

ModernGraham Valuation

Company Name:

Sandstorm Gold Ltd

Company Ticker TSE:SSL

Date of Analysis

2/20/2017



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	\$955,207,903	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	4.14	Pass
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	88.57%	Pass
5. Earnings Growth	PEmg < 20	-32.84	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.40	Fail
7. Moderate Price to Assets			

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	4.14	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
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	-\$0.19
MG Growth Estimate	-4.25%
MG Value	\$0.09
MG Value based on 3% Growth	-\$2.68
MG Value based on 0% Growth	-\$1.57
Market Implied Growth Rate	-20.67%

MG Opinion

Current Price	\$6.08
% of Intrinsic Value	7047.19%
Opinion	Overvalued
MG Grade	D

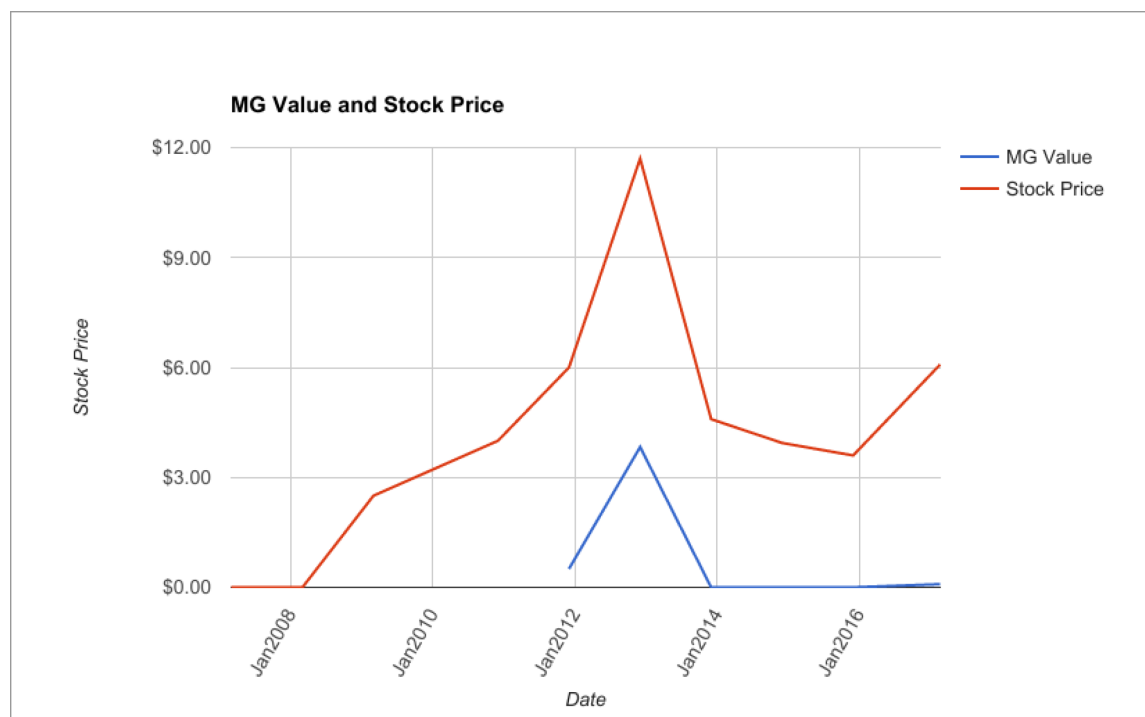
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.09
Graham Number	\$2.49
PEmg	-32.84
Current Ratio	4.14
PB Ratio	1.40
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	\$0.06	Next Fiscal Year Estimate	-\$0.19
Dec2015	-\$0.49	Dec2015	-\$0.26
Dec2014	\$0.10	Dec2014	-\$0.12
Dec2013	-\$0.83	Dec2013	-\$0.19
Dec2012	\$0.25	Dec2012	\$0.10
Dec2011	\$0.16	Dec2011	\$0.01
Dec2010	-\$0.05	Dec2010	-\$0.06
Mar2009	-\$0.10	Mar2009	-\$0.05
Mar2008	-\$0.05	Mar2008	-\$0.02
Mar2007	-\$0.03	Mar2007	-\$0.01
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	\$24,073,000
Dec1997	\$0.00	Total Current Liabilities	\$5,812,000
Dec1996	\$0.00	Long-Term Debt	\$0
		Total Assets	\$708,375,000
		Intangible Assets	\$0
		Total Liabilities	\$10,164,000
		Shares Outstanding (Diluted Average)	161,216,000





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

[Kirkland Lakes Gold Ltd Valuation – Initial Coverage \\$TSE:KL](#)
[Klondex Mines Ltd Valuation – Initial Coverage \\$TSE:KDX](#)
[Natural Resource Partners LP Valuation – February 2017 \\$NRP](#)
[Kaiser Aluminum Corp Valuation – Initial Coverage \\$KALU](#)
[Freeport-McMoRan Inc Valuation – January 2017 \\$FCX](#)
[Semafo Inc Valuation – Initial Coverage \\$TSE:SMF](#)
[U.S. Silica Holdings Inc Valuation – Initial Coverage \\$SLCA](#)
[Ivanhoe Mines Ltd Valuation – Initial Coverage \\$TSE:IVN](#)
[Cloud Peak Energy Inc Valuation – Initial Coverage \\$CLD](#)
[Centerra Gold Inc Valuation – Initial Coverage \\$TSE:CG](#)