SANATANA
RESOURCES INC.

Consolidated Financial Statements

Years Ended March 31, 2025 and 2024

Expressed in Canadian Dollars

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Sanatana Resources Inc.

Opinion

We have audited the accompanying consolidated financial statements of Sanatana Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, changes in equity (deficiency) and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a loss of $2,807,270 during the year ended March 31, 2025 and, as of that date, the Company's deficit was $63,145,596. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year ended. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Zachary Faure.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

July 24, 2025

Sanatana Resources Inc.

Consolidated Statements of Financial Position
Expressed in Canadian Dollars

	Notes	March 31 2025 $	March 31 2024 $
ASSETS			
Current assets			
Cash	5	279	21,457
Receivables	6	14,446	2,720
Prepaid expenses		10,039	20,151
Short-term investments	7	200	34,000
Total current assets		24,964	78,328
Non-current assets			
Equipment	9	45,469	75,310
Total non-current assets		45,469	75,310
Total assets		70,433	153,638
LIABILITIES			
Current liabilities			
Payables and accruals	10	672,166	102,937
Loans	11	298,528	-
Liability to renounce exploration expenditures	13	-	38,637
Total liabilities		970,694	141,574
EQUITY (DEFICIENCY)			
Share capital	13	54,977,357	53,392,012
Reserves	13	7,267,978	6,958,378
Deficit		(63,145,596)	(60,338,326)
Total equity (deficiency)		(900,261)	12,064
Total equity (deficiency) and liabilities		70,433	153,638

Nature of operations and going concern (Note 1)
Events after the reporting period (Note 22)

On behalf of the board of directors

“Peter Miles” — Peter Miles, Director

“Rose Zanic” — Rose Zanic, Director

The accompanying notes are an integral part of these consolidated financial statements.

Sanatana Resources Inc.

Consolidated Statements of Loss and Comprehensive Loss

Expressed in Canadian Dollars

Year ended March 31	Notes	2025 $	2024 $
Expenses			
Consulting and advisory fees		11,974	34,101
Depreciation	9	29,841	29,924
Director fees	15	9,000	15,056
Exploration	8	2,052,831	729,478
Financing	11	14,296	85,518
Investor relations		18,071	62,608
Management fees and salaries	15	241,873	261,618
Office and administration		46,384	52,085
Professional fees		119,696	64,142
Share-based compensation	13	234,900	31,200
Transfer agent fees and filing fees		31,261	40,901
Travel and accommodation		1,486	39,165
Loss before other items		2,811,613	(1,445,796)
Unrealized loss on short-term investments	7	(33,800)	(54,000)
Mineral exploration tax credit recovery		-	772,846
Settlement of flow-through share premium liability		38,637	182,688
Other income (expense)		(494)	15,837
Loss and total comprehensive loss for the year		(2,807,270)	(528,425)
Loss per share - basic and diluted	16	(0.20)	(0.05)
Weighted average common shares outstanding - basic and diluted		13,905,514	10,887,901

The accompanying notes are an integral part of these consolidated financial statements.

Sanatana Resources Inc.

Consolidated Statements of Changes in Equity (Deficiency)

Expressed in Canadian Dollars

	Number of Shares	Common Shares	Reserves	Deficit	Equity (Deficiency)
	Restated - note 13	$	$	$	$
March 31, 2023	10,807,260	53,072,827	6,915,578	(59,809,901)	178,504
Private placements	525,714	368,000	-	-	368,000
Flow-through liability	-	(46,800)	-	-	(46,800)
Share issue costs	-	(53,015)	11,600	-	(41,415)
Shares issued for mineral properties	85,714	51,000	-	-	51,000
Share-based compensation	-	-	31,200	-	31,200
Loss for the year	-	-	-	(528,425)	(528,425)
March 31, 2024	11,418,688	53,392,012	6,958,378	(60,338,326)	12,064
Private placements	3,130,307	1,819,350	-	-	1,819,350
Share issue costs	-	(251,505)	74,700	-	(176,805)
Shares issued for mineral properties	100,000	17,500	-	-	17,500
Share-based compensation	-	-	234,900	-	234,900
Loss for the year	-	-	-	(2,807,270)	(2,807,270)
March 31, 2025	14,648,995	54,977,357	7,267,978	(63,145,596)	(900,261)

The accompanying notes are an integral part of these consolidated financial statements.

Sanatana Resources Inc.

