

## **CANTERRA MINERALS CORPORATION**

### **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F**

For the six months ended June 30, 2025

This Management's Discussion and Analysis ("**MD&A**") of financial condition and results of operations reviews the activities, results of operations, liquidity and capital resources of Canterra Minerals Corporation ("**Canterra**", or the "**Company**") for the six months ended June 30, 2025. This MD&A should be read in conjunction with condensed consolidated interim financial statements for the six months ended June 30, 2025 and the audited consolidated financial statements and accompanying notes for the year ended December 31, 2024, copies of which are filed under the Company's profile on the SEDAR+ website, [www.sedarplus.ca](http://www.sedarplus.ca).

The Company was incorporated as 580312 B.C. Ltd. in British Columbia on February 18, 1999 and adopted the name "Diamondex Resources Ltd." on March 23, 1999. The Company adopted its present name on December 9, 2009, in connection with the business combination of Diamondex and Triex Minerals Corporation ("**Triex**"). The Company's head office and principal address is Suite 1050 – 400 Burrard Street, Vancouver, British Columbia, Canada, V6C 3E8. The Company's registered and records office is Suite 2200 – 885 W Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8. The Company's functional currency is the Canadian dollar.

The Company prepares its financial statements in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and Interpretations issued by the International Financial Reporting Interpretations Committee ("**IFRIC**").

The information in this MD&A is provided as of the date of this MD&A, August 27, 2025 (the "**Report Date**").

#### **DESCRIPTION AND OVERVIEW OF BUSINESS**

The Company is a Canadian resource exploration company with a focus on critical mineral and gold exploration in Newfoundland.

The Company's main projects are comprised of critical and precious metals projects in the central Newfoundland mining district including the former Buchans Mine property, other volcanogenic massive sulphide ("**VMS**") critical minerals properties and the Wilding Lake and Noel-Paul gold projects located immediately on trend of Equinox Gold's Valentine gold project currently in mine construction.

#### **2025 HIGHLIGHTS**

Highlights to date for 2025 are summarized below.

##### **Three months ended March 31, 2025 ("**Q1**")**

- Announced initiation of the Company's 10,000 metre drilling program at Buchans to test several target areas within the Buchans project, including follow-up to positive drilling results generated in 2024 as well as to test targets to be defined by the Company's large deep-seeking 3DIP geophysical surveys ([March 25, 2025 news release](#)).
- Announced expansion of the Company's Buchans area property portfolio through strategic staking of the Seal Pond massive sulphide prospect 20 km east of the Company's Buchans project where historical drill results include intervals averaging 2.84% Zn and 1.22% Cu within favourable Buchans Group rocks possessing associated favourable alteration and mineralization signatures ([March 18, 2025 news release](#)).
- Announced commencement of ground-based deep-seeking 3D array IP survey of high-priority drilling and exploration targets on its Buchans Critical Minerals Project ([February 19, 2025 news release](#)) to identify targets to depths of 800 m in several prospective target areas anticipated to be tested by diamond drilling in 2025.
- Announced outlining several priority target areas within its Buchans Critical Minerals Project ([January 29, 2025 news release](#)) including targets identified by the Company's 2024 Artificial Intelligence driven exploration modelling supported by VRIFY.

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#### Three months ended June 30, 2025 ("Q2")

- The Company announced Initial results from the first phase of its planned 2025, 10,000 metre, drilling program at Buchans where step out drilling near the Company's open pit Lundberg Resource intersected high-grade mineralization that remains open for expansion ([May 20, 2025 news release](#))
  - highlights included **6.77% copper equivalent** ("CuEq") **over 5.35 m** comprised of 1.05% Cu (Copper), 7.17% Zn (Zinc), 4.63% Pb (Lead), 140.04 g/t Ag (Silver) & 0.88 g/t Au (Gold) from 146 m (approximately 130 m below surface);
- Additional results are pending from the first phase of the 2025 Buchans drill program, including from the Pumphouse Target, another area of higher-grade mineralization within Canterra's Buchans Project that does not host a resource and is approximately 800 m northeast from the Lundberg Resource.
- The Company announced identification of new geochemical and geophysical targets at its Boomerang Project in the Central Newfoundland Mining District, and expansion of this project through the staking of the Hill Top massive sulphide target ([April 23, 2025 news release](#)). The Hill Top target is reported to have returned historical bed rock grab sample assays of up to 1.5% Cu, 4.68% Zn, and 16.5 g/t Ag. While Canterra is encouraged by these historical results, the Company acknowledges the reported grab samples are selected samples and may not be representative of the true underlying mineralization.

