

ModernGraham Valuation

Company Name:

Ivanhoe Mines Ltd

Company Ticker TSE:IVN

Date of Analysis

7/31/2018



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	\$2,003,560,960	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	8.28	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	-134.26%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	13.36	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.30	Pass

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	8.28	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.22	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 Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.19
MG Growth Estimate	15.00%
MG Value	\$7.47
MG Value based on 3% Growth	\$2.81
MG Value based on 0% Growth	\$1.65
Market Implied Growth Rate	2.43%

MG Opinion

Current Price	\$2.59
% of Intrinsic Value	34.69%
Opinion	Undervalued
MG Grade	C-

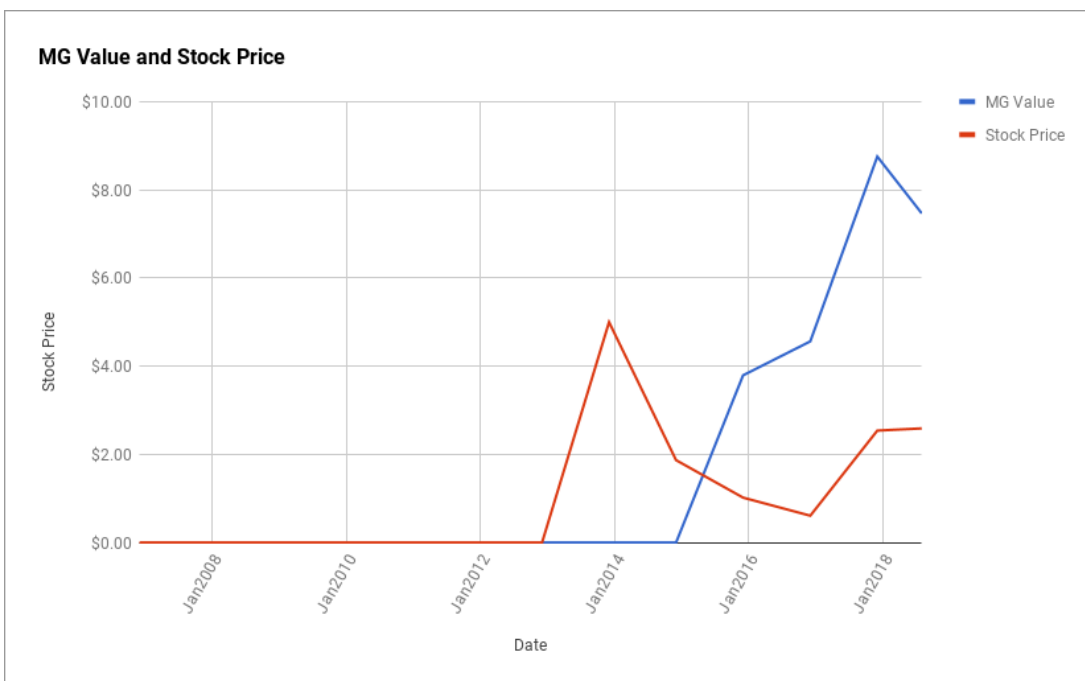
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.16
Graham Number	\$0.00
PEmg	13.36
Current Ratio	8.28
PB Ratio	1.30
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	
Dec2017	-\$0.03	Dec2017	\$0.19
Dec2016	\$0.27	Dec2016	\$0.23
Dec2015	-\$0.05	Dec2015	\$0.12
Dec2014	\$1.28	Dec2014	\$0.10
Dec2013	-\$0.40	Dec2013	-\$0.46
Dec2012	-\$0.73	Dec2012	-\$0.43
Dec2011	-\$0.38	Dec2011	-\$0.29
Dec2010	-\$0.33	Dec2010	-\$0.24
Dec2009	-\$0.13	Dec2009	-\$0.18
Dec2008	-\$0.08	Dec2008	-\$0.18
Dec2007	-\$0.57	Dec2007	-\$0.19
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	Balance Sheet Information 3/1/2018	
Dec2000	\$0.00	Total Current Assets	\$198,793,000
Dec1999	\$0.00	Total Current Liabilities	\$24,003,000
Dec1998	\$0.00	Long-Term Debt	\$38,690,000
		Total Assets	\$1,642,128,000
		Intangible Assets	\$0
		Total Liabilities	\$68,464,000
		Shares Outstanding (Diluted Average)	791,001,000





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:

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ModernGraham
posts about the
company [Ivanhoe Mines Ltd Valuation – Initial Coverage \\$TSE:IVN](#)

Other
ModernGraham
posts about related
companies [Cleveland-Cliffs Inc Valuation – July 2018 \\$CLF](#)
[Cloud Peak Energy Inc Valuation – July 2018 \\$CLD](#)
[Wheaton Precious Metals Corp Valuation – July 2018 \\$TSE-WPM](#)
[IAMGOLD Corp Valuation – July 2018 \\$TSE:IMG](#)
[Centerra Gold Inc Valuation – July 2018 \\$TSE:CG](#)
[Alliance Resource Partners LP Valuation – July 2018 \\$ARLP](#)
[Century Aluminum Co Valuation – July 2018 \\$CENX](#)
[Goldcorp Inc Valuation – July 2018 \\$GGG](#)
[Freeport-McMoRan Inc Valuation – May 2018 \\$FCX](#)
[Newmont Mining Corp Valuation – March 2018 \\$NEM](#)