

Sanatana Announces Closing of the Acquisition of the Gold Strike Two Project and the Concurrent Oversubscribed Private Placement

Vancouver, British Columbia--(Newsfile Corp. - June 4, 2025) - Sanatana Resources Inc. (TSXV: STA) ("**Sanatana**" or the "**Company**") has closed its previously announced acquisition of the Gold Strike Two Project (the "**Project**"). The acquisition of the Project (the "**Transaction**") was completed pursuant to a quartz claim purchase agreement dated May 5, 2025 (the "**Definitive Agreement**") with LIRECA Resources Inc. ("**LIRECA**").¹

Peter Miles, CEO of Sanatana, commented: "We are pleased with the completion of the LIFE offering and the concurrent private placement and the strong interest the private placements received in the market. The acquisition of the Gold Strike Two Project positions 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 is pleased to have closed the Transaction and 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."

Acquisition of the Project

As consideration for the Transaction, Sanatana paid cash consideration of \$250,000 on closing. Pursuant to the terms of the Definitive Agreement, a further \$250,000 is held in escrow and will be payable to the Florin Group within 90 days of closing (the "**Escrowed Funds**"). The payment date of the Escrowed Funds is subject to acceleration if Sanatana raises \$300,000 or more in equity or debt financing within 90 days post closing.

Additionally, Sanatana issued 6,000,000 common shares to LIRECA on closing (the "**Consideration Shares**"). The Consideration Shares were issued pursuant to a prospectus exemption and are subject to a statutory restricted period ending on October 5, 2025. As a result of the issuance of the Consideration Shares, LIRECA became an insider of the Company pursuant to Canadian securities laws and will file an early warning report (and associated news release) in accordance with the requirements of National Instrument 62-104 - *Take-Over Bids and Issuer Bids*.

For additional information on the Project and on LIRECA and its affiliate, Florin Resources Inc., please refer to Sanatana's news release dated May 5, 2025 (the "**May 5th Release**"). The Project is subject to a 3% net smelter returns royalty, an annual advance royalty payment, and a bonus payment, all of which is further detailed in the May 5th Release. A copy of the Definitive Agreement will be filed under Sanatana's SEDAR+ profile at www.sedarplus.ca.

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

No finder's fee was paid in connection with the Transaction.

Closing of Concurrent LIFE Offering and Private Placement

In connection with the Transaction, Sanatana concurrently closed two non-brokered private placements

for cumulative gross proceeds of \$1,380,000 from the sale of 13,800,000 units of the Company (each, a "**Unit**") at a price of \$0.10 per Unit.

3,660,000 Units were offered to investors under the listed issuer financing exemption (the "**LIFE Exemption**") under Part 5A of National Instrument 45-106 - *Prospectus Exemptions* (the "**LIFE Offering**") and 10,140,000 Units are offered under the concurrent private placement offering (the "**Concurrent Offering**", and together with the LIFE Offering, the "**Offerings**"). An offering document related to the LIFE Offering (the "**Offering Document**") is accessible under the Company's profile at www.sedarplus.ca and on the Company's website at www.sanatanaresources.com. The Offering Document was originally filed on May 15, 2025, and was amended and restated on May 29, 2025. The minimum amount for the Offerings was the full amount of \$1,380,000 which included a 15% over-allotment (\$180,000), which was exercised in full.

Each Unit is comprised of one common share in the capital of the Company (a "**Share**" and collectively, the "**Shares**") and one Share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to purchase one additional Share (a "**Warrant Share**") at a price of \$0.12 per Warrant Share until June 4, 2026 (the "**Expiry Date**"). The Warrants are non-transferable.

The Warrants are subject to an acceleration clause whereby if the closing price of the Shares of the Company on the TSX Venture Exchange (the "**TSXV**") 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 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.

The LIFE Offering was made to purchasers resident in all provinces of Canada, except Quebec, pursuant to the LIFE Exemption. Securities issued from the sale of Units to Canadian resident subscribers under the LIFE Offering are not subject to a hold period under applicable Canadian securities laws. Insiders and certain consultants that participated in the LIFE Offering are subject to a four-month hold period in respect of their securities pursuant to applicable policies of the TSXV.

The Concurrent Offering was completed on the same terms as the LIFE Offering for 10,140,000 Units for gross proceeds of \$1,140,000. Securities issued from the sale of Units under the Concurrent Offering are subject to a four month and one day hold period from the date of issue.

In connection with the Offerings, Sanatana was permitted to pay a cash commission finder's fee of up to 5% to eligible arm's length parties in accordance with the policies of the TSXV in consideration for their efforts in introducing subscribers to the Company, as set out in the Offering Document. Sanatana is pleased to announce that the Company did not pay any finder's fees in connection with the Offerings.

Certain insiders of the Company subscribed for Units under the Offerings. These issuances are considered to be "related party transactions" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company relied 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.

Insiders of the Company subscribed for 40,000 Units under the LIFE Offering and 1,510,000 Units under the Concurrent Offering.

The Company intends to use the net proceeds from the Offerings: (i) to satisfy the cash consideration for the Transaction, (ii) general working capital expenses, and (iii) exploration expenses for the 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. Due to the Offerings, the Promissory Note will require repayment or conversion of the note in full. The Promissory Note is held by an affiliate of Florin Group. A full breakdown of the net proceeds from the Offerings can be found in the Offering Memorandum.

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.

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 (TSX-V: 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 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 use of proceeds from the Offerings and possible further acquisitions from the Florin Group.

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.

¹ LIRECA and its affiliate Florin Resources Inc. are referred to in this news release as the "Florin Group".

NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION
IN THE UNITED STATES



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/254559>