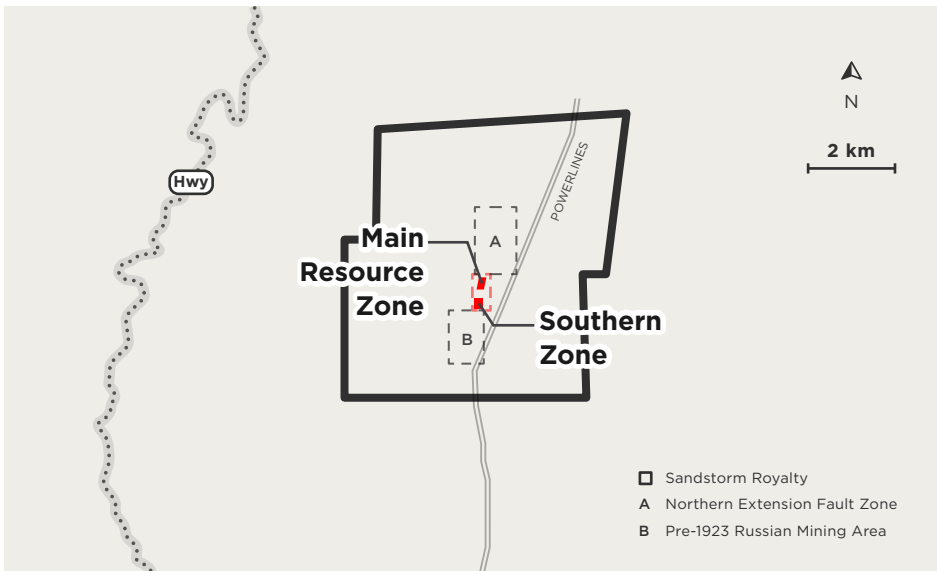


Sandstorm Gold Royalties is pleased to release a Feasibility Study on the Hod Maden project. This study and the granting of the Environmental Impact Assessment (EIA) by the Turkish government are key milestones in the development of this high-grade deposit.



📍 The Hod Maden project covers 3,512 hectares.

Project Overview

Hod Maden is a high-grade gold-copper project located in northeastern Turkey within the Eastern Pontides metallogenic belt. The high-grade deposit was discovered in 2015 and won the Prospectors & Developers Association of Canada (PDAC) Discovery of the Year in 2020. The Main Zone at Hod Maden is multi-stage and includes massive sulphide mineralization and breccia hosted mineralization. The Southern Zone is located approximately 300 metres south of the Main Zone.

Jurisdiction

Gold production in Turkey began in 2001 and the country has grown into the largest gold producer in Europe. In 2020, Turkey achieved record gold production of 42 tonnes or 1.4 million ounces. In early 2021, Turkey's Energy Minister stated that the country plans to increase gold production to 100 tonnes (over 3.5 million ounces) per year within the next five years—Hod Maden will no doubt play an important role in achieving this goal. This will place Turkey as one of only 10 countries that produce more than 100 tonnes of gold annually. Turkey continues to attract investment in the



📍 Hod Maden is located in northeastern Turkey.



COUNTRY HIGHLIGHTS

Turkey: Europe's Largest Gold Producer

42 tonnes (1.4 Moz)
Gold production in 2020

100 tonnes (3.5 Moz)
Average annual gold production expected in the next 5 years

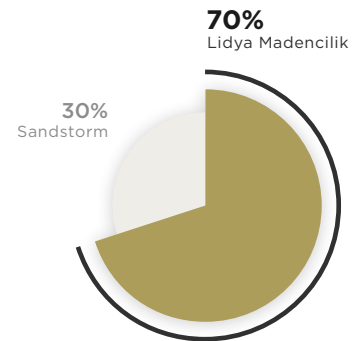
18 Gold Mines
Producing with 20 more in development

gold industry from both the public and private sector and maintains pro-mining legislation and policies.

Ownership

Lidya Madencilik is the majority owner and operator of the Hod Maden project. Lidya is the mining branch of the large private Turkish conglomerate Calik Group. Lidya was formed in 2010 after the first major international partnership in Turkish mining between Alacer Gold and Calik Group. Since then, Lidya has successfully managed the discovery and development of multiple mining projects—including the Çöpler and Gediktepe gold-copper mines—and now holds a portfolio of gold and copper properties throughout Eurasia. As one of Turkey's largest mining operators, Lidya maintains strong relationships at various levels of government and is well connected with the international mining community and financial institutions.