Consolidated Statements of Cash Flows

Expressed in Canadian dollars

Year ended March 31	2025 $	2024 $
Cash and cash equivalents provided by (used in):		
Operating activities:		
Loss for the year	(2,807,270)	(528,425)
Adjustments for:		
Depreciation of equipment	29,841	29,924
Investment income included in other income	-	(32,274)
Unrealized loss on short-term investments	33,800	54,000
Share-based compensation	234,900	31,200
Exploration costs paid in shares	17,500	51,000
Financing	7,028	85,518
Other income on flow-through premium	(38,637)	(182,688)
Changes in non-cash working capital items:		
Receivables	(11,726)	34,621
Prepaid expenses	10,112	(2,877)
Payables and accruals	569,229	(133,319)
	(1,955,223)	(593,320)
Investing activities:		
Interest received	-	32,274
	-	32,274
Financing activities		
Private placements	1,819,350	368,000
Share issue costs	(176,805)	(39,348)
Loan proceeds	300,000	728,000
Debt issuance costs	(8,500)	(13,518)
Loan repayments	-	(800,000)
	1,934,045	243,134
Change in cash and cash equivalents	(21,178)	(317,912)
Cash and cash equivalents, beginning of year	21,457	339,369
Cash, end of year	279	21,457

Supplementary cash flow information (note 17)

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of Operations and Going Concern

Sanatana Resources Inc. (“Sanatana” or the “Company”) was incorporated on June 25, 2004 under the British Columbia Business Corporations Act. Sanatana is an exploration stage company, and its principal business activity is the acquisition, exploration and development of mineral properties. The Company’s shares are traded on the TSX Venture Exchange (“TSX-V”) under the symbol STA.

In April 2024, the Company wound up its wholly owned subsidiary ExSol (SI) Limited in accordance with Solomon Islands law. The subsidiary had been inactive since the cessation of exploration on the Company’s Solomon Islands property in 2020.

The Company has not generated revenue from operations and has no immediate plans that could generate cash from operations. The Company incurred a loss of $2,807,270 during the year ended March 31, 2025 and, as of that date, the Company’s deficit was $63,145,596. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

The head office and principal address of the Company are located at Suite 1910 - 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2. These consolidated financial statements were authorized for issue by the Company’s board of directors on July 24, 2025.

2. Basis of Presentation

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company.

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRSs”), which collectively includes all applicable individual International Financial Reporting Standards and Interpretations approved by the International Accounting Standards Board (the “IASB”) effective for the Company’s reporting for the year ended March 31, 2025.

The consolidated financial statements have been prepared under the historical cost basis except for financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrued basis of accounting, except for cash flow information. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

3. Material Accounting Policy Information

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

a) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, demand deposits with financial institutions, GICs held in a brokerage account and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts.

b) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, ExSol (SI) Limited to the date of its dissolution. All significant intercompany transactions and balances have been eliminated upon consolidation. The functional currency of the parent and subsidiary companies is the Canadian dollar.

c) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Statements of comprehensive loss and cash flows for entities whose functional currency is different to the presentation currency are translated into the Company's presentation currency at average exchange rates for the year while their statements of financial position are translated at the year-end exchange rates. Exchange differences arising from the translation are recorded as a component of other comprehensive income (loss). On disposal of a foreign entity, such exchange differences are transferred out of this reserve and are recognized in profit or loss as part of the gain or loss on sale.

d) Short-term investments

Short-term investments comprise warrants to purchase shares of Gold Royalty Corp. and, from time to time, guaranteed investment certificates with a term of more than three months and less than one year and other investments that can be realized within one year. Short-term investments are carried at their market value with any gain or loss charged to profit and loss

e) Mineral Exploration and Evaluation Expenditures

The Company expenses exploration and evaluation expenditure including acquisition costs until such time that an appropriate economic assessment has been completed and there is confidence that permits can be obtained to develop the project. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as ‘mines under construction’.

f) Reclamation Deposits

Cash which is subject to contractual restrictions on use is classified separately as reclamation deposits.

3. Material Accounting Policy Information (continued)

g) Equipment

Recognition and Measurement

On initial recognition, equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses. When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components).

Subsequent Costs

The cost of replacing part of an item of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of equipment are recognized in profit or loss as incurred.

Major Maintenance and Repairs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Gains and Losses

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized in profit and loss.

Depreciation

Depreciation is recognized in profit or loss and is provided on a straight-line basis over the estimated useful life of the assets as follows:

Computer equipment	Straight line over 3 years
Vehicles	Straight line over 5 years
Equipment	Straight line over 5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

h) Impairment of Non-Financial Assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial assets, including exploration and evaluation assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company performs impairment testing on each cash-generating unit.

An impairment loss is charged to profit or loss, except to the extent it reverses gains previously recognized in accumulated other comprehensive loss/income.

