



CANTERRA

MINERALS CORPORATION

TSX-V: CTM

Condensed Consolidated Interim Financial Statements

For the Nine Months Ended

September 30, 2023

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

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of Canterra Minerals Corporation (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

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

CANTERRA MINERALS CORPORATION

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)

(Expressed in Canadian Dollars)

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Current		
Cash	\$ 651,052	\$ 653,679
Marketable securities (Note 3)	104	69
Receivables	6,079	32,987
Prepaid expenses	4,132	-
	<u>661,367</u>	<u>686,735</u>
Land use deposits	4,000	4,000
Mineral Properties (Note 4)	<u>4,448,318</u>	<u>4,418,068</u>
	<u>\$ 5,113,685</u>	<u>\$ 5,108,803</u>
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	<u>88,522</u>	<u>897,805</u>
	<u>88,522</u>	<u>897,805</u>
Shareholders' deficit		
Share capital (Note 6)	116,913,938	116,267,566
Reserves (Note 6)	1,990,918	2,497,594
Deficit	<u>(113,879,693)</u>	<u>(114,553,442)</u>
	<u>5,025,163</u>	<u>4,211,718</u>
	<u>\$ 5,113,685</u>	<u>\$ 5,108,803</u>

Nature and continuance of operations (Note 1)**Subsequent Event** (Note 7)

Approved and authorized by the Board on November 27, 2023

"Chris Pennimpede"

Chris Pennimpede, President & CEO

"Andrew Farncomb"

Andrew Farncomb, Director

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

CANTERRA MINERALS CORPORATION**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (UNAUDITED)**

(Expressed in Canadian Dollars)

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Expenses				
Business development	\$ 25,980	\$ 11,516	\$ 30,484	\$ 52,293
Insurance	5,219	5,103	15,657	15,308
Legal, audit and accounting	17,225	3,099	25,774	21,308
Consulting fees (Note 5)	27,642	18,000	65,922	66,000
Office and miscellaneous	7,081	14,380	44,134	27,059
Regulatory and transfer agent fees	4,200	3,314	16,084	41,470
Rent (Note 5)	4,020	4,020	12,060	12,060
Share-based compensation (Note 6)	-	39,011	261,432	399,785
Wages and benefits (Note 5)	27,506	44,916	68,480	213,294
Exploration expenditures (Note 4)	69,928	178,524	73,575	2,236,932
	<u>(188,801)</u>	<u>(321,883)</u>	<u>(613,602)</u>	<u>(3,085,509)</u>
Interest income	3,596	-	3,598	2
Flow-through premium	-	-	-	109,757
Unrealized gain/(loss) on marketable securities	46	(293)	34	(569)
	<u>3,642</u>	<u>(293)</u>	<u>3,632</u>	<u>109,190</u>
Loss and comprehensive loss for the period	\$ <u>(185,159)</u>	\$ <u>(322,176)</u>	\$ <u>(609,970)</u>	\$ <u>(2,976,319)</u>
Basic and diluted loss per common share	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	\$ <u>(0.01)</u>	\$ <u>(0.04)</u>
Weighted average number of common shares outstanding	100,234,372	77,053,772	90,536,612	76,954,871

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

CANTERRA MINERALS CORPORATION

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

(Expressed in Canadian Dollars)

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Cash flows used in operating activities		
Loss for the period	\$ (609,970)	\$ (2,976,319)
Items not affecting cash:		
Share-based compensation	261,432	399,785
Unrealized (gain)/loss on marketable securities	(34)	569
Flow-through premium	-	(109,757)
Changes in non-cash working capital items:		
Decrease in receivables	26,908	192,455
(Increase)/decrease in prepaid expenses	(4,132)	33,808
(Decrease)/increase in accounts payable and accrued liabilities	(808,564)	290,023
Net cash used in operating activities	<u>(1,134,360)</u>	<u>(2,169,436)</u>
Cash flows used in investing activities		
Acquisition of mineral properties	(9,250)	(25,285)
Net cash used in investing activities	<u>(9,250)</u>	<u>(25,285)</u>
Cash flows from/used in financing activities		
Issuance of common shares (net of share issuance costs)	1,140,983	(1,843)
Net cash provided by/(used in) financing activities	<u>1,140,983</u>	<u>(1,843)</u>
Change in cash during the period	(2,627)	(2,196,564)
Cash, beginning of the period	653,679	3,059,252
Cash, end of the period	\$ <u>651,052</u>	\$ <u>862,688</u>

