



Management's Discussion and Analysis

September 30, 2024



1910—925 West Georgia Street
Vancouver BC, Canada V6C 3L2

T 604.408.6680
E Info@SanatanaResources.com www.SanatanaResources.com



SANATANA
RESOURCES INC.

Table of Contents

Introduction	1
Incorporation and Listing Information	1
Operating Report	2
Corporate Developments	2
Mineral Properties.....	2
<i>Oweege Dome Project</i>	2
<i>Empress Property</i>	6
<i>Fortune Project and Santoy Property</i>	6
Advisory Board	6
Financial.....	7
<i>Selected Quarterly Financial Data</i>	7
<i>Results of Operations for the Period</i>	7
<i>Cash Flow for the Period</i>	9
<i>Changes in Financial Condition</i>	9
<i>Cumulative Mineral Property Expenditures</i>	9
<i>Liquidity</i>	10
<i>Related Party Transactions</i>	10
<i>Critical Accounting Estimates</i>	10
<i>Financial Instruments</i>	10
Share Capital	10
<i>Share Issuances</i>	11
<i>Share Option Plan</i>	11
<i>Dividends</i>	11
<i>Outstanding Share Information</i>	12
Risks and Uncertainties	12

SANATANA RESOURCES INC.

Management's Discussion and Analysis

Period Ended September 30, 2024

This management's discussion and analysis ("MD&A") contains certain forward-looking statements that are prospective and reflect management's expectations regarding the future growth, results of operations, performance and business prospects and opportunities of Sanatana Resources Inc. ("Sanatana" or the "Company"). Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance.

All statements, other than statements of historical fact, included in this MD&A including without limitation, statements regarding potential mineralization and resources or reserves, estimates of future production, resource prices, unit costs, costs of capital projects and timing of commencement of operations, exploration results and future plans and objectives of Sanatana are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from Sanatana's expectations are disclosed in its documents filed from time to time with the TSX Venture Exchange (the "TSX-V") and other regulatory authorities and include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore to be mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors.

Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Sanatana undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

INTRODUCTION

This MD&A was prepared as of November 28, 2024 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the period ended September 30, 2024 and Company's audited financial statements and related notes for the year ended March 31, 2024. This MD&A is intended to provide the reader with a review of the Company's performance for the period ended September 30, 2024 and through to the date of this report, and the factors reasonably expected to impact future operations and results. This MD&A contains forward-looking statements that are subject to certain risk factors included in this document.

The Company's unaudited condensed interim consolidated financial statements for the period ended September 30, 2024 have been prepared in accordance with IAS 34 – *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") using accounting policies consistent with IFRS as issued by the IASB and interpretations of the International Financial Reporting Interpretations Committee.

All financial amounts in this MD&A are in Canadian dollars unless otherwise noted.

INCORPORATION AND LISTING INFORMATION

Sanatana was incorporated under the British Columbia *Business Companies Act* on June 25, 2004. In November 2005, the Company became a reporting issuer in every province and territory of Canada except Québec. The Company had one wholly owned subsidiary, ExSol (SI) Limited ("ExSol"), incorporated under the laws of the Solomon Islands. ExSol had been substantially inactive since 2020 and the Company dissolved ExSol accordance with the laws of the Solomon Islands in April 2024. The Company's common shares trade on the TSX-V as a mining exploration and development company under the symbol STA.

OPERATING REPORT

The Company is an exploration stage company and is engaged in the acquisition, exploration and development of exploration and evaluation assets.

Sanatana is focused on an option to earn a 60% interest in the Oweegee Dome copper-gold project in British Columbia's Golden Triangle. The property is owned by ArcWest Exploration Ltd. ("ArcWest"). The Company has identified what it believes is a porphyry system and is undertaking exploration to develop a more complete understanding of the area geology. The Company also has exploration rights on the Empress property in Ontario but does not plan to conduct exploration programs in the foreseeable future.

Sanatana's exploration programs are carried out under the supervision of the Company's president, Buddy Doyle. Mr. Doyle meets the qualified person ("QP") requirements of *National Instrument 43-101 - Standards of Disclosure for Mineral Projects* ("NI 43-101") and is responsible for the geoscientific and technical disclosure contained in this document.