3. Material Accounting Policy Information (continued)

i) Financial Instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through comprehensive income (loss) ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Financial assets/ liabilities classification:

Cash	Amortized cost
Receivables	Amortized cost
Short-term investments	FVPTL
Payables and accruals	Amortized cost
Loans	Amortized cost

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recognized at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of comprehensive loss in the period in which they arise.

Impairment of financial assets at amortized cost

An "expected credit loss" impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follow: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit and loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3. Material Accounting Policy Information (continued)

Derecognition Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains or losses on the derecognition are generally recognized in the consolidated statements of comprehensive loss.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transaction costs that are directly attributable to the acquisition or issue of financial instruments that are classified as other than held-for-trading, which are expensed as incurred, are included in the initial carrying value of such instruments

The Company holds warrants to purchase common shares of Gold Royalty Corp. (see note 7). These warrants are financial instruments that the Company has classified as fair value through profit or loss ("FVTPL") because the financial asset is held for trading. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term;
- on initial recognition, it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

The fair value of the warrants is estimated at the end of every reporting period and the carrying value is adjusted to fair value with any increase or decrease in value being recognized profit and loss. The warrants are not traded in a public market and fair value is estimated using "significant other observable inputs", a "level 2" classification.

(j) Asset retirement obligations

The Company recognizes liabilities for statutory, contractual, constructive, or legal obligations, including those associated with the reclamation of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an environmental rehabilitation obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows, adjusted for inflation, associated with reclamation as a liability, at a risk-free rate, when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized asset retirement costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates (additional rehabilitation costs). The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to the statement of loss and comprehensive loss.

The Company has accrued $25,000 (2024 - $65,000) for rehabilitation costs expected to be incurred in the next 12 months.

3. Material Accounting Policy Information (continued)

k) Provisions

Other Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

l) Income Taxes

Income tax expense comprises current and deferred tax expense. Current tax and deferred tax expense are recognized in net income or loss except to the extent that they relate to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

m) Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company’s common shares, share options, share warrants and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3. Material Accounting Policy Information (continued)

Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are valued based on the residual value method and included in share capital with the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

n) Flow-through Shares

The Company, from time to time, issues flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. The premium is recognized as other income as flow-through funds are spent.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's reporting year is disclosed separately as a commitment.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the "look-back rule", in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial liability until paid.

When the Company issues warrants comprising a flow-through share and a warrant, the warrant is not exercisable for an additional flow-through share and Company does not ascribe a value to the warrant.

o) Earnings / Loss Per Share

Basic earnings/loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant year.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

3. Material Accounting Policy Information (continued)

p) Share-based Compensation

When equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

When equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss. Options or warrants granted related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

q) New accounting standards issued and effective

There are no pronouncements, issued by the IASB or the IFRS Interpretations Committee, that were adopted during the period, or were mandatory for the Company’s fiscal periods beginning on or after April 1, 2024 that had a material impact on the Company’s financial statements.

r) New accounting standards issued and not yet effective

The IASB has issued *IFRS 18 - Presentation and Disclosure in Financial Statements* which will be effective for the Company’s fiscal year beginning April 1, 2027. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity’s assets, liabilities, equity, income and expenses. The Company has not determined the effect of IFRS 18 on its financial statements.

4. Critical Accounting Estimates and Judgments

Sanatana makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss/income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical estimates and judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. The Company believes it has adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

4. Critical Accounting Estimates and Judgments (continued)

Gold Royalty Corp. Warrant Valuation

The Company estimates the value of the Gold Royalty Corp. warrants at the end of each accounting period. Estimating the fair value of the warrants requires determining the most appropriate valuation model, which is dependent on the terms and of the warrants. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the warrant, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value of the Gold Royalty Corp. warrants are disclosed in note 7.

Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees and warrants issued by the Company by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payments to employees are disclosed in note 14. The assumptions and models used for estimating fair value of warrants is disclosed in note 13.

Flow-through Share Offerings

From time to time, the Company undertakes flow-through share offerings under which the company renounces its right to deduct exploration costs and so incurs a liability to investors in respect of that renunciation. Determination of the value of that liability is subjective and dependent on assumptions regarding the relative value of flow-through and non-flow-through shares, future income tax rates and other factors.

5. Cash

Cash on hand in banks earns interest at floating rates in effect from time to time. At March 31, 2025, the weighted average floating rate for cash and cash equivalents was 0% (March 31, 2024 – 0%).