Sandstorm Gold Royalties holds a 30% net profit interest (NPI) in the Hod Maden project as well as a 2.0% net smelter returns (NSR) royalty. The 2.0% NSR royalty was purchased as part of a royalty package from Teck Resources in 2016. Sandstorm purchased the 30% NPI in 2017 for \$175 million, which entitles Sandstorm to 30% of profits with a capital component. Given the extraordinary economics of the Hod Maden project—with an all-in-sustaining cost¹ (AISC) of \$334/ounce on a by-product basis (\$595/ounce, co-product basis)—Sandstorm expects the NPI will function in a similar capacity to a more traditional royalty agreement.



Hod Maden Ownership

Feasibility Study Highlights

The release of the Feasibility Study reaffirms the truly extraordinary economics of Hod Maden. The study envisions an underground mine with total production of 2.5 million ounces (Moz) over an initial 13-year mine life. The average grade of the mine is estimated at 11.1 grams per tonne (g/t) gold. Given the nature of the ore body and its proximity to surface, operating costs are estimated to be exceptionally low, resulting in an AISC¹ of \$334/oz on a by-product basis. This places the mine within the first quartile of operating gold mines in the world.

With an estimated payback period of two years on an after-tax basis, IRR is expected to be 36% for the project. Sandstorm's attributable annual production from the project is estimated to be approximately 60,000 gold equivalent (AuEq) ounces, effectively doubling Sandstorm's current annual production once Hod Maden comes online.

¹ Refer to Non-IFRS Measures on Page 7



AVERAGE ANNUAL PRODUCTION

195 koz AuEq

156 koz Au 19.6 mlbs Cu

AVERAGE HEAD GRADE

11.1 g/t AuEq

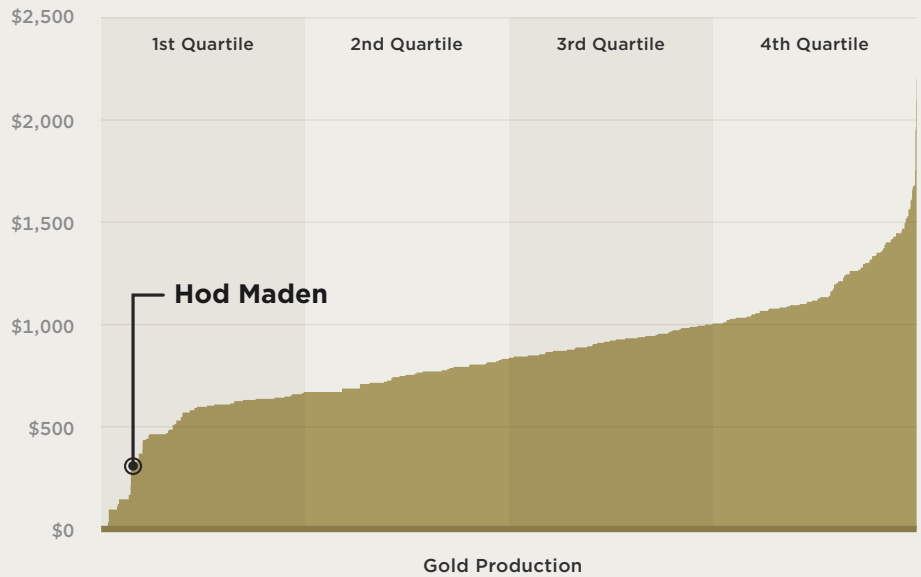
8.8 g/t Au 1.5% Cu

AVERAGE RECOVERIES

85% Au 93% Cu

2021 ALL-IN SUSTAINING COST¹ COMPARISON

By-product basis (\$/oz Au)