CORPORATE DEVELOPMENTS

- In July 2024, Chris Paul joined Sanatana's advisory board, see *Advisory Board* below.
- In July 2024, the Company initiated a drill program on the Oweegee Dome property, see *Oweegee Dome Property – 2024 Exploration Programs* below.
- In July 2024, the Company awarded options to directors, officers, employees and contractors of the Company to purchase up to 4,650,000 common shares of the Company at a price of \$0.10 per share. See *Share Option Plan* below.
- In September 2024, the Company fulfilled the exploration expenditure and drilling requirements under its Oweegee Dome option agreement with ArcWest (see *Oweegee Dome Project – Option Agreement* below).
- In October 2024, Ian Smith resigned from the board of directors.
- In November 2024, the Company released drill results for its Oweegee Dome property.

MINERAL PROPERTIES

Oweegee Dome Project

In July 2021, the Company entered into an agreement with ArcWest to option up to 80% of ArcWest's Oweegee Dome porphyry copper-gold project in British Columbia's Golden Triangle. The Oweegee Dome project is situated 45 km east of Seabridge Gold Corp's supergiant KSM-Iron Cap porphyry Cu-Au project. The 31,077-hectare Oweegee Dome project contains two large underexplored porphyry Cu-Au systems named the Delta and Skowill East Zones. The agreement received TSX-V approval in April 2022.

The Company's work to date has completely revised the geology of Oweegee Dome project. Previously, all rocks were considered to be the less prospective Jurassic Hazelton Group with no intrusives mapped. Now with age dating, mapping and drilling, the Company believes that Oweegee Dome has an area of multiple altered intrusives within the Triassic Stuhini Group, which hosts all the porphyry copper-gold mineralization in the Golden Triangle.

The Company has identified what it believes is a porphyry system at the Oweegee Dome project and is undertaking exploration to develop a more complete understanding of the area geology. The Company's interpretation of the Oweegee Dome geology may be incorrect, which could have a materially adverse impact on the prospect for the Company. See *Nature of Mineral Exploration and Development Projects in Risks and Uncertainties* below.

Option Agreement

The Company can earn an initial 60% interest in the Oweegee Dome project by funding, over a four-year period, cumulative exploration expenditures of \$6,600,000 (including a 10% administrative markup) and by making staged cash and share payments totaling \$500,000 and 2,000,000 shares, respectively. As of the date of this MD&A, the Company must pay \$300,000 and issue 700,000 common shares before December

SANATANA RESOURCES INC.
Management’s Discussion and Analysis
Period Ended September 30, 2024

31, 2024 in order to complete the option for a 60% interest in the property. There can be no assurance that the Company will be able to exercise the option or will choose to do so if it is able to raise sufficient funds.

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

Event or Date	Cash	Shares	Cumulative Exploration Expenditures	Cumulative Drilling Commitment
	\$		\$	Metres
Signing letter of intent ²	12,500	-	-	-
On TSX-V approval ²	12,500	-	-	-
December 31, 2021 ^{1,2}	25,000	300,000	600,000	-
December 31, 2022 ^{1,2,3}	50,000	400,000	1,600,000	1,000
December 31, 2023 ^{1,2,3}	100,000	600,000	3,600,000	3,000
December 31, 2024 ^{1,3}	300,000	700,000	6,600,000	6,000
	500,000	2,000,000		

¹ Expenditure requirement satisfied
² Cash paid and shares issued
^{3.} Drilling commitment satisfied

Upon earning a 60% interest, 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 staked some property adjacent to the ArcWest property at a cost of \$28,955.

Finder’s Fee

In connection with the Oweege Dome project, the Company paid a finder’s fee of \$25,000 in cash plus 250,000 common shares. A further issuance of 225,000 common shares will be made if Sanatana exercises its option to acquire a 80% interest in the Oweege Dome project.

Historic Exploration

The Oweege Dome project is situated in the “Golden Triangle” area in Northern British Columbia famous for its copper and gold endowment. Detrital zircons recovered from the streams draining the project returned late Triassic to early Jurassic ages, which are similar to Red Chris (Newcrest Mining-Imperial Metals), Saddle North (Newmont) and Galore Creek (Newmont-Teck Resources), good evidence for porphyry Cu-Au systems at Oweege.

Principal Prospects

The Company’s exploration program has generated the following prospects:

Delta Prospect

The Delta prospect comprises a 20 square kilometre area of alteration containing gossans, Cu-Au mineralized porphyritic intrusions and associated breccias. The system is hosted in marine sediments and volcanics of the Stuhini Group which also hosts the Red Chris and Saddle North porphyry Cu-Au deposits. The Delta prospect contains several zones of greater interest:

- Delta Ridge zone
- Molloy zone
- Snowpatch Creek zone

SANATANA RESOURCES INC.
Management's Discussion and Analysis
Period Ended September 30, 2024

- Junction, Crescent, Snowpatch and Jack IP geophysical anomalies

In 2022, the Company undertook a drill program at the Delta Prospect and in 2024 drill tested the Junction IP target.

