Canterra Minerals Announces Closing of $3.9M Financing and Acquisition of the Wilding Lake Gold Project, Newfoundland

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VANCOUVER, Dec. 17, 2020 - Canterra Minerals Corp. (TSX-V:CTM) (“Canterra” or the “Company”) is pleased to announce the closing of the previously announced (November 9, 2020) share exchange agreement whereby the Company has acquired (the “Acquisition”) all of the issued and outstanding securities of Teton Opportunities Inc. (“Teton”) the closing of the previously announced (November 9, 2020 and December 7, 2020) non-brokered private placement of flow-through common shares and units for aggregate gross proceeds of $3,949,500 (the “Financing”) and closing the Debt Settlement (as defined below).

As previously announced, Randy C. Turner, who has served as the Company’s President and CEO since 1999, will be appointed Chairman of the board of directors of the Company and Chris Pennimpede, who joined the Company’s board of directors at the Company’s AGM on December 15, 2020, will be appointed as the Company’s President and CEO.

Mr. Pennimpede stated, “We would like to welcome our new shareholders who participated in the financing and thank existing holders who increased their ownership. Canterra is fortunate to a group of long-term shareholders who believe in the potential in our gold exploration strategy in Newfoundland. We are currently planning for a Q1 2021 start for follow-up and discovery drilling at our Wilding Lake gold project. We believe there is the opportunity to create significant value at Wilding Lake with our planned $2.75 million 2021 exploration program. We have also started to work through historical data and physical samples that were not previously submitted for analysis so that we can include this data into the current mineralization model for the Wilding Lake Project. I would like to thank Randy Turner for his years of hard work and dedication to Canterra Minerals and I look forward to working with him as Chairman of the Company. We would also like to thank Altius for their support throughout the transactions. We are fortunate to have a partner with such deep roots in Newfoundland.”

Teton is a private, arm’s‐length British Columbia company which holds an option with a subsidiary of Altius Minerals Corp. (together with the subsidiary, “Altius”) to acquire the Wilding Lake Gold Project located in central Newfoundland, Canada.

Wilding Lake Gold Project Highlights:

- Five zones of gold mineralization identified through a 30-hole drill campaign in 2017, including: 10.01 g/t gold over 5.3m in hole WL-17-24 and 40.85 g/t Au over 0.5m in hole WL-17-01
- Property package encompassing approximately 104 km^2 of highly prospective geology coincident with 30km of strike along the Rogerson Lake structural corridor in Newfoundland
- Located on strike with Marathon Gold’s Valentine Lake project as well as the Cape Ray gold deposit owned by Matador Mining
- Marathon Gold’s land holding are adjacent to Wilding Lake Gold Project
- Marathon Gold is an advanced stage gold development company that is advancing a feasibility study and permitting on the largest undeveloped gold resource in Atlantic Canada
- Low cost of exploration as project is road accessible

Click here to view the Wilding Lake Gold Project map and click here for a detailed map of the gold zones identified.

Wilding Lake Project Plan:

- Planning for a winter drill program to start in early 2021

- Estimated 2020 exploration program expenditures of $2.75 million
- Submitting 1,400 soil samples from the project that were never assayed for analysis
- Compiling all historical data for modelling and analysis
- Evaluating opportunities to grow the property position within the trend

Acquisition and Financing Details
In connection with the closing of the Acquisition, the Company has issued an aggregate of 9,677,250 common shares and 4,398,750 share purchase warrants, each warrant is exercisable to acquire one common share at a price of $0.24 for a period of 24 months from the date of closing. In accordance with the policies of the TSX Venture Exchange, all securities issued under the Acquisition are subject to a hold period of four months and one day from closing.

In addition, in connection with the closing of the Financing the Company has issued 21,150,000 flow-through common shares at a price of $0.13 per share and 10,000,000 units at a price of $0.12 per unit for aggregate gross proceeds of $3,949,500. Each unit is comprised of one common share and one half of one share purchase warrant, with each whole warrant exercisable to acquire one common share at a price of $0.24 for a period of 24 months from closing. No commission was paid in connection with the financing.