6. Receivables

At March 31	2025 $	2024 $
Goods and services tax	14,446	2,720
	14,446	2,720

7. Short-term Investments

	Number	Cost	Carrying Value	
			March 31 2025	March 31 2024
		$	$	$
Gold Royalty Corp. warrants	245,000	670,000	200	34,000

The Company holds warrants to purchase up to 245,000 common shares of Gold Royalty Corp. at $5.35 per share. Gold Royalty Corp. has the right to accelerate expiry of the warrants if the ten-day volume-weighted average price of Gold Royalty Corp. common shares exceeds $8.02 per share. Shares received on the exercise of warrants will be subject to trading restrictions for up to one year.

The shares of Gold Royalty Corp. are traded on the NYSE American exchange but the warrants held by the Company are not publicly traded. The Company employed the Black-Scholes option-pricing model using the following assumptions to determine their fair value:

At March 31	2025	2024
Share price	$2.07	$2.55
Risk-free interest rate	4.13%	4.80%
Estimated volatility	41%	46%
Dividend yield	-	-
Expected life	0.68 years	1.68 years

Changes in the current period valuation assumptions resulted in a decrease of the carrying value of the warrants of $33,800 (2024- $54,000). This amount was charged to profit / loss.

8. Exploration and Evaluation Properties

The Company's exploration expense comprised:

Year ended March 31, 2025	Oweegee Dome $	Gold Rush Project $
Acquisition and staking costs		
Acquisition		
Cash	328,955	-
Shares	17,500	-
	346,455	-
Exploration costs		
Contractor and consultant	768,621	-
Project management fees	145,500	-
Field and camp	33,649	-
Sampling and assays	50,684	-
Transport and accommodation	744,171	-
Permitting and other	3,751	(40,000)
	1,746,376	(40,000)
Property total	2,092,831	(40,000)
Total for all properties	2,052,831	

Year ended March 31, 2024	Oweegee Dome $	Gold Rush Project $	Fortune Project $	Santoy $	Alto $
Acquisition and staking costs					
Acquisition					
Cash	100,000	-	-	-	-
Shares	51,000	-	-	-	-
	151,000	-	-	-	-
Exploration costs					
Contractor and consultant	190,823	9,563	8,060	5,280	17,160
Project management fees	129,000	-	-	-	-
Field and camp	12,740	3,737	-	12,510	957
Sampling and assays	(12,000)	-	-	-	5,760
Transport and accommodation	177,453	3,894	-	1,230	1,921
Permitting and other	6,006	-	-	-	4,384
	504,022	17,194	8,060	19,020	30,182
Property total	655,022	17,194	8,060	19,020	30,182
Total for all properties	729,478				

8. Exploration and Evaluation Properties (continued)

Oweegee Dome

The Company holds a 60% interest in the Oweegee Dome porphyry copper-gold project in British Columbia's Golden Triangle that is owned by ArcWest Exploration Ltd. ("ArcWest") The Company earned the 60% interest in the Oweegee Dome project by funding, over a four-year period, cumulative exploration expenditures (including a 10% markup by the Company) of $6,600,000 and by making staged cash and share payments totalling $500,000 and 285,714 shares respectively and undertaking drilling on the property.

Although the option agreement provided for the ability to earn up to an 80% interest in the Oweegee Dome project, the Company has given notice to ArcWest that it will not pursue the option to acquire the final 20%.

Sanatana plans to form a JV to hold and operate the properties, and each party will proportionately fund or dilute. In the event a production decision is made by the JV to place the property into production, Sanatana shall arrange project financing for the JV, the repayment of which shall be made out of cash flows from the property. Should Sanatana or ArcWest's interest be diluted to less than 10%, then that interest will convert to a 2% net smelter return royalty, 1% of which may be purchased by the other party for $5,000,000 at any time.

In August 2024, the Company acquired property adjacent to the ArcWest property at a cost of $28,955.

Empress Property

The Company holds a 100% interest in the Empress gold exploration property in Ontario but is not currently active on the property.

Fortune Project and Santoy Property

The Company previously had rights to explore the Fortune Project and the Santoy Property in Ontario. These properties did not warrant further work and the Company's exploration rights have now lapsed.

Gold Rush Project

The Company had accrued a reclamation provision in prior periods for its former Gold Rush Project. In the current period the Company recorded a $40,000 recovery representing the excess of the provision over costs incurred.