## MINERAL PROJECTS

### NEWFOUNDLAND

As a result of project acquisitions by the Company in October of 2021 and December of 2023, Canterra owns rights to multiple VMS deposits within the prolific central Newfoundland Mining District, including 7 known deposits with significant metal inventory estimated as either current or historical mineral resource estimates prepared in compliance with National Instrument 43-101 at the time of their estimation (see Figure 1). The district hosts the world-renowned, past-producing Buchans Mine previously operated by ASARCO (1928-1984), as well as the former Duck Pond mine previously operated by Teck Resources (2007-2015). As a result of these acquisitions, Canterra's expanded land position includes the former Buchans Mine property that hosts a large undeveloped open pit resource known as the Lundberg deposit, as well as several additional properties that host historical mineral resource estimates including the Bobbys Pond, Daniels Pond, and Tulks Hill VMS deposits ([December 20, 2023](#) news release). The latter deposits complement Canterra's other VMS deposits in the district that host additional historical mineral resource estimates, including the Lemarchant, Boomerang, and Long Lake deposits acquired from NorZinc Ltd. in November 2021. Each of Canterra's central Newfoundland VMS projects possess exploration potential for expansion of the known historical resources as well as additional targets for new VMS discoveries.

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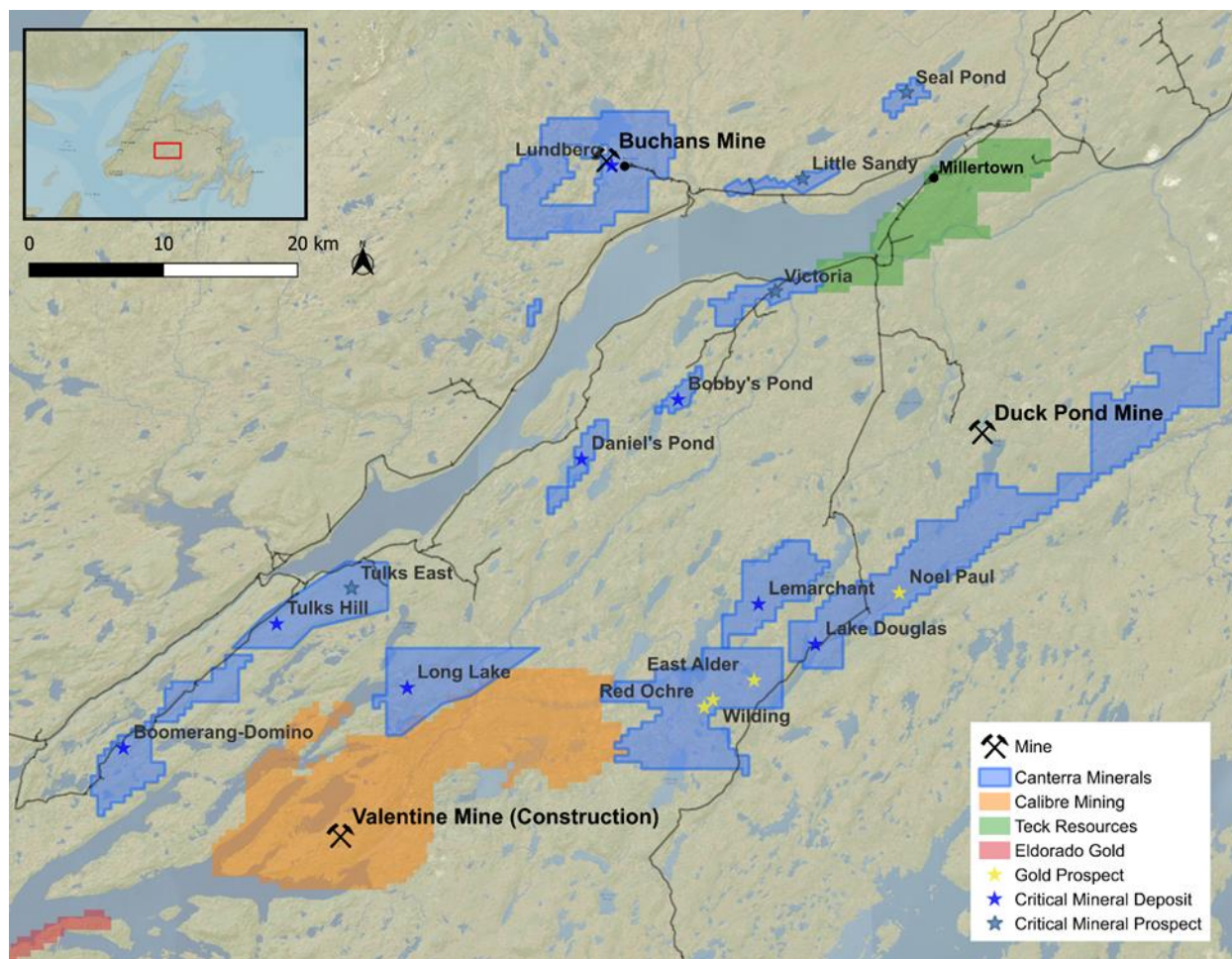