After giving effect of the Acquisition, the Financing, and the Debt Settlement (as defined below), Canterra will have 52,655,267 common shares issued and outstanding and 9,398,750 warrants exercisable to acquire one common share at a price of $0.24 for a period of 24 months from closing. All securities issued under the Acquisition, the Financing and the Debt Settlement are subject to a hold period of four months and one day from closing.

Trading of the Company’s common shares on the TSX Venture Exchange is anticipated to resume at market open on Tuesday, December 22, 2020 under its current symbol “CTM”.

Altius Shareholding
In connection with the closing of the acquisition, Altius acquired ownership and control over 4,398,750 common shares and 2,199,375 share purchase warrants (the “Altius Warrants”). Immediately prior to the Acquisition, Altius held no common shares of the Company. On completion of the Acquisition, Altius holds an aggregate of 4,398,750 common shares of the Company representing approximately 8.4% of the issued and outstanding common shares and 2,199,375 Altius Warrants. Assuming exercise of all of the Altius Warrants, Altius would hold 6,598,125 common shares, representing approximately 12.5% of the then issued and outstanding common shares. The Altius Warrants may not be exercised without the prior approval of the TSX Venture Exchange, where such exercise would result in Altius holding in excess of 9.9% of the then issued and outstanding common shares of the Company. Altius advises that it acquired the common shares for investment purposes, and has no present intention to acquire further securities of Company, although Altius may in the future participate in financings and/or acquire or dispose of securities of the Company in the market, privately or otherwise, as circumstances or market conditions warrant. The head office of Altius is located at 38 Duffy Place, 2nd Floor, St John's, NL A1B 4M5. For further information regarding this acquisition by Altius, please contact Chad Wells, Vice-President, Business Development, Altius Minerals Corporation, Tel. 1-877-576-2206.

In satisfaction of the requirements of National Instrument 62-103 – The Early Warning System and Related Take-Over Bid and Insider Reporting Issues (NI “62-103”), an early warning report respecting the acquisition of securities by Altius will be filed under the Company’s SEDAR profile at www.sedar.com.

Michael Gentile Investment
In connection with the closing of the private placement, and the Acquisition, Michael Gentile of Montreal, Quebec, (“Gentile”) acquired ownership and control over an aggregate of 9,263,925 common shares and 750,000 share purchase warrants (the “Gentile Warrants”). Immediately prior to the Acquisition and the private placement, Gentile held no common shares of the Company. On completion of the Acquisition and private placement Gentile holds and aggregate of 9,263,925 common shares of the Company representing approximately 17.6% of the issued and outstanding common shares and 750,000 Gentile Warrants. Assuming exercise of all of the Gentile Warrants, Gentile would hold 10,013,925 common shares, representing approximately 18.8% of the then issued and outstanding common shares of the Company. Gentile advises that he acquired the common shares for investment purposes and has no present intention to acquire further securities of Company, although Gentile may in the future participate in financings

and/or acquire or dispose of securities of the Company in the market, privately or otherwise, as circumstances or market conditions warrant.

Debt Settlement
The Company also completed its previously announced shares for debt settlement (the “Debt Settlement”) pursuant to which it issued an aggregate of 2,841,530 common shares at a price of $0.12 per Share in settlement of an aggregate of $340,984 in outstanding debt, including the settlement of accrued management fees and expenses owing to Rand Explorations Ltd. (“Rand”), a company controlled by a Randy Turner, director of the Company.

Immediately prior to the debt settlement, Rand, and Mr. Turner held an aggregate of 1,129,211, common shares of the Company representing approximately 12.6% of the issued and outstanding common shares, plus 25,000 incentive stock options and 142,535 share purchase warrants (together, the “Rand Convertible Securities”). On completion of the debt settlement Rand and Mr. Turner hold an aggregate of 3,918,558 common shares of the Company representing approximately 7.4% of the issued and outstanding common shares of the Company and 167,535 Convertible Securities. Assuming exercise of all of the Rand Convertible Securities, Rand and Mr. Turner would hold 4,086,090 common shares, representing approximately 7.7% of the then issued and outstanding common shares of the Company. Each of Rand and Mr. Turner acquired the common shares for investment purposes and has no present intention to acquire further securities of Company, although Rand or Mr. Turner may in the future participate in financings and/or acquire or dispose of securities of the Company in the market, privately or otherwise, as circumstances or market conditions warrant. A copy of the Early Warning Report filed by Mr. Turner with the applicable securities regulators in respect of the above acquisition is available at www.sedar.com under the Company’s SEDAR profile.

