine life.

¹ Refer to discussion on non-GAAP measures.

- Barrick Gold Corp.'s world-class gold-silver Pascua-Lama project remains on track to enter production in the first quarter of 2013. Detailed engineering and procurement is nearing completion with many major items now purchased. Once in production, Pascua Lama is forecast to be one of the largest and lowest cost gold mines in the world with average annual production attributable to Silver Wheaton, in its first five years, of approximately 9 million ounces of silver. Pascua-Lama is a long-life asset with an expected mine life in excess of 25 years.
- On May 21, 2010, the Company acquired, by way of a private placement financing, 1.8 million units of Ventana Gold Corp. ("Ventana") for total consideration of Cdn\$20.7 million (\$19.8 million), representing approximately 2% of the outstanding shares of Ventana on an undiluted basis. As part of this transaction, Silver Wheaton has been granted a right of first refusal over any silver streams relating to all of Ventana's Colombian properties with an area of interest covering a five kilometer radius from the property boundaries.
- On August 6, 2010, Goldcorp Inc. ("Goldcorp") completed the sale of the San Dimas mine to Primero Mining Corp. ("Primero"). In conjunction with the sale, Silver Wheaton agreed to amend its silver purchase agreement relating to the mine. The term of the silver purchase agreement, which was set to expire in 2029, has been extended to the life of mine. During the first four years following closing of the transaction, Primero will deliver to Silver Wheaton a per annum amount equal to the first 3.5 million ounces of payable silver produced at San Dimas and 50% of any excess, plus Silver Wheaton will receive an additional 1.5 million ounces of silver per annum to be delivered by Goldcorp. Beginning in the fifth year after closing, Primero will deliver to the Company a per annum amount equal to the first 6 million ounces of payable silver produced at San Dimas and 50% of any excess. Goldcorp will continue to guarantee the delivery by Primero of all silver produced and owing to the Company until 2029, and a payment of \$0.50 per ounce for any shortfall below 215 million cumulative silver ounces delivered to Silver Wheaton by the end of 2031. Primero has provided Silver Wheaton with a right of first refusal on any metal stream or similar transaction it enters into.

Overview

Silver Wheaton Corp. ("Silver Wheaton" or the "Company") is a mining company which generates its revenue primarily from the sale of silver. The Company is listed on the New York Stock Exchange (symbol: SLW) and the Toronto Stock Exchange (symbol: SLW). In addition, the Company has share purchase warrants that trade on the Toronto Stock Exchange (symbols: SLW.WT.B and SLW.WT.U, respectively).

To date, the Company has entered into fifteen long-term silver purchase agreements and two long-term precious metal purchase agreements whereby Silver Wheaton acquires silver and gold production from the counterparties for a per ounce cash payment at or below the prevailing market price. During the three months ended June 30, 2010, the per ounce price paid by the Company for silver and gold under the agreements averaged \$3.97 and \$300, respectively. The primary drivers of the Company's financial results are the volume of silver production at the various mines and the price of silver realized by Silver Wheaton upon sale.

Outlook

Silver Wheaton is the largest silver streaming company in the world. Forecast 2010 production is 22.2 million ounces of silver and 20,000 ounces of gold, for total production of 23.5 million silver equivalent ounces. By 2013, annual production is anticipated to increase to approximately 38 million ounces of silver and 59,000 ounces of gold, for total production of over 40 million silver equivalent ounces.

At June 30, 2010, the Company had approximately \$323 million of cash on hand and \$400 million of available credit under its revolving bank debt facility. This cash and available credit, together with strong operating cash flows, positions the Company well to pursue the acquisition of additional accretive silver interests.

The following table summarizes the silver and gold interests currently owned by the Company:

Silver and Gold Interests	Owner	Location of Mine	Attributable Production to be Purchased		Term of Agreement	Date of Contract
			Silver	Gold		
San Dimas	Primero Mining Corp. ¹	Mexico	100% ¹	-	Life of Mine ¹	15-Oct-04
Zinkgruvan	Lundin Mining Corporation	Sweden	100%	-	Life of Mine	8-Dec-04
Yauliyacu	Glencore International AG	Peru	100% ²	-	20 years	23-Mar-06
Peñasquito	Goldcorp Inc.	Mexico	25%	-	Life of Mine	24-Jul-07
Minto	Capstone Mining Corp.	Canada	100%	100% ³	Life of Mine	1-Dec-08
Cozamin	Capstone Mining Corp.	Mexico	100%	-	10 years	4-Apr-07
Barrick						
Pascua-Lama	Barrick Gold Corporation	Chile/Argentina	25%	-	Life of Mine	8-Sep-09
Lagunas Norte	Barrick Gold Corporation	Peru	100%	-	4 years ⁴	8-Sep-09
Pierina	Barrick Gold Corporation	Peru	100%	-	4 years ⁴	8-Sep-09
Veladero	Barrick Gold Corporation	Argentina	100% ⁵	-	4 years ⁴	8-Sep-09
Other						
Los Filos	Goldcorp Inc.	Mexico	100%	-	25 years	15-Oct-04
Keno Hill	Alexco Resources Corp.	Canada	25%	-	Life of Mine	2-Oct-08
La Negra	Aurcana Corporation ⁶	Mexico	50%	-	Life of Mine	2-Jun-08
Mineral Park	Mercator Minerals Ltd.	USA	100%	-	Life of Mine	17-Mar-08
Neves-Corvo	Lundin Mining Corporation	Portugal	100%	-	Life of Mine ⁷	5-Jun-07
Stratoni	European Goldfields Ltd. ⁸	Greece	100%	-	Life of Mine	23-Apr-07
Campo Morado	Farallon Mining Ltd.	Mexico	75%	-	Life of Mine	13-May-08
Aljustrel	I'M SGPS	Portugal	100%	-	Life of Mine ⁷	5-Jun-07
Loma de La Plata	Pan American Silver Corp.	Argentina	12.5%	-	Life of Mine	n/a ⁹
Rosemont	Augusta Resource Corporation	USA	100%	100%	Life of Mine	11-Feb-10

1) On August 6, 2010, Goldcorp completed the sale of the San Dimas mine, which was previously part of the Luismin mines, to Primero. In conjunction with the sale, Silver Wheaton amended its silver purchase agreement relating to the mine. The term of the silver purchase agreement, which was set to expire in 2029, has been extended to the life of mine. During the first four years following closing of the transaction, Primero will deliver to Silver Wheaton a per annum amount equal to the first 3.5 million ounces of payable silver produced at San Dimas and 50% of any excess, plus Silver Wheaton will receive an additional 1.5 million ounces of silver per annum to be delivered by Goldcorp. Beginning in the fifth year after closing, Primero will deliver to the Company a per annum amount equal to the first 6 million ounces of payable silver produced at San Dimas and 50% of any excess.

2) To a maximum of 4.75 million ounces per annum. 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.

3) The Company is entitled to acquire 100% of the first 50,000 ounces of gold produced per annum and 50% thereafter, through to December 1, 2010. Following that date, the Company is entitled to acquire 100% of the first 30,000 ounces of gold produced per annum and 50% thereafter.

4) Barrick will deliver to Silver Wheaton silver production from the currently producing mines until December 31, 2013. In addition, during 2014 and 2015, Silver Wheaton will be entitled to all or a portion of the silver production from these mines to the extent of any production shortfall at Pascua-Lama, until Barrick satisfies a completion guarantee.

5) Silver Wheaton's attributable silver production is subject to a maximum of 8% of the silver contained in the ore mined at Veladero during the period.

6) 92% owned by Aurcana Corporation.

7) With a nominal term of 50 years.

8) 95% owned by European Goldfields Ltd.

9) Terms of the agreement not yet finalized.

SAN DIMAS

On October 15, 2004, the Company entered into an agreement (amended on March 30, 2006) with Goldcorp to acquire an amount equal to 100% of the silver produced by Goldcorp's Luismin mining operations (the "Luismin Agreement") in Mexico (owned at the date of the transaction) for a period of 25 years. The Luismin operations consisted of the San Dimas mine, the Los Filos mine and the San Martin mine.

On August 6, 2010, Goldcorp completed the sale of the San Dimas mine to Primero. In conjunction with the sale, Silver Wheaton agreed to amend its silver purchase agreement. The term of the silver purchase agreement, as it relates to San Dimas, has been extended to the life of mine. During the first four years following closing of the transaction, Primero will deliver to Silver Wheaton a per annum amount equal to the first 3.5 million ounces of payable silver produced at San Dimas and 50% of any excess, plus Silver Wheaton will receive an additional 1.5 million ounces of silver per annum to be delivered by Goldcorp. Beginning in the fifth year after closing, Primero will

deliver to the Company a per annum amount equal to the first 6 million ounces of payable silver produced at San Dimas and 50% of any excess. Goldcorp will continue to guarantee the delivery by Primero of all silver produced and owing to the Company until 2029, and a payment of \$0.50 per ounce for any shortfall below 215 million cumulative silver ounces delivered to Silver Wheaton by the end of 2031. Primero has provided Silver Wheaton with a right of first refusal on any metal stream or similar transaction it enters into.

As of June 30, 2010, Goldcorp had delivered in excess of 38 million ounces of silver to the Company under the Luismin agreement, generating cumulative operating cash flows of approximately \$316 million. Approximately 95% of this silver was from the San Dimas mine. As at December 31, 2009, the San Dimas mine had proven and probable reserves of 60.9 million ounces of silver and inferred resources of 154.6 million ounces of silver (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

ZINKGRUVAN

On December 8, 2004, the Company entered into an agreement with Lundin Mining Corporation ("Lundin") to acquire 100% of the silver produced by Lundin's Zinkgruvan mining operations in Sweden for the life of mine.

As of June 30, 2010, the Zinkgruvan mine has delivered approximately 10 million ounces of silver to the Company under the agreement, generating cumulative operating cash flows of \$83 million. As at December 31, 2009, Zinkgruvan had proven and probable silver reserves of 35.5 million ounces, measured and indicated silver resources of 16.9 million ounces and inferred silver resources of 10.4 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

YAULIYACU

On March 23, 2006, the Company entered into an agreement with Glencore International AG ("Glencore") to acquire an amount equal to 100% of the silver produced from Glencore's Yauliyacu mining operations in Peru, up to a maximum of 4.75 million ounces per year, for a period of 20 years. 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 agreement, 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 agreement in five year increments, on substantially the same terms as the existing agreement, subject primarily to an adjustment related to silver price expectations at the time.

As of June 30, 2010, Glencore has delivered in excess of 13 million ounces of silver to the Company under the agreement, generating cumulative operating cash flows of \$137 million. As at December 31, 2009, Yauliyacu had proven and probable silver reserves of 11.0 million ounces, measured and indicated silver resources of 43.3 million ounces and inferred silver resources of 78.2 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

PEÑASQUITO

On July 24, 2007, the Company entered into an agreement to acquire an amount equal to 25% of the silver produced from Goldcorp's Peñasquito mining operations in Mexico for the life of mine.

Production at the Peñasquito mine continues to ramp up on or ahead of schedule, with the second sulphide processing line achieving mechanical completion ahead of its previously expected third quarter completion date. Peñasquito's Line 1 is regularly operating at a designed daily throughput of 50,000 tonnes, and Line 2 is now in the commissioning phase and ramping up to add another 50,000 tonnes per day of capacity. Upon completion of the high pressure grinding circuit, Peñasquito is anticipated to ramp up to full production capacity of 130,000 tonnes per day by early 2011. Annual production attributable to Silver Wheaton from the mine is expected to average approximately 7 million ounces of silver over the estimated 22 year mine life.

As of June 30, 2010, Goldcorp has delivered in excess of 2 million ounces of silver to the Company under the agreement, generating cumulative operating cash flows of approximately \$24 million. As at December 31, 2009, the Company's 25% share of the Peñasquito proven and probable silver reserves was 267.5 million ounces, measured

and indicated silver resources was 97.8 million ounces and inferred silver resources was 20.4 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

MINTO

On May 21, 2009, the Company completed the acquisition of Silverstone Resources Corp. (the "Silverstone Acquisition"). As part of the Silverstone Acquisition, the Company acquired a precious metal purchase agreement with Capstone Mining Corp. ("Capstone") to acquire 100% of the silver and gold produced from Capstone's Minto mine in Canada for the life of mine. The Company is entitled to acquire 100% of the first 50,000 ounces of gold produced per annum and 50% thereafter through to December 1, 2010. Following that date, the Company is entitled to acquire 100% of the first 30,000 ounces of gold produced per annum and 50% thereafter.

As of June 30, 2010, the Minto mine has delivered 0.2 million ounces of silver and approximately 33,000 ounces of gold to the Company under the agreement, generating cumulative operating cash flows of approximately \$29 million. As at December 31, 2009, Minto had proven and probable reserves of 2.1 million ounces of silver and 220,000 ounces of gold, measured and indicated resources of 2.4 million ounces of silver and 230,000 ounces of gold and inferred resources of 0.6 million ounces of silver and 60,000 ounces of gold (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

COZAMIN

As part of the Silverstone Acquisition, the Company acquired a silver purchase agreement with Capstone to acquire 100% of the silver produced from Capstone's Cozamin mine in Mexico for a period of 10 years, commencing on April 4, 2007.

As of June 30, 2010, the Cozamin mine has delivered approximately 2 million ounces of silver to the Company under the agreement, generating cumulative operating cash flows of \$22 million. As at December 31, 2009, Cozamin had proven and probable silver reserves of 17.4 million ounces, measured and indicated silver resources of 3.3 million ounces and inferred silver resources of 5.7 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis).

BARRICK

On September 8, 2009, the Company entered into an agreement with Barrick Gold Corporation ("Barrick") to acquire an amount equal to 25% of the life of mine silver production from its Pascua-Lama project, as well as 100% of the silver production from its Lagunas Norte, Pierina and Veladero¹ mines until the end of 2013. Silver Wheaton will make total upfront cash payments of \$625 million, of which \$212.5 million has been paid to date. The remaining \$412.5 million is payable in annual installments of \$137.5 million due on the first, second and third anniversaries of the transaction.