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

CANTERRA MINERALS CORPORATION**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY) (Unaudited)**
(Expressed in Canadian Dollars)

	Share Capital				
	Number	Amount	Reserves	Deficit	Total
Balance, December 31, 2021	76,803,772	\$ 115,838,245	\$ 2,932,874	\$ (111,505,704)	\$ 7,265,415
Issued for mineral properties	250,000	60,000	-	-	60,000
Share issuance costs	-	(1,843)	-	-	(1,843)
Share-based compensation	-	-	399,785	-	399,785
Loss for the period	-	-	-	(2,976,319)	(2,976,319)
Balance, September 30, 2022	77,053,772	\$ 115,896,402	\$ 3,332,659	\$ (114,482,023)	\$ 4,747,038
Reserves transferred on expired warrants	-	371,164	(962,110)	590,946	-
Share-based compensation	-	-	127,045	-	127,045
Loss for the period	-	-	-	(662,365)	(662,365)
Balance, December 31, 2022	77,053,772	\$ 116,267,566	\$ 2,497,594	\$ (114,553,442)	\$ 4,211,718
Issued on private placements	22,630,600	1,150,000	-	-	1,150,000
Issued for mineral properties	350,000	21,000	-	-	21,000
Warrants issued on private placement	-	(515,611)	515,611	-	-
Share issuance costs	200,000	(9,017)	-	-	(9,017)
Reserves transferred on cancelled options (Note 6c)	-	-	(261,662)	261,662	-
Reserves transferred on expired warrants (Note 6d)	-	-	(1,022,057)	1,022,057	-
Share based compensation	-	-	261,432	-	261,432
Loss for the period	-	-	-	(609,970)	(609,970)
Balance, September 30, 2023	100,234,372	\$ 116,913,938	\$ 1,990,918	\$ (113,879,693)	\$ 5,025,163

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

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Canterra Minerals Corporation (the “Company”) is incorporated under the Business Corporations Act, British Columbia and is considered to be in the exploration stage with respect to its mineral properties. Based on the information available to date, the Company has not yet determined whether its mineral properties contain ore reserves.

The Company’s head office and principal address is 580 – 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6. The Company’s registered and records office is 2200 – 885 W Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8.

These condensed consolidated interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses and has no source of recurring revenue. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. A number of alternatives including, but not limited to selling an interest in one or more of its properties, monetizing marketable securities or completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining additional working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

The recovery of the amounts comprised in mineral properties is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

The condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” on a basis consistent with the accounting policies disclosed in the audited consolidated financial statements for the fiscal year ended December 31, 2022.

These condensed consolidated interim financial statements should be read in conjunction with the most recently issued audited consolidated financial statements, which include information necessary or useful to understanding the Company’s business and financial statement presentation. In particular, the Company’s significant accounting policies which were presented in Note 3 to the Consolidated Financial Statements for the fiscal year ended December 31, 2022 and have been consistently applied in the preparation of the Company’s consolidated interim financial statements.

The Company’s condensed consolidated interim financial statements are unaudited. Financial information in this report reflects any adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary to a fair presentation of results for the interim periods in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

3. MARKETABLE SECURITIES

As at September 30, 2023 the Company holds the following common shares of public companies listed on the TSX Venture Exchange:

	September 30, 2023		December 31, 2022	
	# of shares	Value	# of shares	Value
Margaret Lake Diamonds Inc.	345	104	3,450	69
		\$ 104		\$ 69

On June 19, 2023, Margaret Lake Diamonds Inc's common shares were consolidated on a 10 to 1 basis.

