



# CANTERRA

MINERALS CORPORATION

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TSX-V: CTM

**Condensed Consolidated Interim Financial Statements**

**For the Six Months Ended**

**June 30, 2024**

#### **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.

**CANTERRA MINERALS CORPORATION**

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)

(Expressed in Canadian Dollars)

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 2,096,993	\$ 1,821,239
Marketable securities (Note 3)	121	121
Receivables	28,378	19,048
Prepaid expenses	23,350	60,917
	<u>2,148,842</u>	<u>1,901,325</u>
<b>Land use deposits</b>	4,000	4,000
<b>Mineral Properties</b> (Note 4)	<u>15,950,460</u>	<u>15,958,134</u>
	<u>\$ 18,103,302</u>	<u>\$ 17,863,459</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	341,401	279,044
<b>Deferred flow-through premium</b>	<u>64,286</u>	<u>-</u>
	405,687	279,044
<b>Shareholders' equity</b>		
Share capital (Note 6)	129,170,635	120,169,273
Reserves (Note 6)	4,423,457	11,698,235
Deficit	<u>(115,896,477)</u>	<u>(114,283,093)</u>
	<u>17,697,615</u>	<u>17,584,415</u>
	<u>\$ 18,103,302</u>	<u>\$ 17,863,459</u>

**Nature and continuance of operations** (Note 1)

Approved and authorized by the Board on August 29, 2024

*"Chris Pennimpede"*

Chris Pennimpede, CEO &amp; Director

*"Andrew Farncomb"*

Andrew Farncomb, Chairman of the Board, Director

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

**CANTERRA MINERALS CORPORATION****CONDENSED CONSOLIDATED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS (Unaudited)**

(Expressed in Canadian Dollars)

	<b>Three Months Ended June 30, 2024</b>	<b>Three Months Ended June 30, 2023</b>	<b>Six Months Ended June 30, 2024</b>	<b>Six Months Ended June 30, 2023</b>
<b>Expenses</b>				
Business development	\$ 42,807	\$ 3,426	\$ 75,974	\$ 4,504
Insurance	4,660	5,219	9,320	10,438
Legal, audit and accounting	4,219	7,933	29,220	8,549
Consulting fees (Note 5)	42,000	20,280	150,600	38,280
Office and miscellaneous	27,298	7,493	30,749	37,053
Regulatory and transfer agent fees	58,773	3,624	70,702	11,884
Rent (Note 5)	12,222	4,020	18,789	8,040
Share-based compensation (Note 6)	-	261,432	301,078	261,432
Travel	5,341	-	5,341	-
Wages and benefits (Note 5)	72,128	16,037	145,405	40,974
Exploration expenditures (Note 4)	135,923	(15,444)	786,841	3,647
	<u>(405,371)</u>	<u>(314,020)</u>	<u>(1,624,019)</u>	<u>(424,801)</u>
<b>Interest income</b>	8,064	-	21,620	2
<b>Unrealized loss on marketable securities</b>	-	(12)	-	(12)
<b>Write-off of mineral properties</b>	-	-	(10,985)	-
	<u>8,064</u>	<u>(12)</u>	<u>10,635</u>	<u>(10)</u>
<b>Loss and comprehensive loss for the period</b>	\$ <u>(397,307)</u>	\$ <u>(314,032)</u>	\$ <u>(1,613,384)</u>	\$ <u>(424,811)</u>
<b>Basic and diluted loss per common share</b>	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	\$ <u>(0.01)</u>	\$ <u>(0.00)</u>
<b>Weighted average number of common shares outstanding</b>	151,950,259	94,063,664	150,382,692	85,605,707

**CANTERRA MINERALS CORPORATION**

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

(Expressed in Canadian Dollars)