Barrick has provided Silver Wheaton with a completion guarantee, requiring them to complete Pascua-Lama to at least 75% of design capacity by December 31, 2015. During 2014 and 2015, Silver Wheaton will be entitled to the silver production from the currently producing mines to the extent of any production shortfall at Pascua-Lama, until Barrick satisfies the completion guarantee. If the requirements of the completion guarantee have not been satisfied by December 31, 2015, the agreement may be terminated by Silver Wheaton. In such an event, Silver Wheaton will be entitled to the return of the upfront cash consideration of \$625 million less a credit for silver delivered up to the date of that event.

As of June 30, 2010, Barrick has delivered in excess of 2 million ounces of silver to the Company under the agreement, generating cumulative operating cash flows of approximately \$30 million. As at December 31, 2009, the Company's 25% share of the Pascua-Lama proven and probable silver reserves was 167.8 million ounces, measured and indicated silver resources was 34.0 million ounces and inferred silver resources was 3.3 million ounces (as described in the Reserves and Resources section of this Management's Discussion and Analysis). In addition, the Company's estimated share of the silver resources contained in the Lagunas Norte, Pierina, and Veladero mines is 81.5 million ounces of proven and probable silver reserves, 1.6 million ounces of measured and indicated silver resources and 1.6 million ounces of inferred silver resources.

¹ Silver Wheaton's attributable silver production is subject to a maximum of 8% of the silver contained in the ore mined at Veladero during the period.

OTHER

Other silver and gold interests consist of the following:

- i. An agreement with Goldcorp to acquire 100% of the silver production from its Los Filos mine in Mexico for a period of 25 years, commencing October 15, 2004. Goldcorp's obligation to deliver an amount equal to the silver production at the San Martin mine was replaced, effective August 6, 2010, with an obligation to deliver an amount equal to the silver production at the Bermejil deposit of the Los Filos mine, which had previously been excluded from the Luismin Agreement.
- ii. An agreement with Mercator Minerals Ltd. to acquire an amount equal to 100% of the life of mine silver production from its Mineral Park mine in the United States;
- iii. An agreement with Aurcana Corporation to acquire an amount equal to 50% of the life of mine silver production from its 92% owned La Negra mine in Mexico;
- iv. An agreement with Hellas Gold S.A., a subsidiary of European Goldfields Ltd., to acquire 100% of the life of mine silver production from its Stratoni mine in Greece;
- v. An agreement with Farallon Mining Ltd. to acquire an amount equal to 75% of the life of mine silver production from its Campo Morado mine in Mexico;
- vi. An agreement with Alexco Resources Corp. to acquire an amount equal to 25% of the life of mine silver production from its Keno Hill project in Canada;
- vii. An agreement with I'M SGPS to acquire 100% of the life of mine silver production from its Aljustrel mine in Portugal;
- viii. An agreement with Lundin to acquire 100% of the life of mine silver production from its Neves-Corvo mine in Portugal;
- ix. An agreement with Pan American Silver Corp. to acquire an amount equal to 12.5% of the life of mine silver production from the Loma de La Plata zone of the Navidad project in Argentina, the definitive terms of which are expected to be finalized by the end of 2010;
- x. An agreement with Augusta Resource Corporation to acquire an amount equal to 100% of the life of mine silver and gold production from the Rosemont Copper project in the United States.

As of June 30, 2010, the Company has received in excess of 5 million ounces of silver under these agreements, generating cumulative operating cash flows of \$60 million.

Since January 1, 2009, the La Negra mine produced approximately 575,000 ounces of silver attributable to Silver Wheaton, of which approximately 157,000 ounces of silver was not delivered pursuant to the terms of the related silver purchase agreement as at August 11, 2010. The Company is currently working with the management of Aurcana Corporation in order to remedy this.

SUMMARY OF OUNCES PRODUCED AND SOLD

	2010		2009			2008		
(in thousands)	Q2 ²	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Silver ounces produced								
San Dimas	1,110	1,206	1,275	1,232	1,264	1,323	1,275	1,133
Zinkgruvan	478	387	505	415	480	461	374	371
Yauliyacu	692	737	783	750	870	739	787	712
Peñasquito	800	520	441	165	162	160	198	113
Minto	49	62	89	46	37	-	-	-
Cozamin	286	401	388	366	262	-	-	-
Barrick ³	697	780	756	223	-	-	-	-
Other ⁴	1,159	853	979	783	750	559	583	402
	5,271	4,946	5,216	3,980	3,825	3,242	3,217	2,731
Silver equivalent ounces of gold produced ⁵								
Minto	380	500	552	233	428	-	-	-
Silver equivalent ounces produced	5,651	5,446	5,768	4,213	4,253	3,242	3,217	2,731
Silver ounces sold								
San Dimas	1,076	1,206	1,264	1,234	1,254	1,352	1,245	1,150
Zinkgruvan	313	498	357	433	469	451	303	418
Yauliyacu	517	581	1,027	698	546	743	602	691
Peñasquito	656	424	191	190	130	135	190	98
Minto	46	47	55	68	(1) ⁶	-	-	-
Cozamin	412	281	359	384	213	-	-	-
Barrick ³	727	783	751	187	-	-	-	-
Other ⁴	897	607	670	780	327	477	398	359
	4,644	4,427	4,674	3,974	2,938	3,158	2,738	2,716
Silver equivalent ounces of gold sold ⁵								
Minto	496	571	441	626	12 ⁶	-	-	-
Silver equivalent ounces sold	5,140	4,998	5,115	4,600	2,950	3,158	2,738	2,716

1) Ounces produced represent the quantity of silver and gold contained in concentrate or doré prior to smelting or refining deductions. As at June 30, 2010, approximately 1.4 million payable silver equivalent ounces attributable to the Company have been produced and the respective payable ounces will be recognized in future sales as they are delivered to the Company under the terms of their contracts.

2) Certain production figures are based on management estimates.

3) Comprised of the Lagunas Norte, Pierina and Veladero mines.

4) Comprised of the Los Filos, San Martin, La Negra, Mineral Park, Neves-Corvo, Stratoni and Campo Morado mines.

5) Gold ounces produced and sold are converted to a silver equivalent basis on the ratio of the average silver price received to the average gold price received during the period.

6) No concentrate shipments were made during the second quarter of 2009. Amounts reflected above represent provisional invoice adjustments.

QUARTERLY FINANCIAL REVIEW

	2010		2009			2008		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total silver ounces sold (000's)	4,644	4,427	4,674	3,974	2,938	3,158	2,738	2,716
Avg realized silver price ¹	\$ 18.46	\$ 17.27	\$ 17.63	\$ 15.14	\$ 14.04	\$ 11.90	\$ 10.49	\$ 14.50
Silver sales (000's)	\$ 85,759	\$ 76,462	\$ 82,409	\$ 60,194	\$ 41,268	\$ 37,572	\$ 28,725	\$ 39,371
Total gold ounces sold	7,584	8,611	7,033	9,953	145	-	-	-
Avg realized gold price ¹	\$ 1,219	\$ 1,100	\$ 1,158	\$ 962	\$ 925	\$ -	\$ -	\$ -
Gold sales (000's)	\$ 9,245	\$ 9,476	\$ 8,142	\$ 9,573	\$ 135	\$ -	\$ -	\$ -
Total silver equivalent ounces sold ²	5,140	4,998	5,115	4,600	2,950	3,158	2,738	2,716
Avg realized silver equivalent price ¹	\$ 18.48	\$ 17.20	\$ 17.70	\$ 15.16	\$ 14.04	\$ 11.90	\$ 10.49	\$ 14.50
Total sales (000's)	\$ 95,004	\$ 85,938	\$ 90,551	\$ 69,767	\$ 41,403	\$ 37,572	\$ 28,725	\$ 39,371
Avg cash cost, silver ^{1,3}	\$ 3.97	\$ 3.97	\$ 3.97	\$ 3.97	\$ 3.99	\$ 3.97	\$ 3.97	\$ 3.93
Avg cash cost, gold ^{1,3}	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ -	\$ -	\$ -
Net earnings (loss) (000's)	\$ 53,258	\$ 44,630	\$ 50,811	\$ 33,565	\$ 18,437	\$ 15,111	\$ (54,193) ⁴	\$ 20,241
Earnings (loss) per share								
Basic	\$ 0.16	\$ 0.13	\$ 0.15	\$ 0.11	\$ 0.07	\$ 0.06	\$ (0.22)	\$ 0.09
Diluted	\$ 0.15	\$ 0.13	\$ 0.15	\$ 0.11	\$ 0.06	\$ 0.06	\$ (0.22)	\$ 0.08
Cash flow from operations (000's)	\$ 66,990	\$ 57,600	\$ 70,981	\$ 45,379	\$ 26,452	\$ 23,120	\$ 15,446	\$ 26,725
Cash flow from operations per share ³								
Basic	\$ 0.20	\$ 0.17	\$ 0.21	\$ 0.14	\$ 0.09	\$ 0.09	\$ 0.06	\$ 0.11
Diluted	\$ 0.19	\$ 0.17	\$ 0.21	\$ 0.14	\$ 0.09	\$ 0.08	\$ 0.06	\$ 0.11
Total assets (000's)	\$2,379,472	\$2,286,100	\$2,237,224	\$2,299,770	\$1,462,514	\$1,291,750	\$1,270,646	\$1,284,312
Total liabilities (000's)	\$ 530,645	\$ 508,337	\$ 513,299	\$ 652,591	\$ 156,614	\$ 160,336	\$ 382,621	\$ 385,977
Shareholders' equity (000's)	\$1,848,827	\$1,777,763	\$1,723,925	\$1,647,179	\$1,305,900	\$1,131,414	\$ 888,025	\$ 898,335

1) Expressed as United States dollars per ounce.

2) Gold ounces sold are converted to a silver equivalent basis on the ratio of the average silver price received to the average gold price received during the period.

3) Refer to discussion on non-GAAP measures.

4) Includes a \$64 million non-cash write-down of long-term investments held.

Changes in sales, net earnings and cash flow from operations from quarter to quarter are affected primarily by fluctuations in production at the mines, the timing of shipments, changes in the price of silver as well as acquisitions of silver purchase agreements.

Results of Operations and Operational Review

The Company currently has nine business segments: the silver produced by the San Dimas, Zinkgruvan, Yauliyacu, Peñasquito, Cozamin, Barrick and Other mines, the silver and gold produced by the Minto mine and corporate operations.

Three Months Ended June 30, 2010

	Ounces produced ³	Ounces sold	Sales	Average realized price (\$'s per ounce)	Total cash cost (\$'s per ounce) ⁴	Total depletion (\$'s per ounce) ⁴	Net earnings (loss)	Cash flow from (used in) operations
Silver								
San Dimas	1,110	1,076	\$ 19,999	\$ 18.58	\$ 4.04	\$ 0.79	\$ 14,804	\$ 15,651
Zinkgruvan	478	313	5,727	18.29	4.04	1.72	3,924	4,352
Yauliyacu	692	517	9,688	18.74	3.98	3.47	5,835	7,610
Peñasquito	800	656	12,111	18.46	3.90	2.54	7,885	9,553
Minto	49	46	860	18.63	3.90	3.69	510	819
Cozamin	286	412	7,588	18.44	4.04	4.62	4,022	5,620
Barrick ⁵	697	727	13,242	18.20	3.90	3.55	7,825	9,205
Other ⁶	1,159	897	16,544	18.45	3.92	4.53	8,965	12,844
	5,271	4,644	\$ 85,759	\$ 18.46	\$3.97	\$2.92	\$ 53,770	\$ 65,654
Gold								
Minto	5,802	7,584	\$ 9,245	\$ 1,219	\$ 300	\$ 237	\$ 5,174	\$ 7,633
Silver Equivalent⁷	5,651	5,140	\$ 95,004	\$ 18.48	\$ 4.03	\$ 2.99	\$ 58,944	\$ 73,287
Corporate							(5,686)	(6,297)
	5,651	5,140	\$ 95,004	\$ 18.48	\$ 4.03	\$ 2.99	\$ 53,258	\$ 66,990

1) All figures in thousands except gold ounces produced and sold and per ounce amounts.

2) Ounces produced represent the quantity of silver and gold contained in concentrate or doré prior to smelting or refining deductions.

3) Certain production figures are based on management estimates.

4) Refer to discussion on non-GAAP measures.

5) Comprised of the Lagunas Norte, Pierina and Veladero mines.

6) Comprised of the Los Filos, San Martin, La Negra, Mineral Park, Neves-Corvo, Stratoni and Campo Morado mines.

7) Gold ounces produced and sold are converted to a silver equivalent basis on the ratio of the average silver price received to the average gold price received during the period.

Three Months Ended June 30, 2009

	Ounces produced	Ounces sold	Sales	Average realized price (\$'s per ounce)	Total cash cost (\$'s per ounce) ³	Total depletion (\$'s per ounce) ³	Net earnings (loss)	Cash flow from (used in) operations
Silver								
San Dimas	1,264	1,254	\$ 17,577	\$ 14.02	\$ 4.02	\$ 0.65	\$ 11,721	\$ 12,538
Zinkgruvan	480	469	6,746	14.38	4.02	1.78	4,024	5,159
Yauliyacu	870	546	7,593	13.91	3.94	3.47	3,546	5,442
Peñasquito	162	130	1,853	14.28	3.90	2.35	1,041	1,347
Minto	37 ⁵	(1) ⁴	(7) ⁴	13.11	3.90	4.42	(3)	15
Cozamin	262 ⁵	213	2,935	13.78	4.00	4.66	1,090	3,388
Other ⁶	750 ⁵	327	4,571	13.92	3.92	4.67	1,751	3,656
	3,825	2,938	\$ 41,268	\$ 14.04	\$ 3.99	\$ 2.17	\$ 23,170	\$ 31,545
Gold								
Minto	6,823 ⁵	145 ⁴	\$ 135 ⁴	\$ 925	\$ 300	\$ 284	\$ 50	\$ 192
Silver Equivalent⁷	4,253	2,950	\$ 41,403	\$ 14.04	\$ 3.99	\$ 2.18	\$ 23,220	\$ 31,737
Corporate							(4,782)	(5,284)
	4,253	2,950	\$ 41,403	\$ 14.04	\$ 3.99	\$ 2.18	\$ 18,438	\$ 26,453

1) All figures in thousands except gold ounces produced and sold and per ounce amounts.

