

Sanatana Enters into a Definitive Agreement to Acquire 5,900 Hectare Gold Strike Two Project Establishing Foothold in the Rogue Plutonic Complex Region in Yukon, Canada

- **Gold Strike Two Project borders Snowline Gold Corp.'s Rogue project, approximately 15 km east-southeast of Snowline's Valley discovery and is considered to have the geological potential to host a reduced intrusion-related gold system (RIRGS).**
- **The vendor of the Gold Strike Two Project is a mining project generator with a portfolio of projects in Canada, focusing on Yukon. This transaction forms an important collaboration with the vendor for Sanatana to negotiate possible further acquisitions.**
- **Concurrent non-brokered LIFE Offering and concurrent non-brokered private placement to raise up to \$1,200,000 through the issuance of units priced at \$0.10 per unit, each unit comprising one common share and one warrant exercisable at \$0.12 for 12 months, subject to acceleration.**
- **Concurrent with the closing of the acquisition, Sanatana expects to change its name to better reflect its mineral properties.**

Vancouver, British Columbia--(Newsfile Corp. - May 5, 2025) - Sanatana Resources Inc. (TSXV: STA) ("**Sanatana**" or the "**Company**") has entered into a quartz claim purchase agreement (the "**Definitive Agreement**") with LIRECA Resources Inc. ("**LIRECA**") to acquire the Gold Strike Two Project (the "**Acquisition**"). LIRECA, and its affiliated company Florin Resources Inc. (together with LIRECA, the "**Florin Group**"), are private companies that have five key properties in Yukon: the Gold Strike Two Project, the Gold Strike One Project, the Florin Gold Project, the FLR Gold Project and the RJ Gold Project which are located within the Tintina Gold Province where regionally mineralization is associated with Tombstone and Mayo Plutonic Suites. The Florin Group is currently an arm's length party to Sanatana.¹ For additional information on the Florin Group's portfolio of projects, see "About the Florin Group" at the end of this news release. Closing of the Acquisition is subject to TSX Venture Exchange (the "**TSX-V**") approval.

Peter Miles, CEO of Sanatana commented: "The Florin Group is a mining project generator that has acquired an impressive portfolio of mineral properties in British Columbia, Quebec, Newfoundland and Labrador, with a focus on Yukon. The definitive agreement for Gold Strike Two establishes an important relationship with the Florin Group for Sanatana to negotiate further possible acquisitions from the Florin Group. Gold Strike Two is a key acquisition for Sanatana and, subject to closing, is expected to establish Sanatana as one of the few publicly traded companies with a prospective land position in the Rogue Plutonic Complex region which has received significant industry recognition from Snowline Gold Corp.'s recent Valley discovery."

John Fiorino, principal of the Florin Group commented: "The Florin Group looks forward to engaging in further discussions with Sanatana's management to explore possible additional mineral property transactions, identifying opportunities where our complementary strengths can drive mutually beneficial transactions."

About the Gold Strike Two Project

The Gold Strike Two Project comprises 293 contiguous quartz claims (ICY 1 to 293) covering

approximately 59 km² (5,866 hectares / 14,495 acres). The Gold Strike Two Project encompasses the majority of the Rogue Pluton which is part of the Mayo Plutonic Suite and is located in the Mayo Mining District, see Figure 1.