	<b>Six Months Ended June 30, 2024</b>	<b>Six Months Ended June 30, 2023</b>
<b>Cash flows used in operating activities</b>		
Loss for the period	\$ (1,613,384)	\$ (424,811)
Items not affecting cash:		
Share-based compensation (Note 6)	301,078	261,432
Unrealized loss on marketable securities	-	12
Write-down of mineral properties	10,985	-
Flow-through premium	(64,286)	-
Changes in non-cash working capital items:		
(Increase)/decrease in receivables	(9,329)	28,481
Decrease/(increase) in prepaid expenses	37,567	(9,351)
Increase/(decrease) in accounts payable and accrued liabilities	62,356	(858,380)
Net cash used in operating activities	<u>(1,210,727)</u>	<u>(1,002,617)</u>
<b>Cash flows used in investing activities</b>		
Acquisition of mineral properties	<u>(3,311)</u>	-
Net cash used in investing activities	<u>(3,311)</u>	-
<b>Cash flows from financing activities</b>		
Issuance of common shares through private placement (net of share issuance costs)	<u>1,489,792</u>	<u>1,140,996</u>
Net cash from financing activities	<u>1,489,792</u>	<u>1,140,996</u>
<b>Change in cash during the period</b>	275,754	138,379
<b>Cash, beginning of the year</b>	1,821,239	653,679
<b>Cash, end of the period</b>	\$ <u>2,096,993</u>	\$ <u>792,058</u>

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

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

	<b>Share Capital</b>				
	<b>Number</b>	<b>Amount</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total</b>
Balance, December 31, 2022	77,053,772	\$ 116,267,566	\$ 2,497,594	\$ (114,553,442)	\$ 4,211,718
Issued for mineral properties	350,000	21,000	-	-	21,000
Issued on private placements	22,630,600	1,150,000	-	-	1,150,000
Warrants issued on private placement	-	(515,611)	515,611	-	-
Share issuance costs	200,000	(9,004)	-	-	(9,004)
Share-based compensation	-	-	261,432	-	261,432
Reserves transferred on cancelled options (Note 6c)	-	-	(261,662)	261,662	-
Reserves transferred on expired warrants (Note 6d)	-	-	(1,022,057)	1,022,057	-
Loss for the period	-	-	-	(424,811)	(424,811)
<b>Balance, June 30, 2023</b>	<b>100,234,372</b>	<b>\$ 116,913,951</b>	<b>\$ 1,990,918</b>	<b>\$ (113,694,534)</b>	<b>\$ 5,210,335</b>
Issued for mineral properties	24,910,000	1,868,250	-	-	1,868,250
Issued on private placements	23,670,753	1,538,599	-	-	1,538,599
Warrants issued for mineral properties	-	-	9,641,566	-	9,641,566
Share issuance costs	-	(151,527)	65,751	-	(85,776)
Loss for the period	-	-	-	(588,559)	(588,559)
<b>Balance, December 31, 2023</b>	<b>148,815,125</b>	<b>\$ 120,169,273</b>	<b>\$ 11,698,235</b>	<b>\$ (114,283,093)</b>	<b>\$ 17,584,415</b>
Issued on private placements	24,835,212	1,532,970	-	-	1,532,970
Issued on warrant exercise	105,395,769	7,904,683	(7,904,683)	-	-
Share issuance costs	-	(63,464)	20,286	-	(43,178)
Flow-through premium	-	(64,286)	-	-	(64,286)
Share-based compensation	-	-	301,078	-	301,078
Warrants issued on private placement	-	(308,541)	308,541	-	-
Loss for the period	-	-	-	(1,613,384)	(1,613,384)
<b>Balance, June 30, 2024</b>	<b>279,046,106</b>	<b>\$ 129,170,635</b>	<b>\$ 4,423,457</b>	<b>\$ (115,896,477)</b>	<b>\$ 17,697,615</b>

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

## **CANTERRA MINERALS CORPORATION**

### **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

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#### **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 consolidated 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, 2023.