Figure 1. Canterra's Central Newfoundland Mining District projects (February 28, 2025).

In compliance with regulatory requirements for completion of the purchase of the Buchans Minerals central Newfoundland properties in December of 2023, Canterra filed a Technical Report on the Lundberg deposit located within the Buchans Mine Project in June 2024. The Report classifies the Lundberg deposit's Mineral Resource Estimate, effective date of February 28, 2019, (the "MRE") as current and provides Canterra with a foundation to guide future exploration programs focused on expansion of in-pit resources, infill drilling, and other exploration targets at the Buchans Project ([June 4, 2024](#) news release).

#### **Recent Events**

During Q2, the Company announced additional favourable results from its ongoing 2025, 10,000 metre drilling program at its Buchans critical metals project as well as having identified new targets at its Wilding-Noel Paul gold and critical metals project and Boomerang critical minerals project.

Drilling result highlights from Buchans included intersection of 4.07% copper equivalent ("CuEq") over 4.20 m 800 m northeast of the Buchans Lundberg Deposit at the Pumphouse prospect ([July 9, 2025 news release](#)) where the Company completed 3 new drill holes, all of which hit mineralization, supporting Pumphouse as a near-term target for resource expansion with potential to add high-grade mineralization to the Company's Buchans resource base. Also on June 23, the Company announced additional drilling results for its Lundberg deposit where the Company is completing additional drilling expected to augment future resource estimation at this large, advanced open pit critical mineral resource ([June 23, 2025 news release](#)). Highlights from this drilling include the intersection of 60.70 metres grading 0.85% CuEq (i.e.,

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0.39% Cu, 1.00 % Zn, 0.55% Pb, 2.5 g/t Ag & 0.03 g/t Au) from just 15.3 m to 76 m below surface including mineralization extending beneath the current resource. Earlier in June, the Company announced additional Lundberg drilling results ([June 3, 2025 news release](#)) that included intersection of 68.0 metres averaging 1.0% CuEq (i.e., 0.50% Cu, 1.00 % Zn, 0.43% Pb, 3.5 g/t Ag & 0.06 g/t Au) from surface, including 4.7 metres of 2.29% CuEq (i.e., 1.19% Cu, 2.25% Zn, 1.27% Pb, 9.3 g/t Ag & 0.06 g/t Au). In addition to the Lundberg drilling results, drilling undertaken on the northern boundary of the Lundberg deposit also intersected higher grade mineralization at the Two Level target area where the Company believes potential exists to identify additional high-grade mineralization that may complement Lundberg's development ([May 20, 2025 news release](#)). Highlights from the Two Level drilling include an intercept of 6.77% CuEq over 5.35 metres (i.e., 1.05% Cu, 7.17% Zn, 4.63% Pb, 140.04 g/t Ag & 0.88 g/t Au) from 146 m (approximately 130 m below surface); including 8.88% CuEq over 2.00 metres (i.e., 1.43% Cu, 10.91% Zn, 6.58% Pb, 151.00 g/t Ag & 0.97 g/t Au).