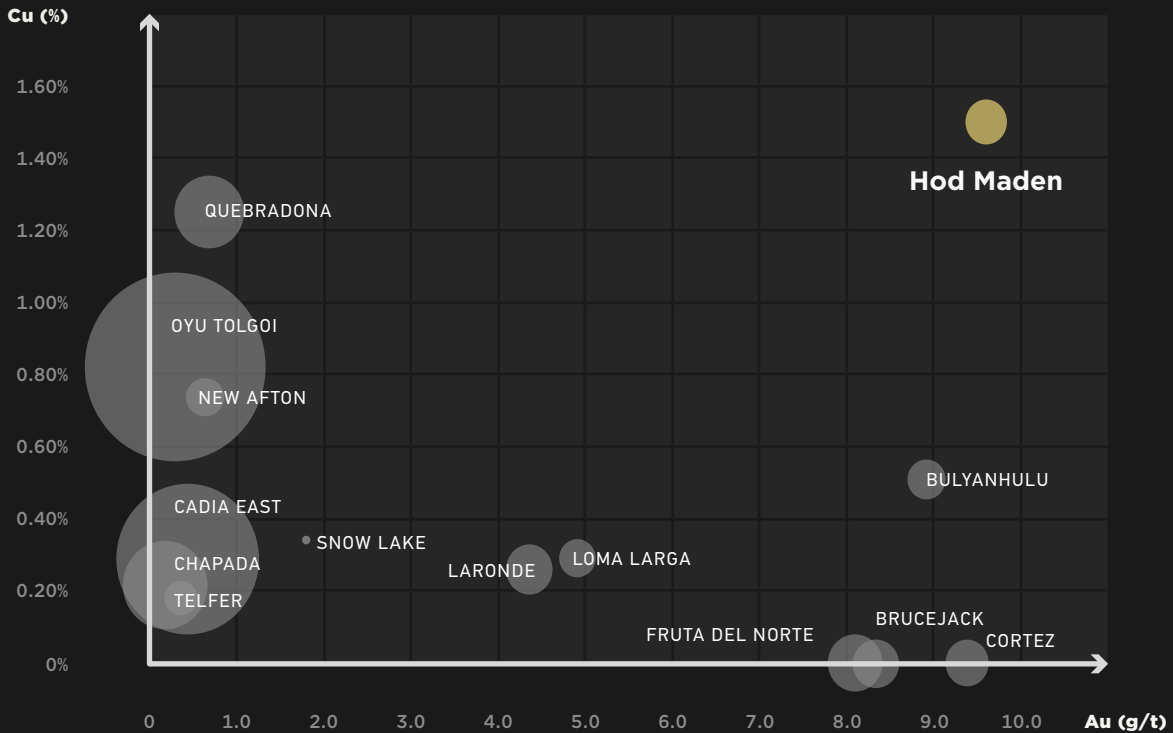


¹ Refer to Non-IFRS Measures on Page 7

Source: S&P Market Intelligence. 2021 gold production ranked on AISC cost for producing assets only.

GRADE AND RESERVE PROJECT COMPARISON

Relative Size = Contained Reserves (AuEq Oz)



Price Assumptions for AuEq calculation: \$1,600/oz Au, \$3.20/lb Cu.

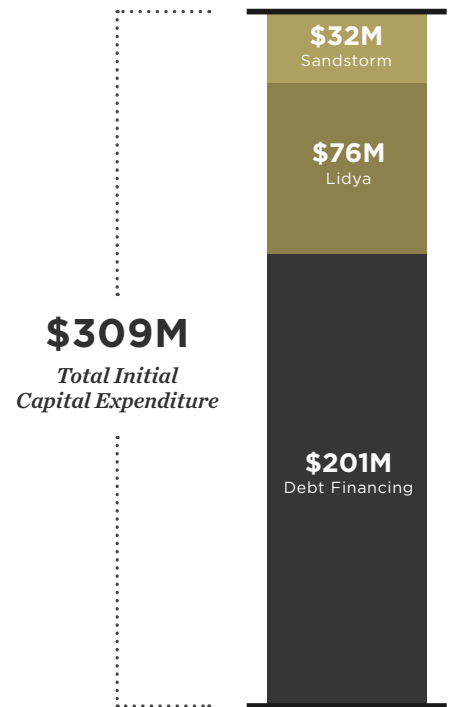
Source: S&P Market Intelligence; Company disclosures and technical reports. LaRonde includes LRZ5, Cortez (underground).