Skowill Prospect

The Skowill prospect is 10 km north of the Delta Zone and is thought to be a virtually unexplored porphyry Cu-Au system. Historical reports describe the zone as a 2 km long gossan comprising intensely QSP/clay-pyrite altered porphyritic intrusions, widespread breccia and associated copper occurrences. In 2021, field crews discovered the Tarn Zone on the eastern edge of the Skowill Prospect; it is spatially associated with the contact between Stuhini Group sedimentary rocks and a succession of volcanic rocks that have recently been dated at 206 Ma.

Glacier Prospect

The Glacier prospect lies between the Skowill and Delta prospects and to the west. The Glacier Prospect has had the least attention to date, it consists of Cu, Te and Au in stream anomalies and some anomalous in copper and Au rock float samples.

East Bear Creek Prospect

Bear Creek forms the geographic boundary to the Delta prospect, so this prospect lies adjacent to the east. The mapping revealed multiple fine-grained altered diorite intrusives. Being adjacent to the Delta outcrop, the discovery of altered and mineralized intrusive outcrops demonstrates a very large system. The Bear Creek zone is a new 0.3 km by 1.7 km zone adjacent to the 1.5 km by 2 km Delta system. Much of it is covered by moraine and cap rock, so the system could be larger.

Rhyolite Ridge Prospect

Recognized from Jarosite anomalies detected in Aster satellite imagery, the outcrop is kilometres long, much of it in difficult terrain, and is yet to be fully investigated. Early samples taken in 2022 did not return Au or Cu in elevated values.

2022 Exploration Program

The Company spent eight weeks between June and early September 2022 exploring the Oweege Dome property with the aim of advancing or downgrading regional targets, discovering new zones for future work and better understanding targets that were previously drilled.

The Company undertook an IP program between July and September 2022 which included approximately 8 line-kilometres of IP geophysical surveying, focused mainly to the south and west of the 2021 program. This program expanded and improved the 9 line-kilometres of IP geophysical surveying completed in 2021. For this work, Sanatana contracted Dias Geophysical's distributed array deep IP ("DCIP") survey system. This system provides full, high quality, and high-resolution 3-D resistivity and induced polarization models of the subsurface.

The Company's summer 2022 field work addressed most of the targets and prospective zones in the Oweege property. The areas visited are listed below with their prospect name, in order of priority based on field observations and known mineralization.

1. Delta Ridge / Delta Prospect
2. Molloy / Delta Prospect
3. Upper East Bear Valley / Bear Valley Prospect
4. Jack Creek / Delta Prospect
5. Snowpatch Creek / Delta Prospect
6. Tarn / Skowill Prospect
7. Lower East Bear Valley / Bear Valley Prospect
8. Lower Snowpatch / Delta Prospect
9. Glacier Creek
10. Rhyolite Ridge

SANATANA RESOURCES INC.
Management's Discussion and Analysis
Period Ended September 30, 2024

11. Others

In 2022, the Company completed a first-pass reconnaissance 3,600m diamond drill program using 12 holes and successfully intersected Cu-Au-Mo porphyry style mineralization. The alteration and setting suggest that this is the upper edge of a large system (cooler temperature phyllic alteration, whereas high grade core is expected in hotter potassic) and that there are multiple systems, (different element ratios, alteration styles and the distance between the Snowpatch, Molloy, Delta Ridge and East Bear zones, and associated multiple IP anomalies). The table below lists the mineralized intercepts.

	From	To	Width m	Au g/t	Ag g/t	Cu%	Mo g/t	Cu eq %
OW-2022-08	45	219	214.4	0.204	1.61	0.108	17.9	0.27
Including	58.37	170.55	112.18	0.217	1.08	0.167	28.3	0.35
Including	74.5	90.35	15.85	0.333	2.11	0.343	22.6	0.61
Including	141.32	166	24.68	0.284	1.28	0.277	53.6	0.52
Including	145	157.37	12.37	0.435	1.86	0.451	94.3	0.83
OW-2022-09	4	200	196.00	0.123	1.51	0.096	21.4	0.21
Including	10	54.75	44.75	0.132	1.38	0.132	26.4	0.25
Including	148.04	167	18.96	0.113	1.67	0.110	33.1	0.22
Including	185.3	200	4.00	0.144	2.79	0.053	38.6	0.28

CuEq (copper equivalent) has been used to express the combined value of copper (Cu), gold (Au), molybdenum (Mo), and silver (Ag) as a percentage of copper, and is provided for comparative purposes only. No allowances have been made for recovery losses that may occur should mining eventually occur. Calculations use metal prices of US\$3.50/lb copper, US\$1,700/oz gold, US\$20/lb molybdenum, and US\$19/oz silver, using the general formula $CuEq \% = Cu\% + (Au\ g/t \times (Au\ \$\ per\ oz / 31.103) / (Cu\ \$\ per\ lb \times 22.046)) + (Ag\ g/t \times (Ag\ \$\ per\ oz / 31.103) / (Cu\ \$\ per\ lb \times 22.046)) + (Mo\ \% \times (Mo\ \$\ per\ lb / Cu\ \$\ per\ lb))$.