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, 2023 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 six months ended June 30, 2024 (Expressed in Canadian Dollars)

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#### 3. MARKETABLE SECURITIES

As at June 30, 2024, the Company holds the following common shares of public companies listed on the TSX Venture Exchange:

	June 30, 2024		December 31, 2023	
	# of shares	Value	# of shares	Value
Margaret Lake Diamonds Inc.	345	121	345	121
		<b>\$ 121</b>		<b>\$ 121</b>

#### 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:

**CANTERRA MINERALS CORPORATION**

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

	June 30, 2024	December 31, 2023
<b>Newfoundland, Canada</b>		
<b>Wilding Lake</b>	\$ 2,390,933	\$ 2,401,918
<i>A 100% interest (up to 3.5% NSR)</i>		
<b>Lemarchant</b>	2,038,750	2,038,750
<i>A 100% interest (up to 2.0% NSR)</i>		
<b>Buchans Mine</b>	8,056,871	8,056,871
<i>A 100% interest (up to 3.0% NSR)</i>		
<b>South Tally Pond</b>	1,219,982	1,219,982
<i>A 100% interest</i>		
<b>Tulks South</b>	955,726	955,726
<i>A 100% interest (up to 2.0% NSR on the Boomerang deposit)</i>		
<b>Lake Douglas</b>	383,171	383,171
<i>A 100% interest</i>		
<b>Silver Pond</b>	378,767	378,767
<i>A 100% interest</i>		
<b>Tulks North</b>	219,120	215,809
<i>A 100% interest (up to 1.5% NSR on Daniel's Pond deposit and up to 3.0% NSR on the Bobby's Pond deposit)</i>		
<b>Gander</b>	211,405	211,405
<i>A 100% interest</i>		
<b>Tulks Hill</b>	88,085	88,085
<i>A 100% interest (up to 3.5% NSR)</i>		
<b>Ontario, Canada</b>		
<b>Ring of Fire</b>	7,650	7,650
<i>A 100% interest.</i>		
<b>Alberta, Canada</b>		
<b>Buffalo Hills Property</b>	-	-
<i>A 50% interest. During fiscal 2013, the Company wrote-down acquisition costs of \$8,278,519 associated with this property.</i>		
<b>Total Mineral Properties</b>	\$ <u>15,950,460</u>	\$ <u>15,958,134</u>

**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 the Company issued 9,677,250 common shares and 4,398,750 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

## CANTERRA MINERALS CORPORATION

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

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#### 4. MINERAL PROPERTIES *(continued)*

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 km<sup>2</sup> 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.

On December 20, 2023, the Company completed an asset purchase agreement (the "APA") with Buchans Resources Limited and its subsidiary Buchans Minerals Corporation, whereby various critical and precious metals projects in central Newfoundland were acquired for total consideration of \$11,509,816 consisting of 24,910,000 common shares valued at \$1,868,250 and warrants to acquire 128,554,216 common shares valued at \$9,641,566 (note 10b).

##### **Ontario, Canada**

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

##### **Alberta, Canada**

On August 1, 2024, the Company sold their remaining interest in the Buffalo Hills Diamond Project to Star Diamond Corporation ("Star Diamond") for 17,500,000 common shares of Star Diamond and a 1% royalty interest in the project.

##### **Northwest Territories, Canada**

The Marlin claims lapsed in the first quarter of 2024.

**CANTERRA MINERALS CORPORATION**

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

**4. MINERAL PROPERTIES** *(continued)*

During the six months ended June 30, 2024 and 2023, the Company incurred exploration expenditures as follows:

	June 30, 2024	June 30, 2023
<b>Newfoundland, Canada</b>		
Wilding Lake	\$ 381	\$ 41,505
Lemarchant	512,789	41,787
Buchans Mine	171,707	-
Boomerang	62,839	-
Noel-Paul	7,642	-
Long Lake	82,585	-
Tulks East	4,290	-
Tulks South	3,483	-
Tulks North	32,358	-
Tulks Hill	55,900	-
Recoveries	(147,310)	(77,400)
<b>Ontario, Canada</b>		
Ring of Fire	-	3,797
<b>Alberta, Canada</b>		
Buffalo Hills Property	177	(6,042)
<b>Total Exploration Expenditures</b>	<b>\$ 786,841</b>	<b>\$ 3,647</b>