In addition to drilling results returned from Buchans, the Company indicated that it is transitioning future drilling to target multiple target areas generated from the Company's deep-seeking DASA-VISION@3DIP 3D Array Induced Polarization geophysical surveys ("3DIP") covering a majority of the Buchans Project ([February 19, 2025 news release](#)). Multiple target areas were identified by the survey co-incident with prospective "Buchans" horizon rocks that have been under-explored along strike and down dip/plunge of known sulphide prospects, including anomalies detected in the vicinity of the Company's early-stage Nu target area highlighted by VRIFY AI's predictive modeling in 2024 ([October 10, 2024 news release](#)).

Also, during Q2, Canterra announced having identified additional targets at its Wilding-Noel Paul and Boomerang gold/critical mineral projects, also located within in the Central Newfoundland Mining District. At the Wilding-Noel Paul project the Company announced having identified five new, district-scale gold targets ([June 16, 2025 news release](#)), favorably situated along the extension to the prolific Valentine Lake Shear Zone and other gold-bearing structures contiguous with Equinox Gold's Valentine Gold Mine (mine construction).

#### ***Buchans Mine Property***

Canterra's Buchans Project hosts the world-renowned, former Buchans Mine as well as the undeveloped Lundberg open pit resource. Lundberg is one of seven undeveloped critical mineral deposits held by Canterra within the Central Newfoundland Mining District, Newfoundland and Labrador's most prolific past producing volcanogenic massive sulphide (VMS) mining district. Canterra's deposits represent Newfoundland's second-largest undeveloped critical minerals inventory and Canterra's land position in the district represents the largest volcanogenic massive sulphide (VMS) deposits property portfolio in the Province. The Buchans Mine Property lies on the north side of Beothuk Lake, 35 km from Teck Resources' past producing Duck Pond Mine and varying distances from the Company's historical critical mineral resources contained with 6 other VMS deposits also located within the Central Newfoundland Mining District.

The Buchans Project encompasses 95km<sup>2</sup> of mineral claims and mining leases underlain by Ordovician age volcano-sedimentary rocks of the Buchans Group near the town of Buchans. The property includes the past-producing Buchans Mine previously operated by ASARCO between 1928 and 1984.

The Project also hosts a large, undeveloped, near-surface resource of stockwork sulphide mineralization known as the Lundberg deposit. Lundberg's resource estimate, completed in 2019, was made current upon Canterra's filing of a Technical Report ([June 4, 2024 news release](#); resource estimate shown in Table 1 below). Lundberg's mineralization is located immediately beneath and adjacent to historic workings of the previously mined, high-grade Lucky Strike massive sulphide orebody from which ASARCO mined **5.6 million tonnes** of ore averaging **18.4% Zn, 8.6% Pb, 1.6% Cu, 112 g/t Ag & 1.7 g/t Au**, pre-stripping a significant portion of the Lundberg deposit. Lucky Strike's historic production is a significant portion of the former Buchans Mine's past production that is reported to have totaled **16.2 million tonnes** at an average grade of **14.5% Zn, 7.6% Pb, 1.3% Cu, 1.37 g/t Au & 126 g/t Ag** mined from five orebodies. Canterra continues to evaluate the Lundberg deposit as the largest and most advanced critical mineral resource in the central Newfoundland Mining District and continues to undertake activities to advance development of this resource in tandem with Canterra's other

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deposits in the district as well as other targets within the Buchans Project where additional mineral resources may yet be discovered suitable for development either as new stand-alone mines or as accessory metal inventory that could complement Lundberg's development. Among recent activities undertaken at this project is the recently completed 2024 Buchans drilling program and current 2025 drilling program (see [2024 Highlights & Recent Events](#)).

**Table 1: Lundberg Deposit Pit Constrained Mineral Resource Estimate (effective February 28, 2019)**

| NSR Cut-off (\$US/t) | Category  | Tonnes     | Cu (%) | Zn (%) | Pb (%) | Ag (g/t) | Au (g/t) | NSR (\$US/t) |
|----------------------|-----------|------------|--------|--------|--------|----------|----------|--------------|
| 20                   | Indicated | 16,790,000 | 0.42   | 1.53   | 0.64   | 5.7      | 0.07     | 54.98        |
|                      | Inferred  | 380,000    | 0.36   | 2.03   | 1.01   | 22.4     | 0.31     | 72.95        |

