

SANDSTORM RESOURCES PROVIDES UPDATE ON GOLD PURCHASE AGREEMENT WITH RAMBLER METALS AND MINING PLC

Vancouver, British Columbia, August 31, 2010

Sandstorm Resources Ltd. ("Sandstorm" or the "Corporation") (TSX-V: SSL) is pleased to announce that it has accepted the feasibility study of Rambler Metals and Mining PLC ("Rambler") (AIM: RMM; TSX-V: RAB) on its copper-gold Ming Mine (the "Ming Mine"), located on the Baie Verte Peninsula in Newfoundland, Canada. In accordance with the gold purchase agreement, Sandstorm will be remitting the second deposit of US\$2,000,000 to Rambler, and the third deposit of US\$13,000,000 will be remitted to Rambler upon award of all key permits to construct the Ming Mine, which is anticipated in the second half of 2010.

In addition, Sandstorm has amended its gold purchase agreement with Rambler to provide certain protective measures to Sandstorm relating to metallurgical recovery of gold and throughput rates at the Ming Mine.

For more information on the Ming Mine, please visit the Rambler website at www.ramblermines.com.

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., 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 Sandstorm 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 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, Gold Wheaton Gold Corp., Silver Wheaton Corp., Royal Gold, Inc., and Franco-Nevada Corporation.

CONTACT INFORMATION

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