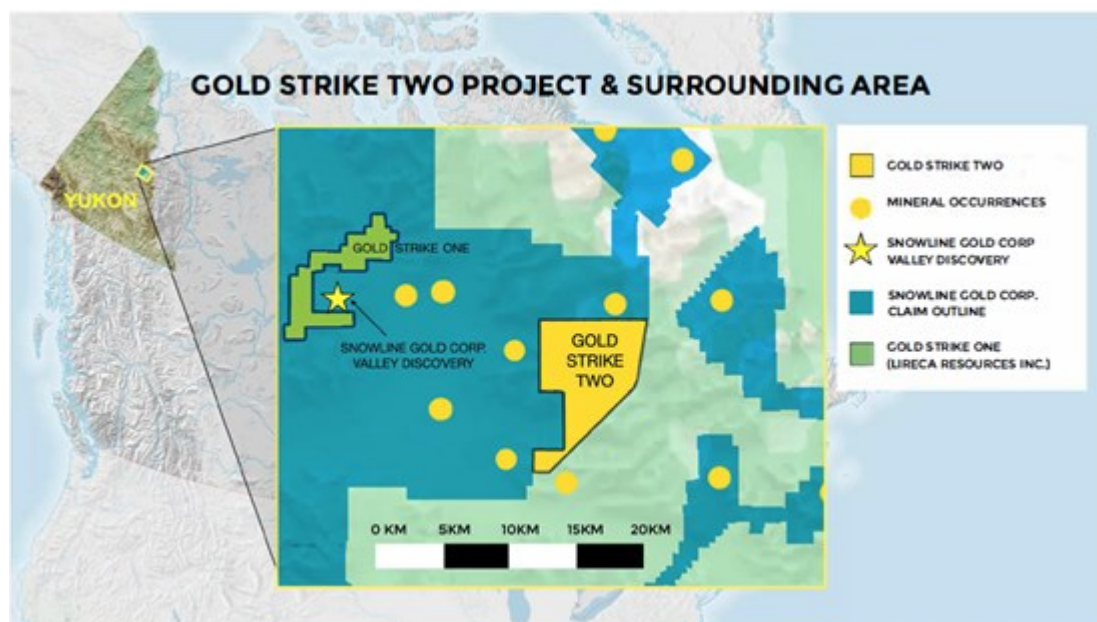


Figure 1 - Gold Strike Two Project and Surrounding Area

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/2534/250782_e48e531d4497ea4d_002full.jpg

Location

The Rogue Pluton is considered prospective to potentially host reduced intrusion-related gold system (RIRGS) style mineralization. RIRGS deposits are a type of gold deposit found in specific geological settings, notably within the Tombstone Gold Belt in Yukon, Canada. These deposits are associated with reduced (low-oxygen) plutonic intrusions, typically mid-Cretaceous granitic bodies, and are characterized by gold mineralization hosted in sheeted quartz veins, skarns, or disseminated forms. RIRGS deposits are known to occur in clusters. The most significant RIRGS deposit in the region occurs on the adjacent Rogue Project of Snowline Gold Corp. at their Valley Gold Deposit, which is approximately 15 km west-northwest of the Goldstrike Two Project.

Much of the Gold Strike Two Project includes icefields which have, like elsewhere in the world, retreated in the last decades exposing geology that was not accessible in the past and thus represents an under explored geological target.

While it is understood that RIRGS cluster and occur in belts, and the geological exploration industry considers exploring in these belts to have a higher probability of exploration success, there is no guarantee of exploration success or that the Company's exploration thesis will be proven correct. The Company also cautions that mineralization hosted on adjacent, nearby or geologically similar properties, is not necessarily indicative of possible mineralization hosted on Gold Strike Two.

See Appendix 1 (at the end of this news release) showing the regional geology.

Exploration Work

The 2024 exploration work completed by the Florin Group on the Gold Strike Two Project consisted of WorldView-3 and ASTER satellite imagery, alteration mineral mapping, rock sampling, soil sampling, and silt sampling, focused on the margins of the mapped Rogue Pluton. The 2024 work program identified rock, silt, and soil samples anomalous in gold, arsenic, bismuth and tungsten. The areas where

these rock samples were taken is coincident with sericite and iron-oxide/gossan zones detected by ASTER satellite data. These zones are in proximity to the contacts between the Rogue Pluton and the host sedimentary rocks of the Gull Lake and Narchilla Formations. Recommendations include follow-up exploration efforts focusing on defining these contact zones through geological mapping, and sampling.

The Company expects to mobilize in early summer in order to begin an exploration program including prospecting, mapping, and rock and soil sampling.

Terms of the Definitive Agreement

Pursuant to the Definitive Agreement (dated May 5, 2025), Sanatana is required to provide the following consideration to LIRECA:

- *Cash Payments*: An aggregate of \$500,000, payable \$250,000 on the closing date and a further \$250,000 to be held in escrow and payable within 90 days of closing. Such cash payment is subject to acceleration if Sanatana raises \$300,000 or more in equity or debt financing within 90-days post closing.
- *Share Issuance*: 6,000,000 common shares of Sanatana issued to LIRECA on the closing date. Such common shares are issued pursuant to a prospectus exemption and are subject to a statutory restricted period of four months and a day from the date of issuance.

The Gold Strike Two Project is subject to 3% net smelter returns royalty (the "**NSR Royalty**"), as further described in the Definitive Agreement, a copy of which will be filed under Sanatana's SEDAR+ profile at www.sedarplus.ca. At any time prior to the commencement of commercial production, the NSR Royalty payor can reduce the NSR Royalty by 0.5% increments, from 3% to 1%, by paying 250 ounces of gold or US\$500,000 (whichever is greater in monetary value) for each 0.5% reduction, provided the NSR does not fall below 1%.