4. MINERAL PROPERTIES

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties, and to the best of its knowledge, title to all of its properties are in good standing.

The Company holds interest in various mineral claims located in Canada, the acquisition costs of which are as follows:

	September 30, 2023	December 31, 2022
Newfoundland, Canada		
Wilding Lake	\$ 2,401,918	2,379,318
<i>A 100% interest (up to 2.0% NSR)</i>		
VMS Projects	2,038,750	\$ 2,038,750
<i>A 100% interest. (up to 2.0% NSR)</i>		
Ontario, Canada		
Ring of Fire	7,650	-
<i>A 100% interest.</i>		
Northwest Territories, Canada		
Marlin Property	-	-
<i>A 100% interest.</i>		
Alberta, Canada		
Buffalo Hills Property	-	-
<i>A 50% interest. During fiscal 2013, the Company wrote-down acquisition costs of \$8,278,519 associated with this property.</i>		
Total Mineral Properties	\$ 4,448,318	\$ 4,418,068

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

4. MINERAL PROPERTIES *(continued)*

Newfoundland, Canada

On December 17, 2020, the Company acquired Teton Opportunities Inc. ("Teton"), a private company incorporated under the laws of British Columbia, Canada which held an option agreement with Altius Resources Inc. ("Altius") for the Wilding Lake Project ("Wilding Lake") located in the Province of Newfoundland, Canada. The total purchase price of \$2,042,533 was effected by way of share exchange whereby Canterra issued 9,677,250 Canterra shares and 4,398,750 Canterra warrants in exchange for all the issued and outstanding securities held by Teton shareholders. Teton is now a wholly owned subsidiary of the Company and the Company satisfied the option agreement to own 100% of the property. The property is subject to a 2% Net Smelter Return ("NSR") payable to Altius and 1.5% NSR payable to the original property owners. The Company may buyback 1% of the NSR held by the original property owners by payment of \$1,000,000.

On November 15, 2021, the Company completed the previously announced acquisition of mineral rights to four resource staged projects in central Newfoundland, adding 67 km² to the Newfoundland property position. The projects were acquired from NorZinc Ltd. and its affiliate NorZinc-Newfoundland Ltd. ("NorZinc") for \$250,000 in cash and 6,625,000 common shares valued at \$1,788,750.

On April 18, 2022, the Company issued 250,000 shares to Sokoman Minerals Corp. as part of the East Alder agreement, with a fair value of \$60,000. In the second quarter of 2022, the Company staked additional ground at Wilding Lake for \$22,750 and at Noel-Paul for \$2,535.

On April 18, 2023, the Company issued 250,000 shares to Sokoman Minerals Corp. as part of the East Alder agreement, with a fair value of \$15,000, and a further 100,000 shares, with a fair value of \$6,000 on June 27, 2023, as part of an amendment to the East Alder agreement. In the third quarter of 2023, the Company paid holding costs at Noel Paul for \$1,600.

Ontario, Canada

The Company holds 100% interest in the Ring of Fire property which was staked in July 2023 for \$7,650.

Northwest Territories, Canada

The Company holds 100% interest in the Marlin property which have been written down to a value of \$nil in prior years.

Alberta, Canada

On May 11, 2023 the Company increased its interest in the Buffalo Hills property, located in Alberta, Canada, from 33.34% to 50%, due to a Quitclaim, Surrender and Assignment of Interest Agreement signed by Ovintiv.

