

# Wheaton Precious Metals

## Q225e preview

Wheaton Precious Metals' (WPM's) Q225 financial results are scheduled for release on Thursday 7 August, after the market close in Toronto. Ahead of the release, we have updated our forecasts to reflect, in particular, an increase in production from Salobo from 58,500oz to 70,787oz in line with the volume of copper produced in Q2 (as per [Vale's production and sales report](#)). On the basis of the difference between Vale's Brazilian copper sales and its production (as a proxy for Salobo's performance) we have also assumed only a small inventory build at Wheaton in Q2 relative to Q1. Including an upward adjustment to prices, these changes have resulted in a 21.7% increase to our Q225 adjusted EPS estimate and a 9.1% increase to our FY25 estimate. Note that our FY26 adjusted EPS estimate (below) is based on very conservative gold and silver prices of US\$2,105/oz and US\$24.33/oz, respectively. At prevailing metals prices, it rises to US\$2.87/share, while its corresponding P/E ratio falls to 33.3x.

Year end	Revenue (\$m)	PBT (\$m)	EPS (\$)	DPS (\$)	P/E (x)	Yield (%)
12/23	1,016.0	533.4	1.18	0.60	81.1	0.6
12/24	1,284.6	752.5	1.41	0.62	67.7	0.6
12/25e	1,965.5	1,317.9	2.46	0.79	38.8	0.8
12/26e	1,620.4	797.6	1.51	0.80	63.1	0.8

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items. Minor discrepancies with Exhibit 13 may exist owing to short-term fluctuations in forex rates.

## FY25 the start of a long-term growth profile

WPM has shown itself to be one of the major beneficiaries of the funding stasis for mining projects in Western financial markets by entering into a precious metals purchase agreement (PMPA) with Montage Gold for its Koné mine in Côte d'Ivoire and Allied Gold for its Kurmuk mine in Ethiopia recently, among others. As a result, we are forecasting that WPM's attributable production will grow by more than half, from 635k gold equivalent ounces (GEOs) in FY24 to c 979k GEOs in FY30.

## Valuation: Trending upwards

Using the capital asset pricing model, whereby we discount cash flows at a nominal 9% per year, our terminal valuation of WPM is US\$76.32/share (or C\$103.83) in FY30, assuming zero subsequent long-term growth in real cash flows (which we think unlikely). If we instead assume 7.7% per year long-term growth in cash flows (ie the average compound annual average gold price growth rate from 1967 to 2024), our current valuation of WPM in FY25 more than doubles to US\$189.68/share, or C\$258.06/share. As such, at an implied growth rate of 6.3% per year, WPM's share price currently appears to be discounting future compound annual average increases in cash flows per share from FY30 well below historical levels (+14.3% pa compound) and only slightly above the long-term average US dollar inflation rate of 4.0% from 1967 to 2024. An alternative interpretation is that the market is assuming prevailing precious metals prices until FY30 and compound annual average increases in WPM's cash flow per share thereafter of just 5.0% per year. Otherwise, assuming no purchases of additional streams, we calculate a value for WPM of US\$59.45/share (or C\$80.88, or £43.95) in FY27, based on a historical multiple of 31.2x contemporary earnings (albeit at a gold price of only US\$2,239/oz). At current prices, this rises by 80% to US\$106.83/share (or C\$145.35, or £78.97).

## Updating and upgrading Q225 and FY25 forecasts

### Metals and mining

25 July 2025

**Price** **C**  
**\$130.19**

**Market cap** **C**  
**\$56,785m**

CS\$1.3605/US\$, US\$1.3528/£

Net cash at end Q125 (excluding US\$8.1m in lease liabilities) \$1,085.6m

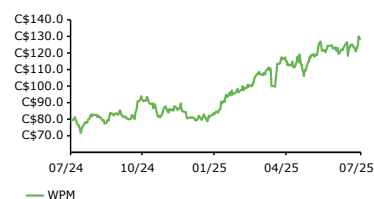
Shares in issue 454.0m

Code WPM

Primary exchange TSX

Secondary exchange LSE

### Share price performance



%	1m	3m	12m
Abs	1.0	6.4	53.0
52-week high/low	C\$129.9		C\$72.3

### Business description

Wheaton Precious Metals (WPM) is the world's pre-eminent predominantly precious metals streaming company, with over 40 high-quality precious metals streams and early deposit agreements over mines in Mexico, Canada, Brazil, Chile, the US, Argentina, Peru, Sweden, Greece, Portugal and Colombia etc.

### Next events

Q225 results 7 August 2025

Q325 results 6 November 2025

### Analyst

Lord Ashbourne +44 (0)20 3077 5700

[mining@edisongroup.com](mailto:mining@edisongroup.com)

[Edison profile page](#)

**Wheaton Precious Metals is a research client of Edison Investment Research Limited**

## Q225 financial results preview

WPM's Q225 results are scheduled to be released after the market close in Canada on Thursday 7 August. On 22 July, Vale (WPM's counterparty at Salobo, Sudbury and Voisey's Bay) announced production results for Q2. As a result of this disclosure (plus some other factors described below), we have revised our forecasts for both Q225 and FY25 to those shown in Exhibit 1, below:

**Exhibit 1: WPM Q1–Q425e underlying results and financial forecasts\*, by quarter**

US\$000s (unless otherwise stated)	Q125	Q225e (prior)	Q225	Q325e (prior)	Q325	Q425e (prior)	Q425	FY25e (current)	FY25e (prior)
Silver production (koz)	4,733	4,804	4,792	5,537	5,500	5,561	5,524	20,549	20,635
Gold production (oz)	92,681	81,277	94,350	99,119	97,648	100,319	100,260	384,940	373,395
Palladium production (oz)	2,661	2,338	2,338	2,338	2,338	2,338	2,338	9,676	9,676
Cobalt production (klb)	540	342	357	365	380	388	403	1,679	1,634
Silver sales (koz)	4,483	4,026	4,370	4,676	4,642	5,359	5,317	18,812	18,545
Gold sales (oz)	111,297	75,650	94,266	92,494	90,790	100,159	99,680	396,034	379,600
Palladium sales (oz)	2,457	2,104	2,104	2,104	2,104	2,104	2,104	8,768	8,768
Cobalt sales (klb)	265	342	357	365	380	388	403	1,404	1,359
Avg realised Ag price (US\$/oz)	33.55	32.38	33.69	32.43	38.28	32.43	38.50	35.86	32.40
Avg realised Au price (US\$/oz)	2,853	3,280	3,288	3,306	3,319	3,306	3,309	3,184	3,174
Avg realised Pd price (US\$/oz)	965	965	991	977	1,235	977	1,250	1,104	971
Avg realised Co price (US\$/lb)	12.88	15.09	15.05	15.08	14.92	15.08	14.92	14.56	14.65
Avg Ag cash cost (US\$/oz)	5.17	5.23	5.30	5.23	5.54	5.23	5.56	5.40	5.22
Avg Au cash cost (US\$/oz)	445	448	446	444	445	444	444	445	445
Avg Pd cash cost (US\$/oz)	172	174	178	176	222	176	225	198	174
Avg Co cash cost (US\$/lb)**	2.46	2.72	2.71	2.72	2.68	2.72	2.68	2.65	2.67
Sales	470,411	385,718	464,616	464,995	487,309	512,833	543,189	1,965,525	1,833,957
<b>Cost of sales</b>									
Cost of sales, excluding depletion	74,635	56,294	66,496	66,864	67,591	73,926	75,381	284,103	271,719
Depletion	76,693	62,379	72,460	77,516	75,248	86,234	85,557	309,957	302,822
Total cost of sales	151,328	118,673	138,956	144,380	142,840	160,160	160,937	594,060	574,540
Earnings from operations	319,083	267,045	325,660	320,615	344,469	352,673	382,251	1,371,465	1,259,416
<b>Expenses and other income</b>									
– General and administrative***	28,399	19,809	22,461	18,116	20,214	18,116	18,100	89,175	84,441
– Foreign exchange (gain)/loss	0	0	0	0	0	0	0	0	0
– Net interest paid/(received)	1,441	1,387	1,387	1,387	1,387	1,387	1,387	5,603	5,603
– Other (income)/expense	(6,712)	(11,672)	(11,672)	(10,362)	(11,239)	(10,672)	(11,551)	(41,175)	(39,418)
Total expenses and other income	23,128	9,524	12,176	9,141	10,362	8,832	7,936	53,603	50,625
Earnings before income taxes	295,955	257,521	313,484	311,474	334,107	343,841	374,315	1,317,862	1,208,791
Income tax expense/(recovery)	45,130	39,427	47,890	48,001	50,863	53,444	57,888	201,771	186,002
Marginal tax rate (%)	15.2	15.3	15.3	15.4	15.2	15.5	15.5	15.3	15.4
Net earnings	250,825	218,094	265,594	263,472	283,245	290,397	316,427	1,116,091	1,022,789
Average no. shares in issue (000s)	453,692	453,692	453,823	453,692	453,954	453,692	453,954	453,856	453,692
Basic EPS (US\$)	0.553	0.481	0.585	0.581	0.624	0.640	0.697	2.459	2.254
Diluted EPS (US\$)	0.552	0.480	0.584	0.580	0.623	0.639	0.696	2.455	2.251
DPS (US\$)	0.165	0.217	0.165	0.185	0.223	0.225	0.237	0.790	0.793

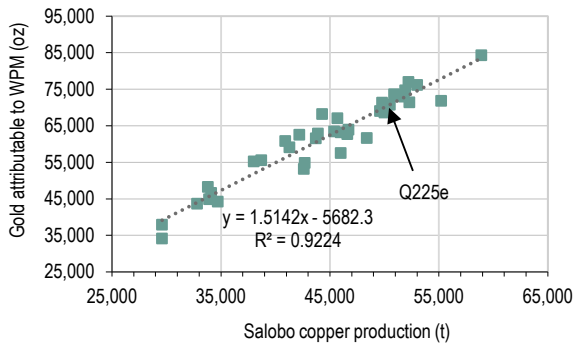
Source: Edison Investment Research.

Note: \*Excluding impairment, impairment reversals and exceptional items (unless otherwise indicated). \*\*Cobalt inventory is held on WPM's balance sheet at the lower of cost and net realisable value; cash costs per pound of cobalt sold are, therefore, affected by changes in the valuation of inventory quarterly. \*\*\*Forecasts include stock-based compensation costs. Totals may not add up owing to rounding.

In summary, the principal changes to our forecasts have been as follows:

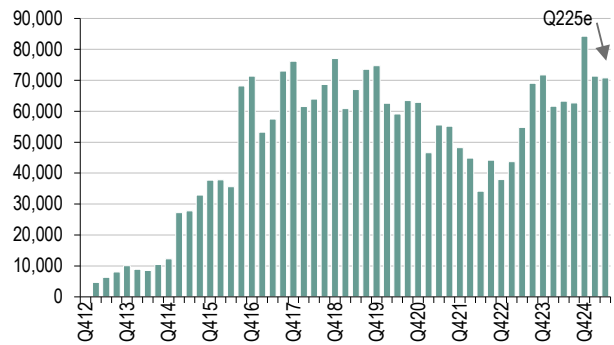
- We have increased our estimate of gold produced at Salobo attributable to WPM from 58,500oz to 70,787oz ( $\pm 3,366$ oz) in Q2 to reflect the 50.5kt of copper produced at Salobo during the quarter, according to Vale's production and sales report, released on 22 July. This compared with 52.3kt Cu produced in Q125, when WPM reported 71,384oz of gold production attributable to it from Salobo, which suggests a consistent performance between the two quarters. The Salobo Complex also achieved nominal capacity during the quarter (among other things, triggering WPM's final instalment to Vale for the Salobo III expansion). The relevant regression analysis between copper production at Salobo and gold attributable to WPM is provided in Exhibit 2, upon which our forecast shown in Exhibit 3 is based. We have also increased our equivalent estimate of cobalt production from Voisey's Bay from 342klbs to 357klbs ( $\pm 105$ klbs) to reflect the 8,600t Ni produced there in Q2.