**Notes:**

1. Mineral Resources prepared in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (MRMR) (2014) and CIM MRMR Best Practice Guidelines (2019).
2. Mineral Resources defined within an optimized pit shell with pit slope angles of 45° and an overall 2.9:1 strip ratio (waste: mineralized material)
3. Price assumptions used - US\$1.20 /lb Zn, US\$1.00 /lb Pb, US\$3.00 /lb Cu, US\$1250 /oz Au, and US\$17 /oz Ag.
4. Metallurgical recoveries to concentrates based on "Centralized Milling of Newfoundland Base Metal Deposits - Bench Scale DMS and Flotation Test Program" (Thibault & Associates Inc., 2017). Metal recoveries - 83.0% Cu, 13.3% Au, and 7.84% Ag in copper concentrate, 84.3% Pb, 10.5% Au, and 50.3% Ag in lead concentrate, and 87.2% Zn, 8.28% Au, and 14.8% Ag in zinc concentrate.
5. Net Smelter Return (NSR) \$US/t values determined by calculating value of each Mineral Resource model block using an NSR calculator. NSR calculator uses stated metal pricing, metallurgical recoveries to concentrates, concentrate payable factors and current shipping and smelting terms for similar concentrates.
6. Pit optimization parameters include: mining at \$3 US per tonne, processing at \$15 US per tonne, and G&A at \$2 US per tonne (total \$20 US per tonne).
7. Mineral Resources reported at a cut-off value of \$20 US/t NSR within the optimized pit shell and is considered to reflect reasonable prospects for economic extraction by open pit mining methods.
8. Mineral Resources interpolated using Inverse Distance Squared methods applied to 1.5 m downhole assay composites.
9. Results of an interpolated Inverse Distance Squared bulk density model (g/cm³) were applied.
10. Mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
11. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
12. Mineral Resource tonnages have been rounded to the nearest 10,000. Totals may vary due to rounding.

#### **Bobby's Pond Property**

The Bobby's Pond Property is located 16 km north of Canterra's Lemarchant deposit and is comprised of 3 mineral licenses and 1 mining lease totaling 4.5 km². The property contains the Bobby's Pond deposit, a historical mineral resource estimate (Table 2).

**Table 2: 2007 Bobby's Pond Historical Mineral Resource Estimate at 1% Zn Cut-off**

| Category  | Tonnes    | Zn (%) | Cu (%) | Pb (%) | Ag (g/t) | Au (g/t) |
|-----------|-----------|--------|--------|--------|----------|----------|
| Indicated | 1,100,000 | 4.61   | 0.86   | 0.44   | 16.56    | 0.20     |
| Inferred  | 1,200,000 | 3.75   | 0.95   | 0.27   | 10.95    | 0.06     |

**Notes:**

Based on a 1.0% CuEq cutoff as reported in the report entitled "Technical report on the Bobby's Pond Cu-Zn deposit, Newfoundland and Labrador, Canada" prepared for Mountain Lake Resources Inc., Report Date: July 31, 2008, by Hryar Agnerian, M.Sc. P.Geo. of Scott Wilson Roscoe Postle Associates Inc.

Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Estimate is being treated as historical by Canterra as the estimate was prepared prior to Canterra acquiring the project that contains the resource and a Qualified Person has not done sufficient work to classify the Historical Resource Estimate as current Mineral Resources. The Historical Resource Estimate is relevant as it demonstrates the geological character and three-dimensional continuity of the deposit which is comprised of semi-massive to massive sulphide mineralization. References for Canterra's Historical Resource Estimates (including the Bobby's Pond historical resource estimate) and their associated Technical Reports can be found on Canterra's website:

<https://canterraminerals.com/properties/newfoundland/buchans-2/>.

The Bobby's Pond deposit is hosted predominantly by felsic volcanic rocks of the Tulk's Volcanic Belt within the Ordovician Victoria Lake Supergroup. Mineralization is open at depth where potential remains for discovery of additional Cu-Zn-Pb-Ag-Au mineralization and additional targets have been identified elsewhere within the property. These additional targets have geological and geophysical characteristics similar to the Bobby's Pond deposit and other VMS deposits along the 65 km Tulks Volcanic Belt.

#### **Daniel's Pond Property**

This property is located 8 km southwest of the Bobby's Pond Property and 15 km northeast of Canterra's Tulks East Property. The Daniel's Pond Property covers 8.8 km² underlain by prospective volcanic rocks of Tulks Volcanic Belt of the Victoria Lake Supergroup including the Daniel's Pond VMS deposit. The 2008 historical mineral resource estimate for the deposit is shown in Table 3. Mineralization has since been further extended to depth by subsequent drilling that has not been included in the historical mineral resource estimate.