In satisfaction of the requirements of National Instrument 62-103 – The Early Warning System and Related Take-Over Bid and Insider Reporting Issues, an early warning report respecting the acquisition of securities by Mr. Gentile and Mr. Turner will be filed under the Company’s SEDAR Profile at www.sedar.com.

About Wilding Lake
The Wilding Lake Project is comprised of the Wilding Lake, Noel Paul, Crystal Lake and Intersection gold properties, totaling approximately 104 km^2, and includes 30 km of the Rogerson Lake structural corridor which runs for 200 kilometres diagonally across Newfoundland. The Rogerson Lake corridor hosts Marathon Gold’s Valentine Lake project as well as the Cape Ray gold deposit owned by Matador Mining. New gold discoveries on the Wilding Lake Project and continued success at Marathon Gold’s Valentine Lake project, directly southwest of Wilding Lake, indicate that the Rogerson Lake corridor is only recently emerging as a major area of gold endowment. Gold was first discovered at the Wilding Lake Project through forestry activity in 2016. Five zones of gold mineralization were identified by a previous operator through an initial 30-hole drill campaign in 2017.

In connection with the closing of the Acquisition, the Company has filed a Technical Report entitled “NI 43-101 Technical Report on the Wilding Lake Project, Central Newfoundland, Canada” prepared for Canterra Minerals Corp., with an effective date of November 6, 2020, as prepared by Dave T.W. Evans, M.Sc., P.Geo.; an independent consultant and qualified person under NI 43-101, which can be viewed under Canterra Minerals’ issuer profile on SEDAR at www.sedar.com.

Qualified Person
All scientific and technical information in this press release, has been reviewed and approved by Christopher Pennimpede, P.Geo., who is a “qualified person” within the meaning of NI 43-101.

ON BEHALF OF THE BOARD OF Canterra Minerals Corp.

“Randy Turner”

Randy Turner, Chairman & Director

Additional information about the Company is available at www.canterraminerals.com
For further information, please contact: 778-241-0170
Email: info@canterraminerals.com

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

Cautionary Note Regarding Forward-Looking Information

This press release contains statements that constitute “forward-looking information” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements contained in this press release include, without limitation, statements regarding: the terms, conditions, and completion of the Acquisition, the Financing and the Debt Settlement; the business and operations of the Company; unprecedented market and economic risks associated with current unprecedented market and economic circumstances due to the COVID-19 pandemic, as well as those risks and uncertainties identified and reported in the Company's public filings under its respective SEDAR profile at www.sedar.com. In making the forward- looking statements contained in this press release, the Company has made certain assumptions, including that: due diligence will be satisfactory; the Debt Settlement and Financing will be completed on acceptable terms; all applicable corporate, shareholder, and regulatory approvals for the Acquisition will be received. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: results of due diligence; availability of financing; delay or failure to receive board, shareholder or regulatory approvals; and general business, economic, competitive, political and social uncertainties. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

United States Advisory

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), have been or will be offered and sold outside the United States to eligible investors pursuant to Regulation S promulgated under the U.S. Securities Act, and may not be offered, sold, or resold in the United States or to, or for the account of or benefit of, a U.S. Person (as such term is defined in Regulation S under the United States Securities Act) unless the securities are registered under the U.S. Securities Act, or an exemption from the registration requirements of the U.S. Securities Act is available. Hedging transactions involving the securities must not be conducted unless in accordance with the U.S. Securities Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in the state in the United States in which such offer, solicitation or sale would be unlawful.