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

4. MINERAL PROPERTIES *(continued)*

During the nine months ended September 30, 2023, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Field Sampling	Drilling	Land Use & Tenure	Data Evaluation	Safety & Reclamation	Recoveries	Total for the period
NEWFOUNDLAND								
Wilding Lake	\$ 7,377	\$ -	\$ -	\$ 2,097	\$ 22,235	\$ -	\$ (45,450)	\$ (13,741)
Noel-Paul	-	-	-	2,096	7,700	-	(31,950)	(22,154)
VMS Projects	32,365	-	-	20,146	42,186	-	-	94,697
ALBERTA								
Buffalo Hills	-	-	-	17,187	-	-	(6,211)	10,976
ONTARIO								
Ring of Fire	-	-	-	-	3,797	-	-	3,797
\$	39,742	\$ -	\$ -	\$ 41,526	\$ 75,918	\$ -	\$ (83,611)	\$ 73,575

During the nine months ended September 30, 2022, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Field Sampling	Drilling	Land Use & Tenure	Data Evaluation	Safety & Reclamation	Recoveries	Total for the period
NEWFOUNDLAND								
Wilding Lake	\$ 310,645	\$ 120,637	\$ 956,104	\$ 43,270	\$ 353,255	\$ -	\$ (60,350)	\$ 1,723,561
Noel-Paul	175,870	21,114	-	8,090	55,172	-	-	260,246
VMS Projects	152,970	-	19,109	65,893	47,313	-	(31,328)	253,957
ALBERTA								
Buffalo Hills	-	-	-	17,018	-	-	(17,850)	(832)
\$	639,485	\$ 141,751	\$ 975,213	\$ 134,271	\$ 455,740	\$ -	\$ (109,528)	\$ 2,236,932

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

These condensed consolidated interim financial statements also include the Company's wholly owned subsidiary, Teton Opportunities Inc. ("Teton").

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Compensation paid or payable to key management personnel for services rendered are as follows:

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Consulting fees	\$ 58,280	\$ 54,000
Wages & Salaries	15,316	87,806
Share-based compensation	228,059	258,577
Total	\$ 301,655	\$ 400,383

Amounts paid or payable to companies with officers and/or directors in common are as follows:

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Rent	\$ 12,060	\$ 12,060
Accounting, investor relations, geology & other	22,100	37,800
Total	\$ 34,160	\$ 49,860

Included in accounts payable and accrued liabilities as at September 30, 2023 is \$15,605 (December 31, 2022: \$5,248) due to companies with common directors and/or officers.

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consisting only of common shares are fully paid.

b) Issued share capital

On June 27, 2023, the Company issued 100,000 common shares to Sokoman Minerals Corp. with a fair value of \$6,000. This issuance was pursuant to an amendment to the East Alder gold project agreement (part of the Wilding Lake Gold Project) in central Newfoundland.

On April 24, 2023, the Company completed a non-brokered private placement and issued 1,847,000 flow through shares at \$0.06 for gross proceeds of \$110,820 and 20,783,600 units at \$0.05 per unit for gross proceeds of \$1,039,180, for total gross proceeds of \$1,150,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at an exercise price of \$0.075 until April 24, 2028. In connection with the private placement, 200,000 common shares were issued as finders' fees.

On April 18, 2023, the Company issued 250,000 common shares to Sokoman Minerals Corp. with a fair value of \$15,000. This issuance was pursuant to an option agreement to acquire 100% of the East Alder gold project (part of the Wilding Lake Gold Project) in central Newfoundland.

On April 18, 2022, the Company issued 250,000 common shares to Sokoman Minerals Corp. with a fair value of \$60,000. This issuance was pursuant to an option agreement to acquire 100% of the East Alder gold project (part of the Wilding Lake Gold Project) in central Newfoundland.

6. SHARE CAPITAL AND RESERVES (continued)

c) Stock options

The Company has an incentive stock option plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 10 years and vesting periods are determined by the Board of Directors.

As at September 30, 2023, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Number of Shares	Exercise Price	Expiry Date
1,872,500	\$0.34	March 19, 2026
2,067,500	\$0.31	October 18, 2026
3,000,000	\$0.07	May 11, 2028
250,000	\$0.07	June 7, 2028
7,190,000		

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

Stock option transactions are summarized as follows:

	September 30, 2023		December 31, 2022	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of the period	4,865,000	\$0.32	4,740,000	\$0.32
Granted	3,250,000	0.31	125,000	0.31
Expired/cancelled	(925,000)	0.31	-	-
Balance, end of the period	7,190,000	\$0.21	4,865,000	\$0.32
Options exercisable, end of the period	7,190,000	\$0.21	4,148,125	\$0.32

For the nine months ended September 30, 2023, total share-based compensation expense was \$261,432 (September 30, 2022: \$399,785), which was recognized as a share-based payments expense in the period.

