

SANDSTORM RESOURCES PROVIDES FUNDING UPDATE FOR AURIZONA AND SUMMIT PROJECTS

Vancouver, British Columbia, October 19, 2009

Sandstorm Resources Ltd. ("Sandstorm" or the "Corporation") (TSX-V: SSL) is pleased to announce that Luna Gold Corp. ("Luna") has successfully satisfied all material funding conditions as outlined in the gold purchase agreement between Sandstorm and Luna. As a result, Sandstorm has released from escrow, the US\$17.8 million upfront payment and the 5,500,000 shares of the Corporation, to Luna. Luna's open pit Aurizona project (the "Aurizona Project") is now in progress on civil construction and mechanical-electrical assembly of the gold plant with the expectation of commissioning the mine in the second quarter of 2010. In accordance with Sandstorm's gold purchase agreement with Luna, Sandstorm is entitled to purchase 17% of the life of mine gold produced from the Aurizona Project at a per ounce price equal to the lesser of US\$400 and the then prevailing market price.

Sandstorm is also pleased to announce that the Santa Fe Gold Corporation ("Santa Fe") has successfully satisfied all material funding conditions as outlined in the gold purchase agreement between Sandstorm and Santa Fe, including receiving the permit required to begin construction of the tailings facility. As a result, Sandstorm has remitted the US\$4 million upfront payment to Santa Fe. Santa Fe's underground Summit mine (the "Summit Mine") is now in progress on construction of its tailings facility with the expectation of beginning gold production in the first half of 2010. In accordance with Sandstorm's gold purchase agreement with Santa Fe, Sandstorm is entitled to purchase 50% of the first 10,000 ounces of gold produced and 22% of the gold produced thereafter, from the Summit Mine at a per ounce price equal to the lesser of US\$400 and the then prevailing market price.

"We are very pleased to see this progress at the mine development level," said Nolan Watson, President and Chief Executive Officer. "In the first six months of the launch of Sandstorm, we have been able to complete three metal stream deals, all of which are expected to be cash flowing in the upcoming year. We believe Sandstorm is well on its way to becoming a diversified, low risk metal streaming company and we expect the upcoming year to be transformational for the Company"

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

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 such forward-looking information, including but not limited to: the impact of general business and economic conditions; SilverCrest Mines Inc. not obtaining sufficient financing to build and operate the Santa Elena project; delays in the construction of the Summit mine; 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; as well as those factors discussed in the section entitled "Risk Factors" in Sandstorm's short form prospectus dated October 6, 2009. Forward-looking information in this press release includes statements with respect to the Corporation's future outlook, corporate development and strategy. Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to the continued operation of the mining operations from which Sandstorm will purchase gold, no material adverse change in the market price of commodities, that the mining operations will operate in accordance with their public statements and achieve their stated production outcomes, and such other assumptions and factors as set out herein. 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 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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