2) Ounces produced represent the quantity of silver and gold contained in concentrate or doré prior to smelting or refining deductions.

3) Refer to discussion on non-GAAP measures.

4) No concentrate shipments were made during the period. Amounts reflected above represent provisional invoice adjustments.

5) Production figures for Silverstone assets acquired have been prorated based on the number of days in the quarter following the Silverstone acquisition.

6) Comprised of the Los Filos, San Martin, La Negra, Mineral Park, Neves-Corvo, Straton and Campo Morado mines.

7) Gold ounces produced and sold are converted to a silver equivalent basis on the ratio of the average silver price received to the average gold price received during the period.

For the three months ended June 30, 2010, net earnings and cash flow from operations were \$53.3 million and \$67.0 million, respectively, compared with \$18.4 million and \$26.5 million for the comparable periods in 2009, with the variance being primarily attributable to the following factors:

- 74% increase in the number of silver equivalent ounces sold, due to:
 - i. 405% increase in deliveries relating to Peñasquito, reflecting the silver production from the milling operations which commenced in late 2009;
 - ii. 280% increase in deliveries relating to the silver and precious metal interests acquired in the Silverstone acquisition that closed on May 21, 2009; and
 - iii. the increased deliveries relating to the Barrick silver interest that was acquired on September 8, 2009; and
- 32% increase in the average realized selling price of silver.

Six Months Ended June 30, 2010

	Ounces produced ³	Ounces sold	Sales	Average realized price (\$'s per ounce)	Total cash cost (\$'s per ounce) ⁴	Total depletion (\$'s per ounce) ⁴	Net earnings (loss)	Cash flow from (used in) operations
Silver								
San Dimas	2,316	2,282	\$ 40,850	\$ 17.90	\$ 4.04	\$ 0.79	\$ 29,837	\$ 31,631
Zinkgruvan	865	811	14,284	17.61	4.04	1.72	9,615	10,056
Yauliyacu	1,429	1,098	19,824	18.05	3.98	3.47	11,645	15,460
Peñasquito	1,320	1,080	19,486	18.05	3.90	2.54	12,528	15,275
Minto	111	93	1,649	17.61	3.90	3.69	939	1,227
Cozamin	687	693	12,401	17.91	4.03	4.62	6,413	9,656
Barrick ⁵	1,477	1,510	26,740	17.71	3.90	3.52	15,530	17,615
Other ⁶	2,012	1,504	26,987	17.95	3.92	4.32	14,598	21,417
	10,217	9,071	\$162,221	\$ 17.88	\$ 3.97	\$ 2.77	\$101,105	\$ 122,337
Gold								
Minto	13,358	16,194	\$ 18,721	\$ 1,156	\$ 300	\$ 235	\$ 10,058	\$ 13,386
Silver Equivalent⁷	11,097	10,138	\$180,942	\$ 17.85	\$ 4.03	\$ 2.85	\$111,163	\$ 135,723
Corporate							(13,276)	(11,133)
	11,097	10,138	\$180,942	\$ 17.85	\$ 4.03	\$ 2.85	\$ 97,887	\$ 124,590

1) All figures in thousands except gold ounces produced and sold and per ounce amounts.

2) Ounces produced represent the quantity of silver and gold contained in concentrate or doré prior to smelting or refining deductions.

3) Certain production figures are based on management estimates.

4) Refer to discussion on non-GAAP measures.

5) Comprised of the Lagunas Norte, Pierina and Veladero mines.

6) Comprised of the Los Filos, San Martin, La Negra, Mineral Park, Neves-Corvo, Straton and Campo Morado mines.

7) Gold ounces produced and sold are converted to a silver equivalent basis on the ratio of the average silver price received to the average gold price received during the period.

Six Months Ended June 30, 2009

	Ounces produced	Ounces sold	Sales	Average realized price (\$'s per ounce)	Total cash cost (\$'s per ounce) ³	Total depletion (\$'s per ounce) ³	Net earnings (loss)	Cash flow from (used in) operations
Silver								
San Dimas	2,587	2,606	\$ 34,104	\$ 13.09	\$ 4.02	\$ 0.74	\$ 21,697	\$ 23,628
Zinkgruvan	941	920	12,162	13.22	4.02	1.78	6,825	8,379
Yauliyacu	1,609	1,289	16,282	12.63	3.92	3.47	6,758	11,233
Peñasquito	322	265	3,414	12.89	3.90	2.35	1,758	2,381
Minto	37 ⁵	(1) ⁴	(7) ⁴	13.11	3.90	4.42	(3)	15
Cozamin	262 ⁵	213	2,935	13.78	4.00	4.66	1,090	3,388
Other ⁶	1,309 ⁵	804	9,950	12.36	3.92	4.10	3,490	7,487
	7,067	6,096	\$ 78,840	\$ 12.93	\$ 3.98	\$ 2.13	\$ 41,615	\$ 56,511
Gold								
Minto	6,823 ⁵	145 ⁴	\$ 135 ⁴	\$ 925	\$ 300	\$ 284	\$ 50	\$ 192
Silver Equivalent⁷	7,495	6,108	\$ 78,975	\$ 12.93	\$ 3.98	\$ 2.13	\$ 41,665	\$ 56,703
Corporate							(8,116)	(7,130)
	7,495	6,108	\$ 78,975	\$ 12.93	\$ 3.98	\$ 2.13	\$ 33,549	\$ 49,573

1) All figures in thousands except gold ounces produced and sold and per ounce amounts.

2) Ounces produced represent the quantity of silver and gold contained in concentrate or doré prior to smelting or refining deductions.

3) Refer to discussion on non-GAAP measures.

4) No concentrate shipments were made during the period. Amounts reflected above represent provisional invoice adjustments.

5) Production figures for Silverstone assets acquired have been pro rated based on the number of days in the quarter following the Silverstone acquisition.

6) Comprised of the Los Filos, San Martin, La Negra, Mineral Park, Neves-Corvo, Stratoni and Campo Morado mines.

7) Gold ounces produced and sold are converted to a silver equivalent basis on the ratio of the average silver price received to the average gold price received during the period.

For the six months ended June 30, 2010, net earnings and cash flow from operations were \$97.9 million and \$124.6 million, respectively, compared with \$33.5 million and \$49.6 million for the comparable periods in 2009, with the variance being primarily attributable to the following factors:

- 66% increase in the number of silver equivalent ounces sold;
- 38% increase in the average realized selling price of silver; and
- A \$5.2 million increase in corporate costs.

Corporate Costs

(in thousands)	Three Months Ended June 30		Six Months Ended June 30	
	2010	2009	2010	2009
General and administrative	\$ 4,101	\$ 3,603	\$ 8,188	\$ 6,322
Stock based compensation (a non-cash item)	2,017	830	5,125	2,689
Total general and administrative	6,118	4,433	13,313	9,011
Gain on mark-to-market of warrants held	(397)	(30)	(233)	(33)
Other	(35)	379	196	(862)
Total corporate costs	\$ 5,686	\$ 4,782	\$ 13,276	\$ 8,116

For the three months ended June 30, 2010, corporate costs increased by \$0.9 million over the comparable period in the previous year, primarily due to a \$1.2 million increase in stock based compensation (a non-cash item).

For the six months ended June 30, 2010, corporate costs increased by \$5.2 million over the comparable period in 2009, resulting primarily from (i) a \$1.9 million increase in general and administrative costs; (ii) a \$2.4 million increase in stock based compensation (a non-cash item) and (iii) a one-time \$1.2 million foreign exchange gain recorded in 2009. The increase in general and administrative expenses is primarily due to increased employee related costs.

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 earnings in the period they occur.

The Company incurred interest costs of \$6.7 million (six months - \$13.2 million) during the second quarter of 2010, of which \$6.3 million (six months - \$12.5 million) represents accreted interest on the future payments due in relation to the Barrick silver interest, with the remainder being attributable to interest on bank debt. All of the interest costs incurred during the three months ended June 30, 2010 have been capitalized in relation to the Keno Hill and Barrick silver interests (six months – capitalized to the Peñasquito, Keno Hill and Barrick silver interests). For the same period in 2009, the Company incurred interest costs of \$0.9 million (six months - \$2.8 million), all of which were capitalized to the cost of the Peñasquito, Keno Hill and Campo Morado silver interests.

Non-GAAP Measures

Silver Wheaton has included, throughout this document, certain non-GAAP performance measures, including total cash costs of silver and gold on a sales basis, as well as operating cash flows per share and cash operating margin. 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. Cash operating margin is defined as the realized selling price less total cash cost per silver equivalent ounce. 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 three months ended June 30, 2010, the Company's total cash costs, which were equivalent to the Company's cost of sales in accordance with GAAP, were \$3.97 per ounce of silver and \$300 per ounce of gold (2009 – \$3.97 per ounce of silver and \$300 per ounce of gold).

Liquidity and Capital Resources

As at June 30, 2010, the Company had cash and cash equivalents of \$322.9 million (December 31, 2009 - \$227.6 million) and working capital of \$139.9 million (December 31, 2009 – \$64.2 million). Generally, the Company applies surplus cash to pay down any amounts outstanding under the revolving bank debt facility with any excess being invested in short-term bank deposits.

During the three months ended June 30, 2010, the Company generated operating cash flows of \$67.0 million compared with \$26.5 million during the comparable period of 2009, with the increase primarily as a result of increased silver equivalent ounces sold in addition to a higher realized price of silver.

During the three months ended June 30, 2010, the Company had net cash inflows from financing activities of \$8.7 million, primarily related to proceeds from share purchase options and share purchase warrants exercised during the period, partially offset by a scheduled principal repayment of the Company's non-revolving bank debt facility. During the second quarter of 2009, the Company had net cash outflows from financing activities of \$6.0 million.

During the three months ended June 30, 2010, the Company had net cash outflows relating to investing activities of \$32.5 million, primarily related to the May 21, 2010 acquisition, by way of private placement, of 1.8 million units of Ventana for total consideration of Cdn\$20.7 million (\$19.8 million). The units are comprised of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of Ventana at a price of Cdn\$15.00 for a period of one year from the date of closing of the transaction. In addition, the Company made further upfront payments to Alexco Resources Corp. of \$11.9 million during the second quarter. During the same period in 2009, the Company had net cash inflows relating to investing activities of \$1.3 million, which related primarily to the cash acquired as part of the Silverstone Acquisition.

As at June 30, 2010, the Company has cash on hand of \$322.9 million and \$400 million available under its revolving bank debt facility as more fully described in Note 6 to the Financial Statements. In the opinion of management, cash flows, cash balances and available credit facilities are sufficient to support the Company's normal operating requirements on an ongoing basis.

CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

SILVER AND GOLD INTERESTS

The following table summarizes the Company's commitments to purchase silver and gold in connection with the silver purchase agreements or precious metal purchase agreements:

Silver and Gold Interests	Attributable Payable Production To Be Purchased		Per Ounce Cash Payment ^{1,2}		Term of Agreement	Date of Contract
	Silver	Gold	Silver	Gold		
San Dimas	100% ³	-	\$4.04	n/a	Life of Mine ³	15-Oct-04
Zinkgruvan	100%	-	\$4.04	n/a	Life of Mine	8-Dec-04
Yauliyacu	100% ⁴	-	\$3.98	n/a	20 years	23-Mar-06
Peñasquito	25%	-	\$3.90	n/a	Life of Mine	24-Jul-07
Minto	100%	100% ⁵	\$3.90	\$300	Life of Mine	1-Dec-08
Cozamin	100%	-	\$4.04	n/a	10 years	4-Apr-07
Barrick						
Pascua-Lama	25%	-	\$3.90	n/a	Life of Mine	8-Sep-09
Lagunas Norte	100%	-	\$3.90	n/a	4 years ⁶	8-Sep-09
Pierina	100%	-	\$3.90	n/a	4 years ⁶	8-Sep-09
Veladero	100% ⁷	-	\$3.90	n/a	4 years ⁶	8-Sep-09
Other						
Los Filos	100%	-	\$4.04	n/a	25 years	15-Oct-04
Keno Hill	25%	-	\$3.90	n/a	Life of Mine	2-Oct-08
La Negra	50%	-	\$3.90	n/a	Life of Mine	2-Jun-08
Mineral Park	100%	-	\$3.90	n/a	Life of Mine	17-Mar-08
Neves-Corvo	100%	-	\$3.94	n/a	Life of Mine ⁸	5-Jun-07
Stratoni	100%	-	\$3.94	n/a	Life of Mine	23-Apr-07
Campo Morado	75%	-	\$3.90	n/a	Life of Mine	13-May-08
Aljustrel	100%	-	\$3.90	n/a	Life of Mine ⁸	5-Jun-07
Loma de La Plata	12.5%	-	\$4.00	n/a	Life of Mine	n/a ⁹
Rosemont	100%	100%	\$3.90	\$450	Life of Mine	11-Feb-10

1) Subject to an annual inflationary adjustment with the exception of Loma de La Plata.

2) Should the prevailing market price for silver or gold be lower than this amount, the per ounce cash payment will be reduced to the prevailing market price, with the exception of Yauliyacu.

3) On August 6, 2010, Goldcorp completed the sale of the San Dimas mine, which was previously part of the Luismin mines, to Primero. In conjunction with the sale, Silver Wheaton amended its silver purchase agreement relating to the mine. The term of the silver purchase agreement, which was set to expire in 2029, has been extended to the life of mine. During the first four years following closing of the transaction, Silver Wheaton is committed to purchase from Primero a per annum amount equal to the first 3.5 million ounces of payable silver produced at San Dimas and 50% of any excess, plus Silver Wheaton is committed to purchase an additional 1.5 million ounces of silver per annum to be delivered by Goldcorp. Beginning in the fifth year after closing, Silver Wheaton is committed to purchase from Primero a per annum amount equal to the first 6 million ounces of payable silver produced at San Dimas and 50% of any excess.

4) To a maximum of 4.75 million ounces per annum. 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. The cumulative shortfall as at March 23, 2010, representing the four year anniversary, was 6.8 million ounces.

5) The Company is committed to acquire 100% of the first 50,000 ounces of gold produced per annum and 50% thereafter, through to December 1, 2010. Following that date, the Company is committed to acquire 100% of the first 30,000 ounces of gold produced per annum and 50% thereafter.

