

# ***SANDSTORM RESOURCES COMPLETES CDN\$57.5 MILLION BOUGHT DEAL FINANCING***

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Vancouver, British Columbia, October 19, 2010

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Sandstorm Resources Ltd. ("Sandstorm" or the "Corporation") (TSX-V: SSL) is pleased to announce that it has completed its previously announced bought deal financing, including the full amount of the over-allotment option, for aggregate gross proceeds to Sandstorm of approximately Cdn\$57.5 million. A syndicate of underwriters co-led by Paradigm Capital Inc. and Cormark Securities Inc., and including Canaccord Genuity Corp. and CIBC World Markets Inc., purchased an aggregate of 78,768,100 units of Sandstorm at a purchase price of Cdn\$0.73 per unit. Each unit consists of one common share and one-quarter of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one common share of Sandstorm at a price of US\$1.00 at any time prior to October 19, 2015. The warrants will be listed on the TSX Venture Exchange under the trading symbol "SSL.WT.A" at the open of markets on October 20, 2010.

The securities offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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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., 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. 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; 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.

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#### CONTACT INFORMATION

Sandstorm Gold Ltd.  
Nolan Watson, President and Chief Executive Officer  
(604) 689-0234

Denver Harris, Investor Relations Contact  
(604) 628-1178

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