## CANTERRA MINERALS CORPORATION

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (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 consists 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:

	Six months ended June 30, 2024	Six months ended June 30, 2023
Consulting fees	\$ 84,000	\$ 34,000
Wages & Benefits	90,430	-
Share-based compensation	101,714	228,059
<b>Total</b>	<b>\$ 276,144</b>	<b>\$ 262,059</b>

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

	Six months ended June 30, 2024	Six months ended June 30, 2023
Rent	\$ 13,031	\$ 8,040
Accounting, investor relations, geology & other	12,000	16,100
<b>Total</b>	<b>\$ 25,031</b>	<b>\$ 24,140</b>

Included in accounts payable and accrued liabilities as at June 30, 2024 is \$219,874 (December 31, 2023: \$153,506) due to companies with common directors and/or officers.

## CANTERRA MINERALS CORPORATION

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

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#### 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 28, 2024, the Company issued 105,395,769 common shares on exercise of warrants with a fair value of \$7,904,683.

On June 27, 2024, the Company completed a non-brokered private placement and issued 4,285,714 flow-through shares at \$0.07 for gross proceeds of \$300,000, and a LIFE Offering consisting of 20,549,498 units at a price of \$0.06 for gross proceeds of \$1,232,970. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.09 until June 27, 2026. The Company paid \$33,060 in finders fees, \$10,118 in filing fees and issued an aggregate of 508,140 finder's warrants to arm's length parties valued at \$20,286 (Note 6d).

On December 20, 2023, the Company completed a non-brokered private placement and issued 23,670,753 flow-through shares at \$0.065 for gross proceeds of \$1,538,599. The Company paid \$80,460 in finders fees, \$14,320 in legal and filing fees and issued an aggregate of 1,260,945 finder's warrants to arm's length parties valued at \$65,751 (Note 6d).

On December 20, 2023, the Company completed a mineral property purchase agreement with Buchans Resources Limited ("BRL"), an arms-length non-listed Reporting Issuer, and its subsidiary Buchans Minerals Corporation. The acquisition of the Properties (the "Acquisition") was a cashless transaction, with the consideration comprising (a) 24,910,000 common shares (the "Consideration Shares") of the Company valued at \$1,868,250, representing an approximate 19.9% ownership interest at closing, and (b) 128,554,216 common share purchase warrants (the "Consideration Warrants") of the Company valued at \$9,641,566 exchangeable for common shares of the Company within two years of closing (subject to extension in certain circumstances), for no additional consideration, upon (a) the transfer of the Properties that are considered material to the Company; (b) the approval by the TSX Venture Exchange (the "TSXV") and filing by the Company of an independent technical report on the historical Buchans mine and Lundberg deposit (the "Technical Report"); and (c) following subsequent actions of Buchans Minerals Corporation, the holder of the Consideration Warrants, and BRL, the distribution of up to all of the common shares to be received on exchange of the Consideration Warrants (the "Distributed Shares") to the shareholders of BRL (the "BRL Shareholders"), provided that: (i) such exchange and distribution will not result in a Change of Control of the Company or the creation of a new Control Person of the Company; (ii) in respect of the Distributed Shares, BRL directs the Company to issue such Distributed Shares directly to BRL Shareholders and shall not be a holder of such Distributed Shares at any time; and (iii) in the event that such exchange and distribution results in the creation of a new Insider, the BRL Shareholder shall have filed and obtained clearance of a personal information form or declaration, as applicable, with the TSXV.

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.

**CANTERRA MINERALS CORPORATION**

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

**6. SHARE CAPITAL AND RESERVES** *(continued)*

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. The warrants were assigned a relative fair value of \$515,611 recorded in contributed surplus. In connection with the private placement, 200,000 common shares valued at \$12,000 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.

