

ModernGraham Valuation

Company Name:

Kelt Exploration Ltd

Company Ticker TSE:KEL

Date of Analysis

2/6/2017



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$1,061,142,445	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.56	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end		
5. Earnings Growth		-6000.00%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-10.99	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.28	Fail

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.56	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-8.91	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.55
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$7.98
MG Value based on 0% Growth	-\$4.68
Market Implied Growth Rate	-9.74%

MG Opinion

Current Price	\$6.05
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

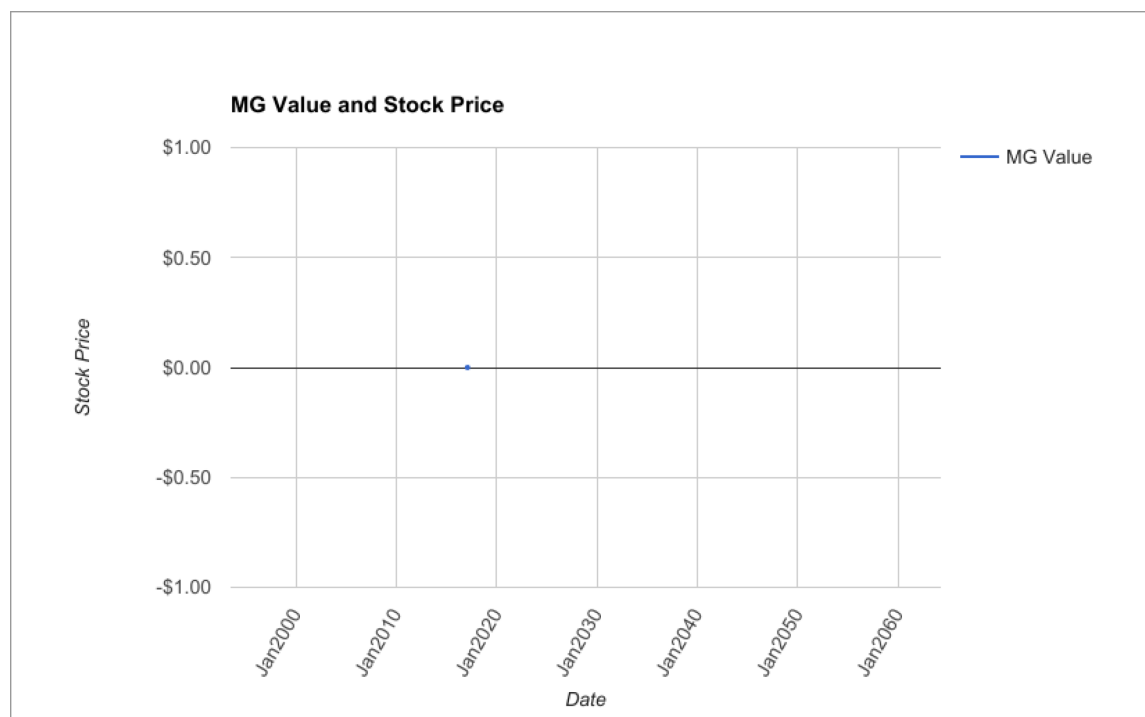
Stage 3: Information for Further Research