2023 Exploration Program

In the summer of 2023, the Company completed an 8.5 line-kilometres of IP geophysical surveying at the Oweegee Dome project expanding and improving surveys completed in 2021 and 2022. For this work, Sanatana again contracted Dias Geophysical's DCIP survey system. The primary goal of the 2023 survey was to test mineralization discovered in 2022 on the east side of Bear Valley and to close off the Junction anomaly discovered in 2022.

2024 Exploration Program

The purpose of the 2024 drill program was to test the Junction IP anomaly. This target was tested with two holes in its north and southern sectors. (OW24-01 and OW24-02). The holes were dominated by the Stuhini mudstones with bands of volcanoclastics (the local country rock). No clear rock or alteration type that might explain the IP anomaly was encountered. After testing the Junction IP anomaly, the focus changed to expanding the known alteration and mineralization encounter in 2022. The step-out holes (OW24-03 and OW24-04) successfully encountered altered intrusives and indicate stronger alteration to the northwest.

Expanding the Delta Zone.

Drill holes OW24-03 and OW24-04 collared 200m northwest of OW22-08 (the most mineralized hole drilled in 2022) and designed to test if this system extended in that direction.

- Drill hole OW24-03 drilled to the southeast towards OW 22-08 at -50° dip, intersected mineralized intrusive from surface and exited into to Stuhini mudstones and volcanics at 384.5m, encountering different intrusive phases mostly breccias interspersed with rafts of mudstones. The intrusives were variably altered and mineralized, with porphyry-style veining.
- Drill hole OW24-04 drilled from the same collar, also to the SE but at a steeper -75° dip, also encountered up to four separate intrusive phases, the majority brecciated, also with strong

SANATANA RESOURCES INC.
Management's Discussion and Analysis
Period Ended September 30, 2024

pervasive, texture destroying alteration and porphyry-style veins. The hole exited the intrusive into mudstone at 308m.

In both holes, the intensity of alteration varied among invasive units. The level of alteration exceeded levels observed in 2022, with increased potassium feldspar flooding and new biotite alteration evident, the feldspar being pervasive and the biotite in veins. These findings suggest the program is approaching the centre of the porphyry system which based on this evidence, lies to the north and west. The results are discussed in detail in the Company's September 11, 2024 news release. The drill results were:

Hole	From	To	Interval	Au g/t	Ag g/t	Cu %	Mo ppm	Cu Eq.%	Au Eq. g/t	US\$/t
OW24-03	291.0m	335.9m	44.9m	0.20	1.96	0.32%	56.24	0.55%	0.6	\$48.1
OW24-03	358.9m	378.0m	19.1m	0.34	2.87	0.09%	20.14	0.44%	0.48	\$38.7
includes	349.0m	351.0m	2.0m	2.8						
	374.25m	376.1m	1.85m	1.6						
OW24-04	58.0m	78.35m	20.35m	0.2	0.7	0.05%	7.71	-	-	-
OW24-04	115.0m	144.0m	29m	0.14	0.41	0.04%	15.69	-	-	-
OW24-04	226.45m	240.4m	13.95m	0.37	0.69	0.01%	5.6	-	-	-
Includes	237.0m	239.0m	2.0m	1.3						

Notes on Table 1: Assay >0.1% Cu, were grouped to form the intervals in table 1 where they were continuous with no gaps <0.1% Cu over 6m. To illustrate mineralized zones to aid in geological interpretation some intervals >0.1% Cu equivalent have been also included, especially for OW24-04. Copper equivalents are given for comparison purposes only. The equivalents are calculated based on the following US\$ price assumptions: copper, US\$4 per pound, US\$8,818 per tonne; gold, US\$2,500 per troy ounce, US\$80 per gram; silver, US\$30 per troy ounce, US\$0.96 per gram; and molybdenum, US\$20/kg. The copper equivalent is based on adding the US\$/t values of Au + Ag + Mo together calculating what percentage copper this total represents and then adding this to the assayed Cu% value. It assumes 100% recovery which will not be achievable if mined and processed. The gold equivalent is calculated in a similar manner. Varying commodity prices will alter the copper and gold equivalent values. Samples were taken at a nominal 2m interval of diamond saw split HQ size core.