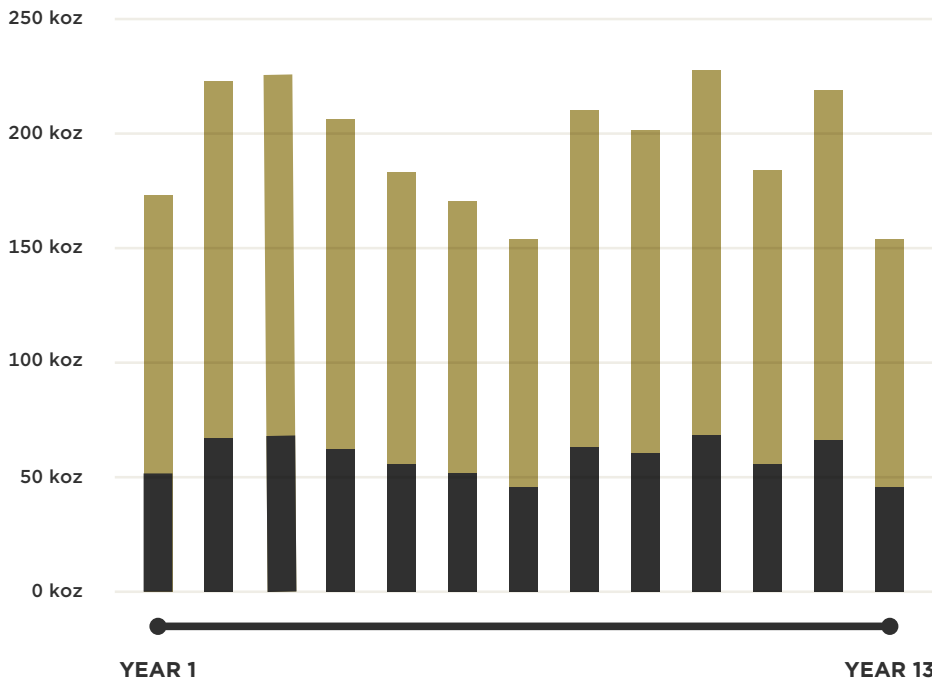
Investment

Given the high-grade and low-cost nature of the Hod Maden project, 65% of capital expenditure is expected to be financed through debt. Sandstorm will be responsible for 30% of the remaining non-debt financed capital expenditure—currently estimated around \$32 million. Sandstorm has a strong balance sheet and expects to have no issue covering its portion of capital expenditures.

At the current after-tax NPV of \$1.05 billion, Sandstorm’s 30% stake—acquired for \$185 million¹—is roughly valued at \$315 million today. Investing in Hod Maden as an early-stage asset allowed Sandstorm to purchase its stake at a 0.6x discount to NPV. Hod Maden also has tremendous exploration upside, which has the potential to increase Sandstorm’s return on investment.



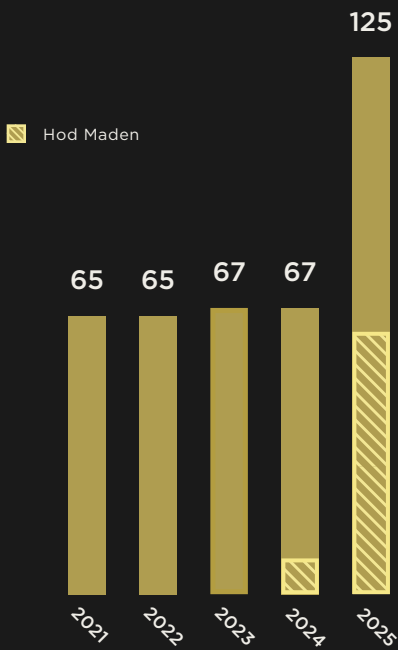
Hod Maden Gold Production 13 Year Mine Life



Sandstorm’s attributable annual average production is estimated at 60,000 gold equivalent ounces.

■ Attributable to Sandstorm

¹ Purchased for \$175 million in 2017 plus approximately \$10 million between 2018–2021).



