

ModernGraham Valuation

Company Name:

Kelt Exploration Ltd

Company Ticker TSE:KEL

Date of Analysis

8/6/2018



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	\$1,795,979,281	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.48	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	-1133.33%	Fail
5. Earnings Growth	PEmg < 20	-56.26	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.04	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	0.48	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-3.90	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 Score		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.17
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$2.48
MG Value based on 0% Growth	-\$1.46
Market Implied Growth Rate	-32.38%

MG Opinion

Current Price	\$9.64
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

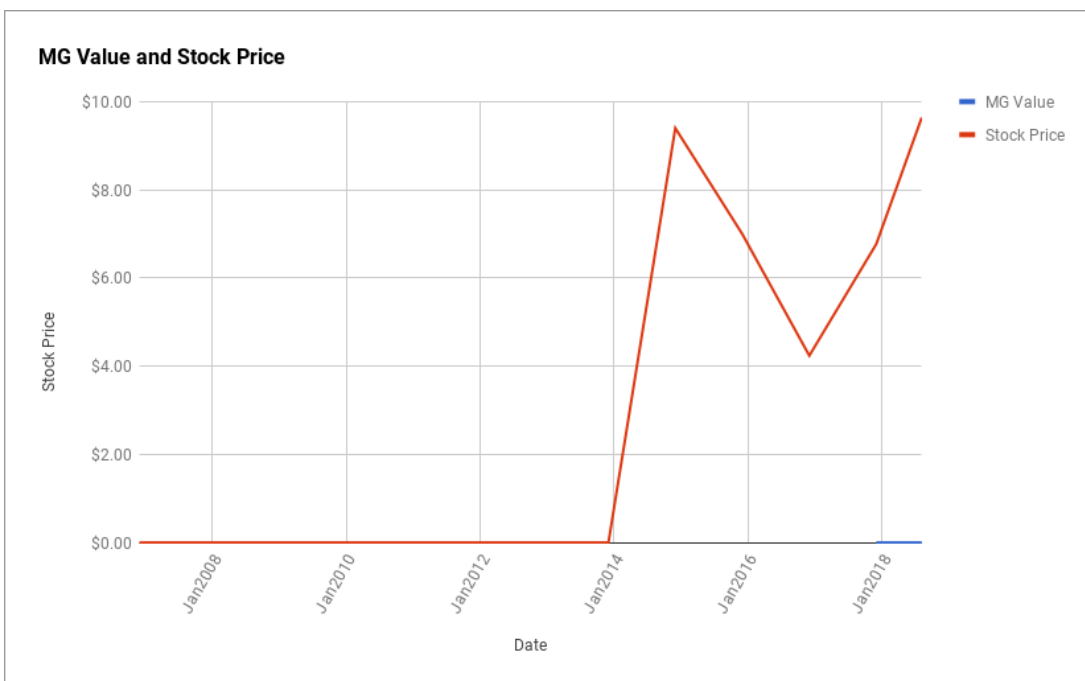
Stage 3: Information for Further Research