9. Equipment

	Computer Equipment	Vehicles	Equipment	Total
	$	$	$	$
Cost				
March 31, 2023 and March 31, 2024	2,983	136,133	31,658	170,774
Disposal	-	-	(6,349)	(6,349)
March 31, 2025	2,983	136,133	25,309	164,425
Accumulated Depreciation				
March 31, 2023	411	51,886	13,243	65,540
Depreciation expense	997	23,856	5,071	29,924
March 31, 2024	1,408	75,742	18,314	95,464
Depreciation expense	993	23,790	5,058	29,841
Disposal	-	-	(6,349)	(6,349)
March 31, 2025	2,401	99,532	17,023	118,956
Net book value				
March 31, 2024	1,575	60,391	13,344	75,310
March 31, 2025	582	36,601	8,286	45,469

10. Payables and Accruals

At March 31	2025	2024
	$	$
Trade payables	421,285	17,236
Accrued liabilities	64,285	80,700
Due to related parties	198,596	5,001
	684,166	102,937

Subsequent to year end, directors, management and staff of the Company agreed to forgo accrued compensation, which represents $206,800 of the March 31, 2025 balance above. See notes15 and 22.

11. Loans Payable

At March 31	2025 $	2024 $
Secured promissory note	198,528	-
Advance from related party	100,000	-
	298,528	-

Secured Promissory Note

In December 2024, the Company borrowed $200,000 through a secured promissory note. The promissory note bears interest at 10% per year, due monthly in arrears, and matures on December 31, 2025. No finder’s fee, commission or bonus was paid. The Company incurred aggregate transaction costs of $8,500 to establish the loan. The loan is subject to acceleration if the Company raises $800,000 in debt and/or equity in any number of tranches. The effective interest rate including establishment costs was 14%. The loan was repaid subsequent to year end.

Advance from Related Party

In December 2024, the Company’s CEO advanced $100,000 to the Company. The advance does not bear interest and does not have specified terms of repayment. The loan was repaid subsequent to year end.

METC Loan

In June 2023, the Company borrowed $800,000 through a secured promissory note. The promissory note was subject to interest at 10%, payable monthly, with outstanding principal and interest due on January 31, 2024. The lender withheld $72,000 to fund periodic interest payments. The Company pledged its British Columbia Mining Exploration Tax Credit as security and entered into a general security agreement covering all assets of the Company.

In addition to interest, the lender was paid a fee of $8,000 and reimbursed for its disbursements. Including lender fees and disbursements, the Company incurred aggregate transaction costs of $27,530 to establish the loan and a further $1,256 to discharge it. The effective interest rate including establishment costs was 15.4%. In February 2024, the Company repaid the loan in full.

12. Income Taxes

A reconciliation of the income tax provision computed at statutory rates of 27% (2023 – 27%) to the reported income tax provision is as follows:

Year ended March 31	2025 $	2024 $
Loss for the year before taxes	$ (2,807,270)	(528,625)
Expected income tax recovery at statutory rate	$ (758,000)	(143,000)
Decrease (increase) in income tax recovery resulting from:		
Permanent differences	58,000	67,000
Impact of flow-through shares	429,000	15,000
Share issue costs	(48,000)	(11,000)
Adjustment to foreign tax and exchange rates	(189,000)	195,000
Change in unrecognized tax assets	508,000	(123,000)
Income tax expense (recovery)	-	-

The significant components of the Company's deferred income tax assets and liabilities after applying enacted corporate tax rates are as follows:

At March 31	2025 $	2024 $
Deferred tax assets		
Non-capital losses	5,056,000	4,584,000
Share issuance costs and other	284,000	254,000
Exploration and evaluation properties	4,602,000	4,597,000
	9,942,000	9,435,000
Unrecognized deferred tax assets	(9,942,000)	(9,435,000)
Deferred tax assets	-	-

The potential benefits of these carry-forward non-capital losses, capital losses and deductible temporary differences has not been recognized in these financial statements as it is not considered probable that sufficient future taxable profit will allow the deferred tax asset to be recovered. At March 31, 2025 the Company has accumulated Canadian Exploration and Development Expenditures of $17,012,000 (2024 - $16,993,000) and has accumulated non-capital losses totalling $18,718,000 (2024 - $16,969,000), which expire in various amounts from 2026 to 2047.

13. Share Capital and Reserves

Authorized share capital

In January 2025, the Company consolidated the share capital by rolling back common shares on a one new common share for seven old common shares basis. All share and per-share amounts have been retroactively restated to reflect the share consolidation.

Authorized share capital comprises an unlimited number of common shares with no par value.