6) The Company is committed to purchase silver production from the currently producing mines until December 31, 2013. In addition, during 2014 and 2015, the Company is committed to purchase all or a portion of the silver production from these mines to the extent of any production shortfall at Pascua-Lama, until Barrick satisfies a completion guarantee.

7) Silver Wheaton's attributable silver production is subject to a maximum of 8% of the silver contained in the ore mined at Veladero during the period.

8) With a nominal term of 50 years.

9) Terms of the agreement not yet finalized.

In connection with the Rosemont precious metal purchase agreement, the Company is committed to pay Augusta total upfront cash payments of \$230 million, payable on an installment basis to partially fund construction of the mine once certain milestones are achieved, including the receipt of key permits and securing the necessary financing to complete construction of the Rosemont mine.

In connection with the Company's election to convert the debenture with Pan American into a silver purchase agreement, the Company is committed to pay Pan American total upfront cash payments of \$32.4 million following the satisfaction of certain conditions, including Pan American receiving all necessary permits to proceed with the mine construction.

OTHER CONTRACTUAL OBLIGATIONS

(in thousands)	2010	2011 - 2013	2014 - 2015	After 2015	Total
Bank debt ¹	\$ 14,280	\$ 85,680	\$ 21,500	\$ -	\$ 121,460
Silver interest payments ²	160,600	275,000	-	-	435,600
Operating leases	232	1,448	1,011	585	3,276
Other	251	275	-	-	526
Total contractual obligations	\$ 175,363	\$ 362,403	\$ 22,511	\$ 585	\$ 560,862

1) Does not include payments of interest related to bank debt.

2) Comprised of payments due to Barrick and Alexco.

CONTINGENCIES

Due to the size, complexity and nature of the Company's operations, various legal and tax matters are outstanding from time to time. In the opinion of management, these matters will not have a material effect on the Company's consolidated financial position or results of operations.

SHARE CAPITAL

During the three months ended June 30, 2010, the Company received cash proceeds of \$15.0 million (2009 - \$1.5 million) from the exercise of 1,221,793 share purchase options (2009 - 462,407) at a weighted average exercise price of Cdn\$12.71 per option (2009 - Cdn\$3.62 per option). During the six months ended June 30, 2010, the Company received cash proceeds of \$18.3 million (2009 - \$1.6 million) from the exercise of 1,542,643 share purchase options (2009 - 492,574) at a weighted average exercise price of Cdn\$12.26 per option (2009 - Cdn\$3.62 per option).

On February 12, 2009, the Company announced that it had closed an equity financing, raising gross proceeds of Cdn\$287.5 million (\$230.4 million) through the issuance of 35,937,500 common shares at Cdn\$8.00 per share (approximately \$6.41 per share). The proceeds were primarily used to repay outstanding debt under the revolving bank loan facility.

On May 21, 2009, the Company closed the acquisition of Silverstone through the issuance of 23,434,332 common shares and 1,367,364 share purchase options of Silver Wheaton which were issued on conversion of previously issued fully vested share purchase options of Silverstone. Including acquisition costs, the transaction was valued at approximately \$152 million.

As of August 11, 2010, there were 344,002,572 outstanding common shares, 3,837,952 share purchase options, 190,991 restricted share units and 10,309,815 share purchase warrants.

Financial Instruments

In order to mitigate the effect of short-term volatility in silver and gold prices, the Company will occasionally enter into forward contracts in relation to silver and gold deliveries it is highly confident will occur within a given quarter. The Company does not hedge its long-term exposure to commodity prices. Other than these very short-term forward

contracts, the Company has not used 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 owns equity interests in certain junior mining companies as long-term investments and therefore is inherently exposed to various risk factors including currency risk, market price risk and liquidity risk.

Future Changes in Accounting Policies

BUSINESS COMBINATIONS

In January 2009, the CICA issued Handbook Section 1582, Business Combinations (“Section 1582”), which replaces Handbook Section 1581, Business Combinations, and Handbook Section 1601, Consolidated Financial Statements and Handbook Section 1602, Non-Controlling Interests (“Section 1602”), which replace Handbook Section 1600, Consolidated Financial Statements. These new sections are effective January 1, 2011 with earlier adoption permitted. Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. Acquisition costs are not part of the consideration and are to be expensed when incurred. The Company has not early adopted these sections and does not anticipate the adoption of these sections to have a material impact on its financial position and results of operations.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

In 2008, the Canadian Accounting Standards Board confirmed that publicly listed companies will be required to adopt IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Early adoption may be permitted, however it will require exemptive relief on a case by case basis from the Canadian Securities Administrators. Silver Wheaton expects its first consolidated financial statements presented in accordance with IFRS to be for the three month period ended March 31, 2011, which includes presentation of its comparative results for fiscal 2010 under IFRS.

In order to prepare for the changeover to IFRS, the Company has developed an IFRS conversion plan comprised of three phases:

Phase	Description and Status
PRELIMINARY PLANNING AND SCOPING	<p>This phase involves development of the IFRS conversion plan and has been completed. The IFRS conversion plan includes consideration of the impacts of IFRS on the Company’s consolidated financial statements, internal control over financial reporting, information systems and business activities such as foreign operations, compensation metrics, personnel and training requirements and calculation of debt covenants. Based on management’s review of IFRS and current Company processes, minimal impact is expected on information systems, operations of foreign subsidiaries and compensation metrics.</p> <p>The Company has designed internal controls to facilitate its conversion to IFRS and has implemented controls relevant at this stage of the process. A training program has been developed for appropriate personnel and training activities have taken place as planned.</p>
DETAILED IMPACT ASSESSMENT	<p>This phase involves detailed review of IFRS relevant to the Company and identification of all differences between existing Canadian GAAP and IFRS that may or will result in accounting and/or disclosure differences in the Company’s consolidated financial statements, along with quantification of impact on key line items and disclosures. The phase includes identification, evaluation and selection of accounting policies necessary for the Company’s conversion to IFRS and evaluation of the impact on outstanding operational elements such as debt covenants and budgeting.</p>
IMPLEMENTATION	<p>This phase will embed the required changes for conversion to IFRS into the underlying financial close and reporting process and business processes. This will include finalization and approval of accounting policy changes, collection of financial information necessary to prepare IFRS compliant consolidated financial statements, implementation of additional internal controls, and preparation and approval of completed IFRS consolidated financial statements.</p>

During 2008, the Company completed the preliminary planning and scoping phase and is now in the process of completing the detailed impact assessment. The Company has identified several differences between existing Canadian GAAP and IFRS effective as at June 30, 2010. However, these identified differences are not expected to have a material impact on the Company’s reported results and financial position or on its debt covenants. The Company has not yet determined the full accounting effects of adopting IFRS with specific outstanding items including (i) assessing the impact on financial statement disclosure, (ii) updating the detailed impact assessment for changes in standards between January 1, 2010 and January 1, 2011 and (iii) quantifying the differences, if any, between Canadian GAAP and IFRS.

Most adjustments required on transition to IFRS will be made, retrospectively, against opening retained earnings as of the date of the first comparative balance sheet presented based on standards applicable at that time. Transitional adjustments relating to those standards where comparative figures are not required to be restated will only be made as of the first day of the year of adoption.

The following list represents a summary of the most significant identified differences between the Company's current accounting policies in accordance with Canadian GAAP and IFRS as at June 30, 2010:

FIRST-TIME ADOPTION OF IFRS

IFRS 1, First-Time Adoption of International Financial Reporting ("IFRS 1"), provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. The Company is analyzing the various accounting policy choices available and will implement those determined to be most appropriate in our circumstances. We expect to finalize our choice of optional exemptions taken under IFRS during the third quarter of 2010.

BUSINESS COMBINATIONS

Under IFRS 3, Business Combinations ("IFRS 3"), there are several differences when compared to current Canadian GAAP. The most significant of these changes to the Company are:

- The fair value of equity securities issued by the acquirer is determined at the date of acquisition;
- Consideration transferred does not include acquisition-related costs; and
- Any change in the assessment of the recoverability of the acquirer's deferred tax assets as a result of the business combination is recognized in profit or loss.

In accordance with IFRS 1, the Company will elect not to apply this standard on a retrospective basis and will apply this standard to any acquisitions completed on or after January 1, 2010.

ASSET IMPAIRMENT

Canadian GAAP generally uses a two-step approach to impairment testing: (1) comparing asset carrying values with undiscounted future cash flows to determine whether impairment exists; and (2) measuring any impairment by comparing asset carrying values with fair values. Under International Accounting Standard 36, Impairment of Assets ("IAS 36"), a one-step approach for both testing for and measuring impairment is used, with asset carrying values compared directly with (i) the higher of fair value less costs to sell; and (ii) value in use (which uses discounted future cash flows). This may potentially result in more write-downs where carrying values of assets were previously supported under Canadian GAAP on an undiscounted cash flow basis, but could not be supported on a discounted cash flow basis. However, the extent of any new write-downs may be partially offset by the requirement under IAS 36 to reverse any previous impairment losses where circumstances have changed such that the impairments have been reduced. Canadian GAAP prohibits reversal of impairment losses.

LONG-TERM INVESTMENTS

Under IFRS 9, Financial Instruments ("IFRS 9"), the Company's long-term investments must be recorded at fair market value, with all fair value changes being reflected in net earnings. However, as the Company's long-term investments are strategic in nature and are not held for trading, the Company intends to make a one time, irrevocable election to present all fair value changes from the long-term investments in other comprehensive income ("OCI"). No amount recognized in OCI is ever reclassified to net earnings at a later date. Under current Canadian GAAP, fair value changes in the Company's long-term investments are reflected in OCI unless there is an impairment which is deemed to be other-than-temporary, in which case the unrealized loss is reflected in net earnings. In December 2008, management concluded that the Company's long-term investments were other-than-temporarily impaired, resulting in a \$64 million loss being recorded in net earnings. This non-cash write down will be reallocated from retained earnings to accumulated other comprehensive income when the Company prepares its consolidated financial statements in accordance with IFRS, if this election is made.

SHARE PURCHASE WARRANTS

For Canadian GAAP purposes, share purchase warrants are classified and accounted for as equity in the Company's consolidated financial statements. Under International Accounting Standard 32, Financial Instruments: Presentation ("IAS 32"), share purchase warrants with an exercise price denominated in a currency other than the Company's functional currency are to be classified and accounted for as a financial liability which is then marked to market on a

quarterly basis with the gain or loss being reflected in the Company's statement of operations. This non-cash adjustment will have no effect on the Company's cash flow or liquidity.

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 June 30, 2010. 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 June 30, 2010.

INTERNAL CONTROL 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 control over financial reporting. Under the supervision of the Chief Financial Officer, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with 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.

There have been no significant changes in the Company's internal control over financial reporting during the three months ended June 30, 2010.

LIMITATION OF CONTROLS AND PROCEDURES

The Company's management, including its Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal control 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.

Attributable Reserves and Resources ⁽¹⁾

The following table sets forth the estimated Mineral Reserves and Mineral Resources (silver only, except where a purchase agreement includes gold) for the mines relating to which the Company has purchase agreements, adjusted where applicable to reflect the Company's percentage entitlement to silver and/or gold produced from such mines, as of December 31, 2009, unless otherwise noted:

ATTRIBUTABLE PROVEN AND PROBABLE RESERVES ^(1,2,3,8,16,17)
AS OF DECEMBER 31, 2009 UNLESS OTHERWISE NOTED ⁽⁶⁾

	Proven			Probable			Proven & Probable			Process Recovery % ⁽⁷⁾
	Tonnage Mt	Grade g/t	Contained M oz	Tonnage Mt	Grade g/t	Contained M oz	Tonnage Mt	Grade g/t	Contained M oz	
SILVER										
Peñasquito (25%)										
Mill	145.1	33.1	154.5	141.0	23.0	104.4	286.2	28.1	258.9	70%
Heap Leach	18.1	14.8	8.6	-	-	-	18.1	14.8	8.6	26%
San Dimas ⁽¹⁰⁾	2.0	371.0	24.0	3.6	320.8	36.9	5.6	338.9	60.9	94%
Pascua-Lama (25%)	9.6	59.9	18.4	86.6	53.7	149.4	96.1	54.3	167.8	82%
Lagunas Norte ⁽¹¹⁾	7.3	4.0	0.9	84.2	3.6	9.8	91.5	3.6	10.7	21%
Pierina	19.4	12.6	7.8	20.2	11.7	7.6	39.5	12.1	15.4	37%
Veladero ⁽¹²⁾	6.6	13.6	2.9	106.0	15.4	52.5	112.7	15.3	55.4	6%
Yauliyacu ⁽¹³⁾	1.0	106.1	3.5	1.8	130.8	7.6	2.8	121.9	11.0	86%
Neves-Corvo										
Copper	18.5	43.0	25.6	2.0	54.0	3.5	20.5	44.1	29.1	35%
Zinc	39.3	61.0	77.1	14.8	55.0	26.3	54.2	59.4	103.4	23%
Rosemont ⁽¹⁴⁾	128.8	4.5	18.5	366.8	3.8	44.5	495.6	3.9	62.9	80%
Mineral Park ⁽¹⁴⁾	309.1	2.7	27.1	79.0	2.9	7.4	388.0	2.8	34.5	42%
Zinkgruvan										
Zinc	8.7	102.0	28.4	2.4	56.0	4.4	11.1	92.0	32.7	70%
Copper	2.8	30.0	2.7	0.1	30.0	0.1	2.9	30.0	2.8	78%
Aljustrel										
Zinc	-	-	-	13.1	62.9	26.6	13.1	62.9	26.6	37%
Copper	-	-	-	1.7	14.6	0.8	1.7	14.6	0.8	30%
Campo Morado (75%)	0.4	273.7	3.5	1.1	186.6	6.4	1.5	210.0	9.9	50%
Stratoni	2.1	185.0	12.6	0.2	216.0	1.3	2.3	187.5	13.9	88%
Minto	9.8	6.1	1.9	1.1	4.3	0.2	10.9	5.9	2.1	81%
Cozam in										
Copper	1.6	76.3	4.0	5.9	59.0	11.3	7.5	62.7	15.2	74%
Zinc	-	-	-	1.9	37.2	2.2	1.9	37.2	2.2	74%
Los Filos ⁽¹⁵⁾	48.5	6.4	10.0	155.3	5.4	26.9	203.8	5.6	36.9	5%
La Negra (50%)	0.1	76.9	0.3	0.1	69.5	0.2	0.2	73.9	0.6	74%
Total Silver			432.4			529.9			962.3	
GOLD										
Minto	9.8	0.67	0.21	1.1	0.38	0.01	10.9	0.64	0.22	74%
Total Gold			0.21			0.01			0.22	