The technical information provided for the Oweege Dome project was prepared under the supervision of Buddy Doyle F. AusIMM. Mr. Doyle is a Qualified Person for the purposes of NI 43-101 – Standards of Disclosure for Mineral Projects and has reviewed and approved the technical information disclosed above.

Empress Property

In February 2017, the Company entered into an option agreement with Alto Ventures Ltd., to acquire a 100% interest in the Empress property, part of the project formerly referred to as the Jackfish property, located on the northern shores of Lake Superior, 18 km east of Terrace Bay via Highway 17, Ontario. The drill permitting moratorium has lifted and it is now possible to obtain access and drilling permits through a process. The Company relogged and sampled drill core from 2018 on the Empress property and some quartz zones with sulphides were noted. One assay of interest was returned, 1m at 2.1 g/t. An assessment report for the property was filed to keep the claims in good standing.

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.

ADVISORY BOARD

In July 2024, Chris Paul was appointed to Sanatana's advisory board. Mr. Paul has over 15 years of discovery and capital markets experience in numerous senior exploration and management roles. He was principal and founder at Ridgeline Exploration which was acquired by Goldspot Discoveries in 2021. He

SANATANA RESOURCES INC.
Management's Discussion and Analysis
Period Ended September 30, 2024

also discovered the Williams Cu-Au porphyry system in British Columbia's Golden Triangle in 2018, which was recently acquired by Kingfisher Metals (TSX-V: KFR). Most recently, Mr. Paul discovered the blind Leviathan porphyry copper system in Idaho in 2023 for Hercules Metals Corp (TSX-v: BIG). Mr. Paul holds a B.Sc. In geology from Simon Fraser University and a diploma in mining from the British Columbia Institute of Technology. He has experience with Dias Geophysical's distributed array deep IP ("DCIP") survey system that Sanatana has employed and has been of significant help in targeting the initial drill holes for the 2024 drill program.

FINANCIAL

Financial amounts in the narrative have been rounded to the nearest thousand dollars.

Selected Quarterly Financial Data

The Company did not have any sales, discontinued operations, extraordinary items, cash dividends or long-term liabilities in the period under review. Material factors affecting operations and exploration and evaluation asset expenditures are described elsewhere in this MD&A.

Quarter Ended	Cash and Equivalents and Liquid Short-Term Investments	Exploration Expense ¹	Income (Loss) for the Quarter ¹	Income (Loss) per Share ^{1,2} (Basic and Diluted)
	\$		\$	\$
December 31, 2022	779,164	438,555	(670,724)	(0.01)
March 31, 2023	339,369	145,585	(361,145)	(0.00)
June 30, 2023	664,742	103,515	(354,495)	(0.00)
September 30, 2023	201,562	374,613	(453,168)	(0.01)
December 31, 2023	314,039	194,472	(371,848)	(0.00)
March 31, 2024	21,457	56,878	651,086	0.01
June 30, 2024	1,550,058	64,604	(207,923)	(0.00)
September 30, 2024	25,150	1,469,258	(1,689,643)	(0.02)

¹ Amounts relating to the year ended March 31, 2023 have been restated to reflect an accounting policy change to charge mineral property expenditures to operations

² Sum of quarterly loss per share may not equal year-to-date amounts due to rounding.

The Company is an exploration stage company and has not generated any sales or revenues, nor has it had any extraordinary items or discontinued operations in the most recent eight fiscal quarters. As the Company is still in the exploration stage, variances in its quarterly losses are not affected by sales or production-related factors. Variances by quarter reflect overall exploration and corporate activity and certain factors that may not recur each quarter. Significant variations from the normal level of operating loss, other than changes in exploration expense set out in the table above, include:

- March 31, 2024 – The Company received \$773,000 in BC Mineral Exploration Tax Credits which were recognized when received.