Common Shares

Fiscal 2025

June 2024 Private Placement

In June 2024, the Company closed three tranches of a non-brokered private placement of flow-through and non-flow-through units of the Company at a price of $0.63 per unit and $0.49 per unit respectively. Each flow-through unit comprised one common share of the Company designated as a flow-through share under the *Income Tax Act* (Canada) and one non-flow-through share purchase warrant. Each non-flow-unit comprised one non-flow-through share and one share purchase warrant. Each share purchase warrant allows the holder to purchase one additional non-flow-through share at a price of $0.84 per share for a period of 36 months from the date of issuance.

In aggregate, the Company issued 2,039,286 flow-through units and 1,091,021 non-flow-through units for aggregate gross proceeds of $1,819,350.

In connection with the private placement, the Company paid finders' fees of $121,060, incurred other costs of $55,026 and issued compensation warrants which entitle the holders to purchase up to 203,144 non-flow-through shares in aggregate at a price of $0.84 per share for a period 36 months. The compensation warrants were valued at $74,700 using the Black-Scholes option-pricing model using the following assumptions:

	First Tranche	Second Tranche	Third Tranche
Number of warrants issued	79,029	26,286	97,829
Share price	$0.67	$0.63	$0.63
Dividend yield	0%	0%	0%
Risk-free interest rate	3.80%	3.77%	3.77%
Estimated volatility	97%	97%	97%
Expected life in years	3	3	3

In the current period, the Company also incurred costs of $719 related to its December 2023 private placement.

Oweegee Dome Property

In December 2024, the Company issued 100,000 common shares with an issue-date fair value of $17,500 as partial consideration for the Oweegee Dome property (note 8).

13. Share Capital and Reserves (continued)

Fiscal 2024

Oweegee Dome Property

In November 2023, the Company issued 85,714 common shares with an issue-date fair value of $51,000 as partial consideration for the Oweegee Dome property (note 8).

December 2023 Private Placement

In December 2023, the Company completed, in two tranches, an offering of 525,714 flow-through units of the Company at a price of $0.70 per unit. Each unit consisted of one common share designated as a flow-through share pursuant to the *Income Tax Act* (Canada) and one non-flow through share purchase warrant exercisable at $1.05 per share for a period of 36 months. In recognition of the rights created under the flow-through shares, the Company set up a liability of $46,800 being the estimated value of tax benefits renounced in favour of participating shareholders.

In connection with the private placement, the Company incurred legal and other costs of $19,615, paid finders' fees of $21,800 and issued 31,143 compensation warrants exercisable at $0.70 per share for a period of 36 months. The compensation warrants were valued at $11,600 using the Black Scholes option-pricing model with the following assumptions:

	First Tranche	Second Tranche
Number of warrants issued	20,000	11,143
Share price	$0.60	$0.63
Dividend yield	0%	0%
Risk-free interest rate	1.42%	2.64%
Estimated volatility	101%	101%
Expected life in years	3	3

Liability to Renounce Exploration Expenditures

When the Company undertakes flow-through offerings, it can generate a liability to renounce exploration expenditures to the flow-through share investors. This liability is satisfied by incurring qualifying exploration expenditures; the reduction in liability is recognized as income for the period. The June 2024 private placement did not result in any flow-through premium liability. During the year ended March 31, 2025, the liability in respect of a financing completed in December 2023 was satisfied. In the ear ended March 31, 2025, the Company recognized a gain on settlement of flow-through share premium liability of $38,637 (2024 - $182,688).

Reserves

Reserves comprise the fair value of stock option grants, agent warrants prior to exercise and settlement of amounts with existing shareholders less amounts exercised and transferred to share capital.

13. Share Capital and Reserves (continued)

Warrants

The Company's movement in share purchase warrants was:

	Number of Warrants	Weighted Average Exercise Price
March 31, 2023	2,291,102	1.26
Issued	556,857	1.03
March 31, 2024	2,847,959	1.22
Issued	3,333,450	0.84
Expired	(1,505,388)	1.37
March 31, 2025	4,676,021	0.90

At March 31, 2025, the following warrants were outstanding:

Expiry Date	Number of Warrants	Exercise Price
December 30, 2025	785,714	$ 1.05
December 22, 2026	20,000	$ 0.70
December 22, 2026	285,714	$ 1.05
December 29, 2026	11,143	$ 0.70
December 29, 2026	240,000	$ 1.05
June 6, 2027	1,579,335	$ 0.84
June 12, 2027	376,286	$ 0.84
June 24, 2027	1,377,829	$ 0.84
	4,676,021	

In April 2024, the Company amended the expiry date of warrants to purchase common shares at $1.40 per share as follows: warrants to purchase up to 285,714 common shares were extended from April 26, 2024 to October 26, 2024; warrants to purchase up to 983,333 common shares were extended from May 11, 2024 to November 11, 2024; and warrants to purchase up to 147,856 common shares were extended from June 1, 2024 to December 1, 2024. These warrants subsequently expired unexercised.

