



## 3 Reasons to Buy Shares of Silver Wheaton Corp.

### Description

**Silver Wheaton Corp.** (TSX: SLW)(NYSE: SLW) is the world's largest precious metals streaming company. It has a strong business model in place to weather the unpredictability of the precious metals markets.

With its many streaming agreements, the company offers investors the opportunity to earn long-term income from gold, silver, and copper — in a different way.

Despite market volatility concerning metals, the company still deserves a closer look for the following three reasons.

#### 1. Multiple and varied streaming agreements

Silver Wheaton has streaming agreements for 19 operating mines and with these varied agreements there are usually no ongoing capital or exploration costs. It has the right to purchase all or a portion of the silver and/or gold production from numerous high-quality mines at a low fixed cost.

These streaming agreements for operating mines provide shareholders with exposure to exploration and expansion regarding silver, gold, and copper mining. Gold streams include **Vale S.A.'s** Salobo and Sudbury mines.

Silver Wheaton has diverse streaming agreements for five development projects. These include Pascua-Lama (Chile/Argentina), **HudBay Minerals Inc.'s** Constancia project in Peru (silver and gold), the Rosemont Copper project in Arizona, the Navidad project, which is one of the largest undeveloped silver deposits worldwide, and the Toroparu gold-copper project in the Republic of Guyana, South America.

#### 2. Growth drivers

Expansions at Vale S.A.'s Salobo and Sudbury operations, and the start-up of HudBay Mineral's Constancia Project and **Augusta Resource Corporation's** Rosemont Copper Project will drive growth for Silver Wheaton.

The Salobo mine in the Pará state of Brazil is the largest copper deposit ever found in the nation. Vale's Salobo II expansion was completed in Q2 2014. The expansion will double the mill throughput capacity to 24 million tonnes annually. Moreover, first production of copper concentrate was attained on June 5, 2014.

Vale's Sudbury mines are in the province of Ontario. Vale's operations in Sudbury are among the largest in the world and the Sudbury gold stream encompasses six producing mines and one development stage project.

HudBay Minerals' Constancia project in southern Peru is set to be a large, low-cost, long-life open pit mine. It will produce copper, molybdenum, silver, and gold. In August 2012, Silver Wheaton entered into an agreement with HudBay to acquire 100% of the silver production from the Constancia project. In August, HudBay announced that the Constancia project is around 85% complete as of the end of Q2 2014. The Constancia project remains on schedule for initial production in Q4 2014 and commercial production in Q2 2015.

The Rosemont Copper project is a copper-molybdenum-silver porphyry deposit in Pima County, Arizona. The expectation is that the proposed Rosemont mine will annually produce an average of 221 million pounds of copper, 4.7 million pounds of molybdenum, 2.4 million ounces of silver, and up to 15,000 ounces of gold over a mine life of 20+ years.

### **3. Annual attributable production**

For this year, Silver Wheaton's projected attributable production is roughly 36 million silver equivalent ounces. This includes 155,000 ounces of gold. The anticipation is that the annual attributable production will increase to approximately 48 million silver equivalent ounces by 2018. This includes 250,000 ounces of gold.

Furthermore, Silver Wheaton is 100% unhedged. This provides the company strong advantage to increases in silver and gold prices.

## **CATEGORY**

1. Investing

## **TICKERS GLOBAL**

1. TSX:WPM (Wheaton Precious Metals Corp.)

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