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*Table 3: Daniel's Pond Deposit Historical Mineral Resource Estimate at 2.0% Zn. Cutoff (Effective April 29<sup>th</sup>, 2008)*

| Category  | Tonnes  | Au (g/t) | Ag (g/t) | Zn (%) | Pb (%) | Cu (%) |
|-----------|---------|----------|----------|--------|--------|--------|
| Indicated | 407,000 | 0.57     | 49.0     | 7.82   | 1.58   | 0.97   |
| Inferred  | 78,000  | 0.48     | 34.0     | 5.77   | 1.24   | 0.70   |

Notes:

Based on a 2% Zn cutoff as reported in the report entitled "Revised Technical Report on the Daniels Pond Deposit and Property Holdings of Royal Roads Corp. Red Indian Lake Area, Newfoundland, Canada" prepared for prepared for Royal Roads Corp., Effective Date: April 29<sup>th</sup>, 2008, by Peter C. Webster, B.Sc., P.Geo., P. James F. Barr, B.Sc., and Rafael Cavalcanti de Albuquerque, B.Sc. of Mercator Geological Services.

All figures have been rounded to reflect the relative accuracy of the estimates.

Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Estimate is being treated as historical by Canterra as the estimate was prepared prior to Canterra acquiring the project that contains the resource and a Qualified Person has not done sufficient work to classify the Historical Resource Estimate as current Mineral Resources. The Historical Resource Estimate is relevant as it demonstrates the geological character and three-dimensional continuity of the deposit which is comprised of semi-massive to massive sulphide mineralization. References for Canterra's Historical Resource Estimates (including the Daniel's Pond historical resource estimate) and their associated Technical Reports can be found on Canterra's website:

<https://canterraminerals.com/properties/newfoundland/buchans-2/>.

### **Tulks Hill Property**

The Tulks Hill Property includes the Tulks Hill VMS deposit and is surrounded by Canterra's Tulks East Property. The property contains a historical NI 43-101 resource estimate shown in Table 4. Combined with the immediately adjacent Tulks East Property, this project represents an exciting exploration opportunity.

*Table 4: Tulks Hill Property Historical Mineral Resource Estimate at 1.1% CuEq. Cutoff*

| Category  | Tonnes  | Au (g/t) | Ag (g/t) | Zn (%) | Pb (%) | Cu (%) |
|-----------|---------|----------|----------|--------|--------|--------|
| Indicated | 430,200 | 1.20     | 35.1     | 4.0    | 1.6    | 0.9    |

Based on a 1.1% Cu Equivalent cutoff grade as reported in the report entitled "Technical Report on the Tulks Hill Cu-Zn Project, Newfoundland and Labrador, Canada" prepared for the Tulks Hill Joint Venture between Prominex Resources Corp. (Operator) and Buchans River Limited, prepared by Hryar Agnerian, M.Sc. P.Geo. of Scott Wilson Roscoe Postle Associates Inc.

All figures have been rounded to reflect the relative accuracy of the estimates.

Estimate is being treated as historical by Canterra as the estimate was prepared prior to Canterra acquiring the project that contains the resource and a Qualified Person has not done sufficient work to classify the Historical Resource Estimate as current Mineral Resources. The Historical Resource Estimate is relevant as it demonstrates the geological character and three-dimensional continuity of the deposit which is comprised of semi-massive to massive sulphide mineralization. References for Canterra's Historical Resource Estimates (including the Tulks Hill historical resource estimate) and their associated Technical Reports can be found on Canterra's website:

<https://canterraminerals.com/properties/newfoundland/buchans-2/>.

### **VMS Projects**

On October 4, 2021, the Company announced it had entered into an asset purchase agreement with NorZinc Ltd. ("NorZinc") and its affiliate NorZinc-Newfoundland Ltd. to acquire the mineral rights to four projects in Newfoundland, adding additional mineral resources to Canterra's Central Newfoundland Mining District property portfolio. These acquired resources had been prepared in compliance with National Instrument 43-101 at the time of their estimation but are deemed historical as the estimates were prepared by other operators prior to acquisition by Canterra. The acquisition was completed November 15, 2021 upon tendering \$250,000 in cash and 6,625,000 common shares (the "Consideration Shares") of the Company, representing at that time an approximate 9.1% ownership interest, and together representing a total consideration value of approximately \$2,237,500 based on a closing price of \$0.30 per share.

