

SANDSTORM RESOURCES LTD.

CODE OF BUSINESS CONDUCT AND ETHICS

This Code of Business Conduct and Ethics ("Code") is intended to document the principles of conduct and ethics to be followed by Sandstorm Resources Ltd. (the "Company") and its employees, officers and directors. Its purpose is to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest.

- **CONFLICTS OF INTEREST** - Employees, officers and directors of the Company shall avoid situations where their personal interest could conflict with the interests of the Company and its shareholders. In the event that any potential conflict of interest arises involving an employee or an officer, the individual involved must immediately notify the Chief Executive Officer in writing and no further action may be taken unless authorized by the Chief Executive Officer. In event that any potential conflict of interest arises involving a director, the individual must immediately notify the Chairman of the Board, or, in the absence of a Chairman, then the entire Board of Directors or, in the case of a conflict involving the Chairman of the Board, must notify the entire Board of Directors, in writing and no further action may be taken unless authorized by the Chairman of the Board or the Board of Directors, as applicable.
- **DEALING WITH SUPPLIERS AND SERVICE PROVIDERS** - All purchases of goods and services by the Company will be made exclusively on the basis of price, quality, service and suitability to the Company's needs. Employees, officers or directors are prohibited from accepting gifts of money or receiving any type of personal kickbacks, rebates or other "under-the-table" payments. Employees, officers and directors may accept unsolicited non-monetary gifts provided they are appropriate and customary client development gifts for the industry.
- **DEALING WITH PUBLIC OFFICIALS** - No employee shall make any form of payment, direct or indirect, to any public official as inducement to procuring or keeping business or having a law or regulation enacted, defeated, or violated.
- **EQUAL OPPORTUNITY** - There shall be no discrimination against any employee or applicant because of race, religion, color, sex, sexual orientation, age, national or ethnic origin, or physical handicap (unless demands of the position are prohibitive). The Company will maintain a work environment free of discriminatory practice of any kind.
- **HEALTH, SAFETY, AND ENVIRONMENTAL PROTECTION** - It is the Company's policy to pay due regard to the health and safety of its employees, officers, directors and others and to the state of the environment.
- **USE OF AGENTS**- Agents or other non-employees cannot be used to circumvent the law or to engage in practices that run contrary to this Code.
- **INTERNATIONAL OPERATIONS AND BUSINESS PRACTICES** - Employees, officers and directors operating outside of Canada have a special responsibility to know and obey laws and regulations of countries where they act for the Company and to conduct themselves in accordance with local business practices. The Company recognizes that laws, regulations, business practices and customs vary throughout the world and that, in certain cases, may be different from laws, regulations, business practices and customs in Canada. The Company and its employees, officers and directors shall comply with applicable laws relating to foreign corrupt practices.

DATE IMPLEMENTED BY THE BOARD OF DIRECTORS – SEPTEMBER 12, 2008