**Exhibit 2: Salobo copper production versus gold production attributable to WPM, Q316–Q225e**



Source: Wheaton Precious Metals, Vale, Edison Investment Research

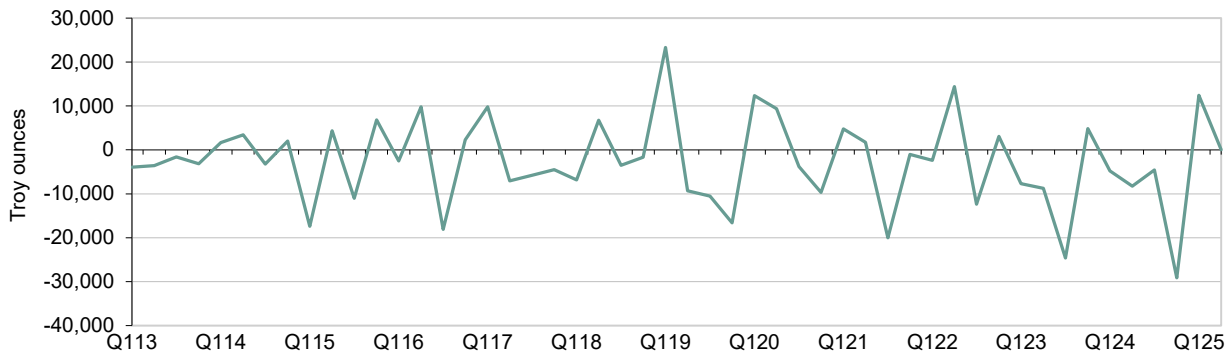
**Exhibit 3: Gold production attributable to WPM from Salobo, Q412–Q225e**



Source: Wheaton Precious Metals, Edison Investment Research

- In addition to Salobo’s production results, Vale’s sales numbers also tentatively suggest that sales and production numbers at Salobo may have been closely aligned. Total Brazilian copper sales at Vale (including Sossego) for the quarter were 66.4kt out of total production of 71.0kt (ie 93.5% of production was sold on average). This compared to 89.0% of production having been sold in Q125, when Wheaton recorded a significant (17.4%, or 12,425oz) over-sale of gold at Salobo relative to production. Salobo is frequently almost solely responsible for Wheaton’s inventory changes in any particular quarter and was responsible for the majority of both WPM’s gold and gold equivalent inventory build in Q424 and also its drawdown in Q125. Exhibit 4, below, demonstrates that, ordinarily, after a quarter of material over-sale historically, there is almost invariably a swift redress in the following quarter. In this case however, following the inventory drawdown in Q125, we are now assuming that sales and production will be closely aligned in Q225 (although we also recognise the possibility that the former will outstrip the latter, which we would characterise as ‘upside risk’ relative to our financial forecasts in Exhibit 1).

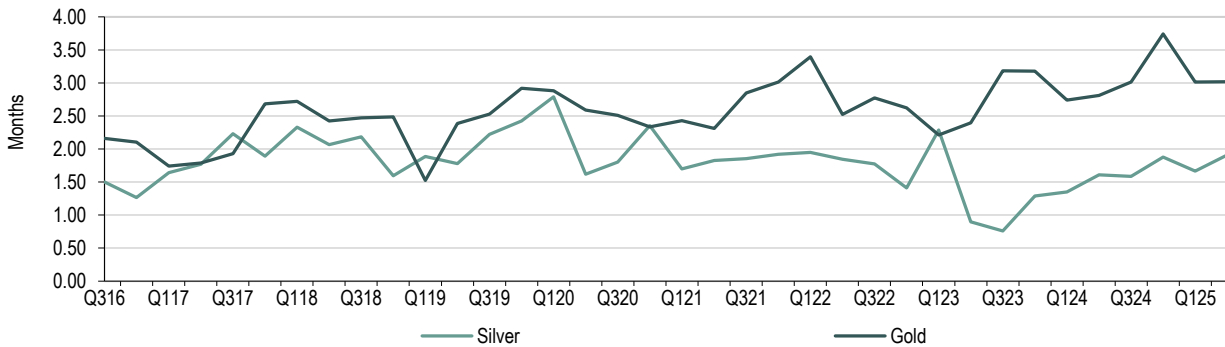
**Exhibit 4: Salobo over/(under) sale of gold relative to production, Q113–Q225e**



Source: Edison Investment Research, Wheaton Precious Metals. Note: As reported.

As a result, we expect gold ounces produced but not yet delivered (PBND) to Wheaton to remain broadly flat in Q2 at around three months of production, while silver ounces PBND increase to around 1.91 months from 1.67 months at the end of Q1. Note that these compare with WPM’s target levels of two to three months of ounces PBND for gold and palladium and two months for silver.

**Exhibit 5: Wheaton gold and silver ounces produced but not yet delivered, Q316-Q225e (months of production)**



Source: Wheaton Precious Metals, Edison Investment Research. Note: As reported.

Other adjustments to our forecasts include:

- Antamina experienced a fatality in April, which resulted in a three-day shut-down of the operation; while it has returned to service, we believe that throughput, in particular, will have been affected by the implementation of a series of safety drills to ensure future safety at the site.
- In accordance with the San Dimas PMPA, effective 30 April, we have assumed a revision of the fixed gold to silver exchange ratio from 70:1 to 90:1.

