

April 1, 2026



IMPORTANT 2025 TAX NOTICE FOR U.S. SHAREHOLDERS

This statement is provided for shareholders of Sandstorm Gold Limited (“Sandstorm”) who are United States persons for purposes of the U.S. Internal Revenue Code of 1986, as amended (“IRC”) and the regulations thereunder and are required to file a United States Income Tax Return. It is not relevant to other shareholders.

Sandstorm Gold Ltd. (“Sandstorm”) has not made, and does not expect to make, a determination as to whether it is a Passive Foreign Investment Company (“PFIC”) for U.S. tax purposes for the year ended October 20, 2025. A U.S. Shareholder that wants to make a protective Qualifying Electing Fund (“QEF”) election under the PFIC rules can use the information provided below to make a QEF election. The determination as to whether any corporation is, or will be, a PFIC for a particular year depends in part on the application of complex U.S. federal income tax statutes, regulations, and the interpretation thereof. In addition, whether any corporation will be a PFIC for any tax year depends on its assets and income over the course of such tax year, and as a result, the PFIC status of Sandstorm for 2025 and any future tax year is subject to a complex analysis and therefore cannot be predicated with certainty.

The attached PFIC Annual Information Statement is being made available to U.S. Shareholders who have made or intend to make an election to treat Sandstorm as a Qualifying Electing Fund (“QEF”) and does not constitute tax advice. The attached PFIC Annual Information Statement contains information required by U.S. Shareholders to prepare their 2025 U.S. federal income tax returns assuming a QEF election is made.

WE STRONGLY RECOMMEND THAT U.S. SHAREHOLDERS CONSULT WITH THEIR OWN TAX ADVISOR TO DETERMINE THE CONSEQUENCES OF HOLDING SANDSTORM SECURITIES IF SANDSTORM WERE DEEMED TO BE PFIC FOR ANY TAXABLE YEAR IN WHICH THEY HOLD THEIR SECURITIES, AND WHETHER THEY ARE ELIGIBLE TO MAKE ANY APPLICABLE TAXPAYER PFIC ELECTION UNDER U.S. STATUTES AND REGULATIONS.

Further Information on PFIC rules and the QEF election is available from the Internal Revenue Service, including the following website page: *About Form 8621* – www.irs.gov/form8621

ANNUAL INFORMATION STATEMENT FOR U.S. SHAREHOLDERS

1. The first and last days of the fiscal year of Sandstorm Gold Limited (“Sandstorm”) to which this information applies:

First Day: January 1, 2025
 Last Day: October 20, 2025

2. Ordinary earnings and net capital gain of Sandstorm for the taxable year specified in item 1 are as follows:

Description	Amount
Ordinary Earnings per Share	\$4.6213
Net Capital Gain per Share	\$1.8443


3. Cash and fair market value of other property distributed or deemed distributed by Sandstorm for the taxable year specified in item 1 are as follows:

Description	Amount
Cash	\$1.80
Fair Market Value of Property	Nil

As of October 20, 2025, under the terms of the Arrangement Agreement between Royal Gold Inc. (“Royal”), and Sandstorm dated July 6, 2026, Royal has notified Sandstorm it will exercise its option to to make an election under Section 338(g) of the U.S. Tax Code, and any corresponding elections under state, local or non-U.S. law (collectively, a “Section 338(g) Election”) on or before the due date of said election in the manner set forth in the Plan of Arrangement and accordingly the above computation of ordinary earnings and net capital gain for 2025 has taken the Section 338(g) election into account. Please see the Proxy Statement filed by Royal Gold Inc., on September 2, 2025 discussing the above Section 338(g) election and tax considerations to U.S. holders of Sandstorm or consult your tax advisor.

Sandstorm will permit any U.S. Shareholder to inspect and copy its permanent books of account, records, and such other documents as may be maintained to establish that the ordinary earnings and net capital gain of Sandstorm, as defined in §1293 of the U.S. Internal Revenue Code of 1986, as amended, are computed in accordance with U.S. income tax principles, and to verify these amounts and the shareholder’s pro rata shares thereof.

Sandstorm Gold Limited

Signed by:

 Paul Libner

Senior Vice President and Chief Financial Officer