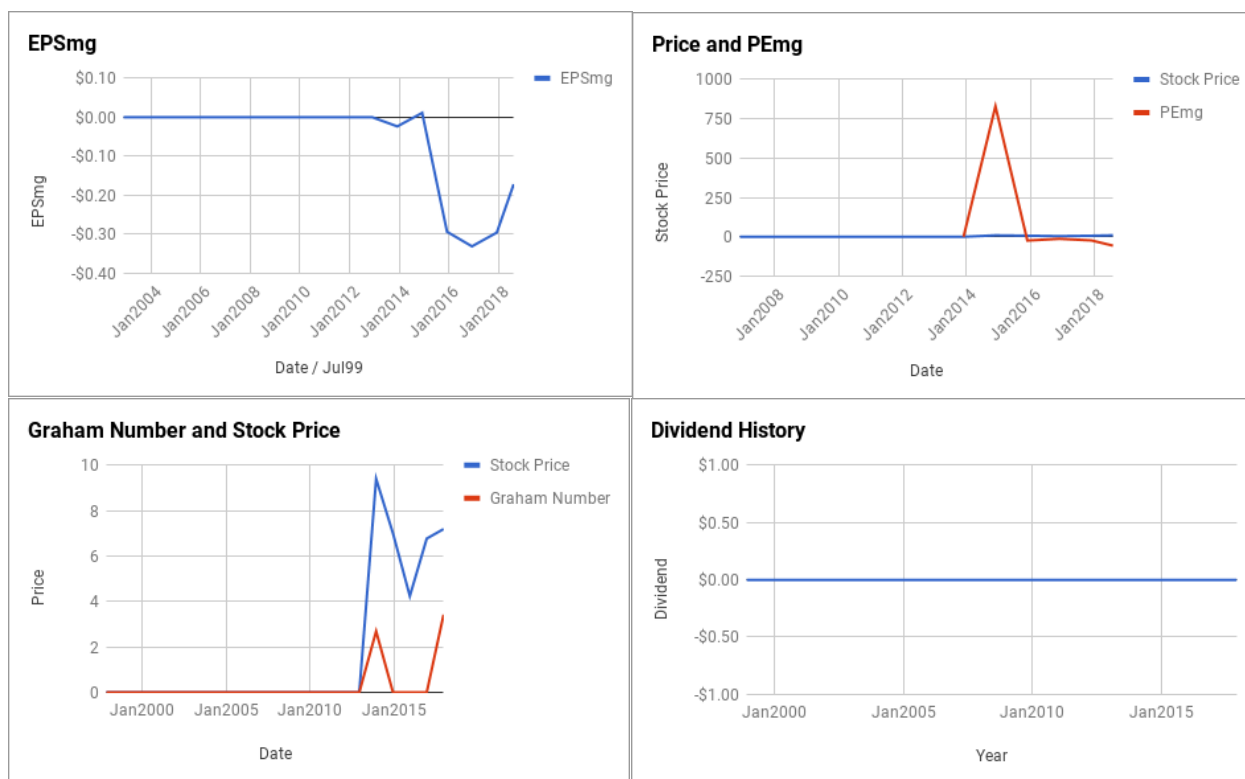
Net Current Asset Value (NCAV)	-\$2.38
Graham Number	\$3.42
PEmg	-56.26
Current Ratio	0.48
PB Ratio	2.04
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

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	
	\$0.11		-\$0.17
Dec2017	-\$0.13	Dec2017	-\$0.30
Dec2016	-\$0.29	Dec2016	-\$0.33
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	Balance Sheet Information 3/1/2018	
Dec2000	\$0.00	Total Current Assets	\$47,738,000
Dec1999	\$0.00	Total Current Liabilities	\$98,566,000
Dec1998	\$0.00	Long-Term Debt	\$198,202,000
		Total Assets	\$1,337,688,000
		Intangible Assets	\$0
		Total Liabilities	\$480,669,000
		Shares Outstanding (Diluted Average)	181,706,000





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

[Kelt Exploration Ltd Valuation – Initial Coverage \\$TSE:KEL](#)

Other
ModernGraham
posts about related
companies

[Canadian Natural Resources Ltd Valuation – August 2018 \\$TSE:CNQ](#)
[SM Energy Co Valuation – August 2018 \\$SM](#)
[Surge Energy Inc Valuation – July 2018 \\$TSE:SGY](#)
[CIRCOR International Inc Valuation – July 2018 \\$CIR](#)
[SEACOR Holdings Inc Valuation – July 2018 \\$CKH](#)
[Inter Pipeline Ltd Valuation – July 2018 \\$TSE:IPL](#)
[World Fuel Services Corp Valuation – July 2018 \\$INT](#)
[Shawcor Ltd Valuation – July 2018 \\$TSE-SCL](#)
[Imperial Oil Ltd Valuation – July 2018 \\$IMO](#)
[CES Energy Solutions Corp – July 2018 \\$TSE-CEU](#)