Exhibit 6 compares our forecasts for adjusted EPS for Q2–Q425 and FY25 relative to market consensus within the context of our adjustments:

**Exhibit 6: WPM FY25e adjusted EPS forecasts, Edison compared to market, by quarter (US\$/share)**

	Q125	Q225e	Q325e	Q425e	Sum Q1–Q425e	FY25e
Edison forecasts	0.553	0.585	0.624	0.697	2.459	2.459
Mean consensus	0.553	0.527	0.557	0.614	2.251	2.214
High consensus	0.553	0.610	0.670	0.760	2.593	2.560
Low consensus	0.553	0.430	0.440	0.490	1.913	1.910

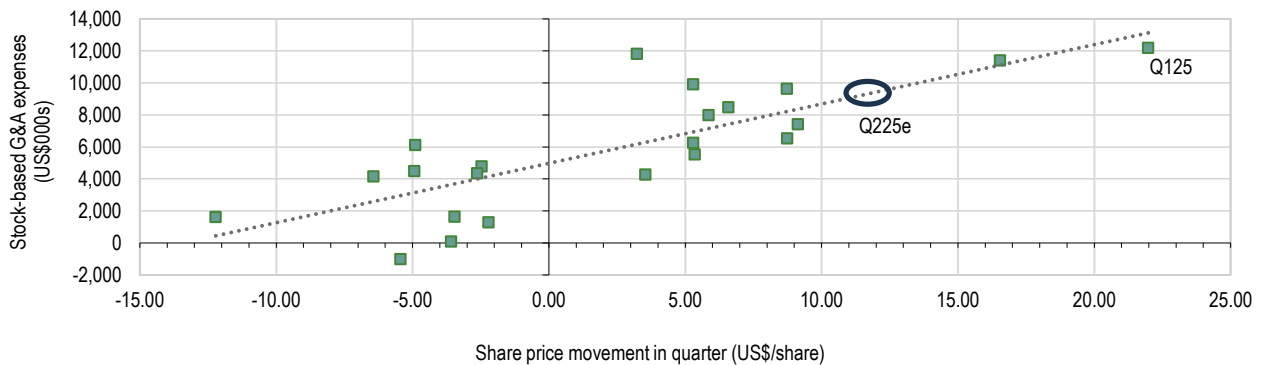
Source: LSEG Data & Analytics, Edison Investment Research. Note: Market consensus as at 15 July 2025.

Although production is anticipated by their operators at three additional mines in WPM's portfolio (Goose, Platreef and Mineral Park) at various times throughout the year, for the moment, we have assumed that this will be negligible and that meaningful production at all three will only commence in FY26. Once again, this represents 'upside risk' relative to our forecasts in Exhibit 1.

## General and administrative expenses

At the time of its Q424 results, WPM provided guidance for non-stock G&A expenses of US\$50–55m, or US\$12.50–13.75m per quarter, for FY25. Stock-based G&A expenses broadly correlate with movements in WPM's share price (in US dollars) between quarters and, given the movement in WPM's shares over the course of Q225, we would estimate these to be in the order of US\$9.3m, as shown by the oval in Exhibit 7, below:

**Exhibit 7: Graph of historical share price change (US\$/share) versus stock-based G&A expenses (US\$000s), quarterly, Q419–Q125**



Source: Edison Investment Research (underlying data: Wheaton Precious Metals and Bloomberg)

As a result, we forecast a total G&A expense for Q225 of US\$22.5m, of which just over half will be accounted for by non-stock expenses.

**Exhibit 8: WPM G&A expenses, Q422–Q225e (US\$000s)**

Item	Q422	Q123	Q223	Q323	Q423	Q124	Q224	Q324	Q424	Q125	Q225e
G&A salaries excluding PSU and equity settled stock-based compensation	4,187	5,021	4,749	4,591	4,051	5,365	5,083	5,002	5,049	7,811	
Other (including depreciation, donations and professional fees)	7,112	6,456	7,407	5,751	7,401	6,669	5,861	6,838	9,759	8,407	
<b>Non-stock-based G&amp;A</b>	<b>11,299</b>	<b>11,477</b>	<b>12,156</b>	<b>10,342</b>	<b>11,452</b>	<b>12,034</b>	<b>10,944</b>	<b>11,840</b>	<b>14,808</b>	<b>16,218</b>	<b>13,125</b>
<b>Guidance</b>	<b>11,750–12,250</b>	<b>11,750–12,500</b>	<b>11,750–12,500</b>	<b>11,750–12,500</b>	<b>11,750–12,500</b>	<b>10,250–11,250</b>	<b>10,250–11,250</b>	<b>10,250–11,250</b>	<b>10,250–11,250</b>	<b>12,500–13,751</b>	<b>12,500–13,752</b>
PSU accrual	7,035	5,855	2,625	2,604	5,222	(317)	4,586	7,903	4,393	10,756	
Equity settled stock-based compensation	1,439	1,542	1,859	1,732	1,305	1,598	1,655	1,725	1,725	1,425	
<b>Stock-based G&amp;A</b>	<b>8,474</b>	<b>7,397</b>	<b>4,484</b>	<b>4,336</b>	<b>6,527</b>	<b>1,281</b>	<b>6,241</b>	<b>9,628</b>	<b>6,118</b>	<b>12,181</b>	<b>9,336</b>
<b>Total general &amp; administrative</b>	<b>19,773</b>	<b>18,874</b>	<b>16,640</b>	<b>14,678</b>	<b>17,979</b>	<b>13,315</b>	<b>17,185</b>	<b>21,468</b>	<b>20,926</b>	<b>28,399</b>	<b>22,461</b>
<b>Non-stock as pct of total G&amp;A (%)</b>	<b>57.1</b>	<b>60.8</b>	<b>73.1</b>	<b>70.5</b>	<b>63.7</b>	<b>90.4</b>	<b>63.7</b>	<b>55.2</b>	<b>70.8</b>	<b>57.1</b>	<b>58.4</b>

Source: Wheaton Precious Metals, Edison Investment Research. Note: PSU, performance share units. Totals may not add up owing to rounding.

