

# 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			
6. Moderate PEmg Ratio	PEmg < 20	158.61	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.27	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	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		Pass
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$0.03
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$1.30</b>
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%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>F</b>

## Stage 3: Information for Further Research

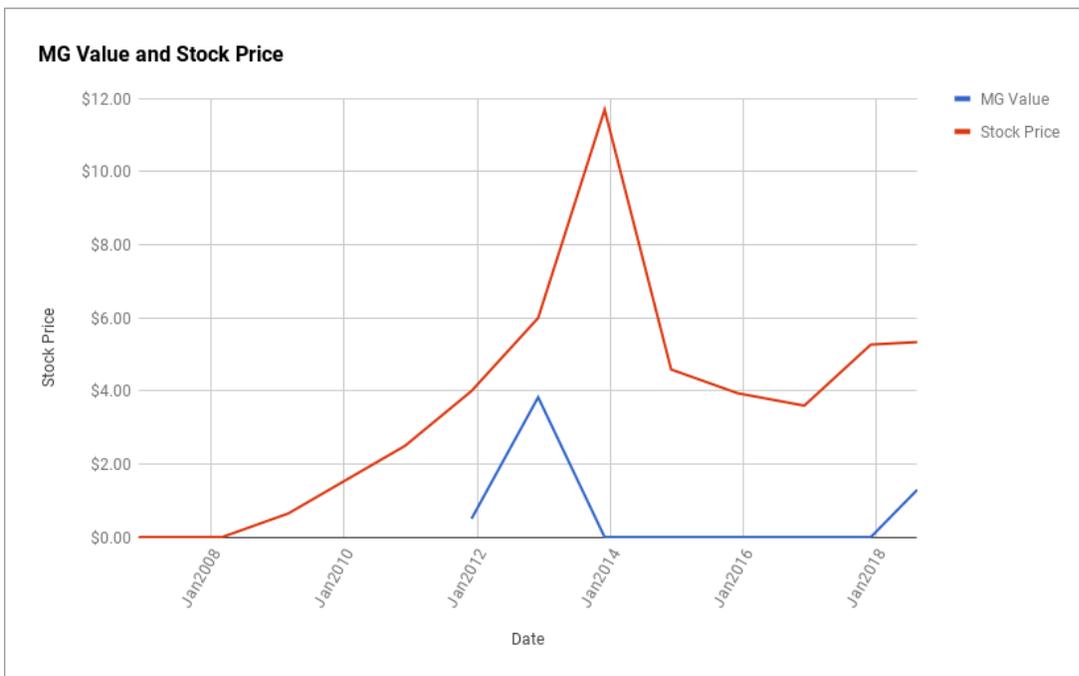
Net Current Asset Value (NCAV)	\$0.07
Graham Number	\$2.86
PEmg	158.61
Current Ratio	2.46
PB Ratio	1.27
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

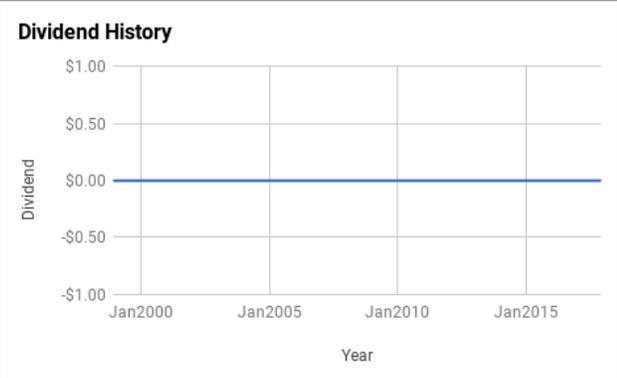
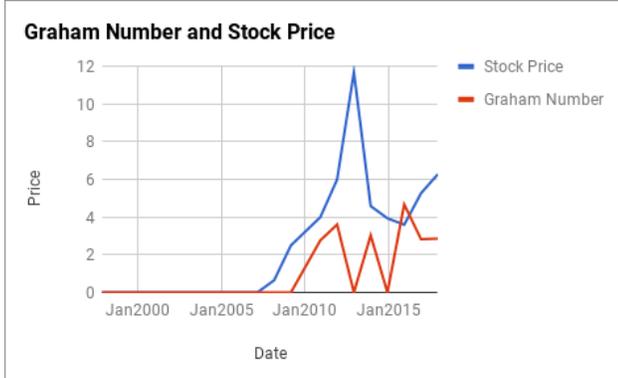
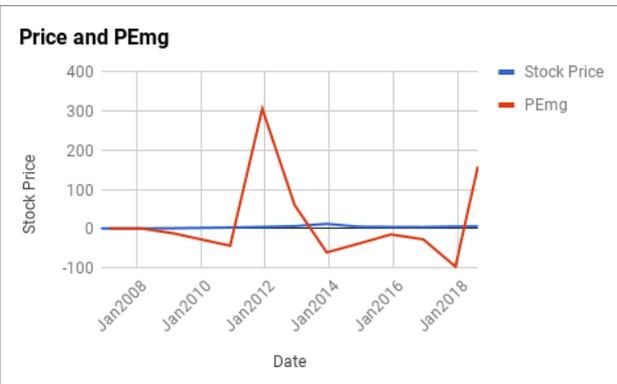
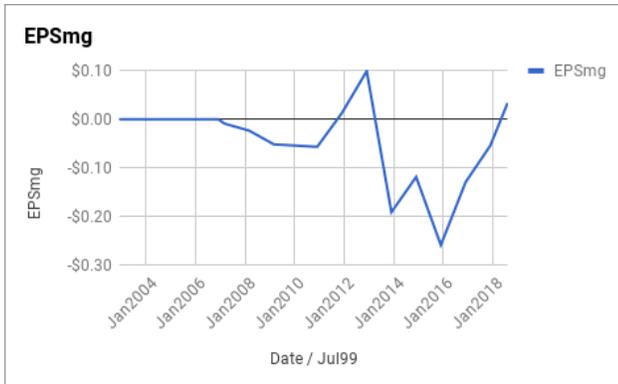
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.08	Next Fiscal Year Estimate	\$0.03
Dec2017	\$0.08	Dec2017	-\$0.05
Dec2016	\$0.23	Dec2016	-\$0.13
Dec2015	-\$0.49	Dec2015	-\$0.26
Dec2014	\$0.10	Dec2014	-\$0.12
Dec2013	-\$0.83	Dec2013	-\$0.19
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	<b>Balance Sheet Information 6/1/2018</b>	
Dec2000	\$0.00	Total Current Assets	\$23,932,000
Dec1999	\$0.00	Total Current Liabilities	\$9,744,000
Dec1998	\$0.00	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.

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