The Gold Strike Two Project is subject to an annual advance royalty payment to the NSR holder in the amount of the greater monetary value of US\$20,000 and seven ounces of gold (the "**Annual Advance Royalty**"). The Annual Advance Royalty shall be payable on or before each subsequent anniversary of the date of the closing of the Definitive Agreement. Subject to the terms of the NSR Royalty, the Annual Advance Royalty will cease upon the commencement of commercial production and the Annual Advance Royalty payments shall constitute prepayment of the NSR Royalty payments.

In the event the purchaser of the Gold Strike Two Project publicly announces a resource estimate on any portion of the project, prepared in accordance with National Instruction 43-101 - *Standards of Disclosure for Mineral Projects*, that estimates the presence of Gold Ounces, the purchaser shall deliver to an affiliate of LIRECA (or its assignee), the greater of US\$1,000,000 in immediately available funds or 400 ounces of Physical Gold for every million Gold Ounces delineated by such resource estimate. Such bonus payment is due for each million Gold Ounce delineated by such resource estimate and any additional resource estimate. The bonus payment is limited to a maximum of 4,000,000 Gold Ounces delineated and any ounces in excess of 4,000,000 Gold Ounces delineated is not subject to a bonus payment. "**Gold Ounces**" means gold or gold equivalent ounces in any resource category (that is, an inferred mineral resource, an indicated mineral resource, and/or a measured mineral resource).

LIRECA has the right, but not the obligation, to nominate one director to the Company's board of directors.

The Acquisition is an arm's length transaction and is not expected to result in the creation of a new "Control Person" of the Company pursuant to the policies of the TSX-V. The Acquisition is expected to be a "Reviewable Transaction" but is not expected to be a "Fundamental Transaction" (as such terms are defined in TSX-V policies). No finder's fee was paid in connection with the Definitive Agreement.

Concurrent LIFE Offering and Private Placement

In connection with the Definitive Agreement, Sanatana concurrently announces two non-brokered private placements for cumulative gross proceeds of up to \$1,200,000 from the sale up to 12,000,000 units of the Company (each, a "**Unit**") at a price of \$0.10 per Unit. 3,662,248 Units are offering under the Listed Issuer Financing offering (the "**LIFE Offering**") and 8,337,752 Units are offered under the concurrent private placement offering (the "**Concurrent Offering**"). Both the LIFE Offering and the Concurrent Offering are non-brokered.

Each Unit will consist of one common share in the capital of the Company and one share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.12 per common share for a period of 12 months from the date of closing of the Private Placement. The Warrants are non-transferable.

The Warrants are subject to an acceleration clause whereby if the closing price of the common shares of the Company on the principal market on which such shares trade is equal to or exceeds \$0.25 for 10 consecutive trading days (with the 10th such trading date hereafter referred to as the "**Eligible Acceleration Date**"), the Warrant expiry date shall accelerate to the date which is 30 calendar days following the date a news release is issued by the Company announcing the reduced Warrant term, provided, no more than five business days following the Eligible Acceleration Date: (i) the news release is issued; and (ii) notices are sent to all warrant holders.

Subject to compliance with applicable regulatory requirements and in accordance with National Instrument 45-106 - *Prospectus Exemptions* ("**NI 45-106**"), the LIFE Offering is being made to purchasers resident in all provinces of Canada, except Quebec, pursuant to the listed issuer financing exemption under Part 5A of NI 45-106 (the "**Listed Issuer Financing Exemption**"). Subject to the rules and policies of the TSX-V, the securities issuable from the sale of Units to Canadian resident subscribers will not be subject to a hold period under applicable Canadian securities laws. Insiders and certain consultants that participate in the LIFE Offering would be subject to a four-month hold period in respect of securities issued pursuant to applicable policies of the TSX-V.

There is an offering document (the "**Offering Document**") related to the LIFE Offering that can be accessed under the Company's profile at www.sedarplus.ca and on the Company's website at www.sanatanaresources.com. Prospective investors should read this Offering Document before making an investment decision.

In addition to the Listed Issuer Financing Exemption offering, the Company intends to complete the Concurrent Offering of up to 8,337,752 Units on the same financial terms of the LIFE Offering for gross proceeds of up to approximately \$833,775. The Concurrent Offering will be made available to accredited investors and other eligible investors in British Columbia, Ontario, Alberta and such other jurisdictions as the Company may decide in accordance with applicable laws. Units purchased in connection the Concurrent Offering will be subject to a four month and one day hold period from the date of issue.