In December 2024, the Company amended the expiry date of warrants to purchase up to 785,714 common shares at $1.05 share from December 30, 2024 to December 30, 2025.

The weighted average remaining life of outstanding warrants at March 31, 2025 was 1.97 years (March 31, 2024 – 0.82 years).

Subsequent to year end, the Company issued warrants to purchase up to 13,800,000 common shares at $0.12 per share, see note 22.

14. Share-Based Payments

The Company has a rolling stock option plan that allows the Company's board of directors to issue options to purchase up 10% of the common shares outstanding at the grant date. Directors, officers, consultants and employees of the Company are eligible to receive stock options, subject to the policies of the TSX-V. The directors may set option terms, but options granted under the plan typically have a life of five years and vest over an 18-month period. Share-based payments expense is amortized over the vesting period. The Company's shareholders reconfirmed the option plan in October 2024.

In July 2024, the Company granted incentive stock options to a directors, officers, an employee and contractors of the Company to purchase up to 664,285 common shares of the Company at a price of $0.70 per share. The stock options are exercisable on or before July 9, 2029 and vest in stages with 25% vesting immediately and the remainder to vest 25% every six months from the date of the grant. Of the options granted 435,714 stock options were granted to directors and officers of the Company. The grant-date fair value of each option was $0.46.

	Number Of Options	Weighted Average Exercise Price
March 31, 2023	914,285	1.82
Forfeited or expired	(128,571)	1.28
March 31, 2024	785,714	$1.91
Issued	664,286	$0.70
Forfeited or expired	(142,857)	$1.66
March 31, 2025	1,307,143	$1.32

At March 31, 2025, the following options were outstanding:

	Outstanding Options			Exercisable Options	
Exercise Price	Number	Weighted Average Exercise Price	Weighted Average Remaining Life	Number	Weighted Average Exercise Price
$0.70	621,429	$0.70	4.27 years	310,714	$0.70
$1.12	85,714	$1.12	1.57 years	85,714	$1.12
$1.40	257,143	$1.40	2.18 years	257,143	$1.40
$2.45	342,857	$2.45	0.50 years	342,857	$2.45
	1,307,143	$1.36	2.70 years	996,428	$1.52

The Company incurred an expense of $234,900 (2024 - $31,200) for share-based payments in the year ended March 31, 2025.

14. Share-Based Payments (continued)

Options granted in the year were valued using the Black-Scholes option-pricing model with the following assumptions:

Year ended March 31	2025	2024
Share price	$0.595	-
Dividend yield	0%	-
Risk-free interest rate	3.47%	-
Estimated volatility	110%	-
Expected life in years	5	-

15. Related Party Transactions and Balances

The Company incurred key management and board of directors' compensation as follows:

Year ended March 31	2025 $	2024 $
Short-term compensation[1]	340,784	338,341
Share-based payments	160,500	13,800
Total	501,284	352,141

[1] Includes amounts charged to exploration aggregating $157,500 (2024 - $129,001).

Balances due to related parties that are included in accounts payable and accrued liabilities comprise:

March 31	2025 $	2024 $
S2 Management Inc.	29,106	-
Directors and officers	169,490	5,001
	198,596	5,001

Related party balances are due on demand, bear no interest and are current liabilities. Subsequent to year end, the board and management of the Company forgave accrued compensation due to them. At March 31, 2025, this accrued compensation represented $178,800 of the amount shown above.

In December 2024, the Company's CEO advanced $100,000 to the Company, see note 11.

16. Loss per Share

The net loss per share for year ended March 31, 2025 excludes the exercise of share options and share purchase warrants that would be anti-dilutive. At March 31, 2025 and March 31, 2024, no options and no share purchase warrants were in the money.

17. Supplemental Cash Flow Information

Interest paid in cash in the year ended March 31, 2025 was $nil (2024 - $3,726).

Non-cash transactions included the following:

Year ended March 31	2025 $	2024 $
Fair value of finders' warrants granted	74,700	11,600
Liability to renounce flow-through expenditures	-	46,800

18. Commitments

In December 2023, the Company undertook a flow-through financing that required the Company to spend $368,000 on eligible exploration expenditures by March 31, 2025. The Company satisfied this obligation in the year ended March 31, 2025.

In June 2024, the Company undertook a flow-through financing that required the Company to spend a further $1,284,750 on eligible exploration expenditures by December 31, 2025. The Company satisfied this obligation in the year ended March 31, 2025.