On January 30, 2023, the Company cancelled 125,000 incentive stock options with a fair value of \$33,807.

On March 15, 2023, the Company cancelled 800,000 incentive stock options with a fair value of \$227,855.

During the nine months ended September 30, 2023, the Company granted 3,250,000 stock options (September 30, 2022: 125,000) with a fair value of \$261,432 (September 30, 2022: \$33,807). All options are fully vested, and \$261,432 was expensed in the nine months ended September 30, 2023. The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted during the period:

	2023	2022
Risk-free interest rate	1.66-1.67%	0.47%
Expected life of options	5.0 years	5.0 years
Annualized volatility	201.2-201.4%	215.0%
Weighted average FV	\$ 0.07	\$ 0.27
Expected dividend rate	0%	0%

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES (continued)

d) Warrants

As at September 30, 2023, the Company had outstanding share purchase warrants, enabling the holders to acquire further common shares as follows:

Number of Warrants	Exercise Price	Expiry Date
20,783,600	\$0.075	April 24, 2028
20,783,600		

Share purchase warrant transactions were as follows:

	September 30, 2023		December 31, 2022	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of the period	7,197,930	\$ 0.29	16,596,680	\$0.26
Issued	20,783,600	\$0.075	-	-
Expired	(7,197,930)	\$0.29	(9,398,750)	0.24
Balance, end of the period	20,783,600	\$0.075	7,197,930	0.29
Warrants exercisable, end of the period	20,783,60	\$ 0.075	7,197,930	\$ 0.29

On April 24, 2023, the Company issued 20,783,600 warrants in relation to a private placement financing. Each warrant is exercisable for two years at a price of \$0.075 per warrant.

On June 29, 2023, 7,197,930 warrants expired unexercised.

7. SUBSEQUENT EVENT

On November 21, 2023, the Company entered into an APA with Buchans Resources Limited ("BRL"), a non-listed Reporting Issuer, and its subsidiary Buchans Minerals Corporation, to acquire the mineral rights to several critical and precious metals projects in central Newfoundland (the "Properties"). The Properties will add 316 square kilometres ("km²") to Canterra's already substantial property position in central Newfoundland. The acquisition of the Properties (the "Acquisition") will be a cashless transaction, with the consideration comprising (a) 24,910,000 common shares (the "Consideration Shares") of Canterra, representing an approximate 19.9% ownership interest at closing, and (b) 125,500,000 common share purchase warrants (the "Special Warrants") of Canterra exchangeable for common shares of Canterra, for no additional consideration, upon (i) the claims comprising the Properties being transferred to Canterra, and (ii) an undertaking from Buchans that the common shares of Canterra issuable on exchange of the Special Warrants will be distributed to the shareholders of Buchans such that no change of control of Canterra will occur and no new control person of Canterra will be created. Together, the Consideration Shares and the Special Warrants will represent a total consideration value of approximately \$7.5 million based on a closing price of \$0.05 per share. The Consideration Shares will be subject to a statutory hold period, expiring four months and one day from the closing. Additionally, they will face transfer restrictions for a period of 24 months post-closing. The common shares of Canterra issuable upon exchange of the Consideration Warrants will be subject

CANTERRA MINERALS CORPORATION

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 (Expressed in Canadian Dollars)

7. SUBSEQUENT EVENT *(continued)*

to contractual holds with 1/3 being freely tradable on distribution (assuming expiry of statutory hold), 1/3 being freely tradable on the date which is three months from distribution and 1/3 being freely tradable on the date which is six months from distribution. The Acquisition is expected to be completed in December 2023 and remains subject to customary conditions for transactions of this nature, including third party consents and waivers, and the acceptance of the Acquisition by the TSX Venture Exchange.