

CODE OF BUSINESS CONDUCT AND ETHICS - CONSULTANTS

1 PURPOSE OF THIS CODE

A This Code of Business Conduct and Ethics - Consultants (“**Code**”) is intended to document the principles of conduct and ethics to be followed by Sandstorm Gold Ltd.’s (“**Sandstorm**” or the “**Company**”) consultants. Its purpose is to:

- i* Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- ii* Promote avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- iii* Promote full, fair, accurate, timely and understandable disclosure in reports and documents that Sandstorm files with, or submits to, the securities regulators and in other public communications made by the consultant ;
- iv* Promote compliance with applicable governmental laws, rules and regulations;
- v* Promote the prompt internal reporting to an appropriate person of violations of this Code if the consultant notices any issues;
- vi* Promote accountability for adherence to this Code;
- vii* Provide guidance to consultants to help them recognize and deal with ethical issues;
- viii* Provide mechanisms to report unethical conduct; and
- ix* Help foster Sandstorm’s culture of honesty and accountability.

B Sandstorm will expect all its consultants to comply at all times while working at Sandstorm with the principles in this Code. Violations of this Code are grounds for disciplinary action up to and including immediate termination of consulting and possible legal prosecution.

2 RESPONSIBILITY

A This Code outlines a framework of guiding principles. As with any statement of policy, the exercise of judgment is required in determining the applicability of this Code to each individual situation.

B It is the responsibility of every Sandstorm consultant to read and understand this Code. Individuals must comply with the Code in both letter and spirit. Ignorance of the Code will not excuse individuals from its requirements.

- C It is the responsibility of every Sandstorm consultant to ensure they do not engage in behavior that harms the reputation of Sandstorm.
- D It is the responsibility of every Sandstorm consultant to ensure they handle company property in a responsible manner and protect the Company's assets against loss, damage, theft, abuse and unauthorized use.

3 COMPLIANCE WITH LAW

- A Each consultant must at all times comply fully with applicable law and should avoid any situation that could be perceived as improper, unethical or indicate a casual attitude towards compliance with the law.
- B No consultant shall commit or condone an illegal act or instruct another consultant or employee to do so.
- C No consultant shall create or condone the creation of a false record. No consultant shall destroy or condone the destruction of a record which contains confidential or sensitive information which the Company does not hold a copy of.
- D Consultants are expected to be sufficiently familiar with any legislation that applies to their circumstances and shall recognize potential liabilities, seeking advice where appropriate.
- E When in doubt, consultants are expected to seek clarification from their immediate supervisor or the Disclosure Committee of the Company (consisting of CEO and CFO of the Company).

4 CONFLICTS OF INTEREST

- A Conflicts of interest arise where an individual's position or responsibilities with the Company present an opportunity for personal gain apart from the normal rewards of consulting, to the detriment of the Company. They also arise where a consultant's personal interests are inconsistent with those of the Company and create conflicting loyalties. Such conflicting loyalties can cause a consultant to give preference to personal interests in situations where corporate responsibilities should come first. Consultants shall perform the responsibilities of their positions on the basis of what is in the best interests of the Company and free from the influence of personal considerations and relationships.
- B Consultants of Sandstorm shall attempt to avoid situations where their personal interest could conflict with the interests of the Company and its shareholders, to the detriment of the Company. Where conflicts arise, the individual will inform either (a) their supervisor at the Company or where, the immediate supervisor may be conflicted (b) the Disclosure Committee of the Company.
- C While it is not possible to detail every situation where conflicts of interest may arise, the following policies cover the areas that have the greatest potential for conflict:

- i* Speculation in Company Securities and Use of Inside Information

There are numerous laws, both federal and provincial, regulating transactions in corporate securities and the securities industry. Violation of these laws may lead to civil and criminal actions against the individual and the company involved. All consultants will take all steps to be in compliance with such laws.

ii Personal Financial Interest

A consultant shall not accept for themselves, or for the benefit of any relative or friend, any payments, loans, services, favors involving more than ordinary social amenity, or gifts of more than nominal value from any organization doing or seeking to do business with the Company, except in accordance with this Code and within normal business practices or in circumstances whereby such exceptions have been approved by the Company's Disclosure Committee.