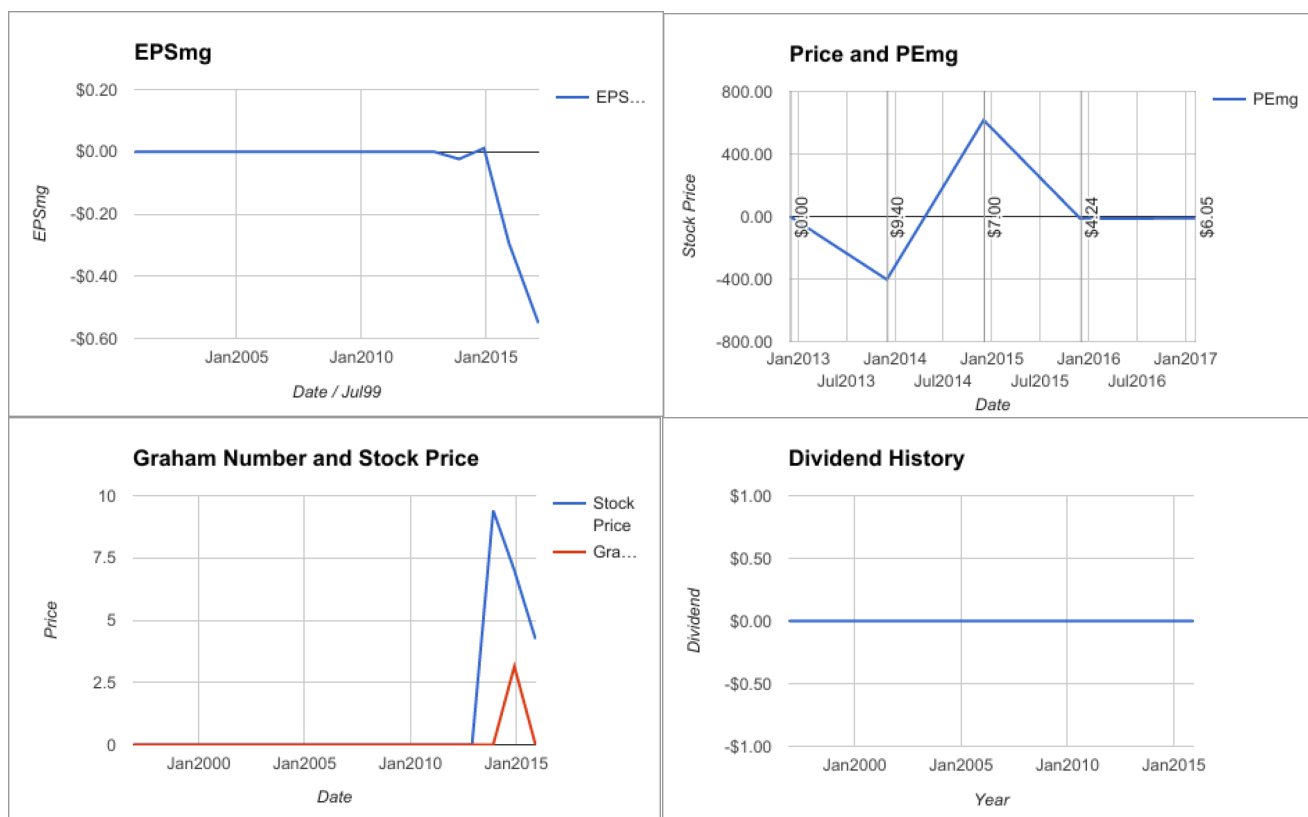
Net Current Asset Value (NCAV)	-\$2.19
Graham Number	\$0.00
PEmg	-10.99
Current Ratio	0.56
PB Ratio	1.28
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	-\$0.95		-\$0.55
Dec2015	-\$0.91	Dec2015	-\$0.29
Dec2014	\$0.09	Dec2014	\$0.01
Dec2013	-\$0.07	Dec2013	-\$0.02
Dec2012	\$0.00	Dec2012	\$0.00
Dec2011	\$0.00	Dec2011	\$0.00
Dec2010	\$0.00	Dec2010	\$0.00
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 9/1/2016	
Dec1998	\$0.00	Total Current Assets	\$25,765,000
Dec1997	\$0.00	Total Current Liabilities	\$46,212,000
Dec1996	\$0.00	Long-Term Debt	\$182,158,000
		Total Assets	\$1,232,147,000
		Intangible Assets	\$0
		Total Liabilities	\$408,260,000
		Shares Outstanding (Diluted Average)	174,671,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other
ModernGraham
posts about the
company

#N/A

Other
ModernGraham
posts about related
companies

[Canadian National Resources Ltd Valuation – Initial Coverage \\$TSE:CNQ](#)
[Halliburton Company Valuation – January 2017 \\$HAL](#)
[Just Energy Group Inc Valuation – Initial Coverage \\$TSE:JE](#)
[SM Energy Co Valuation – Initial Coverage \\$SM](#)
[Kinder Morgan Inc Valuation – January 2017 \\$KMI](#)
[South Jersey Industries Inc Valuation – Initial Coverage \\$SJI](#)
[Secure Energy Services Inc Valuation – Initial Coverage \\$TSE:SES](#)
[Surge Energy Inc Valuation – Initial Coverage \\$TSE:SGY](#)
[Range Resources Corp Valuation – January 2017 \\$RRC](#)
[Seacor Holdings Inc Valuation – Initial Coverage \\$CKH](#)