ATTRIBUTABLE MEASURED & INDICATED RESOURCES ^(1,2,3,4,5,9,16,17)

 AS OF DECEMBER 31, 2009 UNLESS OTHERWISE NOTED ⁽⁶⁾

	Measured			Indicated			Measured & Indicated		
	Tonnage Mt	Grade g/t	Contained M oz	Tonnage Mt	Grade g/t	Contained M oz	Tonnage Mt	Grade g/t	Contained M oz
SILVER									
Peñasquito (25%)									
Mill	-	-	-	117.9	25.7	97.2	117.9	25.7	97.2
Heap Leach	-	-	-	1.9	8.6	0.5	1.9	8.6	0.5
Pascua-Lama (25%)	3.0	31.3	3.0	31.8	30.4	31.0	34.8	30.4	34.0
Pierina	3.0	9.5	0.9	2.7	7.9	0.7	5.8	8.7	1.6
Yauliyacu⁽¹³⁾	0.5	128.9	2.2	5.9	215.9	41.1	6.5	208.6	43.3
Neves-Corvo									
Copper	13.6	56.3	24.7	1.8	59.4	3.4	15.4	56.7	28.1
Zinc	23.1	56.0	41.6	1.7	50.8	2.8	24.8	55.7	44.4
Rosemont⁽¹⁴⁾	7.2	3.9	0.9	103.0	2.7	8.8	110.2	2.7	9.7
Mineral Park⁽¹⁴⁾	101.0	2.6	8.4	175.6	2.7	15.2	276.6	2.7	23.6
Zinkgruvan									
Zinc	1.6	91.6	4.7	2.7	126.5	10.9	4.3	113.5	15.6
Copper	1.4	27.2	1.2	0.1	23.6	0.1	1.5	26.9	1.3
Aljustrel									
Zinc	5.5	50.5	9.0	7.8	56.0	14.0	13.3	53.7	23.0
Copper	0.9	24.1	0.7	3.7	13.3	1.6	4.6	15.5	2.3
Campo Morado (75%)	0.04	58.0	0.1	3.8	164.2	19.9	3.8	163.2	20.0
Loma de La Plata (12.5%)	-	-	-	3.6	169.0	19.8	3.6	169.0	19.8
Minto	5.7	4.4	0.8	13.8	3.5	1.6	19.5	3.8	2.4
Cozamin									
Copper	0.6	81.5	1.5	1.0	54.9	1.8	1.6	64.3	3.3
Keno Hill (25%)									
Underground	-	-	-	0.1	920.5	3.0	0.1	920.5	3.0
Elsa Tailings	-	-	-	0.6	119.0	2.4	0.6	119.0	2.4
Los Filos⁽¹⁵⁾	2.1	6.6	0.4	31.4	5.3	5.4	33.5	5.4	5.8
La Negra (50%)	0.3	124.0	1.0	0.1	124.1	0.5	0.4	124.1	1.5
Total Silver			101.2			281.6			382.8
GOLD									
Minto	5.7	0.45	0.08	13.8	0.33	0.15	19.5	0.37	0.23
Total Gold			0.08			0.15			0.23

ATTRIBUTABLE INFERRED RESOURCES ^(1,2,3,4,5,9,16,17)
AS OF DECEMBER 31, 2009 UNLESS OTHERWISE NOTED ⁽⁶⁾

		Inferred		
		Tonnage	Grade	Contained
SILVER		Mt	g/t	M oz
Peñasquito (25%)				
	Mill	36.7	17.3	20.4
San Dimas⁽¹⁰⁾		15.2	317.1	154.6
Pascua-Lama (25%)		5.5	18.9	3.3
Pierina		3.7	13.8	1.6
Yauliyacu⁽¹³⁾		15.4	158.3	78.2
Neves-Corvo				
	Copper	26.4	35.0	29.8
	Zinc	20.4	56.0	36.8
Rosemont⁽¹⁴⁾		163.0	2.1	11.2
Mineral Park⁽¹⁴⁾		320.1	2.3	23.9
Zinkgruvan				
	Zinc	4.3	67.0	9.3
	Copper	1.2	30.0	1.1
Aljustrel				
	Zinc	10.6	48.6	16.6
	Copper	2.2	11.7	0.8
Campo Morado (75%)		1.1	177.8	6.1
Stratoni		0.6	207.0	4.1
Loma de La Plata (12.5%)		0.2	76.0	0.4
Minto		6.1	3.1	0.6
Cozam in				
	Copper	2.4	52.6	4.0
	Zinc	1.7	30.1	1.6
Keno Hill (25%)				
	Underground	0.03	320.2	0.3
	Elsa Tailings	-	-	-
Los Filos⁽¹⁵⁾		122.5	4.2	16.4
La Negra (50%)		0.1	78.6	0.3
Total Silver				421.5
GOLD				
Minto		6.1	0.28	0.06
Total Gold				0.06

Notes:

1. All Mineral Reserves and Mineral Resources have been calculated in accordance with the CIM Standards and NI 43-101, or the AusIMM JORC equivalent.
2. Mineral Reserves and Mineral Resources are reported above in millions of metric tonnes (“Mt”), grams per metric tonne (“g/t”) and millions of ounces (“Moz”).
3. Individual qualified persons (“QPs”), as defined by the NI 43-101, for the Mineral Reserve and Mineral Resource estimates are as follows:
 - a. Peñasquito – Robert H. Bryson, MMSA
 - b. San Dimas – Reynaldo Rivera, MAusIMM (Vice President, Exploration, Luismin, S.A. de C.V., the Mexican operating subsidiary of Goldcorp); Velasquez Spring, P.Eng. (Senior Geologist, Watts, Griffis and McOuat Limited)
 - c. Pascua-Lama – Dino Pilotto, P.Eng. (Principal Mining Consultant, SRK Consulting (Canada) Inc.); Bart A. Stryhas, Ph.D., CPG (Principal Resource Geologist, SRK Consulting (U.S.) Inc.)
 - d. Yauliyacu – Neil Burns, M.Sc., P.Geo. (Director of Geology, Silver Wheaton); Samuel Mah, M.A.Sc., P.Eng. (Director of Engineering, Silver Wheaton), both employees of the Company (the “Company’s QPs”)

The Company’s QPs are responsible for overall corporate review and all other operations and development projects.
4. The Mineral Resources reported in the above tables are **exclusive** of Mineral Reserves. The Minto, Cozamin, Neves-Corvo and Aljustrel mines report Mineral Resources inclusive of Mineral Reserves. The Company’s QPs have made the exclusive Mineral Resource estimates for these mines based on average mine recoveries and dilution.
5. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.
6. Mineral Reserves and Mineral Resources are reported as of December 31, 2009, other than the following:
 - a. Resources for Rosemont are reported as of October 22, 2008 and Reserves as of March 17, 2009.
 - b. Resources for Mineral Park are reported as of December 29, 2006.
 - c. Resources and Reserves for Aljustrel are reported as of December 31, 2007.
 - d. Resources for Campo Morado’s El Largo, El Rey, Naranjo and Reforma deposits are reported as of February 29, 2008.
 - e. Resources and Reserves for Stratoni are reported as of June 24, 2009.
 - f. Resources for Minto East are reported as of June 23, 2010.
 - g. Resources for Loma de La Plata are reported as of April 16, 2009.
 - h. Resources for Keno Hill are reported as of November 9, 2009 and April 22, 2010 for the Elsa Tailings.
 - i. Resources and Reserves for La Negra are reported as of February 15, 2008 for the Alacran deposit and March 14, 2008 for the Monica deposit Resources.
7. Process recoveries are the average percentage of silver in a saleable product (doré or concentrate) recovered from mined ore at the applicable site process plants as reported by the operators.
8. Mineral Reserves are estimated using appropriate process recovery rates and commodity prices of \$13.00 per ounce of silver, unless otherwise noted below:
 - a. Pascua-Lama, Lagunas Norte, Veladero and Pierina – \$14.00 per ounce
 - b. Neves-Corvo – 1.6% Cu cut-off for the copper Reserve and 4.3% Zn cut-off for the zinc Reserve
 - c. Rosemont – NSR cut-off of \$3.56 based on \$1.75 per pound copper, \$15.00 per pound molybdenum and \$10.00 per ounce silver
 - d. Mineral Park – 0.237% Cu equivalent cut-off grade (hypogene), 0.283% Cu equivalent cut-off grade (supergene); copper equivalent considers only copper and molybdenum values
 - e. Zinkgruvan – 3.1% Zn equivalent cut-off for the zinc Reserve and 2.0% Cu cut-off for the copper Reserve
 - f. Aljustrel – 1.5% Cu cut-off for all copper Reserves and zinc cut-offs of 4.5%, 4.0% and 4.0%, respectively, for the Feitais, Moinho and Estação zinc Reserves
 - g. Campo Morado - 3.0% Zn cut-off for the Abajo, West Extension and South East zones and 5% Zn cut-off for the North zone.
 - h. Minto – copper cut-off grades of 0.62%, 0.55%, 0.58% and 0.56% for Minto Main, Minto North, Ridgetop and Area 2/118 respectively.
 - i. Cozamin – \$4.00 per ounce
9. Mineral Resources are estimated using appropriate recovery rates and commodity prices of \$15.00 per ounce of silver, unless otherwise noted below:
 - a. Yauliyacu – \$13.00 per ounce
 - b. Neves-Corvo – 1.0% Cu cut-off for the copper Resource and 3.0% Zn cut-off for the zinc Resource

- c. Rosemont – 0.2% Cu cut-off
 - d. Zinkgruvan – 3.1% Zn equivalent cut-off for the zinc Resource and 1.5% Cu cut-off for the copper Resource
 - e. Mineral Park – 0.225% Cu equivalent cut-off grade; copper equivalent considers only copper and molybdenum values
 - f. Aljustrel – 1.5% Cu cut-off for all copper Resources and zinc cut-offs of 4.5%, 4.0% and 4.0%, respectively, for the Feitais, Moinho and Estação zinc Resources
 - g. Campo Morado – 3.0% Zn only cut-off grade for the G-9 zones and 5% Zn cut-off for the South West zone and El Largo, El Rey, Naranja and Reforma deposits.
 - h. Loma de La Plata – 50 g/t silver equivalent cut-off based on \$12.50 per ounce silver and \$0.50 per pound lead
 - i. Minto – 0.5% Cu cut-off for open pits resources, 1.5% Cu cut-off for Minto East
 - j. Cozamin – 1.15% Cu cut-off for San Roberto Area and 3.0% Zn cut-off for San Rafael Area
 - k. Keno Hill – \$15.25 per ounce for the Southwest and 99 Zones and \$14.50 per ounce for the East Zone. A cut-off of 50 g/t silver was used for Elsa Tailings.
 - l. La Negra (Alacran) – \$12.00 per ounce; La Negra (Monica) – \$13.50 per ounce
10. The San Dimas purchase agreement provides that from August 6, 2010 until August 5, 2014, Primero will deliver to the Company a per annum amount equal to the first 3.5 million ounces of payable silver produced at San Dimas and 50% of any excess, plus the Company will receive an additional 1.5 million ounces of silver per annum to be delivered by Goldcorp. Beginning August 6, 2014, Primero will deliver to the Company a per annum amount equal to the first 6.0 million ounces of payable silver produced at San Dimas and 50% of any excess, for the life of the mine.
 11. The Company's attributable tonnage at Lagunas Norte was estimated by assuming 2008 production levels for four years. This tonnage was pro-rated between Proven and Probable Mineral Reserves according to the ratio of the December 31, 2009 Proven and Probable Mineral Reserves for Lagunas Norte as published by Barrick, applying average reserve grades.
 12. The Company's attributable tonnage at Veladero is estimated based on a production rate of 85,000 tonnes per day for four years. This tonnage was pro-rated between Proven and Probable Mineral Reserves according to the ratio of the December 31, 2009 Proven and Probable Mineral Reserves for Veladero as published by Barrick, applying average reserve grades.
 13. The Company's Yauliyacu purchase agreement (March 2006) 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. In the event that silver produced at Yauliyacu in any year totals less than 4.75 million ounces, the maximum amount to be sold to the Company in subsequent years will be increased to make up the shortfall.
 14. The Mineral Park and Rosemont Resources and Reserves do not include the SX/EW leach material since this process does not recover silver.
 15. Los Filos Resources and Reserves now include the Bermejil deposit.
 16. The Company has filed a technical report for each of its mineral projects considered to be material to the Company, being San Dimas, Yauliyacu, Peñasquito and Pascua-Lama, which are available on SEDAR at www.sedar.com.
 17. Silver is produced as a by-product metal at all operations with the exception of the Keno Hill and Loma de La Plata projects; therefore, the economic cut-off applied to the reporting of silver Resources and Reserves will be influenced by changes in the commodity prices of other metals at the time.

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 “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking statements, which are all statements other than statements of historical fact, include, but are not limited to, statements with respect to the future price of silver or gold, 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 to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: fluctuations in the price of silver or gold; the absence of control over mining operations from which Silver Wheaton purchases silver and gold and risks related to these mining operations including risks related to fluctuations in the price of the primary commodities mined at such operations, actual results of mining and exploration activities, economic and political risks of the jurisdictions in which the mining operations are located and changes in project parameters as plans continue to be refined; and differences in the interpretation or application of tax laws and regulations; as well as those factors discussed in the section entitled “Description of the Business - Risk Factors” in Silver Wheaton's Annual Information Form available on SEDAR at www.sedar.com and in Silver Wheaton's Form 40-F on file with the U.S. Securities and Exchange Commission in Washington, D.C. Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to: the continued operation of the mining operations from which Silver Wheaton purchases silver and gold, no material adverse change in the market price of commodities, that the mining operations will operate and the mining projects will be completed in accordance with their public statements and achieve their stated production outcomes, and such other assumptions and factors as set out herein. 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 forward-looking statements will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements. Silver Wheaton does not undertake to update any forward-looking statements that are included or incorporated by reference herein, except in accordance with applicable securities laws.