19. Segmented Information

The Company has one reportable operating segment, being the acquisition and exploration of mineral properties. At March 31, 2025, all exploration and evaluation properties and equipment were located in Canada.

20. Capital Management

The Company's primary objectives, when managing its capital, are to maintain adequate levels of funding to support its exploration activities and to maintain corporate and administrative functions. The Company defines capital as equity, consisting of the issued common shares, share purchase options and warrants. The capital structure of the Company is managed to provide sufficient funding for mineral exploration and other operating activities. Funds are primarily secured through a combination of equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

The Company invests all capital that is surplus to its immediate needs in short-term, liquid and highly rated financial instruments, such as cash and other short-term deposits, which are all held with major financial institutions.

The Company does not have any externally imposed capital requirements.

There were no changes to the Company's approach to capital management during the year ended March 31, 2025.

21. Financial Instrument Risk

Interest Rate Risk

The Company's interest rate risk mainly arises from changes in the interest rates on cash and equivalents. Cash and equivalents generate interest based on market interest rates. At March 31, 2025, the Company was not subject to significant interest rate risk.

Credit Risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's credit risk arises primarily with respect to money market investments.

The Company manages its credit risk by investing only in obligations of any province of Canada, Canada or their respective agencies; banker's acceptances purchased in the secondary market and having received the highest credit rating from a recognized rating agency in Canada, with a term of less than 180 days; and bank term deposits and bearer deposit notes, with a term of less than 180 days.

The Company's maximum exposure to credit risk as at March 31, 2025 is the carrying value of cash and cash equivalents and receivables.

Liquidity Risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. If necessary, the Company may raise funds through the issuance of debt, equity or sale of non-core assets. The Company manages capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows, and matching the maturity profile of financial assets to development, capital and operating needs. All payables and loans are due within 12 months.

Fair Value

The following table presents the fair value hierarchy for the Company's financial assets measured at fair value:

At March 31, 2025	Level 1 $	Level 2 $	Level 3 $	Total $
Assets:				
Short-term investments	-	200	-	200

At March 31, 2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Short-term investments	-	34,000	-	34,000

The fair value of loans payable approximates their carrying value due to the short-term maturities of the instruments. Accounts payable and accrued liabilities are carried at their amortized cost which approximates their fair value.

22. Events After the Reporting Period

Forgiveness of Debt

In May 2025, the Company's board, management and staff agreed to forgo accrued compensation of approximately $250,000, of which $206,800 was outstanding at March 31, 2025.

Gold Strike Two Project

Property

In June 2025, the Company acquired the Gold Strike Two Project, paying cash consideration of $250,000 on closing and a further $250,000 subsequent to closing. The Company also issued 6,000,000 common shares on closing which are subject to a statutory restricted period ending on October 5, 2025. The Gold Strike Two Project is subject to a 3% net smelter returns royalty, an annual advance royalty payment, and a bonus payment.

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

Financing

In connection with the purchase of the Gold Strike Two Project, the Company 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 at a price of $0.10 per unit. The units comprise one common share and one share purchase warrant. Each non-transferable warrant entitles the holder to purchase one additional common share at a price of $0.12 until June 4, 2026.

The warrants are subject to an acceleration clause whereby if the closing price of the shares of the Company on the TSX-V is equal to or exceeds $0.25 for ten consecutive trading days, the Company may accelerate the expiry date of the warrants to a term of 30 calendar days if certain steps are taken.

Repayment of Promissory Note

In June 2025. the Company repaid the $200,000 secured promissory note and accrued interest which the Company had issued on December 31, 2024.

Gold Strike One Project and Abitibi Property

In July 2025, the Company entered into a purchase agreement to acquire the Gold Strike One Project (Yukon) and the Abitibi Property (Quebec). It is expected that the proposed acquisition will be viewed as a non-arm's length reverse takeover of Sanatana under the rules of the TSX-V.

Consideration will comprise a cash payment of $2,000,000 and 24,745,620 common shares of Sanatana. The Gold Strike One Project is subject to a 2% net smelter returns royalty and an annual advance royalty payment and a bonus payment. The Abitibi Property is subject to a 3% net smelter returns royalty and a bonus payment but is not subject to an annual advance royalty payment.

Purchase of the Gold Strike One Project and Abitibi property contemplates a concurrent private placement of up to $5,280,000 with an overallotment of up to an additional $792,000.

Closing of the proposed acquisition is subject to:

- requisite regulatory approval, including TSX-V approval;
- customary closing conditions, including receipt of shareholder approval;
- any additional closing conditions set out in the definitive agreement.