Results of Operations for the Period

The increase in the Company's loss for the quarter from \$453,000 in the comparative period to \$1,689,000 in the current period and the increase in the loss for the six months ended September 30 from \$808,000 in the comparative period to \$1,898,000 in the current period are primarily due to increases in exploration

SANATANA RESOURCES INC.
Management's Discussion and Analysis
Period Ended September 30, 2024

expense and share-based compensation discussed below. The principal factors necessary to understand the Company's results of operations for the three and six months ended September 30, 2024 are:

- Consulting and advisory fees represents amounts paid for consulting projects. In the periods presented, the fees were for general geological consulting and market awareness.
- Director fees represent fees paid for attending meetings.
- Exploration expense includes the cost of acquiring and exploring the Company's mineral properties up to the time that the property is classified as being at the development stage. Most of the expense in the current and comparative periods relates to the Oweegee Dome property. Exploration expenses can fluctuate significantly from period to period depending on the exploration programs under way. Due to the elevation of the Oweegee Dome property, exploration programs are generally undertaken in the summer months. Substantially all of the exploration expense in the periods presented related to the Oweegee Dome property. In 2023, the Company undertook an IP survey and related work, while in 2024, the Company completed a drill program (see *Mineral Properties* above for particulars of the work performed).
- Financing expense in the comparative period represents the cost of a loan which had an effective interest rate of 15.4%.
- Investor relations expenses relate to investor communications, including maintaining and updating the website and disseminating news releases.
- Management fees and salaries represent amounts paid to officers, employees and contractors and related benefits, net of amounts capitalized to exploration and evaluation assets or allocated to exploration or property investigation costs.
- Office and administration includes sundry overhead costs including rent of a storage locker.
- Professional fees are amounts billed by lawyers and auditors. The current period expense was for the annual audit and legal fees on various matters. Legal fees associated with private placements are offset against funds raised rather than expensed. Legal fees related to origination of the loan were included in financing costs.
- Share-based compensation in the current period represents the fair value of options granted to directors, officers, employees and contractors calculated using the Black-Scholes option-pricing model. The Company awarded options in October 2021, June 2022 and July 2024. The Company recognizes the fair value of the options over their vesting periods which ended or will end in April 2023, December 2023 and January 2026 respectively. Share based compensation increased from 2023 to 2024 as a result of the option award in July 2024.
- Travel and accommodation represents the cost for management to travel to Sanatana's exploration and evaluation assets and for corporate development activities. Travel and accommodation expense fluctuates significantly from period to period depending on the initiatives under way.
- Unrealized loss on marketable securities primarily relates to the change in the fair value of the Gold Royalty Corp. warrants. The Company holds warrants to purchase shares of Gold Royalty Corp. The value of the warrants depends on, among other things, the trading price of Gold Royalty Corp. shares and the remaining life of the warrant.
- Settlement of flow-through share premium liability represents satisfaction of the obligation to renounce flow-through tax benefits incurred under flow-through share offerings. The obligation is satisfied by undertaking qualifying exploration on the Company's properties.
- Other income in the current period was a gain on dissolution of the Company's Solomon Islands subsidiary representing a net overaccrual of expenses. In the comparative period, other income was investment income on short-term investments.

SANATANA RESOURCES INC.
Management's Discussion and Analysis
Period Ended September 30, 2024

Cash Flow for the Period

The Company's cash flows are typically driven by financing activities that raise money to be expended in the near term on exploration and overhead expenses. The current period, the Company raised \$1,643,000 through the issuance of common shares and expended \$1,639,000 on operations, much of which was spent on a drilling program. In the current period, accounts payable and accruals increased significantly because the Company did not raise sufficient capital to fund its exploration. Net cash generated in the year was \$4,000.

In the comparative period, the Company raised net proceeds of \$700,000 through a loan secured by exploration-related tax credits. Funds on deposit generated interest of \$8,000 while operating activities consumed \$846,000, resulting in a decrease in cash of \$138,000.

Changes in Financial Condition

Changes in the Company's financial condition between March 31, 2024 and September 30, 2024 primarily represent:

- private placement of shares;
- decrease in the carrying value of Gold Royalty Corp. warrants primarily attributable to a fall in that company's share price;
- operations in the normal course including exploration, primarily on the Oweegee Dome property;
- increased accounts payable due to constrained liquidity; and
- satisfaction of the liability to renounce exploration expenditures.

Cumulative Mineral Property Expenditures

To September 30, 2024, cumulative acquisition and exploration expenditures on each property were:

	Oweegee Dome	Empress
Acquisition		
Additions		
Cash	225,000	95,000
Shares and warrants	161,500	204,250
Staking	28,955	-
Ending	415,455	299,250
Deferred exploration costs		
Contractor and consultant	3,267,645	111,373
Project management fees	493,250	91,696
Field and camp	200,304	11,214
Sampling and assays	202,430	16,608
Transport and accommodation	2,415,413	19,456
Permitting and other	15,785	4,409
Ending	6,594,827	254,756
Total	7,010,282	554,006
	-	-

SANATANA RESOURCES INC.