Cautionary Language Regarding Reserves And Resources

For further information on Mineral Reserves and Mineral Resources and on Silver Wheaton more generally, readers should refer to Silver Wheaton's Annual Information Form for the year ended December 31, 2009 and other continuous disclosure documents filed by Silver Wheaton since January 1, 2010, available on SEDAR at www.sedar.com. Silver Wheaton's Mineral Reserves and Mineral Resources are subject to the qualifications and notes set forth therein. 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: The information contained herein 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 and expressly prohibits U.S. registered companies from including such terms in their filings with the SEC. “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. United States investors are urged to consider closely the disclosure in Silver Wheaton's Form 40-F, a copy of which may be obtained from Silver Wheaton or from <http://www.sec.gov/edgar.shtml>.

Consolidated Statements of Operations

	Note	Three Months Ended June 30		Six Months Ended June 30	
		2010	2009	2010	2009
(US dollars and shares in thousands, except per share amounts - unaudited)					
Sales		\$ 95,004	\$ 41,403	\$180,942	\$ 78,975
Cost of sales		20,700	11,764	40,868	24,304
Depletion		15,360	6,419	28,911	13,006
		36,060	18,183	69,779	37,310
Earnings from operations		58,944	23,220	111,163	41,665
Expenses and other income					
General and administrative ¹		6,118	4,433	13,313	9,011
Gain on mark-to-market of warrants held	4	(397)	(30)	(233)	(33)
Other		(35)	379	196	(862)
		5,686	4,782	13,276	8,116
Net earnings		53,258	18,438	97,887	33,549
Basic earnings per share		\$ 0.16	\$ 0.07	\$ 0.29	\$ 0.12
Diluted earnings per share		\$ 0.15	\$ 0.06	\$ 0.28	\$ 0.12
Weighted average number of shares outstanding					
Basic	8(e)	342,898	297,973	342,618	284,205
Diluted	8(e)	348,441	301,235	347,492	286,976

1) Stock based compensation (a non-cash item) included in general and administrative

\$ 2,017 \$ 830 \$ 5,125 \$ 2,689

Consolidated Statements of Comprehensive Income

	Note	Three Months Ended June 30		Six Months Ended June 30	
		2010	2009	2010	2009
(US dollars in thousands - unaudited)					
Net earnings		\$ 53,258	\$ 18,438	\$ 97,887	\$ 33,549
Other comprehensive income					
(Loss) gain on available-for-sale securities, net of future tax benefit of \$Nil	4	(56)	4,960	2,583	10,680
Comprehensive income		\$ 53,202	\$ 23,398	\$ 100,470	\$ 44,229

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

Consolidated Balance Sheets

(US dollars in thousands - unaudited)	Note	June 30 2010	December 31 2009
Assets			
Current			
Cash and cash equivalents		\$ 322,896	\$ 227,566
Accounts receivable		7,912	4,881
Other		1,971	1,027
		332,779	233,474
Long-term investments	4	97,133	73,747
Silver and gold interests	5	1,948,208	1,928,476
Other		1,352	1,527
		\$ 2,379,472	\$ 2,237,224
Liabilities			
Current			
Accounts payable		\$ 1,760	\$ 5,397
Accrued liabilities		4,270	4,578
Current portion of bank debt	6	28,560	28,560
Current portion of silver interest payments	7	158,326	130,788
		192,916	169,323
Long-term portion of bank debt	6	92,900	107,180
Long-term portion of silver interest payments	7	244,829	236,796
		530,645	513,299
Shareholders' Equity			
Issued capital and contributed surplus	8	1,357,623	1,333,191
Retained earnings		441,721	343,834
Accumulated other comprehensive income		49,483	46,900
		491,204	390,734
		1,848,827	1,723,925
		\$ 2,379,472	\$ 2,237,224
Commitments and contingencies	6, 10		

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

Consolidated Statements of Cash Flows

	Note	Three Months Ended June 30		Six Months Ended June 30	
		2010	2009	2010	2009
(US dollars in thousands - unaudited)					
Operating Activities					
Net earnings		\$ 53,258	\$ 18,438	\$ 97,887	\$ 33,549
Items not affecting cash					
Depreciation and depletion		15,426	6,482	29,042	13,130
Stock based compensation		2,017	830	5,125	2,689
Gain on mark-to-market of warrants held	4	(397)	(30)	(233)	(33)
Other		244	(325)	372	190
Change in non-cash operating working capital	9	(3,558)	1,058	(7,603)	48
Cash generated by operating activities		66,990	26,453	124,590	49,573
Financing Activities					
Bank debt repaid	6	(7,140)	(7,140)	(14,280)	(227,780)
Shares issued	8(a)	-	-	-	230,424
Share issue costs		-	(427)	(85)	(9,975)
Share purchase warrants exercised		839	77	1,006	163
Share purchase options exercised		15,008	1,502	18,302	1,589
Cash generated by (applied to) financing activities		8,707	(5,988)	4,943	(5,579)
Investing Activities					
Silver and gold interests		(13,194)	(1,276)	(13,711)	(4,647)
Acquisition of Silverstone Resources Corp., net of cash acquired		-	2,668	(201)	2,668
Long-term investments	4	(19,754)	-	(20,889)	-
Other		417	(72)	406	16
Cash (applied to) generated by investing activities		(32,531)	1,320	(34,395)	(1,963)
Effect of exchange rate changes on cash and cash equivalents					
		72	61	192	(551)
Increase in cash and cash equivalents		43,238	21,846	95,330	41,480
Cash and cash equivalents, beginning of period		279,658	26,744	227,566	7,110
Cash and cash equivalents, end of period		\$322,896	\$ 48,590	\$ 322,896	\$ 48,590

At June 30, 2010, the Company's cash and cash equivalents consisted of \$322.9 million in cash (December 31, 2009 - \$227.6 million) and \$Nil in cash equivalents (December 31, 2009 - \$Nil). 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 unaudited consolidated financial statements.

Consolidated Statements of Shareholders' Equity

(US dollars in thousands - unaudited)	Common Shares	Share Purchase Warrants	Share Purchase Options	Restricted Share Units	Retained Earnings	Accumulated Other Comprehensive Income	Total
At December 31, 2008	\$ 630,842	\$20,979	\$ 9,756	\$ 538	\$225,910	\$ -	\$ 888,025
Shares issued	230,424	-	-	-	-	-	230,424
Fair value of SBC ¹	-	-	1,689	170	-	-	1,859
Options exercised ¹	113	-	(26)	-	-	-	87
RSU's exercised ¹	106	-	-	(106)	-	-	-
Warrants exercised ¹	113	(27)	-	-	-	-	86
Share issue costs	(9,898)	-	-	-	-	-	(9,898)
Net earnings	-	-	-	-	15,111	-	15,111
OCI ¹	-	-	-	-	-	5,720	5,720
At March 31, 2009	\$ 851,700	\$20,952	\$11,419	\$ 602	\$241,021	\$ 5,720	\$1,131,414
Shares issued	146,178	-	-	-	-	-	146,178
Fair value of SBC ¹	-	-	768	62	-	-	830
Options exercised ¹	2,968	-	(1,466)	-	-	-	1,502
Options issued ¹	-	-	2,578	-	-	-	2,578
Warrants exercised ¹	100	(23)	-	-	-	-	77
Share issue costs	(77)	-	-	-	-	-	(77)
Net earnings	-	-	-	-	18,438	-	18,438
OCI ¹	-	-	-	-	-	4,960	4,960
At June 30, 2009	\$ 1,000,869	\$20,929	\$13,299	\$ 664	\$259,459	\$ 10,680	\$1,305,900
Shares issued	287,531	-	-	-	-	-	287,531
Fair value of SBC ¹	-	-	1,171	150	-	-	1,321
Options exercised ¹	9,270	-	(2,083)	-	-	-	7,187
Warrants exercised ¹	16,856	(3,240)	-	-	-	-	13,616
Share issue costs	(12,225)	-	-	-	-	-	(12,225)
Net earnings	-	-	-	-	84,375	-	84,375
OCI ¹	-	-	-	-	-	36,220	36,220
At December 31, 2009	\$ 1,302,301	\$17,689	\$12,387	\$ 814	\$343,834	\$ 46,900	\$1,723,925
Fair value of SBC ¹	-	-	2,811	297	-	-	3,108
Options exercised ¹	3,679	-	(385)	-	-	-	3,294
RSU's exercised ¹	237	-	-	(237)	-	-	-
Warrants exercised	190	(23)	-	-	-	-	167
Net earnings	-	-	-	-	44,629	-	44,629
OCI ¹	-	-	-	-	-	2,639	2,639
At March 31, 2010	\$ 1,306,407	\$17,666	\$14,813	\$ 874	\$388,463	\$ 49,539	\$1,777,762
Fair value of SBC ¹	-	-	1,191	826	-	-	2,017
Options exercised ¹	19,162	-	(4,154)	-	-	-	15,008
RSU's exercised ¹	385	-	-	(385)	-	-	-
Warrants exercised ¹	953	(115)	-	-	-	-	838
Net earnings	-	-	-	-	53,258	-	53,258
OCI ¹	-	-	-	-	-	(56)	(56)
At June 30, 2010	\$ 1,326,907	\$17,551	\$11,850	\$ 1,315	\$441,721	\$ 49,483	\$1,848,827

1) Definitions as follows: "SBC" = Stock Based Compensation; "Options" = Share Purchase Options; "RSU's" = Restricted Share Units; "Warrants" = Share Purchase Warrants; "OCI" = Other Comprehensive Income.

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

1. Description of Business and Nature of Operations

Silver Wheaton Corp. (“Silver Wheaton” or the “Company”) is a mining company which generates its revenue primarily from the sale of silver. The Company is listed on the New York Stock Exchange (symbol: SLW) and the Toronto Stock Exchange (symbol: SLW). In addition, the Company has share purchase warrants that trade on the Toronto Stock Exchange (symbols: SLW.WT.B and SLW.WT.U, respectively).

To date, the Company has entered into fifteen long-term silver purchase agreements and two long-term precious metal purchase agreements whereby Silver Wheaton acquires silver and gold production from the counterparties for a per ounce cash payment at or below the prevailing market price. During the three months ended June 30, 2010, the per ounce price paid by the Company for silver and gold under the agreements averaged \$3.97 and \$300, respectively. The primary drivers of the Company’s financial results are the volume of silver production at the various mines and the price of silver realized by Silver Wheaton upon sale.

2. Basis of Presentation

These interim unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial information and they follow the same accounting policies and methods of application as the audited consolidated financial statements for the year ended December 31, 2009. These interim unaudited consolidated financial statements do not include all the information and note disclosure required by the generally accepted accounting principles for annual financial statements and therefore should be read in conjunction with the most recent annual audited consolidated financial statements.

In the opinion of management, all adjustments (including normal recurring adjustments) necessary to present fairly the financial position at June 30, 2010 and the results of operations and cash flows for all periods presented have been made. The interim results are not necessarily indicative of results for a full year.

3. Changes in Accounting Policies

FUTURE CHANGES IN ACCOUNTING POLICIES

BUSINESS COMBINATIONS

In January 2009, the Canadian Institute of Chartered Accountants (“CICA”) issued Handbook Section 1582, Business Combinations (“Section 1582”), which replaces Handbook Section 1581, Business Combinations, and Handbook Section 1601, Consolidated Financial Statements and Handbook Section 1602, Non-Controlling Interests (“Section 1602”), which replace Handbook Section 1600, Consolidated Financial Statements. These new sections are effective January 1, 2011 with earlier adoption permitted. Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. Acquisition costs are not part of the consideration and are to be expensed when incurred. The Company has not early adopted these sections and does not anticipate the adoption of these sections to have a material impact on its financial position and results of operations.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

In 2008, the Canadian Accounting Standards Board confirmed that publicly listed companies will be required to adopt IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Early adoption may be permitted, however it will require exemptive relief on a case by case basis from the Canadian Securities Administrators. Silver Wheaton expects its first consolidated financial statements presented in accordance with IFRS to be for the three month period ended March 31, 2011, which includes presentation of its comparative results for fiscal 2010 under IFRS.

In order to prepare for the changeover to IFRS, the Company has developed an IFRS conversion plan and is currently undertaking activities according to such plan. The IFRS changeover is expected to impact the presentation and/or valuations of balances and transactions in the Company’s quarterly and annual consolidated financial

statements and related notes effective January 1, 2011, however continued progress on the IFRS conversion plan is necessary before the Company is able to describe or quantify those effects.