5 FAIR DEALING

A Consultants should endeavor to deal fairly with Sandstorm's clients, service providers, suppliers, employees and other consultants. No consultant should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any unfair dealing practice.

6 DEALING WITH SUPPLIERS

A The Company is a valuable customer for many suppliers of goods, services and facilities. People who want to do business, or to continue to do business, with the Company must understand that all purchases by the Company will be made exclusively on the basis of price, quality, service and suitability to the Company's needs.

B "Kickbacks" and Rebates

i Purchases of goods and services by the Company must not lead to consultants or their families, receiving any type of personal kickbacks or rebates. Consultants or their families must not accept any form of "under-the-table" payment.

C Receipt of Gifts and Entertainment

i Even when gifts and entertainment are exchanged out of the purest motives of personal friendship, they can be misunderstood. They can appear to be attempts to bribe the Company's consultants into directing business of the Company to a particular supplier; or that the consultant was attempting to bribe the supplier for an improper advantage for the Company or personal gain. To avoid both the reality and the appearance of improper relations with suppliers or potential suppliers, the following standards will apply to the receipt of gifts and entertainment by consultants of the Company:

ii Gifts.

Consultants are prohibited from soliciting gifts, gratuities, or any other personal benefit or favor from suppliers or potential suppliers. Gifts include not only merchandise and products but also personal services and tickets to sports or other events. The Company acknowledges however that as part of normal good business relationships, suppliers may offer tickets to sports and other events, meals and other forms of normal client development gifts or services. Consultants are prohibited from accepting gifts of money.

↳ *Consultants may accept unsolicited non-monetary gifts provided they are appropriate and customary client development gifts for the industry, and that may not reasonably be considered extravagant for such consultant.*

Any gift falling outside of the above guidelines must be reported to the Company's Disclosure Committee to determine whether it can be accepted.

iii **Entertainment.**

Consultants shall not encourage or solicit entertainment from any individual or company with whom the Company does business. Entertainment includes, but is not limited to, activities such as dining, attending, sporting or other special events and travel.

From time to time consultants may accept unsolicited entertainment, but only under the following conditions:

- ↳ *the entertainment occurs infrequently; and*
- ↳ *it arises out of the ordinary course of business.*

- D** Consultants are requirement to inform their immediate supervisor of the Company or the Disclosure Committee if a supplier offers or demands any personal benefits

7 DEALING WITH PUBLIC OFFICIALS

- A** Domestic and foreign laws and regulations may require the Company to be in contact with public officials on a wide variety of matters. Consultants who regularly make these contacts have special responsibilities for upholding the Company's good name.

- B** No consultant shall make any form of payment, or offer to make any form of payment, direct or indirect, to any public official as inducement to procuring or keeping business or having a law or regulation enacted, defeated, or violated. Furthermore, "**facilitation**" or "**grease**" payments (i.e., small cash or non-cash benefits to office holders to facilitate administrative procedures or official acts) are not allowed.

- C** When not prohibited by law, consultants are allowed to give to public officials gifts where the presentation and acceptance of gifts is an established custom and a normal business practice. All such gifts shall be of reasonable value and the presentation approved in advance by the Company's Chief Executive Officer. Moreover, such gifts must be presented in a manner that clearly identifies the Company and the occasion that warrants the presentation.

- D** On special ceremonial occasions, senior officers of the Company may publicly give gifts of more than nominal value to public institutions and public bodies. Such gifts can commemorate special events or milestones in the Company's history.