Management's Discussion and Analysis

Period Ended September 30, 2024

Liquidity

At September 30, 2024, the Company had substantially exhausted its cash, with cash of \$25,000 on hand (March 31, 2024 - \$21,000) and a working capital deficiency of \$164,000 (March 31, 2024 – working capital deficiency of \$63,000). Specific factors affecting the Company's liquidity are:

- The Company may be eligible to receive a refundable tax credit on eligible exploration expenditures in British Columbia incurred in fiscal 2024. Since flow-through offerings funded most of fiscal 2024 exploration, the tax credit is not expected to be significant.
- In order to earn a 60% interest in the Oweegee Dome property, the Company must pay ArcWest \$300,000 on or before December 31, 2024 but does not currently have funds to do so.
- Shares received on the exercise of Gold Royalty Corp. warrants are subject to trading restrictions that may delay the sale of the shares after exercise.

Sanatana expects to address its funding needs through private placements or joint ventures but may not be able to do so on acceptable terms or at all. If the Company's share price improves, warrant holders may exercise their share purchase warrants, but there can be no assurance that they will do so.

Related Party Transactions

At September 30, 2024, the Company had three employees and arrangements with contractors to provide certain administrative, accounting and management services. In addition, certain directors and officers provide management and consulting services to the Company. The Company is not currently committed under employment contracts. Directors are paid \$500 for each board meeting attended although a former director, Tom Obradovich, was paid \$10,000 per month. Mr. Obradovich resigned as a director in April 2023.

The Company paid management fees of \$16,930 to S2 Management Inc., a company controlled by the Company's CFO for CFO and related secretarial services.

Insiders participated in a private placement as described below under *Share Issuances*.

Critical Accounting Estimates

The Company has losses carried forward which should be available to offset any likely taxable income, but flow-through accounting requires estimates of tax effects that could be material.

The Gold Royalty Corp. warrants are not traded on an exchange so it is necessary to estimate their value. The valuation calculations are subject to many assumptions which can have a material bearing on the conclusion.

Share-based payment transactions such as options are subject to assumptions which can have a material bearing on the recorded expense.

The Company estimates the obligation to renounce exploration expenditures when it undertakes flow-through financings. The estimate is subject to several assumptions which could significantly change the outcome.

Financial Instruments

Generally, Sanatana does not have financial instruments that are likely to be settled for other than face value, so the risk to the business from financial instruments is low. The one exception is the warrants the Company holds to purchase shares of Gold Royalty Corp. These warrants are valued at every reporting period using the Black-Scholes option-pricing model which inevitably involves some subjectivity. The warrants are however not material to the finances or liquidity of Sanatana.

SHARE CAPITAL

The Company had 79,930,822 common shares issued and outstanding at March 31, 2024 and 101,842,965 common shares issued and outstanding at September 30, 2024.

Share Issuances

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 \$0.09 per unit and \$0.07 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 \$0.12 per share for a period of 36 months from the date of issuance, expiring in June 2029.

In aggregate, the Company issued 14,275,000 flow-through units and 7,637,143 non-flow-through units for aggregate gross proceeds of \$1,819,350. All securities issued in connection with the private placement are subject to a statutory hold period that expired in October 2024.

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 1,422,000 non-flow-through shares in aggregate at a price of \$0.12 per share for a period 36 months. The compensation warrants were valued at \$74,700.

Insiders of the Company subscribed for 550,000 flow-through units and 700,000 non-flow-through units in the private placement, for a subscription price of \$98,500.

Share Option Plan

Plan Description

The Company has a rolling share option plan that provides an incentive to directors, officers, employees, management and others who provide services to the Company. Under the option plan, a maximum of 10% of the issued and outstanding common shares at the time an option is granted, less common shares reserved for issuance on exercise of options then outstanding under the option plan, are reserved for options to be granted at the discretion of the board to eligible optionees.

Options granted under the option plan are non-assignable and non-transferable and are issuable for a period of up to ten years. In the case of employment or other contracting arrangements of a director, officer, employee or consultant of the Company being terminated, the options will immediately terminate without right to exercise. The board of directors of the Company determines the exercise price, which may be no less than the discounted market price, as defined in the option plan, at the day of grant. The Company's shareholders re-approved the plan in October 2024.

Share Option Activity

In June 2024, options to purchase up to 50,000 common shares at \$0.20 per share were forfeited.

In July 2024 the Company granted options to directors, officers, employees and contractors of the Company to purchase up to 4,650,000 common shares of the Company at a price of \$0.10 per share. The options are exercisable until 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, 3,050,000 were awarded to directors and officers of the Company. The share options are being granted pursuant to the terms of the Company's share option plan.

