

# ***SANDSTORM RESOURCES ANNOUNCES EQUITY FINANCING INCREASED TO UP TO CDN\$32 MILLION***

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Vancouver, British Columbia, October 6, 2009

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Sandstorm Resources Ltd. ("Sandstorm" or the "Corporation") (TSX-V: SSL) is pleased to announce that it has increased its previously announced public offering, on a best efforts basis, from up to C\$25 million to up to approximately C\$32 million and increased the size of the underwriters' option to up to C\$4.8 million. A syndicate of agents co-led by Paradigm Capital Inc. and Cormark Securities Inc., and including GMP Securities L.P., have agreed to arrange for the purchase of up to 71,111,111 units of Sandstorm at a purchase price of C\$0.45 per unit, for aggregate gross proceeds to Sandstorm of up to C\$32,000,000. The agents will also have the option to arrange for the purchase of up to an additional 10,666,667 units at the issue price for a period of 30 days from the closing of the offering. In the event that the option is exercised in its entirety, the aggregate gross proceeds of the offering will be up to C\$36,800,000.

The offering is scheduled to close on October 14, 2009 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the TSX Venture Exchange and the securities regulatory authorities.

This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration under the United States Securities Act of 1933, as amended, or an applicable exemption from such registration requirements.

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## **ABOUT SANDSTORM RESOURCES**

Sandstorm Resources Ltd. is a growth focused resource based company that seeks to complete transactions with companies that have advanced stage development projects or operating mines. By making upfront payments to its partners, Sandstorm receives volumetric production payments (i.e. metal stream deals) on precious metals. Sandstorm helps other companies in the resource industry grow their businesses, while acquiring attractive assets in the process.

Sandstorm is focused on low cost operations with excellent exploration potential and strong management teams. Sandstorm has completed volumetric production payments with Luna Gold Corp, SilverCrest Mines Inc. and Santa Fe Gold Corporation. For more information visit: [www.sandstormresources.com](http://www.sandstormresources.com)

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## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

Except for the statements of historical fact contained herein, the information presented constitutes "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information is based on reasonable assumptions that have been made by the Corporation as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Sandstorm to be materially different from those expressed or implied by the forward-looking information, including but not limited to: the impact of general business and economic conditions; the absence of control over mining operations from which Sandstorm will purchase gold and risks related to those mining operations, including risks related to international operations, government and environmental regulation, actual results of current exploration activities, conclusions of economic evaluations and changes in project parameters as plans continue to be refined; problems inherent to the marketability of minerals; industry conditions, including fluctuations in the price of metals, fluctuations in foreign exchange rates and fluctuations in interest rates; stock market volatility; competition; delays in the construction of the Summit Project as well as those factors discussed in

the section entitled "Risk Factors" in Sandstorm's annual information form for the financial year ended March 31, 2009. Although Sandstorm has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Sandstorm does not undertake to update any forward-looking information that is contained or incorporated by reference herein, except in accordance with applicable securities laws. Sandstorm does not provide any representation as to its comparability with other companies in its industry including, but not limited to, International Royalty Corp., Gold Wheaton Gold Corp., Silver Wheaton Corp., Royal Gold Inc., and Franco-Nevada.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.