## FY25 and future forecasts compared to guidance

WPM provided detailed production guidance for FY25 and beyond at the time of its FY24 production and sales announcement on 18 February. This is summarised below relative to our own forecasts for the equivalent periods.

**Exhibit 9: WPM precious metals production - Edison forecasts cf guidance**

	FY25e	FY29e (target)	FY30–34 (average)
<b>Prior Edison forecast</b>			
Silver production (Moz)	21		
Gold production (koz)	373		
Cobalt production (klb)	1,634		
Palladium production (koz)	10		
Gold equivalent (koz)	624	890	950
<b>Current Edison forecast</b>			
Silver production (Moz)	21		
Gold production (koz)	385		
Cobalt production (klb)	1,679		
Palladium production (koz)	10		
Gold equivalent (koz)	634	890	950
<b>WPM guidance</b>			
Silver production (Moz)	20.5–22.5		
Gold production (koz)	350–390		
Cobalt & palladium production (koz AuE)	12.5–13.5		
Gold equivalent (koz)	600–670	870	>950

Source: Wheaton Precious Metals, Edison Investment Research.

WPM forecasts production to increase by c 37% over the next four years to 870,000 GEOs, owing to growth at multiple assets including Antamina, Aljustrel and Marmato, as well as development assets currently in construction, including

Blackwater, Mineral Park, Goose, Platreef, Fenix, Kurmuk and Koné, and pre-development assets including El Domo and Copper World. From 2030 to 2034, WPM forecasts average attributable production of more than 950,000 GEOs annually, incorporating additional incremental production from pre-development assets including Santo Domingo, Cangrejos, Kudze Kayah, Marathon and Kutcho in addition to the Mt Todd, Black Pine and DeLamar royalties. Not included in WPM's long-term forecast, and instead classified as 'optionality', is potential future production from nine other assets including Pascua-Lama and Navidad, in addition to expansions at Salobo beyond the Salobo III mine expansion project and future stream purchases.

Readers will note that our longer-term production forecasts are within 3% of WPM's guidance, which is well within the average quarterly under-sales rate for gold equivalent ounces of 10.2% ( $\pm 8.7\%$ ) relative to production since Q121.

WPM's guidance for FY25 and beyond is based on standardised pricing assumptions of US\$2,600/oz gold, US\$30.00/oz silver, US\$950/oz palladium, US\$950/oz platinum and US\$13.50/lb cobalt. Of note is the implied gold/silver ratio of 86.7x. This compares with the current ratio of 87.3x, a longer-term average of 60.6x since gold was demonetised in August 1971 (Exhibit 10, below) and a recent low of 44.7x in 2011:

**Exhibit 10: Gold/silver ratio, 1792–2024 (annual averages)**



Source: Edison Investment Research

At the updated standardised prices indicated, our production forecast of 634.3koz gold equivalent (AuE) for FY25 is self-evidently in the middle of WPM's guidance range of 600–670k GEOs. Our sales forecast is fractionally more conservative, at 623.6k GEOs, representing a sales shortfall of 1.7% relative to production for the year as a whole.

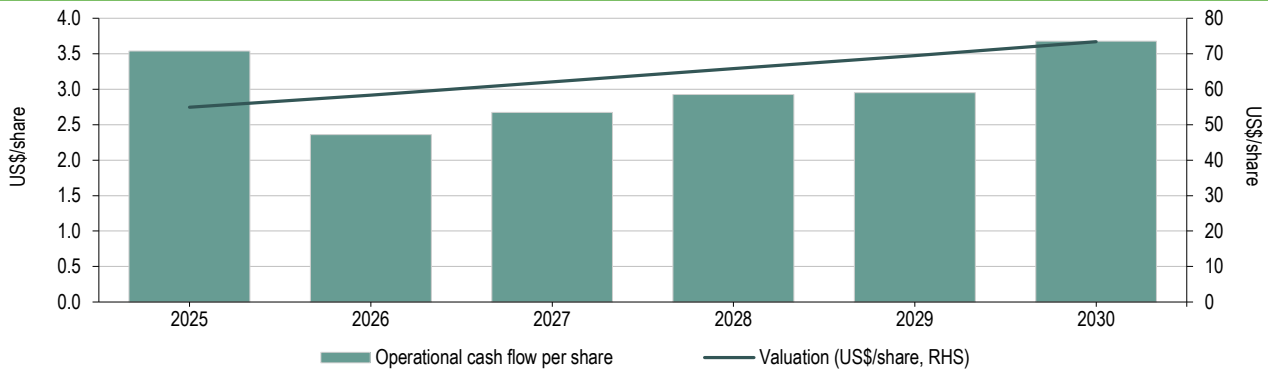
## Valuation

### Absolute

WPM is a multi-asset company that has shown a willingness and desire to buy and sell streams in the past to maintain production and maximise shareholder returns. As a result, rather than our customary method of discounting maximum potential dividends over the life of operations back to FY25, in the case of WPM, we discount forecast cash flows back over six years (at our long-term gold prices) to the start of FY25 and then apply an ex-growth terminal multiple to forecast cash flows in that year (FY30) based on the appropriate discount rate.

Our estimate of WPM's terminal cash flow in FY30 has increased very slightly from US\$3.62/share to US\$3.68/share, largely as a result of our updating our longer-term platinum group metals price forecasts. Assuming 4% growth (the average long-term CPI inflation rate in the US since 1967) in nominal cash flows beyond FY30 (ie 0% growth in real cash flows) and applying a discount rate of 9% (being the expected long-term required nominal equity return), our terminal valuation of the company at end-FY30 is US\$76.32, or C\$103.83, per share.