4. Long-Term Investments

(in thousands)	June 30, 2010	December 31, 2009
Available-for-sale	\$ 95,640	\$ 72,502
Warrants	1,493	1,245
	\$ 97,133	\$ 73,747

AVAILABLE-FOR-SALE

(in thousands)	June 30, 2010 Fair Value	Three Months Ended June 30, 2010 Mark-to-Market Gains (Losses) Included in OCI	Six Months Ended June 30, 2010 Mark-to-Market Gains (Losses) Included in OCI	December 31, 2009 Fair Value
Bear Creek	\$ 41,122	\$ 2,634	\$ 2,890	\$ 38,232
Revett	6,085	(2,917)	(866)	5,815
Mines Management	4,549	(2,097)	(2,307)	6,856
Other	43,884	2,324	2,866	21,599
	\$ 95,640	\$ (56)	\$ 2,583	\$ 72,502

(in thousands)	June 30, 2009 Fair Value	Three Months Ended June 30, 2009 Mark-to-Market Gains (Losses) Included in OCI	Six Months Ended June 30, 2009 Mark-to-Market Gains Included in OCI	December 31, 2008 Fair Value
Bear Creek	\$ 16,721	\$ 5,046	\$ 5,944	\$ 10,776
Revett	1,925	701	942	607
Mines Management	3,785	(996)	621	3,164
Other	10,262	209	3,173	7,277
	\$ 32,693	\$ 4,960	\$ 10,680	\$ 21,824

WARRANTS

(in thousands)	June 30, 2010	Three Months Ended June 30, 2010	Six Months Ended June 30, 2010	December 31, 2009
	Fair Value	Mark-to-Market (Losses) Gains Included in Earnings	Mark-to-Market (Losses) Gains Included in Earnings	Fair Value
Revett	\$ 229	\$ (169)	\$ (53)	282
Other	1,264	566	286	963
	\$ 1,493	\$ 397	\$ 233	\$ 1,245

(in thousands)	June 30, 2009	Three Months Ended June 30, 2009	Six Months Ended June 30, 2009	December 31, 2008
	Fair Value	Mark-to-Market (Losses) Gains Included in Earnings	Mark-to-Market Losses (Gains) Included in Earnings	Fair Value
Bear Creek	\$ 4	\$ (15)	\$ (12)	\$ 16
Revett	17	11	11	-
Other	34	34	34	-
	\$ 55	\$ 30	\$ 33	\$ 16

During the three months ended June 30, 2010, the Company acquired, by way of private placement, 1.8 million units of Ventana Gold Corp. ("Ventana") for total consideration of Cdn\$20.7 million (\$19.8 million). The units are comprised of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of Ventana at a price of Cdn\$15.00 for a period of one year from the date of closing of the transaction. As a result, at June 30, 2010, Silver Wheaton owned 1.8 million common shares representing approximately 2% of the outstanding shares of Ventana on an undiluted basis as well as warrants exercisable to acquire an additional 0.9 million common shares. These shares and warrants have been grouped with "other" in the above tables.

By holding these long-term investments, the Company is inherently exposed to various risk factors including currency risk, market price risk and liquidity risk.

5. Silver and Gold Interests

(in thousands)	June 30, 2010			December 31, 2009		
	Cost	Accumulated Depletion	Net	Cost	Accumulated Depletion	Net
San Dimas	\$ 190,603	\$ (16,689)	\$ 173,914	\$ 190,331	\$ (14,895)	\$ 175,436
Zinkgruvan	77,919	(15,992)	61,927	77,919	(14,599)	63,320
Yauliyacu	285,292	(47,039)	238,253	285,292	(43,227)	242,065
Peñasquito	524,625	(4,963)	519,662	524,365	(2,217)	522,148
Minto	55,296	(9,628)	45,668	54,805	(5,478)	49,327
Cozamin	41,959	(7,698)	34,261	41,959	(4,497)	37,462
Barrick¹	596,422	(8,659)	587,763	583,485	(3,339)	580,146
Other²	312,035	(25,275)	286,760	276,744	(18,172)	258,572
	\$ 2,084,151	\$ (135,943)	\$ 1,948,208	\$ 2,034,900	\$ (106,424)	\$ 1,928,476

1) Comprised of the Pascua-Lama, Lagunas Norte, Pierina and Veladero mines.

2) Comprised of the Los Filos, San Martin, Keno Hill, La Negra, Mineral Park, Neves-Corvo, Stratoni, Campo Morado, Aljustrel and Loma de La Plata mines.

The value allocated to reserves is classified as depletable upon commercial production and is depleted 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, generally as a result of the conversion of resources or exploration potential into reserves.

(in thousands)	June 30, 2010			December 31, 2009		
	Depletable	Non-Depletable	Total	Depletable	Non-Depletable	Total
San Dimas	\$ 42,925	\$ 130,989	\$ 173,914	\$ 35,942	\$ 139,494	\$ 175,436
Zinkgruvan	39,577	22,350	61,927	41,829	21,491	63,320
Yauliyacu	11,320	226,933	238,253	15,132	226,933	242,065
Peñasquito	403,365	116,297	519,662	10,895	511,253	522,148
Minto	34,058	11,610	45,668	34,445	14,882	49,327
Cozamin	34,261	-	34,261	36,419	1,043	37,462
Barrick^{1,2}	37,733	550,030	587,763	33,907	546,239	580,146
Other³	115,552	171,208	286,760	98,722	159,850	258,572
	\$ 718,791	\$ 1,229,417	\$ 1,948,208	\$ 307,291	\$ 1,621,185	\$ 1,928,476

1) Comprised of the Pascua-Lama, Lagunas Norte, Pierina and Veladero mines.

2) The amount reflected as depletable is based on the value of the reserves relating to the Lagunas Norte, Pierina and Veladero mines.

3) Comprised of the Los Filos, San Martin, Keno Hill, La Negra, Mineral Park, Neves-Corvo, Stratoni, Campo Morado, Aljustrel and Loma de La Plata mines.

SAN DIMAS

On October 15, 2004, the Company entered into an agreement (amended on March 30, 2006) with Goldcorp Inc. ("Goldcorp") to acquire an amount equal to 100% 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. The Luismin operations consist of the San Dimas mine, the Los Filos mine and the San Martin mine.

On August 6, 2010, Goldcorp completed the sale of the San Dimas mine to Primero Mining Corp. In conjunction with the sale, Silver Wheaton agreed to amend its silver purchase agreement. The term of the silver purchase agreement, as it relates to San Dimas, has been extended to the life of mine. During the first four years following closing of the transaction, Primero will deliver to Silver Wheaton a per annum amount equal to the first 3.5 million ounces of payable silver produced at San Dimas and 50% of any excess, plus Silver Wheaton will receive an additional 1.5 million ounces of silver per annum to be delivered by Goldcorp. Beginning in the fifth year after closing, Primero will deliver to the Company a per annum amount equal to the first 6 million ounces of payable silver produced at San Dimas and 50% of any excess. Goldcorp will continue to guarantee the delivery by Primero of all silver produced and owing to the Company until 2029, and a payment of \$0.50 per ounce for any shortfall below 215 million cumulative silver ounces delivered to Silver Wheaton by the end of 2031. Primero has provided Silver Wheaton with a right of first refusal on any metal stream or similar transaction it enters into.

ROSEMONT

On February 11, 2010, the Company entered into an agreement with Augusta Resource Corporation ("Augusta") to acquire an amount equal to 100% of the life of mine silver and gold production from its Rosemont Copper project ("Rosemont") in the United States. The Company will make total upfront cash payments of \$230 million payable in installments to partially fund construction of the mine commencing once certain milestones are achieved, including the receipt of key permits and securing the necessary financing to complete construction of Rosemont. In addition, a cash payment of the lesser of \$3.90 per ounce of silver and \$450 per ounce of gold (both subject to an inflationary adjustment) or the prevailing market price is due, for silver and gold delivered under the agreement. Augusta anticipates that key operating permits will be received in 2011 and has provided a completion guarantee with certain minimum production criteria required to be met by specific dates.

LOMA DE LA PLATA

On February 25, 2010, the Company elected to convert the debenture with Pan American Silver Corp. ("Pan American") into an agreement to acquire an amount equal to 12.5% of the life of mine silver production from the Loma de La Plata zone of the Navidad project located in Argentina. Silver Wheaton will make total upfront cash payments of \$32.4 million following the satisfaction of certain conditions, including Pan American receiving all necessary permits to proceed with the mine construction. In addition, a cash payment of \$4.00 per ounce is due for silver delivered under the agreement. Silver Wheaton and Pan American expect to finalize the definitive terms of the silver purchase agreement by the end of 2010.

6. Bank Debt

The Company has a \$200 million non-revolving term loan (the "Term Loan") and a \$400 million revolving term loan (the "Revolving Loan"). The current term of the Revolving Loan and the Term Loan matures on July 20, 2014 with the Term Loan requiring equal quarterly principal repayments of approximately \$7 million (together with accrued interest). 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 increase in cash balances reported for the quarter. The Revolving Loan can be drawn down at any time to finance acquisitions or investments, with \$10 million being available for general corporate purposes.

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 commitment fee of 0.2% to 0.45% per annum, 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 3.5:1, and a tangible net worth greater than 80% of the tangible net worth at June 30, 2007 plus 50% of net earnings 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 and gold interests and long-term investments.

During the three months ended June 30, 2010, the Company repaid \$7.1 million (six months - \$14.3 million) of the balance outstanding on the Term Loan. As at June 30, 2010, the Company had \$400 million available under its revolving debt facility.

The Company is in compliance with the debt covenants described above.

(in thousands)	June 30, 2010		
	Term Loan	Revolving Loan	Total
Current portion	\$ 28,560	\$ -	\$ 28,560
Long-term portion	92,900	-	92,900
	\$ 121,460	\$ -	\$ 121,460
Three months:			
Interest capitalized during period	\$ 371	\$ -	\$ 371
Effective interest rate	1.17%	0.00%	1.17%
Six months:			
Interest capitalized during period	\$ 740	\$ -	\$ 740
Effective interest rate	1.15%	0.00%	1.15%

(in thousands)	June 30, 2009		
	Term Loan	Revolving Loan	Total
Current portion	\$ 28,560	\$ -	\$ 28,560
Long-term portion	121,460	-	121,460
	\$ 150,020	\$ -	\$ 150,020
Three months:			
Interest capitalized during period	\$ 885	\$ -	\$ 885
Effective interest rate	2.30%	0.00%	2.30%
Six months:			
Interest capitalized during period	\$ 2,138	\$ 648	\$ 2,786
Effective interest rate	2.73%	2.00%	2.52%

The Company's bank debt is classified as held to maturity and reported at amortized cost using the effective interest method.

The required principal payments under the Term Loan and the Revolving Loan over the remaining terms are as follows:

Fiscal Year	Term Loan (000's)	Revolving Loan (000's)	Total (000's)
2010	\$ 14,280	\$ -	\$ 14,280
2011	28,560	-	28,560
2012	28,560	-	28,560
2013	28,560	-	28,560
2014	21,500	-	21,500
	\$ 121,460	\$ -	\$ 121,460

7. Silver Interest Payments

On October 2, 2008, the Company entered into an agreement with Alexco Resource Corp. ("Alexco") to acquire an amount equal to 25% of the silver produced from Alexco's Keno Hill project located in Canada, for the life of mine. Silver Wheaton will make total upfront cash payments of \$50 million payable in installments, of which \$26.9 million has been paid to date. The remaining \$23.1 million is expected to be paid by the end of 2010.

On September 8, 2009, the Company entered into an agreement with Barrick Gold Corporation ("Barrick") to acquire an amount equal to 25% of the life of mine silver production from its Pascua-Lama project, as well as 100% of the silver production from its Lagunas Norte, Pierina and Veladero mines until the end of 2013. Silver Wheaton will make total upfront cash payments of \$625 million payable in installments, of which \$212.5 million has been paid to date. The remaining \$412.5 million is payable in annual installments of \$137.5 million due on the first, second and third anniversaries of the transaction. The financial liability relating to these future payments has been discounted using an annual discount rate of 6.9%, which represents management's best estimate of the market rate of interest at which the Company could borrow money under similar terms and conditions. The silver interest payments due are classified as held to maturity and reported at amortized cost using the effective interest method. Total interest costs of \$51 million will accrete over the term of this obligation and will be capitalized to the cost of the Barrick silver interest, until the Pascua-Lama mining operation is commissioned. To date, \$18.6 million of the interest costs have been accreted to the cost of the Barrick silver interest, of which \$6.3 million and \$12.5 million were capitalized during the three and six months ended June 30, 2010, respectively.

8. Issued Capital and Contributed Surplus

(US dollars and shares in thousands)	Note	June 30 2010	December 31 2009
Issued Capital			
Share capital issued and outstanding: 343,880 (December 31, 2009: 342,187)	8(a)	1,326,907	1,302,301
		1,326,907	1,302,301
Contributed Surplus			
Share purchase options	8(b)	\$ 11,850	\$ 12,387
Restricted share units	8(c)	1,315	814
Share purchase warrants	8(d)	17,551	17,689
		30,716	30,890
		\$ 1,357,623	\$ 1,333,191

a) Shares Issued

The Company is authorized to issue an unlimited number of common shares having no par value and an unlimited number of preference shares issuable in series. As at June 30, 2010, the Company had no preference shares outstanding.

A summary of the Company's issued and outstanding common shares at June 30, 2010 and December 31, 2009 and the changes for the periods ending on those dates is presented below:

	Number of Shares	Weighted Average Price (Cdn\$)
At December 31, 2008	251,497,746	
Shares issued	85,275,582	9.19
Share purchase options exercised	1,945,305	4.86
Share purchase warrants exercised	3,455,636	4.27
Restricted share units exercised	12,355	-
At December 31, 2009	342,186,624	
Share purchase options exercised	320,850	10.53
Share purchase warrants exercised	17,250	10.00
Restricted share units exercised	21,988	-
At March 31, 2010	342,546,712	
Share purchase options exercised	1,221,793	12.71
Share purchase warrants exercised	87,000	10.00
Restricted share units exercised	24,967	-
At June 30, 2010	343,880,472	

On February 12, 2009, the Company announced that it had closed a bought deal equity financing, raising gross proceeds of Cdn\$287.5 million (\$230.4 million) through the issuance of 35,937,500 common shares at Cdn\$8.00 per share (approximately \$6.41 per share). The proceeds were primarily used to repay outstanding debt under the revolving bank loan facility.

On May 21, 2009, the Company closed the acquisition of Silverstone Resources Corp. ("Silverstone") through the issuance of 23,434,332 common shares and 1,367,364 share purchase options of Silver Wheaton which were issued

on conversion of previously issued fully vested share purchase options of Silverstone. Including acquisition costs, the transaction was valued at approximately \$152 million.

On September 30, 2009, in conjunction with the Barrick acquisition, the Company closed a bought deal equity financing, raising gross proceeds of \$287.5 million through the issuance of 25,903,750 common shares at \$11.10 per share, with part of the net proceeds being used to finance the initial upfront payment of \$212.5 million made to Barrick. The remaining net proceeds from the equity financing are available for general corporate purposes including funding the acquisition of future silver interests.

b) 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 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 the three months ended June 30, 2010 included \$1.2 million (six months - \$4.0 million) of amortization of the fair value of share purchase options issued, compared to \$0.7 million (six months - \$2.5 million) during the comparable period of 2009.