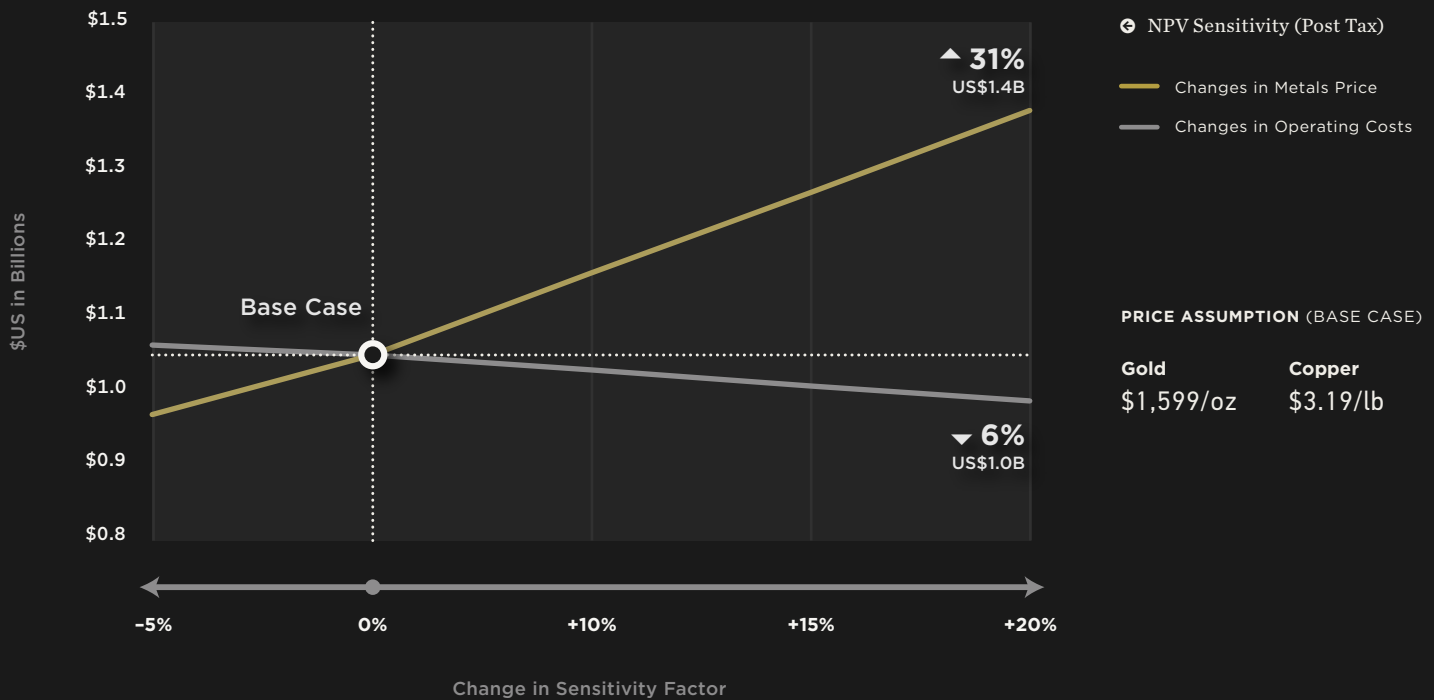
Transformational Asset

Hod Maden remains a transformational asset for Sandstorm, with production expected to double once the mine comes online, providing an estimated 58,500 gold equivalent ounces each year.

Perhaps even more exciting for Sandstorm shareholders is the incredible economics of the asset. At a break-even gold price of a low US\$445/oz, 94% of the world's gold production would become sub-economic² before Hod Maden reach-

es its break-even price. While the base case presented in the Feasibility Study uses metals prices of \$1,599/oz gold and \$3.19/lb copper, at 20% higher gold and copper prices (\$1,920/oz Au, \$3.84/lb Cu) Hod Maden would be valued closer to \$1.4 billion after-tax. At the same time, thanks to an incredibly low AISC¹, if operating costs were to increase by 20%, Hod Maden's NPV would decrease by only 6%.