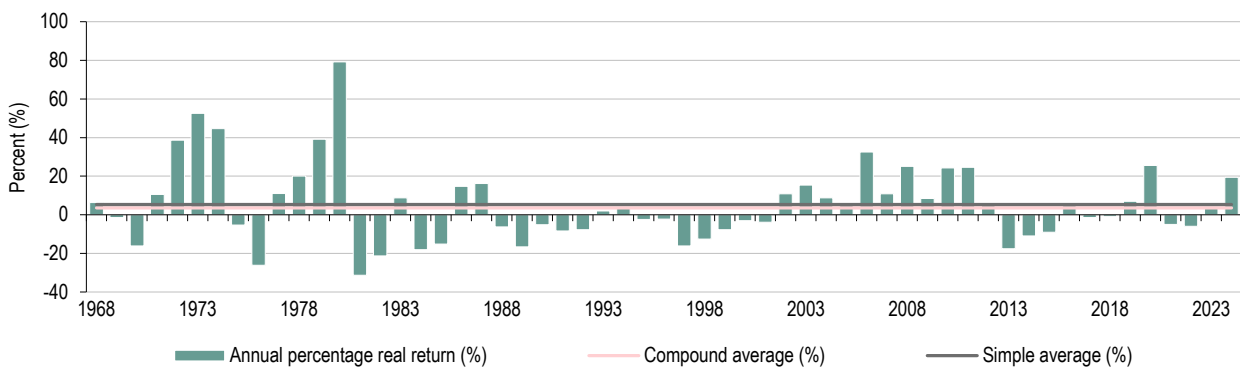
**Exhibit 11: WPM operational cash flow and related valuation (US\$/share), FY25–30**



Source: Edison Investment Research. Note: Valuation line assumes cash flow per share growth rate of 4% per year post-FY30 in nominal terms, which equals the average US rate of CPI inflation since 1967 (ie 0% pa growth in real terms).

However, this valuation is inherently conservative in that it assumes a (nominal) gold price of US\$2,274/oz in FY30 and zero growth in (real) cash flows thereafter. This is inconsistent with the gold price, which has risen at a compound average annual growth rate of 7.7% per year from 1967 to 2024, a simple average annual growth rate of 9.8% per year (cf a compound average inflation rate over the same period of 4.0%) and a compound average real annual growth rate of 3.6% per year.

**Exhibit 12: Gold price annual performance, 1968–2024**



Source: Edison Investment Research (underlying data: US Bureau of Labor Statistics, Bloomberg, South African Chamber of Mines)

It is also inconsistent with WPM's longer-term historical performance, wherein operational cash flows have increased at a compound average annual growth rate of 20.4% per year for the 19 years between FY05 and FY24, while its operational cash flows per share have increased at a compound average annual growth rate of 14.3% per year.

If we instead assume that cash flows per share increase at a compound average annual growth rate of 7.7% (ie the compound average annual growth rate in the gold price from 1967 to 2024, cf 4.0% above), then our terminal valuation of WPM increases manyfold to US\$302.34/share, or C\$411.33/share, and our current valuation to US\$189.68/share, or C\$258.06/share (excluding net cash – see below).

Stated alternatively, WPM's current share price of C\$130.19 appears to be discounting future compound annual average increases in cash flow per share of just 6.3% per year from FY30, which is only slightly higher than the long-term average rate of US inflation of 4.0% per year from 1967 to 2024 (inclusive) and well below the rate by which Wheaton's cash flows per share have historically grown (14.3% since FY05).

A summary of these valuations with respect to their cash flow growth rate assumptions is as follows:

**Exhibit 13: WPM valuation with respect to long-term cash flow growth rate assumptions, post FY30**

Long-term cash flow growth rate assumption (%)	Comment	WPM valuation	WPM valuation
		(US\$/share)	(C\$/share)
4.0	Zero real growth rate (ie rate equals compound average US inflation rate, 1967–2024)	76.32	103.83
6.3	Implied cash flow per share growth rate required to justify current share price	95.69	130.19
7.7	Gold price compound average annual growth rate, 1967–2024	189.68	258.06

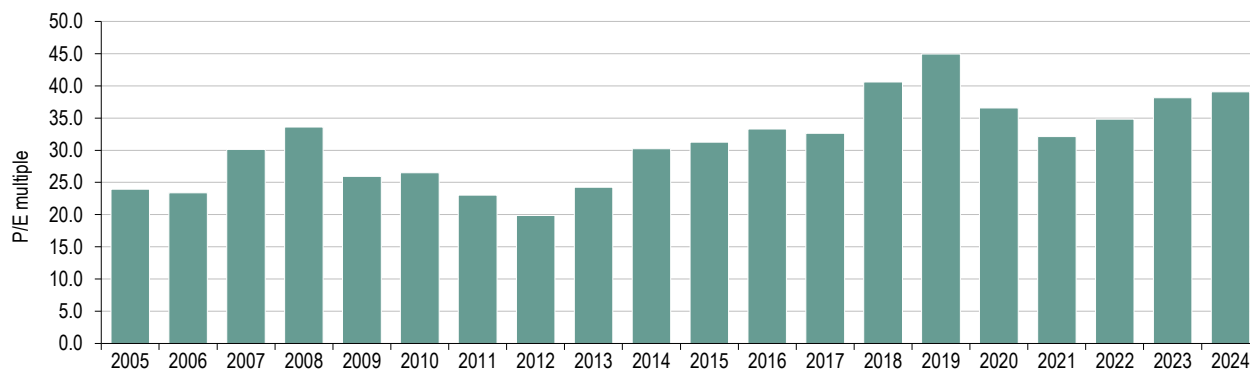
Source: Edison Investment Research (underlying data: US Bureau of Labor Statistics)

An alternative interpretation is that the market is assuming currently prevailing precious metals prices up to and including FY30, in which case WPM's share price of C\$130.19 could be said to be discounting compound annual average increases in cash flows per share thereafter of just 5.0% per year.

