

SANDSTORM RESOURCES ANNOUNCES PROPOSED SPIN-OUT OF SANDSTORM ENERGY & BASE METALS LTD.

Vancouver, British Columbia, March 25, 2010

Sandstorm Resources Ltd. (“Sandstorm Resources” or the “Corporation”) (TSX-V: SSL) is pleased to announce its intention to spin-out its option on the Eagle Lake uranium property owned by Eagle Plains Resources Ltd. (the “Eagle Lake Property”) located in Saskatchewan, Canada into a newly incorporated, wholly-owned British Columbia subsidiary of Sandstorm Resources, Sandstorm Energy & Base Metals Ltd. (“Sandstorm Base Metals”). Upon completion of the transfer of the Eagle Lake Property and working capital in the amount of C\$500,000 to Sandstorm Base Metals, Sandstorm Resources intends to distribute 100% of the common shares of Sandstorm Base Metals it receives to Sandstorm Resources shareholders on a pro rata basis (the “Spin-Out Transaction”). The TSX Venture Exchange (“TSXV”) has conditionally approved the listing of the common shares of Sandstorm Base Metals upon completion of the Spin-Out Transaction, subject to receipt of Sandstorm Resources shareholder approval, confirmation of adequate public distribution and receipt of final documentation.

It is anticipated that the Spin-Out Transaction will be completed pursuant to a plan of arrangement (the “Arrangement”) and will be subject to TSXV, regulatory and court approval, as well as shareholder approval by not less than two-thirds of the votes cast at the annual and special meeting (the “Meeting”) of Sandstorm Resources shareholders scheduled to be held on Friday, April 30, 2010. Full details of the Spin-Out Transaction will be included in the information circular to be sent to Sandstorm Resources shareholders of record on March 26, 2010 in connection with the Meeting. It is anticipated that Sandstorm Resources shareholders will be entitled to receive one common share of Sandstorm Base Metals for every 35 common shares of Sandstorm Resources held as of the effective date of the Arrangement. No Sandstorm Resources options or warrants will entitle the holders to receive any shares or other convertible securities of Sandstorm Base Metals, except to the extent such holders exercise such options or warrants, as the case may be, to acquire common shares of Sandstorm Resources prior to the effective date of the Arrangement.

It is anticipated that following completion of the Arrangement, Sandstorm Base Metals will focus on the Eagle Lake Property and future mining asset acquisitions, including energy and base metals volumetric production payment agreements. Following completion of the Arrangement, the board of directors of Sandstorm Base Metals will consist of Nolan Watson, David Awram, David E. De Witt, Andrew T. Swarthout, John P.A. Budreski and Marcel de Groot. The management team of Sandstorm Base Metals will consist of Nolan Watson as President and Chief Executive Officer, David Awram as Executive Vice President of Corporate Development, Krysta Chapman as Chief Financial Officer, and Christine Gregory as Corporate Secretary. It is anticipated that upon Sandstorm Base Metals attaining a certain size and other criteria, separate individuals will be hired to form the foundation of the Sandstorm Base Metals management team.

“We are excited to move the volumetric production payment model into commodities other than precious metals,” said Nolan Watson, President and Chief Executive Officer of Sandstorm Resources, “We believe the type of precious metals transactions that we have successfully completed are available in the broader world of base metals and other commodities and, with the creation of Sandstorm Base Metals, we hope to expand the scope, recognition and effectiveness of Sandstorm Resources’s business model. We anticipate that Sandstorm Base Metals will be ready and able to search for and complete transactions soon after the Arrangement is completed.”

“By completing this Spin-Out Transaction by way of a plan of arrangement, we provide direct access for the new company to our existing Sandstorm Resources shareholder base without transferring any material value from Sandstorm Resources to the new company,” continued Mr. Watson, “Sandstorm Resources will remain virtually unchanged, however, it will now have a sister company that will help it grow in a quicker and more accretive manner.”

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.

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 Resources receives volumetric production payments (i.e. metal stream deals) on precious metals. Sandstorm Resources helps other companies in the resource industry grow their businesses, while acquiring attractive assets in the process.

Sandstorm Resources is focused on low cost operations with excellent exploration potential and strong management teams. Sandstorm Resources has completed volumetric production payments with Luna Gold Corp., SilverCrest Mines Inc., Santa Fe Gold Corporation and Rambler Metals and Mining plc. 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 Resources 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 Resources 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 Ming Mine as well as those factors discussed in the section entitled “Risk Factors” in Sandstorm Resources’s annual information form for the financial year ended March 31, 2009. Although Sandstorm Resources 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 Resources 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 Resources is a precious metals company. Sandstorm Resources 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 Corporation.

CONTACT INFORMATION

Sandstorm Gold Ltd.
Nolan Watson, President and CEO
(604) 689-0234

Denver Harris, Investor Relations Contact
(604) 689-0234

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