## 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 June 30, 2024, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

<b>Number of Shares</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
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
2,770,000	\$0.08	February 8, 2029
3,076,302	\$0.07	March 13, 2029
<b>13,036,302</b>		

Stock option transactions are summarized as follows:

	<b>June 30, 2024</b>		<b>December 31, 2023</b>	
	<b>Number of Options</b>	<b>Weighted Average Exercise Price</b>	<b>Number of Options</b>	<b>Weighted Average Exercise Price</b>
Balance, beginning of the period	7,190,000	\$0.21	4,865,000	\$0.32
Granted	5,846,302	0.07	3,250,000	0.07
Expired/cancelled	-	-	(925,000)	0.31
Balance, end of the period	13,036,302	\$0.15	7,190,000	\$0.21
Options exercisable, end of the period	13,036,302	\$0.15	7,190,000	\$0.21

**CANTERRA MINERALS CORPORATION**

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

**6. SHARE CAPITAL AND RESERVES** *(continued)*

For the six months ended June 30, 2024, total share-based compensation expense was \$301,078 (June 30, 2023: \$261,432), which was recognized as share-based payments expense in the period.

On February 8, 2024, the Company granted 2,770,000 stock options with an exercise price of \$0.08, to certain directors, management and consultants, with a fair value of \$187,624. All options vested immediately upon grant.

On March 18, 2024, the Company granted 3,076,302 stock options with an exercise price of \$0.07, to certain consultants, with a fair value of \$113,454, some of which are subject to vesting provisions.

The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted during the period:

	<b>2024</b>	<b>2023</b>
Risk-free interest rate	1.91 – 3.64%	1.66-1.67%
Expected life of options	5 years	5.0 years
Annualized volatility	191.98 – 211.76%	201.2 – 201.4%
Weighted average FV	\$0.068 - \$0.069	\$ 0.07
Expected dividend rate	0%	0%

## d) Warrants

As at June 30, 2024, the Company had outstanding share purchase warrants, enabling the holders to acquire further common shares as follows:

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
20,783,600	\$0.075	April 24, 2028
1,260,945	\$0.065	December 20, 2025
23,158,447	-	December 20, 2025
508,140	\$0.060	June 27, 2026
10,274,747	\$0.090	June 27, 2026
<b>55,985,879</b>		

Share purchase warrant transactions were as follows:

	<b>June 30, 2024</b>		<b>December 31, 2023</b>	
	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>
Balance, beginning of the period	150,598,761	\$0.01	7,197,930	\$0.29
Issued	10,782,887	0.09	150,598,761	0.01
Exercised	(105,395,769)	-	-	-
Expired	-	-	(7,197,930)	0.29
Balance, end of the period	55,985,879	0.07	150,598,761	0.01
Warrants exercisable, end of the period	55,985,879	\$0.07	150,598,761	\$ 0.01

## CANTERRA MINERALS CORPORATION

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2024 (Expressed in Canadian Dollars)

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#### 6. SHARE CAPITAL AND RESERVES *(continued)*

On June 27, 2024, the Company issued 10,274,747 warrants (fair value of \$308,541) and 508,140 broker warrants (fair value of \$20,286) were issued in relation to a LIFE Offering financing. Each warrant is exercisable for two years at a price of \$0.09. Each broker warrant is exercisable for two years at a price of \$0.06.

On June 28, 2024, 105,395,769 warrants were exercised with a fair value of \$7,904,683.

The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted during the period:

	<b>2024</b>
Risk-free interest rate	3.98%
Expected life of options	2 years
Annualized volatility	154.98%
Weighted average FV	\$0.0367 - \$0.0399
Expected dividend rate	0%

On April 24, 2023, the Company issued 20,783,600 warrants in relation to the private placement financing. Each warrant is exercisable for two years at a price of \$0.075 per warrant. These warrants are subject to a four month and one day statutory hold period, expiring on August 25, 2024.

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