

Bribery and Fraud Prevention Program

This letter documents the principles to be followed by all contractors of Sandstorm Gold Ltd. or any of its subsidiaries (“**Sandstorm**” or the “**Company**”) in regards to preventing any fraudulent activities. Fraudulent actions are, but are not limited to:

- A** *Bribery:* Offering, giving, receiving or soliciting of any item of value to influence the actions of an official or other person in charge of a duty of sorts. Every person commits an offence who, in order to obtain or retain an advantage in the course of business, directly or indirectly gives, offers or agrees to give or offer a loan, reward, advantage or benefit of any kind to a public official or to any person for the benefit of a public official (i) as consideration for an act or omission by the official in connection with the performance of the official’s duties or functions or (ii) to induce the official to use his or her position to influence any acts or decisions of the state or public international organization for which the official performs duties or functions. Also taking money to give people preferential treatment or accepting inappropriate gifts or sponsorships;
- B** *Fraud:* Making false claims (reimbursing inappropriate expenses, double expensing, camouflaging commissions, marketing expenses, travel and entertainment, petty cash) for benefits in order to abuse systems;
- C** *Conflict of Interest:* Personal interest that goes beyond the interest of the Company’s interests and may reasonably be expected to influence the directors, officers, employees or other contractors of the Company or the government;
- D** *Administrative Corruption & Prevention of Facilitation Payments:* Illegal doings or transfers by individuals who interfere with the proper implementation of laws, rules and regulations, including payments to expedite or secure performance of routine governmental matters (i.e. licenses and permits, processing work orders and visas, etc.);
- E** *Breach of Duty:* Ignorance of applicable municipal legislation, for example sale/ purchase of assets for less/ more than market value;
- F** *Misuse of Authority:* influence on third party bodies which are intended to be at arm’s length; and
- G** *Criminal Activity:* including organized crime, internal theft, petty theft and other fraud.

Sandstorm expects all its contractors, at its corporate office as well as at any subsidiary level, to promote honest and ethical behavior, promote avoidance of conflict of interest, promote compliance with applicable governmental laws, rules and regulations; and help foster the Company's culture of honesty and accountability. Failure to do so may result in the Company taking corrective action without notice and may be subject to disciplinary consequences up to and including termination of the contract.

ADOPTED AND APPROVED by the Disclosure Committee of **SANDSTORM GOLD LTD.** on September 29, 2016.