☛ Sandstorm Production Guidance
Ounces in 000's



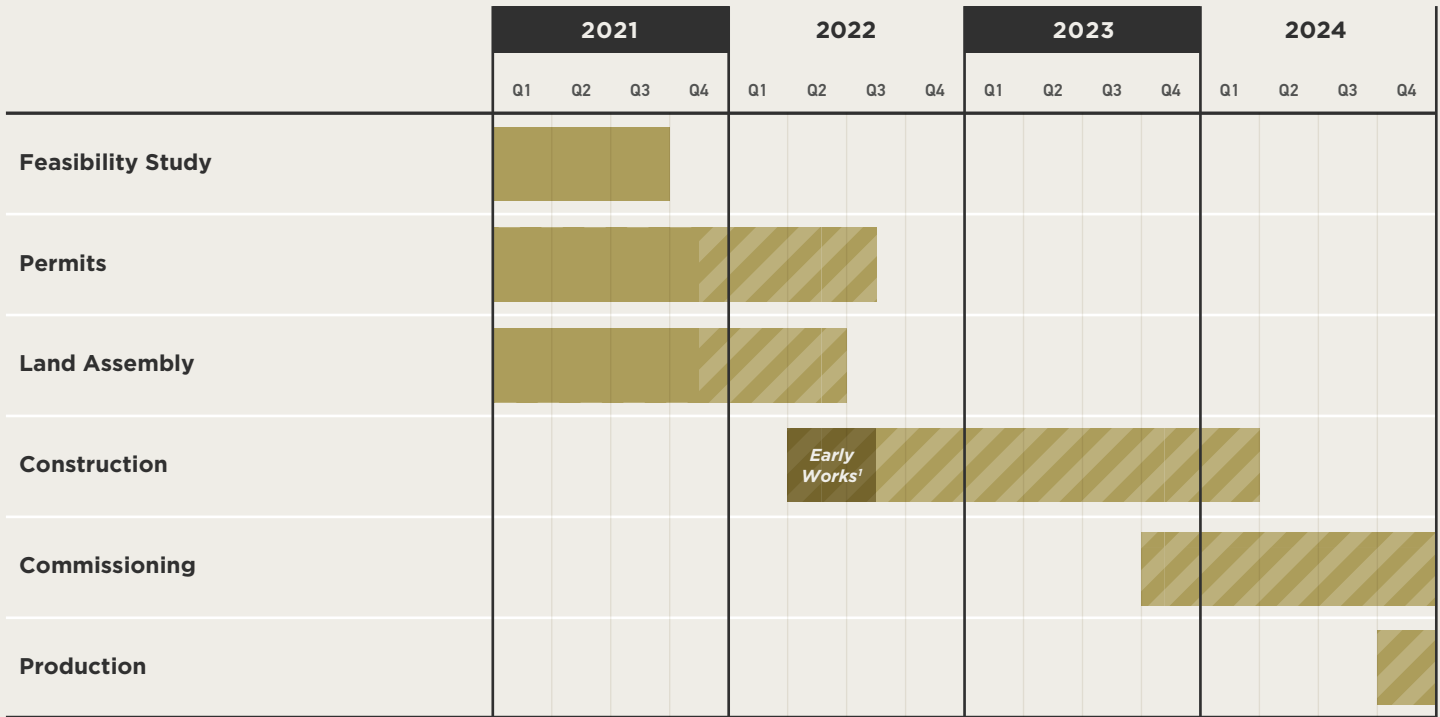
¹ Refer to Non-IFRS Measures on Page 7

² Source: S&P Market Intelligence



With every milestone, Hod Maden is one step closer to becoming one of the most notable gold-copper mines in operation.

📌 Hod Maden Timeline to Production



¹ Road upgrades and other early works.

SANDSTORM
GOLD ROYALTIES

Questions?

For more information about Hod Maden or Sandstorm Gold Royalties, visit www.sandstormgold.com or contact:

KIM BERGEN

DIRECTOR, CAPITAL MARKETS

info@sandstormgold.com
604 628 1164



QUALIFIED PERSON

Keith Laskowski (MSc), Sandstorm's Vice President, Technical Services is a Qualified Professional (#01221QP) of the Mining and Metallurgical Society of America and a Qualified Person as defined by Canadian National Instrument 43-101. He has reviewed and approved the technical information in this document.

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 the Company's plans with respect to payment of dividends, the dates and amounts of such payments, statements regarding performance and expectations and Sandstorm's 2021 guidance and outlook are based on public forecasts and other disclosure by the third-party owners and operators of our assets or on our assessment thereof including certain estimates based on such information, the expected timeline to production for the Hod Maden project, the future price of gold, silver, copper, iron ore and other metals, the estimation of mineral reserves and resources, realization of mineral reserve estimates, the timing and amount of estimated future production, including the increases to production guidance, the offer and sale of Common Shares under the at-the-market equity program (the "ATM Program"), including the timing and amounts thereof, the use of any proceeds from the ATM Program, and statements with respect to Sandstorm's proposed NCIB and the number of Common Shares that may be purchased under the normal course issuer bid.