The closing of the LIFE Offering and the Concurrent Offering is expected to occur on or about May 16, 2025, or such other date, as the Company may agree, which must be within 45 days from the date hereof for the LIFE Offering (the "**Closing Date**"). Closing of the LIFE Offering is not conditional upon the closing of the Concurrent Offering.

In connection with the LIFE Offering and the Concurrent Offering, the Company may pay finder's fees to certain eligible arm's length parties in accordance with the policies of the TSX-V in consideration for their efforts in introducing subscribers to the Company.

It is anticipated that insiders of the Company may participate in the LIFE Offering and/or the Concurrent Offering, and such Units issued to insiders will be subject to a four month hold period pursuant to applicable policies of the TSX-V. The issuance of Units to any insiders will be considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security*

Holders in Special Transactions ("MI 61-101"). In respect of any such insider participation, the Company expects to rely on exemptions from the formal valuation requirements of MI 61-101 pursuant to section 5.5(a) and the minority shareholder approval requirements of MI 61-101 pursuant to section 5.7(1)(a), as the fair market value of the transaction, insofar as it involves interested parties, does not exceed 25% of the Company's market capitalization.

The Concurrent Offering is subject to an over-allot right pursuant to which the Company can increase the size of the entire financing by 15% (i.e. up to an additional \$180,000).

The Company intends to use the net proceeds from the sale the Units for general working capital expenses and exploration expenses for the Gold Strike Two Project. Under the terms of a \$200,000 secured promissory note (the "**Promissory Note**") the Company issued on December 31, 2024, the Company must repay the Promissory Note in full if it raises at least \$800,000 in debt or equity financing. The Company anticipates that the LIFE Offering and the Concurrent Offering will require repayment or conversion of the note in full.² The Promissory Note is held by an affiliate of Florin Group.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

Name Change

The Company has reserved a new corporate name and expects to announce the name change concurrent with the closing of the Definitive Agreement. The name change better reflects the Company's mineral properties in Yukon and British Columbia.

Closing Conditions

Closing of the Definitive Agreement and completion of the LIFE Offering, the Concurrent Private Placement, and the Name Change are subject to a number of prescribed conditions, including, without limitations, approval of the TSX-V.

Technical Information

The technical information in this news release was prepared under the supervision of Derek Torgerson P.Geo, B.Sc Geology. Mr. Torgerson is a Qualified Person for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") and has reviewed and approved the technical information disclosed in this news release. Mr. Torgerson is independent of the Company for the purposes of NI 43-101.

About the Company

Sanatana Resources Inc. is a mineral exploration and development company focused on high-impact properties in Canada. With an award-winning technical team and experienced management and board of directors, Sanatana is based in Vancouver and is listed on the TSX Venture Exchange (TSXV: STA).

About the Florin Group

The Florin Group, led by its principal John Fiorino, has been in mineral exploration and project generation in excess of 20 years. With notable discoveries and projects advancements.

The Florin Gold Group is a mining project generator with a portfolio of projects across Canada, with a primary focus on projects in Yukon. The Florin Group's mandate is to generate projects that have

geological settings, potential historic data, geochemistry, geophysics and importantly an active mining camp ideally within 1-2 km of a discovery or active drilling. The Florin Gold Group's portfolio of projects includes the following mineral properties:

| Yukon, Tombstone Gold Belt | |
|----------------------------|--|
| Project Name | Description |
| Gold Strike Two Project | Comprises 293 contiguous quartz claims (ICY 1 to 293) covering approximately 5,866 hectares (approximately 14,495 acres). This project is subject to a definitive agreement with Sanatana. |
| Gold Strike One Project | Comprises 107 contiguous quartz claims totalling approximately 2,019 hectares (4,989 acres). The Gold Strike One Project is adjacent to and partially surrounding Snowline Gold Corp's Valley discovery with the closest property boundary located approximately 300 metres from the Valley discovery. |
| Florin Gold Project | Covers 8,879.38 hectares (21,941.24 acres). The Florin Gold Project consists of contiguous mineral claims straddling the Mayo and Dawson Mining District boundaries and is located approximately 55 km northwest of the town of Mayo and 130 km east-southeast of Dawson City. |
| FLR Gold Project | Consists of 838 mineral claims totalling 16,480 hectares (40,723 acres) and is located approximately 1 km from Sitka Gold Corp. recent resource announcement. |
| RJ Gold Project | Consists of 349 Mineral Claims totalling 6,576 hectares (16,250 acres). |

SANATANA RESOURCES INC.

