

Walcott Resources Ltd

18:45 15 Sep 2020

Silver's use as both precious and industrial metal could help it outshine gold

Silver is technically a precious metal, but it is also used as an industrial metal, contributing to its price gains as investors bet on a global economic recovery in the second half of the year.

The metal's price has increased by 51% in 2020 to US\$27.12 per ounce from US\$17.91 per ounce at the start of the year.

Silver is used in an increasing number of medical applications, as well as in electronic components for 5G telecommunications networks, which indicates the potential for silver to outperform gold.

Is there room for further price increases?

As technical indicators go, the ratio of gold price to silver prices, commonly referred to as the gold-silver ratio, is considered by precious metal traders to be one of the most reliable indicators for forward price movements in silver.

The gold-silver ratio indicates how many ounces of silver are required to buy one ounce of gold. In times where the ratio is relatively high, it acts as a leading indicator for a rise in silver's value.

The gold-silver ratio has now risen from a low of 34.7:1 in April 2011, its lowest level since 1979, to its highest level in 87 years of 111.7:1 in April 2020, before reducing to 90.6:1 in July on the back of a 35% rise in the silver price over just three months.



Gold-Silver Ratio since 1990. Source: Mining and Metals Research Corporation Ltd.

Price: 0.9

Market Cap: \$11 m

1 Year Share Price Graph



November 2019 August 2020 October 2020

Share Information

Code: WAL

Listing: CSE

52 week High Low
0.95 0.09

Sector: Mining

Website: www.walcottresources.com

Company Synopsis:

Walcott Resources Ltd (CNSX:WAL) is a British Columbia based company involved in the acquisition and exploration of mineral properties in Canada and Australia. The company recently acquired interests in two prospective silver/zinc projects in Australia, being the Tyr Silver Project and the Century South Silver/Zinc Project.

action@proactiveinvestors.com.au

Could we now be facing a sustained uptrend in the silver price?

Historical precedent appears to suggest so, only once in history was silver more undervalued compared to gold than it was in April 2020 and that was in 1933, when the US Government forced its citizens to sell their precious metal holdings.

A rise in the silver price from its current level of US\$27.12, would bode well for companies such as Walcott Resources Ltd (CNSX:WAL).

Projects near historical silver mines

Walcott is acquiring two prospective silver-zinc projects in Australia, being the Tyr Silver Project and the Century South Silver-Zinc Project.

The Tyr Silver Project in northern New South Wales has two historical silver mines - Burra and Torny - coupled with high-grade silver-zinc-lead-tin mineralisation.

Tyr delivers upside potential with mineral occurrences apparent along a north-west trend.

Notably, the north-west trend is part of a large-scale mineralised system that includes the historical silver mines, which materially boosts exploration upside.

The Century South Silver-Zinc Project is in Mt Isa Basin, north-west Queensland and is 5 kilometres along strike from one of the world's largest silver-zinc mines.

Both projects are located near established mining infrastructure with accessibility to ports.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Walcott Resources Ltd named herein, including the promotion by the Company of Walcott Resources Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).