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 receipt of all required approvals, 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, failure to receive necessary approvals, changes in business plans and strategies, market conditions, share price, best use of available cash, 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, 2020 and the Company's annual information form dated March 30, 2021 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 press release that do not have any standardized meaning prescribed by International Financial Reporting Standards ("IFRS") including (i) average cash cost per attributable gold equivalent ounce, (ii) total sales, royalties and income from other interests, (iii) average realized gold price per attributable gold equivalent ounce, (iv) cash operating margin, and (v) cash flows from operating activities excluding changes in non-cash working capital, and (vi) all-in sustaining cost per gold ounce on a co-product basis & by-product basis. 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. The Company presents average cash cost per attributable gold equivalent ounce as it believes that certain investors use this information to evaluate the Company's performance in comparison to other streaming and royalty companies in the precious metals mining industry who present results on a similar basis. Total sales, royalties and income from other interests is calculated by taking total revenue which includes sales and royalty revenue, and adding contractual income relating to royalties, streams and other interests excluding gains and losses on dispositions. The Company presents total sales, royalties, and income from other interests as it believes that certain investors use this information to evaluate the Company's performance in comparison to other streaming and royalty companies in the precious metals mining industry. Average realized gold price per attributable gold equivalent ounce is calculated by dividing the Company's total sales, royalties, and income from other interests by the number of attributable gold equivalent ounces. The Company presents average realized gold price per attributable gold equivalent ounce as it believes that certain investors use this information to evaluate the Company's performance in comparison to other streaming and royalty companies in the precious metals mining industry that present results on a similar basis. Cash operating margin is calculated by subtracting the average cash cost per attributable gold equivalent ounce from the average realized gold price per attributable gold equivalent ounce. 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 companies in the precious metals mining industry who present results on a similar basis. The Company has also used the non-IFRS measure of cash flows from operating activities excluding changes in non-cash working capital. This measure is calculated by adding back the decrease or subtracting the increase in changes in non-cash working capital to or from cash provided by (used in) operating activities. The Company presents cash flows from operating activities excluding changes in non-cash working capital as it believes that certain investors use this information to evaluate the Company's performance in comparison to other streaming and royalty companies in the precious metals mining industry that present results on a similar basis. Sandstorm has included attributable gold equivalent ounces as a performance measure in this press release which does not have any standardized meaning prescribed by IFRS. The Company's royalty and other commodity stream revenue, including adjustments for contractual income relating to those interests, is converted to an attributable gold equivalent ounce basis by dividing the royalty and other commodity revenue, including adjustments for contractual income relating to those interests, for that period by the average realized gold price per ounce from the Company's gold streams for the same respective period. With respect to the Hod Maden project, the Company presents all-in sustaining cost per gold ounce ("AISC") on a by-product basis and on a co-product basis, as it believes that certain investors use this information to evaluate the Company's performance in comparison to other companies in the precious metals mining industry that present results on a similar basis. AISC per gold ounce on a co-product basis is calculated by summing certain costs (operating costs, royalties, treatment, refining & transport costs, sustaining capital, G&A, and other costs) associated with the gold produced. The resulting figure is then divided by the payable gold ounces produced. $[(\text{Operating Costs } (\$543 \text{ million}) + \text{Royalties } (\$296 \text{ million}) + \text{Treatment, Refining and Transport Costs } (\$151 \text{ million}) + \text{Sustaining Capital } (\$93 \text{ million}) + \text{G\&A } (\$77 \text{ million}) + \text{Other Costs } (\$46 \text{ million})] / \text{Payable Gold Ounces } (2,027,000 \text{ oz}) = \$595/\text{oz Au AISC}$. AISC per gold ounce on a by-product basis is calculated by deducting copper revenue from the summation of certain costs (operating costs, royalties, treatment, refining & transport costs, sustaining capital, G&A, and other costs). The resulting figure is then divided by the payable gold ounces produced. $[(\text{Operating Costs } (\$678 \text{ million}) + \text{Royalties } (\$349 \text{ million}) + \text{Treatment, Refining and Transport Costs } (\$193 \text{ million}) + \text{Sustaining Capital } (\$116 \text{ million}) + \text{G\&A } (\$96 \text{ million}) + \text{Other Costs } (\$57 \text{ million}) - \text{Copper Revenue } (\$812\text{m})] / \text{Payable Gold Ounces } (2,027\text{k oz}) = \$334/\text{oz Au AISC}$. 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.

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