## Historical

Excluding FY04 (part-year), WPM's shares have historically traded on an average P/E multiple of 31.2x current year basic underlying EPS, excluding impairments (cf 38.9x Edison and 42.3x LSEG Data & Analytics consensus FY25e currently, see Exhibit 15).

**Exhibit 14: WPM's average historical current year P/E multiples, 2005–24**



Source: Average share price data Bloomberg, Edison Investment Research calculations

Applying this 31.2x multiple to our (effectively unchanged) EPS forecast of US\$1.90 in FY27 implies a potential value per share for WPM of US\$59.45 or C\$80.88 in that year. However, it is also notable that our forecast metals prices in that year currently are only US\$2,239/oz Au and US\$25.30/oz Ag. At current prices, our EPS forecast of US\$1.90/share in FY27 rises to US\$3.40/share, in which case our equivalent valuation rises to US\$106.83, or C\$145.35, per share. Moreover, as can be observed from the graph above, during periods of precious metal price appreciation, WPM can command higher current year P/E ratios. In the period 2018–24, for example, its average rating was 38.0x, in which case its corresponding share price in FY25 would be expected to be US\$93.55/share, or C\$127.27/share.

## Relative

In the meantime, WPM is maintaining its premium rating relative to its peers:

**Exhibit 15: WPM comparative valuation versus a sample of royalty/streaming peers**

	P/E (x)			Yield (%)			P/CF (x)		
	Yr1	Yr2	Yr3	Yr1	Yr2	Yr3	Yr1	Yr2	Yr3
<b>Royalty companies</b>									
Franco-Nevada	33.9	28.8	28.4	1.0	1.0	1.1	25.0	22.5	21.8
Royal Gold	21.7	19.0	18.8	1.2	1.2	1.3	16.3	14.2	14.5
Sandstorm Gold	54.8	38.2	33.9	0.5	0.7	0.7	21.2	18.9	19.1
OR Royalties	46.9	42.0	33.9	0.7	0.8	0.8	31.8	31.1	29.8
<b>Average</b>	<b>39.3</b>	<b>32.0</b>	<b>28.7</b>	<b>0.8</b>	<b>0.9</b>	<b>1.0</b>	<b>23.6</b>	<b>21.7</b>	<b>21.3</b>
<b>WPM (Edison forecasts)</b>	<b>38.9</b>	<b>63.2</b>	<b>50.3</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>27.1</b>	<b>40.6</b>	<b>35.8</b>
<b>WPM (consensus)</b>	<b>42.3</b>	<b>42.3</b>	<b>42.1</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>30.7</b>	<b>30.5</b>	<b>28.9</b>

Source: LSEG Data & Analytics, Edison Investment Research. Note: Peers and WPM (consensus) priced on 23 July 2025.

Readers will note our relatively high year 2 P/E ratio, which arises from our relatively low precious metals forecasts of US\$2,105/oz Au and US\$24.33/oz Ag. As noted previously, if metals prices remain at current levels, our FY26 EPS estimate rises to US\$2.87/share, in which case the corresponding P/E ratio would be 33.3x, which is at a marked discount to consensus and almost exactly in line with its peer group. In a growing production scenario, this would appear to suggest that the market is assuming precious metals price falls into FY26 and FY27 to (approximately) offset WPM's growth in output. In the event that precious metals prices remain flat (or increase) and production grows, it would appear to make WPM inexpensive relative to current market expectations.

## Financials: US\$1,077.5m (US\$2.37/share) in net cash at end Q125

As at 31 March, WPM had US\$1,085.6m in cash on its balance sheet and no debt outstanding under its US\$2bn revolving credit facility. Including a modest US\$8.1m in lease liabilities, it therefore had US\$1,077.5m in net cash after generating a record US\$360.8m in operating cash flow.

### Exhibit 16: WPM cash, net cash and operating cash flow, by quarter, Q320-Q125

(US\$m)	Q420	Q121	Q221	Q321	Q421	Q122	Q222	Q322	Q422	Q123	Q223	Q323	Q423	Q124	Q224	Q324	Q424	Q125
Cash/(debt)	192.7	191.2	235.4	372.5	226.0	376.2	448.6	494.6	696.1	799.7	828.8	833.9	546.5	306.1	540.2	694.1	818.2	1,085.6
Net cash/(debt)	6.0	187.7	232.1	369.4	223.2	373.5	446.2	492.5	694.1	797.9	822.3	827.7	540.3	300.2	534.5	688.4	813.0	1,077.5
Operating cash flow	208.0	232.2	216.3	201.3	195.3	210.5	206.4	154.5	172.0	135.1	202.4	171.1	242.2	219.4	234.4	254.3	319.5	360.8

Source: Wheaton Precious Metals, Edison Investment Research.

In Q225, we estimate that it will have generated c US\$338m from operating activities, before consuming US\$347m in investing activities, in respect of payments relating to the Salobo III, Kone, Blackwater, Curraghinalt and Kurmuk streams, and paying out US\$150m in (two) dividends to leave it with c US\$918m in net cash at the end of the quarter.

In FY25, we estimate that it will generate US\$1,605m from operating activities, before consuming a net US\$913m in net investing activities and paying out an increased US\$358m in forecast dividends under the influence of its new, progressive dividend policy, to leave it with net cash of c US\$1,150m as at 31 December 2025. However, readers should note that the timing of PMPA payments is uncertain and, inasmuch as investments are advanced or delayed, it is possible that WPM could register either a larger or smaller net cash position on its balance sheet by the year-end than that forecast. All other things being equal, however, in the absence of any major new asset acquisitions, we do not expect WPM to require recourse to its debt facilities at any time in the foreseeable future.

