



MEMO: 3124-07

MEMORANDUM

TO: All Option Members, Member Organizations & ROTs
FROM: Market Watch
DATE: December 31, 2007
RE: **Upcoming change in the PHLX Gold/Silver SectorSM (XAUSM)**

The Philadelphia Stock Exchange, Inc. (“PHLX”) has received notification that the acquisition of Meridian Gold Inc. (MDG) by Yamana Gold, Inc. (AUY), became effective on Monday, December 31, 2007. **Upon effectiveness of the merger, Meridian Gold Inc. (MDG) will be replaced by Silver Wheaton Corporation (SLW) in the XAU index.** The following changes will occur in the XAU Index on Wednesday, January 2, 2008:

DELETION:

Meridian Gold Inc. (MDG)

ADDITION:

Outstanding Shares (000s):

Silver Wheaton Corporation (SLW)

222,607

Issue:

Outstanding Shares (000s):

Yamana Gold Inc. (AUY)

663,934

The revised XAUSM divisor is: 1,084,259

Questions concerning this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2 or (215) 496-5380.