SANDSTORM GOLD ROYALTIES ACQUIRES 0.9% NSR ROYALTY ON LUNDIN GOLD’S FRUTA DEL NORTE MINE FOR US$32.75M
CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION AND NON-IFRS MEASURES

Except for the statements of historical fact contained herein, the information presented constitutes "forward-looking statements", within the meaning of the U.S. Securities Act of 1933, the U.S. Securities Exchange Act of 1934, the Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation, concerning the business, operations and financial performance and condition of Sandstorm Gold Ltd. ("Sandstorm" or the "Company"). Forward-looking statements include, but are not limited to, statements with respect to the future price of gold, the estimation of mineral reserves and resources, realization of mineral reserve estimates, the timing and amount of estimated future production.

Forward-looking statements are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performances or achievements of Sandstorm to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which Sandstorm will operate in the future, including the price of gold and anticipated costs. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, amongst others, gold and other commodity price volatility, discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries, mining operational and development risks relating to the parties which produce the gold Sandstorm will purchase, regulatory restrictions, activities by governmental authorities (including changes in taxation), currency fluctuations, the global economic climate, dilution, share price volatility and competition.

Forward-looking statements are subject to known and unknown risks, uncertainties and other important 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 statements, 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, other commodities or receive royalties from, 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, risks in the marketability of minerals, fluctuations in the price of gold and other commodities, fluctuation in foreign exchange rates and interest rates, stock market volatility, as well as those factors discussed in the section entitled "Risks to Sandstorm" in Sandstorm’s annual report for the financial year ended December 31, 2017 and the Company’s annual information form dated March 29, 2018 available at www.sedar.com. Although Sandstorm has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Sandstorm does not undertake to update any forward looking statements that are contained or incorporated by reference, except in accordance with applicable securities laws. Sandstorm has included certain performance measures in this presentation that do not have any standardized meaning prescribed by International Financial Reporting Standards (IFRS) including average cash cost per attributable gold equivalent ounce, average realized gold price per attributable ounce, cash operating margin, and cash flows from operating activities excluding changes in non-cash working capital. Average cash cost per attributable gold equivalent ounce is calculated by dividing the Company’s cost of sales, excluding depletion by the number of attributable gold equivalent ounces sold. The Company presents average cash cost per ounce as it believes that certain investors use this information to evaluate the Company’s performance in comparison to other streaming companies in the precious metals mining industry. The Company presents cash operating margin as it believes that certain investors use this information to evaluate the Company’s performance in comparison to other streaming companies in the precious metals mining industry. Average realized gold price per attributable ounce is calculated by dividing the Company’s sales by the number of Attributable Gold Equivalent ounces sold. The Company presents average realized gold price per attributable ounce as it believes that certain investors use this information to evaluate the Company’s performance in comparison to other streaming companies in the precious metals mining industry. The Company presents cash operating margin as it believes that certain investors use this information to evaluate the Company’s performance in comparison to other streaming companies in the precious metals mining industry. Sandstorm has included attributable gold equivalent ounces as a performance measure in this press release which does not have any standardized meaning prescribed by International Financial Reporting Standards (IFRS). The Company’s royalty and other commodity stream revenue is converted to an attributable gold equivalent ounce basis by dividing the royalty and other commodity stream revenue for that period by the average realized gold price per ounce from the Company’s gold streams for the same respective period. These attributable gold equivalent ounces when combined with the gold ounces sold from the Company’s gold streams equal total attributable gold equivalent ounces sold and may be subject to change. The presentation of this non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate these non-IFRS measures differently. Note these figures have not been audited and are subject to change.
Fruta del Norte Overview

Near Term Cash Flow
Lundin expects to pour first gold at Fruta del Norte in the fourth quarter of 2019, with commercial production expected in the first half of 2020. Average annual production is expected to exceed 330,000 ounces of gold per year over the first 13 years of the operation.

Exploration Upside
The royalty covers precious metals production from all 644 km² of concessions currently held by Lundin Gold, plus a one kilometre area of interest.

Strong Operator
Lundin Gold is backed by Lukas Lundin, an established mining entrepreneur, and its management team has significant mine development and operating experience.
Lundin Gold is a member of the Lundin Group of Companies. The Lundin family, a significant investor in Lundin Gold, has an impressive track-record of acquiring world-class projects. They have a proven ability to raise capital and the technical expertise needed to bring the Fruta del Norte project into production.

