

## ***SANDSTORM RESOURCES ANNOUNCES RECEIPT OF SHAREHOLDER APPROVAL FOR SPIN-OUT OF SANDSTORM METALS & ENERGY LTD.***

Vancouver, British Columbia, May 3, 2010

Sandstorm Resources Ltd. ("Sandstorm Resources" or the "Corporation") (TSX-V: SSL) is pleased to announce that its shareholders have overwhelmingly approved the spin-out of its option on the Eagle Lake uranium property (the "Eagle Lake Property") located in Saskatchewan, Canada and working capital in the amount of C\$500,000 to its wholly-owned subsidiary, Sandstorm Metals & Energy Ltd. ("Sandstorm Metals") in exchange for common shares of Sandstorm Metals. Upon completion of the transfer of the Eagle Lake Property and working capital to Sandstorm Metals, Sandstorm Resources intends to distribute 100% of the common shares of Sandstorm Metals to Sandstorm Resources' shareholders on a pro rata basis (the "Spin-Out Transaction").

The Spin-Out Transaction will be completed by way of a statutory plan of arrangement (the "Arrangement") under the Business Corporations Act (British Columbia). Full details of the Spin-Out Transaction are included in the information circular sent to Sandstorm Resources shareholders in connection with the shareholders meeting held on April 30, 2010. Sandstorm Resources shareholders will be entitled to receive one common share of Sandstorm 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 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.

The Arrangement remains subject to the approval of the TSXV and the Supreme Court of British Columbia. A hearing on the Arrangement will be held on May 4, 2010 for the Final Order approving the Arrangement. Closing of the Spin-Out Transaction is anticipated to occur on or about May 10, 2010. The common shares of Sandstorm Metals are expected to commence trading on the TSX Venture Exchange under the symbol "SND" at the open on May 10, 2010.

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 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](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 including, but not limited to, the completion of the Spin-Out Transaction. 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: not receiving final court or third party approvals; 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 Ming Mine as well as those factors discussed in the section entitled "Risk Factors" in Sandstorm's annual information form for the financial year ended December 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 is a precious metals company. 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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