**Exhibit 17: Financial summary**

	\$000s	2020	2021	2022	2023	2024	2025e	2026e	2027e
Year end 31 December		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
<b>PROFIT &amp; LOSS</b>									
Revenue		1,096,224	1,201,665	1,065,053	1,016,045	1,284,639	1,965,525	1,620,420	1,874,540
Cost of Sales		(266,763)	(287,947)	(267,621)	(228,171)	(235,108)	(284,103)	(350,829)	(388,427)
Gross Profit		829,461	913,718	797,432	787,874	1,049,531	1,681,422	1,269,591	1,486,113
EBITDA		763,763	852,733	735,245	719,704	976,637	1,592,247	1,180,416	1,396,938
Operating profit (before amort. and excepts.)		519,874	597,940	503,293	505,270	729,693	1,282,290	795,549	996,281
Intangible Amortisation		0	0	0	0	0	0	0	0
Exceptionals		4,469	162,806	164,214	4,593	(111,030)	3,159	0	0
Other		387	190	7,680	33,658	28,373	41,175	0	0
Operating Profit		524,730	760,936	675,187	543,521	647,036	1,326,624	795,549	996,281
Net Interest		(16,715)	(5,817)	(5,586)	(5,510)	(5,549)	(5,603)	2,070	2,677
Profit Before Tax (norm)		503,546	592,313	505,387	533,418	752,517	1,317,862	797,619	998,958
Profit Before Tax (FRS 3)		508,015	755,119	669,601	538,011	641,487	1,321,021	797,619	998,958
Tax		(211)	(234)	(475)	(367)	(112,347)	(201,771)	(110,548)	(134,631)
Profit After Tax (norm)		503,335	592,079	504,912	533,051	640,170	1,116,091	687,071	864,326
Profit After Tax (FRS 3)		507,804	754,885	669,126	537,644	529,140	1,119,250	687,071	864,326
<b>Average Number of Shares Outstanding (m)</b>									
		449	450	452	453	453	454	454	454
EPS - normalised (c)		112	132	112	118	141	246	151	190
EPS - normalised and fully diluted (c)		112	131	112	118	141	246	151	190
EPS - (IFRS) (c)		113	168	148	119	117	247	151	190
Dividend per share (c)		42	57	60	60	62	79	80	78
<b>Margins</b>									
Gross Margin (%)		75.7	76.0	74.9	77.5	81.7	85.5	78.3	79.3
EBITDA Margin (%)		69.7	71.0	69.0	70.8	76.0	81.0	72.8	74.5
Operating Margin (before GW and except.) (%)		47.4	49.8	47.3	49.7	56.8	65.2	49.1	53.1
<b>BALANCE SHEET</b>									
Fixed Assets		5,755,441	6,046,427	6,039,813	6,463,774	6,596,377	7,199,545	7,187,179	7,159,022
Intangible Assets		5,521,632	5,940,538	5,753,111	6,169,534	6,426,674	7,029,818	7,017,452	6,989,295
Tangible Assets		33,931	44,412	30,607	47,562	70,728	70,988	70,988	70,988
Investments		199,878	61,477	256,095	246,678	98,975	98,739	98,739	98,739
Current Assets		201,831	249,724	720,093	567,411	828,080	1,187,807	1,519,193	2,010,179
Stocks		3,265	12,102	13,817	10,806	3,697	21,839	18,005	20,828
Debtors		5,883	11,577	10,187	10,078	6,217	10,770	8,879	10,271
Cash		192,683	226,045	696,089	546,527	818,166	1,155,198	1,492,309	1,979,079
Other		0	0	0	0	0	0	0	0
Current Liabilities		(31,169)	(29,691)	(30,717)	(26,075)	(29,504)	(29,572)	(32,772)	(34,574)
Creditors		(30,396)	(28,878)	(29,899)	(25,471)	(29,242)	(29,310)	(32,510)	(34,312)
Short-term borrowings		(773)	(813)	(818)	(604)	(262)	(262)	(262)	(262)
Long-term liabilities		(211,532)	(16,343)	(11,514)	(19,594)	(135,574)	(337,223)	(327,329)	(277,137)
Long-term borrowings		(197,864)	(2,060)	(1,152)	(5,625)	(4,909)	(4,787)	(4,787)	(4,787)
Other long-term liabilities		(13,668)	(14,283)	(10,362)	(13,969)	(130,665)	(332,436)	(322,542)	(272,350)
Net Assets		5,714,571	6,250,117	6,717,675	6,985,516	7,259,379	8,020,557	8,346,271	8,857,489
<b>CASH FLOW</b>									
Operating Cash Flow		779,156	845,832	737,821	725,548	997,762	1,611,034	1,189,341	1,394,525
Net Interest		(13,763)	(187)	6,227	33,770	23,491	(5,603)	2,070	2,677
Tax		49	(279)	(171)	(6,192)	8,516	0	(120,441)	(184,823)
Capex		149,648	(404,437)	(44,750)	(648,963)	(490,491)	(913,364)	(372,501)	(372,501)
Acquisitions/disposals		0	0	0	0	0	0	0	0
Financing		22,396	7,992	10,171	12,934	12,942	3,790	0	0
Dividends		(167,212)	(218,052)	(237,097)	(265,109)	(279,050)	(358,704)	(361,358)	(353,108)
Net Cash Flow		770,274	230,869	472,201	(148,012)	273,170	337,154	337,111	486,770
Opening net debt/(cash)		774,766	5,954	(223,172)	(694,119)	(540,298)	(812,995)	(1,150,149)	(1,487,260)
HP finance leases initiated		0	0	0	0	0	0	0	0
Other		(1,462)	(1,743)	(1,254)	(5,809)	(473)	0	0	0
Closing net debt/(cash)		5,954	(223,172)	(694,119)	(540,298)	(812,995)	(1,150,149)	(1,487,260)	(1,974,030)

Source: Company sources, Edison Investment Research

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