

# ***SANDSTORM RESOURCES SIGNS GOLD PURCHASE AGREEMENTS WITH LUNA AND SILVERCREST***

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Vancouver, British Columbia, May 15, 2009

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Sandstorm Resources Ltd. ("Sandstorm" or the "Corporation") (TSX-V: SSL) is pleased to announce that it has entered into definitive binding documentation in respect of the previously announced gold purchase transactions with Luna Gold Corp. ("Luna") (TSX-V:LGC) and SilverCrest Mines Inc. ("SilverCrest") (TSX-V:SVL).

As a result, Sandstorm is also pleased to announce that the proceeds from its recent public offering of subscription receipts have been released to Sandstorm and the subscription receipts will be automatically exercised into one common share and one-half of one common share purchase warrant of the Corporation on May 22, 2009, without payment of additional consideration. Each whole warrant will entitle the holder to purchase one common share of Sandstorm at a price of US\$0.60 until April 23, 2014. The warrants are expected to commence trading on the TSX Venture Exchange at the market open on May 22, 2009, under the symbol SSL.WT.

Sandstorm has agreed to purchase 17% of the life of mine gold production from Luna's Aurizona project (the "Aurizona Project"), located in Brazil, for US\$17.8 million upfront in cash plus ongoing per ounce payments equal to the lesser of (a) US\$400 (which approximates Luna's cash cost of production) (subject to an increase equal to 1% per annum commencing on the third anniversary of the date that the Aurizona Project begins commercial production), and (b) the then prevailing market price per ounce of gold, and the issuance of 5,500,000 common shares of Sandstorm as part of the upfront consideration. The upfront cash and shares have been placed into escrow and will be released to Luna upon the satisfaction of certain funding conditions. National Bank Financial has provided a fairness opinion to Sandstorm that the transaction with Luna is fair, from a financial point of view, to Sandstorm shareholders.

Sandstorm has agreed to purchase 20% of the life of mine gold production from SilverCrest's Santa Elena project (the "Santa Elena Project"), located in Mexico, for US\$12 million upfront in cash plus ongoing per ounce payments equal to the lesser of (a) US\$350 (which approximates SilverCrest's cash cost of production) (subject to an increase equal to 1% per annum commencing on the third anniversary of the date that the Santa Elena Project begins commercial production), and (b) the then prevailing market price per ounce of gold, and the issuance of 3,500,000 common shares of Sandstorm as part of the upfront consideration. The upfront cash and shares will be released to SilverCrest upon the satisfaction of certain funding conditions.

The gross proceeds of Cdn\$46.8 million raised in connection with the offering of subscription receipts, completed on April 23, 2009 and arranged through a syndicate of agents that included Paradigm Capital Inc. and GMP Securities L.P., as co-lead agents, together with BMO Capital Markets and National Bank Financial Inc., were released from escrow to Sandstorm upon entering into the documentation with respect to the Luna and SilverCrest transactions. The net proceeds from the offering will be used to fund these transactions upon satisfaction of the respective funding conditions, which will not occur until a later date. The balance of the offering proceeds will be used for general corporate and working capital purposes.

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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 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: 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 final short form prospectus as well as in Sandstorm's annual information form incorporated by reference in such prospectus. 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.

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#### CONTACT INFORMATION

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

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