- E** From time to time consultants may entertain public officials, but only under the following conditions:

- i* it is legal and permitted by the entity represented by the official;
- ii* the entertainment is not solicited by the public official;
- iii* the entertainment occurs infrequently;
- iv* it arises out of the ordinary course of business;
- v* it does not involve lavish expenditures, considering the circumstances; and
- vi* the settings and types of entertainment are reasonable, appropriate and fitting to the consultant, their guests, and the business at hand.

8 EQUAL OPPORTUNITY

- A** There shall be no discrimination against any consultant or applicant because of race, religion, color, sex, sexual orientation, age, national or ethnic origin, or physical handicap (unless demands of the position are prohibitive). All consultants will be treated with equality during their employment in all matters, including employment, upgrading, promotion, transfer, layoff, termination, rates of pay, selection for training and recruitment.
- B** The Company also strictly prohibits sexual harassment and other workplace harassment. The Company will promote a diverse and inclusive workplace where all consultants must treat each other with respect and dignity.

9 HEALTH, SAFETY, AND ENVIRONMENTAL PROTECTION

- A** It is the Company's policy to pay due regard to the health and safety of its consultants and others and to the state of the environment. There are federal, provincial, state and local workplace safety and environmental laws which through various governmental agencies regulate both physical safety of employees, officers, directors and consultants and their exposure to conditions in the workplace. Should you be faced with an environmental health issue or have a concern about workplace safety, you should contact the Company's supervisor or notify management immediately.

10 USE OF CONTRACTORS

- A** Contractors or other non-employees cannot be used to circumvent the law. Contractors will not retain other representatives to engage in practices that run contrary to this Code.

11 INTERNATIONAL OPERATIONS

- A** Consultants operating outside of Canada have a special responsibility to know and obey the laws and regulations of countries where they act for the Company. Customs vary throughout the world, but all consultants must uphold the integrity of the Company in other nations diligently.

12 COMPETITIVE PRACTICES

- A** Management of the Company firmly believes that fair competition is fundamental to continuation of the free enterprise system. The Company complies with and supports laws of all countries which prohibit restraints of trade, unfair practices, or abuse of economic power.
- B** The Company will not enter into arrangements which unlawfully restrict its ability to compete with other businesses, or the ability of any other business organization to compete freely with the Company. Company policy also prohibits consultants from entering into, or even discussing, any unlawful arrangement or understanding.
- C** These principles of fair competition are basic to all the Company's operations. They are integral parts of the sections that cover the Company's dealings with suppliers and public officials.

13 MONEY LAUNDERING

- A** No consultants, either alone or in collaboration with third parties, may take measures that violate applicable regulations on money laundering. Money laundering is the introduction of assets (not only cash) originating from criminal offences into the regular financial and economic cycle. If the individual becomes aware of potential money laundering, they will inform either (a) their supervisor at the Company or where, the immediate supervisor may be involved (b) the Disclosure Committee of the Company.

14 VIOLATIONS OF STANDARDS

- A** Consultants must immediately report any violations of this Code. Failure to do so can have serious consequences for consultant and the Company.
- B** Reports of violations should be made by consultant to their immediate supervisor at the Company and to the Company's Disclosure Committee. Alternatively, violations can be reported on an anonymous basis using the Company's Whistleblower Policy.
- C** After a violation is investigated, appropriate action will be taken. Management has the right to determine the appropriate disciplinary action for a violation up to and including termination of consulting agreement. All proposed disciplinary action is subject to review by the Chief Executive Officer.
- D** Consultants should be aware that in addition to any disciplinary action taken by the Company, violations of some of this Code may require restitution and may lead to civil or criminal action against individual consultants and any company involved.
- E** Retaliation in any form against an individual who reports a violation of this Code or of law in good faith, or who assists in the investigation of a reported violation, is itself a serious violation of this policy. Acts of retaliation should be reported immediately to their supervisor or management, and will be disciplined appropriately.

ADOPTED AND APPROVED by the Disclosure Committee of **SANDSTORM GOLD LTD.** on September 29, 2016.