Dividends

The Company has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

Outstanding Share Information

As of the date of this MD&A, the Company had the following securities issued and outstanding:

- 101,842,965 common shares;
- 34,177,143 warrants to purchase common shares; and
- 10,100,000 share options.

Fully diluted share capital based on outstanding shares, options and warrants is therefore 146,120,108 common shares. In addition to issued share purchase warrants and share options, the Company has entered into option agreements to acquire mineral properties that could result in the issuance of up to 700,000 common shares as option payments and up to 225,000 common shares as a finder's fee, see *Oweege Dome Project* above.

RISKS AND UNCERTAINTIES

Sanatana's business of mineral resource exploration involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future; Sanatana's common shares should therefore be considered speculative. The following are the principal risks that the Company faces:

Liquidity

The Company has substantially exhausted its cash and has a working capital deficiency of \$164,000. There can be no assurance that the Company will be able to raise sufficient funds to satisfy its liabilities or complete the option to acquire a 60% interest in the Oweege Dome project. In addition, the Company will have to seek additional financing to fund operations and conduct exploration.

Capital Markets and Economic Uncertainty

Sanatana will have to raise \$300,000 by December 31, 2024 to earn a 60% interest in its Oweege Dome project and additional funds develop the property, even if it were to find economic mineral resources. The Company's business plan primarily relies on obtaining funding through offerings of its equity, but the current market capitalization of the Company will make it difficult to raise funds without incurring dilution to existing shareholder or at all.

Nature of Mineral Exploration and Development Projects

The business of mineral exploration involves a high degree of risk. Few of the properties that are explored are ultimately developed into mines. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by factors that are beyond the control of the Company.

Mineral exploration is subject to risks which could result in damage to life or property or the environment. The Company's business is subject to disruptions caused by unusual or unexpected formations, formation pressures, fires, power failures, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment or machinery, labour disputes, or adverse weather conditions. Although the Company maintains insurance to cover normal business risks, the availability of insurance for many of the hazards and risks is extremely limited or uneconomical at this time. Through high operating standards, Sanatana works to reduce these risks.

In the event the Company is fortunate enough to discover a sizable deposit, the economics of commercial production depend on many factors, including the cost of operations, the size, quantity and quality of ore concentration of gold, proximity to infrastructure, financing costs and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use and environmental protection. The effects of these factors cannot be accurately predicted, but any combination of these factors could adversely affect the economics of commencement or continuation of commercial production.

SANATANA RESOURCES INC.

Management's Discussion and Analysis

Period Ended September 30, 2024

The ability of the Company to explore or develop its mineral properties may be adversely affected by First Nations claims on the land.

The profitability of the Company's operations will be dependent on the market price of the resources it is seeking, currently copper and gold. Resource prices are affected by factors beyond the control of the Company, including international economic and political conditions, levels of supply and demand and international currency exchange rates.

Success in establishing reserves is the result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land available for exploration, the availability of suitable contractors and other factors. If mineralization is discovered, the initial phases of drilling may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish reserves through drilling, to determine the optimal metallurgical process and to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves.

Government Regulation

The Company's activities are subject to laws governing exploration, development, production, taxes, labour standards and occupational health, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. Such laws and regulations are subject to change in a manner which could limit operations or incur additional costs.

Dependence on Key Personnel

Sanatana's operations depend on a few key personnel. Due to its small size, the loss of the services of one or more of these personnel could adversely affect the Company.

Conflicts of Interest

Certain of the Company's directors, officers and significant shareholders are or may become shareholders, directors or officers of other natural resource companies, and, to the extent that such other companies may participate in ventures with the Company, these individuals may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or of its terms. In appropriate cases the Company will establish a special committee of independent directors to review a matter in which one or more directors or officers may have a conflict.

From time to time, the Company, together with several other companies, may be involved in a joint venture opportunity where several companies participate in the acquisition, exploration and development of natural resource properties, thereby permitting the Company to be involved in a greater number of larger projects with an associated reduction of financial exposure in any given project. The Company may also assign all or a portion of its interest in a particular project to any of these companies due to the financial position of the other company or companies.

In accordance with the laws of the province of British Columbia, the directors are required to act honestly and in good faith with a view to furthering the best interest of the Company. In determining whether or not the Company will participate in a particular program and the related interest to be acquired, the directors will primarily consider the potential benefits to the Company, the degree of risk to which the Company may be exposed, and the financial position of the Company at that time.

Additional information is available at the Company's website at www.sanatanaresources.com. For all regulatory filings including news releases, please refer to the Company's profile on www.sedarplus.ca.