(signed) "*Peter Miles*"

Peter Miles
Chief Executive Officer

For additional information on the Company, please contact Mr. Peter Miles, Chief Executive Officer at (604) 408-6680 or email investor@sanatanaresources.com.

To be added to the email distribution list, please email ir@sanatanaresources.com with "Sanatana" in the subject line.

Cautionary Statement Regarding "Forward-Looking" Information

This news release contains forward-looking statements within the meaning of applicable securities laws. The use of any of the words "anticipate", "plan", "continue", "expect", "estimate", "objective", "may", "will", "project", "should", "predict", "potential" and similar expressions are intended to identify forward looking statements. In particular, this news release contains forward looking statements concerning the Definitive Agreement, LIFE Offering, the Concurrent Offering, the completion of the LIFE Offering and the Concurrent Offering, closing of the Definitive Agreement, possible further acquisitions from the Florin Group, and the expected closing date of the LIFE Offering and the Concurrent Offering, the use of proceeds from the LIFE Offering and the Concurrent Offering.

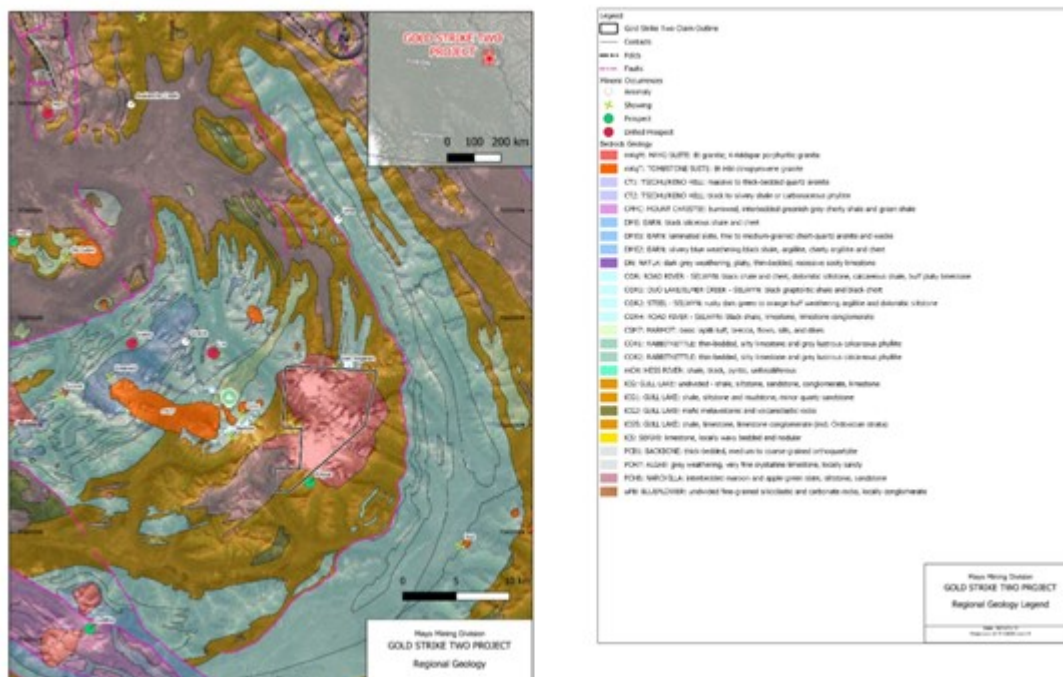
Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company cannot give any assurance that they will prove correct. Since forward looking statements address future events and conditions, they involve inherent assumptions, risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of assumptions, factors and risks. These assumptions and risks include, but are not limited to, assumptions and risks associated with mineral exploration generally and results from anticipated and proposed exploration programs, conditions in the equity financing markets, and assumptions and risks regarding receipt of regulatory and shareholder approvals.

Management has provided the above summary of risks and assumptions related to forward looking statements in this press release in order to provide readers with a more comprehensive perspective on the Company's future operations. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and,

accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive from them. These forward-looking statements are made as of the date of this press release, and, other than as required by applicable securities laws, the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Neither TSX Venture Exchange nor its Regulations Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Appendix 1 - Regional Geology



To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/2534/250782_sanatanaapp01.jpg

¹ LIRECA is expected to become an insider of Sanatana following closing of the Acquisition.

² See the Company's news release dated December 31, 2024, a copy of which is available under the Company's SEDAR+ profile at www.sedarplus.ca.



To view the source version of this press release, please visit

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