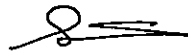


Sprott Physical Silver Trust
PFIC Annual Information Statement
For the Year Ended December 31, 2012

- 1) This Information Statement applies to the taxable year of Sprott Physical Silver Trust commencing on January 1, 2012 and ending on December 31, 2012.
- 2) Your pro-rata shares of the ordinary earnings (as defined by Code Section 1293(e) and net capital gains (as defined by Treas. Reg. 1.1293-1(a)(2)) for Sprott Physical Silver Trust for the the taxable year commencing on January 1, 2012 and ending on December 31, 2012 are \$0.00 and \$0.00 respectively.
- 3) No cash or other property was distributed to you during the year by Sprott Physical Silver Trust during the year commencing January 1, 2012 and ending on December 31, 2012.
- 4) Sprott Physical Silver Trust will, upon receipt of request, permit U.S. shareholders to inspect and copy its permanent books of account, records, and other such documents as may be maintained by Sprott Physical Silver Trust to establish that Sprott Physical Silver Trust's ordinary earnings and net capital gain are computed in accordance with U.S. income tax principles, and to verify these amounts and your pro-rata shares thereof.

Sprott Physical Silver Trust

Signature: 
Title: Chief Financial Officer
Date: January 29, 2013