During the second quarter of 2010, the Company issued 100,000 options with a weighted average exercise price of Cdn\$15.95 per option (six months - 1,288,700 options at Cdn\$15.89 per option) and a fair value of \$0.5 million or Cdn\$5.16 per option (six months - \$6.9 million or Cdn\$5.54 per option), which was determined using the Black-Scholes option value method. For the same period in 2009, the Company issued 10,000 options with a weighted average exercise price of Cdn\$9.87 per option (six months - 1,137,000 options at Cdn\$9.09 per option) and a fair value of \$0.03 million or Cdn\$3.14 per option (six months - \$2.6 million or Cdn\$2.90 per option), also determined using the Black-Scholes option value method. The following weighted average assumptions were used in computing the fair value of stock options:

	Three Months Ended June 30		Six Months Ended June 30	
	2010	2009	2010	2009
Black-Scholes weighted average assumptions				
Expected dividend yield	-	-	-	-
Expected volatility	50%	50%	55%	50%
Risk-free interest rate	1.88%	1.30%	1.84%	1.38%
Expected option life, in years	2.5	2.5	2.5	2.5
Weighted average fair value per option granted	Cdn\$5.16	Cdn\$3.14	Cdn\$5.54	Cdn\$2.90

At June 30, 2010, there were 3,874,952 share purchase options outstanding with a weighted average exercise price of Cdn\$13.08 per option.

c) Restricted Share Units

During the second quarter of 2010 the Company issued 4,100 restricted share units at a price of Cdn\$20.10 and a fair value of \$0.08 million (six months - 143,400 restricted share units at a price of Cdn\$16.01 and a fair value of \$2.3 million). For the same period in 2009, no restricted share units were issued (six months - 42,954 restricted share units at a price of Cdn\$9.08 and a fair value of \$0.3 million).

Stock based compensation expense during the three months ended June 30, 2010 included \$0.8 million (six months - \$1.1 million) of amortization of the fair value of restricted share units issued, compared to \$0.1 million (six months - \$0.2 million) during the comparable period of 2009.

At June 30, 2010, there were 190,991 restricted share units outstanding.

d) Share Purchase Warrants

The following table summarizes information about the warrants outstanding at June 30, 2010:

	Share Purchase Warrants Outstanding	Exercise Price	Expiry Date
Series "B" warrants	7,676,650	Cdn\$10.00	December 22, 2010
New warrants	2,718,265	\$20.00	September 5, 2013
	10,394,915		

Each warrant entitles the holder the right to purchase one of the Company's common shares.

e) Diluted Earnings per Share

Diluted earnings per share is 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.

Diluted earnings per share is calculated based on the following weighted average number of shares outstanding:

(in thousands)	Three Months Ended June 30		Six Months Ended June 30	
	2010	2009	2010	2009
Basic weighted average number of shares outstanding	342,898	297,973	342,618	284,205
Effect of dilutive securities				
Share purchase options	1,577	996	1,318	804
Share purchase warrants	3,760	2,176	3,394	1,886
Restricted share units	206	90	162	81
Diluted weighted average number of shares outstanding	348,441	301,235	347,492	286,976

The following lists the share purchase 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\$19.45 (six months - Cdn\$17.78), compared to Cdn\$10.21 (six months - Cdn\$9.31) for the comparable period in 2009.

(in thousands)	Three Months Ended June 30		Six Months Ended June 30	
	2010	2009	2010	2009
Share purchase options	-	2,994	-	3,009
Share purchase warrants	2,718	2,718	2,718	10,499

9. Supplemental Cash Flow Information

(in thousands)	Three Months Ended June 30		Six Months Ended June 30	
	2010	2009	2010	2009
Change in non-cash working capital				
Accounts receivable	\$ (2,547)	\$ 1,900	\$ (3,030)	\$ 1,612
Accounts payable	(366)	(1,745)	(3,637)	(2,407)
Accrued liabilities	576	618	9	489
Other	(1,221)	285	(945)	354
	\$ (3,558)	\$ 1,058	\$ (7,603)	\$ 48
Interest paid	\$ 368	\$ 886	\$ 767	\$ 3,941

10. Commitments And Contingencies

The following table summarizes the Company's commitments to purchase silver and gold in connection with the silver purchase agreements or precious metal purchase agreements:

Silver and Gold Interests	Attributable Payable Production To Be Purchased		Per Ounce Cash Payment ^{1,2}		Term of Agreement	Date of Contract
	Silver	Gold	Silver	Gold		
San Dimas	100% ³	-	\$4.04	n/a	Life of Mine ³	15-Oct-04
Zinkgruvan	100%	-	\$4.04	n/a	Life of Mine	8-Dec-04
Yauliyacu	100% ⁴	-	\$3.98	n/a	20 years	23-Mar-06
Peñasquito	25%	-	\$3.90	n/a	Life of Mine	24-Jul-07
Minto	100%	100% ⁵	\$3.90	\$300	Life of Mine	1-Dec-08
Cozamin	100%	-	\$4.04	n/a	10 years	4-Apr-07
Barrick						
Pascua-Lama	25%	-	\$3.90	n/a	Life of Mine	8-Sep-09
Lagunas Norte	100%	-	\$3.90	n/a	4 years ⁶	8-Sep-09
Pierina	100%	-	\$3.90	n/a	4 years ⁶	8-Sep-09
Veladero	100% ⁷	-	\$3.90	n/a	4 years ⁶	8-Sep-09
Other						
Los Filos	100%	-	\$4.04	n/a	25 years	15-Oct-04
Keno Hill	25%	-	\$3.90	n/a	Life of Mine	2-Oct-08
La Negra	50%	-	\$3.90	n/a	Life of Mine	2-Jun-08
Mineral Park	100%	-	\$3.90	n/a	Life of Mine	17-Mar-08
Neves-Corvo	100%	-	\$3.94	n/a	Life of Mine ⁸	5-Jun-07
Stratoni	100%	-	\$3.94	n/a	Life of Mine	23-Apr-07
Campo Morado	75%	-	\$3.90	n/a	Life of Mine	13-May-08
Aljustrel	100%	-	\$3.90	n/a	Life of Mine ⁸	5-Jun-07
Loma de La Plata	12.5%	-	\$4.00	n/a	Life of Mine	n/a ⁹
Rosemont	100%	100%	\$3.90	\$450	Life of Mine	11-Feb-10

1) Subject to an annual inflationary adjustment with the exception of Loma de La Plata.

2) Should the prevailing market price for silver or gold be lower than this amount, the per ounce cash payment will be reduced to the prevailing market price, with the exception of Yauliyacu.

3) On August 6, 2010, Goldcorp completed the sale of the San Dimas mine, which was previously part of the Luismin mines, to Primero. In conjunction with the sale, Silver Wheaton amended its silver purchase agreement relating to the mine. The term of the silver purchase agreement, which was set to expire in 2029, has been extended to the life of mine. During the first four years following closing of the transaction, Silver Wheaton is committed to purchase from Primero a per annum amount equal to the first 3.5 million ounces of payable silver produced at San Dimas and 50% of any excess, plus Silver Wheaton is committed to purchase an additional 1.5 million ounces of silver per annum to be delivered by Goldcorp. Beginning in the fifth year after closing, Silver Wheaton is committed to purchase from Primero a per annum amount equal to the first 6 million ounces of payable silver produced at San Dimas and 50% of any excess.

4) To a maximum of 4.75 million ounces per annum. 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. The cumulative shortfall as at March 23, 2010, representing the four year anniversary, was 6.8 million ounces.

5) The Company is committed to acquire 100% of the first 50,000 ounces of gold produced per annum and 50% thereafter, through to December 1, 2010. Following that date, the Company is committed to acquire 100% of the first 30,000 ounces of gold produced per annum and 50% thereafter.

6) The Company is committed to purchase silver production from the currently producing mines until December 31, 2013. In addition, during 2014 and 2015, the Company is committed to purchase all or a portion of the silver production from these mines to the extent of any production shortfall at Pascua-Lama, until Barrick satisfies a completion guarantee.

7) Silver Wheaton's attributable silver production is subject to a maximum of 8% of the silver contained in the ore mined at Veladero during the period.

8) With a nominal term of 50 years.

9) Terms of the agreement not yet finalized.

In connection with the Keno Hill silver purchase agreement, the Company is committed to pay Alexco further upfront cash payments of \$23.1 million which will be made on a drawdown basis to fund mill construction and mine development costs.

In connection with the Barrick silver purchase agreement, the Company is committed to pay Barrick further upfront cash payments of \$412.5 million, payable in three annual installments of \$137.5 million each due in September of 2010, 2011 and 2012.

In connection with the Rosemont precious metal purchase agreement, the Company is committed to pay Augusta total upfront cash payments of \$230 million, payable on an installment basis to partially fund construction of the mine once certain milestones are achieved, including the receipt of key permits and securing the necessary financing to complete construction of the Rosemont mine.

In connection with the Company's election to convert the debenture with Pan American into a silver purchase agreement, the Company is committed to pay Pan American total upfront cash payments of \$32.4 million following the satisfaction of certain conditions, including Pan American receiving all necessary permits to proceed with the mine construction.

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 the usands)

2010	\$	483
2011		753
2012		482
2013		488
2014		503
Thereafter		1,093
Total	\$	3,802

Due to the size, complexity and nature of the Company's operations, various legal and tax matters are outstanding from time to time. In the opinion of management, these matters will not have a material effect on the Company's consolidated financial position or results of operations.

11. Segmented Information

The Company's reportable operating segments are summarized in the table below:

Three Months Ended June 30, 2010

(in the usands)	Sales	Cost of sales	Depletion	Earnings from operations	Cash flow from (used in) operations	Total assets
San Dimas	\$ 19,999	\$ 4,348	\$ 847	\$ 14,804	\$ 15,651	\$ 173,914
Zinkgruvan	5,727	1,265	538	3,924	4,352	61,927
Yauliyacu	9,688	2,058	1,795	5,835	7,610	238,253
Peñasquito	12,111	2,558	1,668	7,885	9,553	519,662
Minto	10,105 ¹	2,455	1,966	5,684	8,452	45,668
Cozamin	7,588	1,664	1,902	4,022	5,620	34,261
Barrick	13,242	2,837	2,580	7,825	9,205	587,763
Other ²	16,544	3,515	4,064	8,965	12,844	286,760
Corporate					(6,297)	431,264
Consolidated	\$ 95,004	\$ 20,700	\$ 15,360	\$ 58,944	\$ 66,990	\$ 2,379,472

1) Comprised of silver sales in the amount of \$860,000 and gold sales in the amount of \$9.245 million.

2) Comprised of the Los Filos, San Martin, Keno Hill, La Negra, Mineral Park, Neves-Corvo, Stratoni, Campo Morado, Aljustrel and Loma de La Plata mines.

Three Months Ended June 30, 2009

(in the usands)	Sales	Cost of sales	Depletion	Earnings from operations	Cash flow from (used in) operations	Total assets
San Dimas	\$ 17,577	\$ 5,039	\$ 817	\$ 11,721	\$ 12,538	\$ 177,070
Zinkgruvan	6,746	1,886	836	4,024	5,159	64,728
Yauliyacu	7,593	2,151	1,896	3,546	5,442	248,054
Peñasquito	1,853	506	306	1,041	1,347	523,145
Minto	128 ¹	42	39	47	207	54,766
Cozamin	2,935	852	993	1,090	3,388	40,967
Other ²	4,571	1,288	1,532	1,751	3,656	264,949
Corporate					(5,284)	88,835
Consolidated	\$ 41,403	\$ 11,764	\$ 6,419	\$ 23,220	\$ 26,453	\$ 1,462,514

1) Comprised of silver sales in the amount of \$(7,000) and gold sales in the amount of \$135,000.

2) Comprised of the Los Filos, San Martin, Keno Hill, La Negra, Mineral Park, Neves-Corvo, Stratoni, Campo Morado, Aljustrel and Loma de La Plata mines.

Six Months Ended June 30, 2010

(in the usands)	Sales	Cost of sales	Depletion	Earnings from operations	Cash flow from (used in) operations	Total assets
San Dimas	\$ 40,850	\$ 9,219	\$ 1,794	\$ 29,837	\$ 31,631	\$ 173,914
Zinkgruvan	14,284	3,276	1,393	9,615	10,056	61,927
Yauliyacu	19,824	4,367	3,812	11,645	15,460	238,253
Peñasquito	19,486	4,211	2,747	12,528	15,275	519,662
Minto	20,370 ¹	5,225	4,148	10,997	14,613	45,668
Cozamin	12,401	2,787	3,201	6,413	9,656	34,261
Barrick	26,740	5,890	5,320	15,530	17,615	587,763
Other ²	26,987	5,893	6,496	14,598	21,417	286,760
Corporate					(11,133)	431,264
Consolidated	\$ 180,942	\$ 40,868	\$ 28,911	\$ 111,163	\$ 124,590	\$ 2,379,472

1) Comprised of silver sales in the amount of \$1.649 million and gold sales in the amount of \$18.721 million.

2) Comprised of the Los Filos, San Martin, Keno Hill, La Negra, Mineral Park, Neves-Corvo, Stratoni, Campo Morado, Aljustrel and Loma de La Plata mines.

Six Months Ended June 30, 2009

(in the usands)	Sales	Cost of sales	Depletion	Earnings from operations	Cash flow from (used in) operations	Total assets
San Dimas	\$ 34,104	\$ 10,476	\$ 1,931	\$ 21,697	\$ 23,628	\$ 177,070
Zinkgruvan	12,162	3,698	1,639	6,825	8,379	64,728
Yauliyacu	16,282	5,049	4,475	6,758	11,233	248,054
Peñasquito	3,414	1,033	623	1,758	2,381	523,145
Minto	128 ¹	42	39	47	207	54,766
Cozamin	2,935	852	993	1,090	3,388	40,967
Other ²	9,950	3,154	3,306	3,490	7,487	264,949
Corporate					(7,130)	88,835
Consolidated	\$ 78,975	\$ 24,304	\$ 13,006	\$ 41,665	\$ 49,573	\$ 1,462,514

1) Comprised of silver sales in the amount of \$(7,000) and gold sales in the amount of \$135,000.

2) Comprised of the Los Filos, San Martin, Keno Hill, La Negra, Mineral Park, Neves-Corvo, Stratoni, Campo Morado, Aljustrel and Loma de La Plata mines.

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