Sandstorm acquired the 0.9% NSR Royalty from a private third-party.
**EXPLORATION UPSIDE**

**Royalty Map**
64,406 ha

- 0.9% NSR
- Area of Interest
- Suarez Pull-Apart Basin
- Exploration Targets

Exploration potential remains excellent, with multiple early and advanced exploration targets already identified.
1. Lundin Gold released an updated project estimate ("UPE") on September 19, 2018, which involved a thorough review of the mine plan, a re-estimate of the capital and operating costs, and an update to the project schedule. The UPE should be read in conjunction with the Technical Report entitled “Fruta del Norte - NI 43-101 Technical Report on Feasibility Study” (the "Technical Report") filed by Lundin Gold in June 2016, with an effective date of April 30, 2016.

2. Except as set out below, the assumptions, parameters and risks associated with the results of the Technical Report for the Project, the Mineral Resource and Mineral Reserve estimates included therein, and the UPE, are as set out in the Technical Report.

3. All Mineral Reserves in this table are Probable Mineral Reserves. No Proven Mineral Reserves were estimated.

4. UPE estimates are as at September 19, 2018.

5. Mineral Reserves were estimated using the following key inputs: Gold Price = $1,250/oz, Transverse Stoping = $48/t, Overhand D&F = $81/t, Underhand D&F = $71/t, Process/Surface Ops/G&A = $58/t, Dilution Factor = 10%, Concentrate Transport & Treatment = $9/t, Royalty = $71/oz, Gold Metallurgical Recovery = 91.7%

6. Gold cut-off grades for the different mining methods are as follows: Transverse Stope = 3.8 g/t, Overhand D&F = 5.0 g/t, Underhand D&F = 5.0 g/t

7. The average silver metallurgical recovery is 81.6%. The silver price assumption was $20/oz. Silver was not considered in the calculation of the cut-off grade.

8. Tonnages are rounded to the nearest 1,000 t, gold grades are rounded to one decimal place, and silver grades are rounded to one decimal place. Tonnage and grade measurements are in metric units; contained gold and silver are reported as thousands of troy ounces.

9. Rounding as required by reporting guidelines may result in summation differences.

10. For information with respect to the key assumptions, parameters and risks associated with the results of the Technical Report for the Project, the Mineral Resource and Mineral Reserve estimates included therein and other technical information, please refer to the Technical Report filed on SEDAR at www.sedar.com.

11. The Qualified Person for the estimate is Mr. David Ross, P.Geo., an employee of RPA. The estimate has an effective date of 31 December, 2015.

12. Mineral Resources are reported inclusive of Mineral Reserves; Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

13. Mineral Resources are reported at a cut-off grade of 3.5 g/t Au; which was calculated using a long term gold price of US$1,500/oz.

14. Mineral Resources are constrained within underground mineable shapes that assume a minimum thickness of 2 m; metallurgical recovery of 94%; total operating costs of US$145/t milled (mining cost of US$60/t milled; process costs of US$85/t milled; G&A costs of US$85/t milled; surface infrastructure costs of US$28/t milled; concentrate transport and treatment costs of US$7/t milled); royalties of US$71/oz and selling costs of US$65/oz.

15. Numbers may not add due to rounding.

16. For information with respect to the key assumptions, parameters and risks associated with the results of the Technical Report for the Project, the Mineral Resource and Mineral Reserve estimates included therein and other technical information, please refer to the Technical Report.
### Timeline to Production

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<th>Project</th>
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CASH FLOW FROM OPERATIONS AFTER TAX

Cash flow figures exclude ~$6M/yr of G&A

- **Gold**: $1,250/oz
- **Silver**: $16.00/oz
- **Copper**: $3.00/lb

**US$121 Million**

**US$68 Million**
Upcoming Catalysts That Will Revalue Sandstorm

- New deals with no dilution
- Exploration news
- Producing assets coming online
- Record cash flow expected in 2019
- Share buyback program
- Mature portfolio by 2022
We are committed to accelerating the prosperity of our shareholders by continuing to reshape the landscape of gold investing.