

ModernGraham Valuation

Company Name:

Sandstorm Gold Ltd

Company Ticker TSE:SSL

Date of Analysis

8/13/2018



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	\$993,891,135	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.46	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	2642.86%	Pass
5. Earnings Growth	PEmg < 20	158.61	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.27	Pass
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	2.46	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 Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.03
MG Growth Estimate	15.00%
MG Value	\$1.30
MG Value based on 3% Growth	\$0.49
MG Value based on 0% Growth	\$0.29
Market Implied Growth Rate	75.06%

MG Opinion

Current Price	\$5.34
% of Intrinsic Value	411.98%
Opinion	Overvalued
MG Grade	F

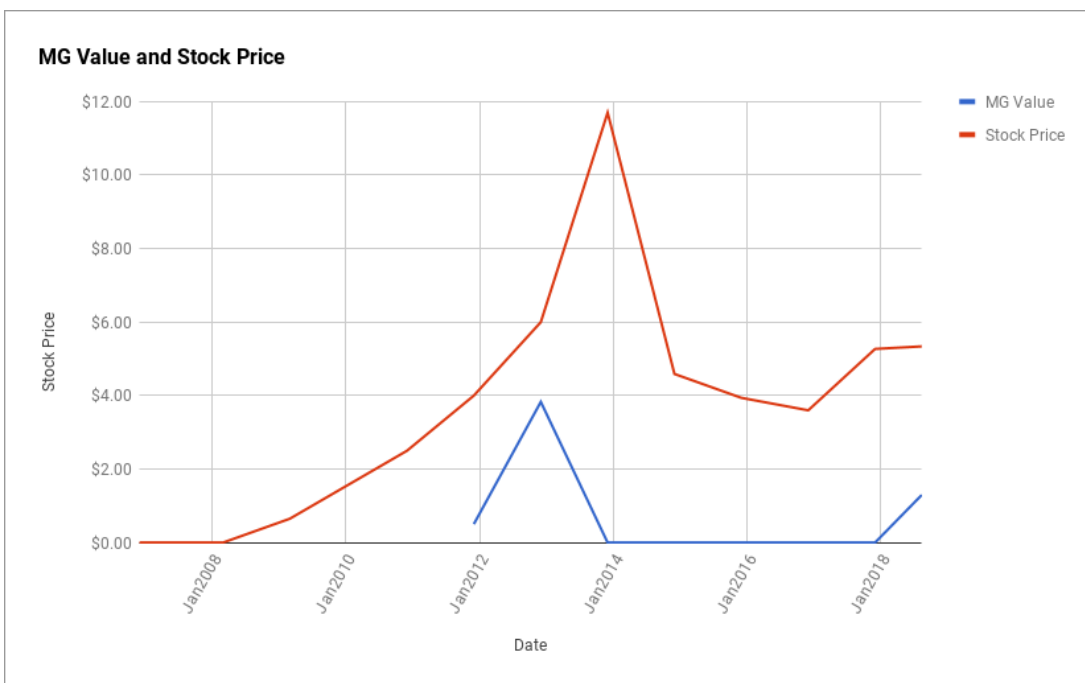
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.07
Graham Number	\$2.86
PEmg	158.61
Current Ratio	2.46
PB Ratio	1.27
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	\$0.08	Dec2017	\$0.03
Dec2016	\$0.08	Dec2016	-\$0.05
Dec2015	\$0.23	Dec2015	-\$0.13
Dec2014	-\$0.49	Dec2014	-\$0.26
Dec2013	\$0.10	Dec2013	-\$0.12
Dec2012	-\$0.83	Dec2012	-\$0.19
Dec2011	\$0.25	Dec2011	\$0.10
Dec2010	\$0.16	Dec2010	\$0.01
Dec2009	-\$0.05	Dec2009	-\$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	Balance Sheet Information	
Dec2000	\$0.00	6/1/2018	
Dec1999	\$0.00	Total Current Assets	\$23,932,000
Dec1998	\$0.00	Total Current Liabilities	\$9,744,000
		Long-Term Debt	\$0
		Total Assets	\$818,257,000
		Intangible Assets	\$0
		Total Liabilities	\$10,610,000
		Shares Outstanding (Diluted Average)	192,666,000





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

[Sandstorm Gold Ltd Valuation – Initial Coverage \\$TSE:SSL](#)

Other
ModernGraham
posts about related
companies

[Kirkland Lake Gold Ltd Valuation – August 2018 \\$TSE-KL](#)
[Natural Resource Partners LP Valuation – August 2018 \\$NRP](#)
[Kaiser Aluminum Corp Valuation – August 2018 \\$KALU](#)
[Semafo Inc Valuation – August 2018 \\$TSE-SMF](#)
[US Silica Holdings Inc Valuation – August 2018 \\$SLCA](#)
[Ivanhoe Mines Ltd Valuation – August 2018 \\$TSE-JVN](#)
[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](#)