The VMS projects acquired from NorZinc comprise five properties, namely Lemarchant, Boomerang/Domino, Long Lake, Tulks East, and Victoria Mine. Three of these properties contain historical mineral resource estimates prepared in accordance with National Instrument 43-101 as shown in the Table 5 below:

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Table 5: Historical Mineral Resource Estimate located with properties acquired from NorZinc Ltd., November 2021 (see notes below table for associated effective dates and other details).

| DEPOSIT                   | Category  | Tonnes    | Au (g/t)                   | Ag (g/t)                   | Zn (%)                      | Pb (%)                      | Cu (%)                      |
|---------------------------|-----------|-----------|----------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Lemarchant <sup>(1)</sup> | Indicated | 2,420,000 | 1.22                       | 64                         | 6.15                        | 1.6                         | 0.68                        |
|                           | Inferred  | 560,000   | 1.06                       | 44.7                       | 4.68                        | 1.08                        | 0.45                        |
| Boomerang <sup>(2)</sup>  | Indicated | 1,364,600 | 1.66                       | 110.43                     | 7.09                        | 3                           | 0.51                        |
|                           | Inferred  | 278,100   | 1.29                       | 96.53                      | 6.72                        | 2.88                        | 0.44                        |
| Domino <sup>(2)</sup>     | Inferred  | 411,200   | 0.6                        | 94                         | 6.3                         | 2.8                         | 0.4                         |
| Long Lake <sup>(3)</sup>  | Indicated | 407,000   | 0.57                       | 49                         | 7.82                        | 1.58                        | 0.97                        |
|                           | Inferred  | 78,000    | 0.48                       | 34                         | 5.77                        | 1.24                        | 0.7                         |
|                           |           |           | <b>Au</b><br><b>(K oz)</b> | <b>Ag</b><br><b>(M oz)</b> | <b>Zn</b><br><b>(M lbs)</b> | <b>Pb</b><br><b>(M lbs)</b> | <b>Cu</b><br><b>(M lbs)</b> |
|                           |           |           | <b>175</b>                 | <b>10</b>                  | <b>611</b>                  | <b>189</b>                  | <b>60</b>                   |
|                           |           |           | <b>40</b>                  | <b>2</b>                   | <b>166</b>                  | <b>58</b>                   | <b>13</b>                   |

(1) Based on a 4.0% ZnEq Cutoff as reported in the report entitled "NI 43-101 Technical Report and Updated Mineral Resource Estimate on the Lemarchant Deposit South Tally Pond Property, Central Newfoundland, Canada" prepared for NorZinc Ltd., Report Date: October 22, 2018, Effective Date: September 20, 2018, prepared by Michael Cullen, P. Geo., Matthew Harrington, P. Geo. and Michael J. Vande Guchte, P. Geo. All figures have been rounded to reflect the relative accuracy of the estimates.

(2) Based on a 1.0% Zn Cutoff as reported in the report entitled "Messina Minerals Inc.: Tulls South Property, Central Newfoundland, Canada Technical Report" prepared for Messina Minerals Inc., Report Date: August, 2007, as prepared by Snowden. All figures have been rounded to reflect the relative accuracy of the estimates.

(3) Based on a 7.0% ZnEq Cutoff as reported in the report entitled "Independent Technical Report for the Main Zone of the Long Lake Volcanic Massive Sulphide Project, Newfoundland and Labrador, Canada" prepared for Messina Minerals Inc., Report Date: April 16, 2012, Effective Date: March 13, 2012, prepared by SRK Consulting (Canada) Inc. All figures have been rounded to reflect the relative accuracy of the estimates.

(4) Estimates are being treated as historical by Canterra as the estimates were prepared prior to Canterra acquiring the projects that contain the resources and a Qualified Person has not done sufficient work to classify the Historical Resource Estimates as current Mineral Resources. The Historical Resource Estimates are relevant as they demonstrate the geological character and three-dimensional continuity of the deposits which are comprised of semi-massive to massive sulphide mineralization. References for Canterra's Historical Resource Estimates (including the Lemarchant, Boomerang, Domino, and Long Lake historical resource estimate) and their associated Technical Reports can be found on Canterra's website: <https://canterraminerals.com/properties/newfoundland/buchans-2/>.

### Wilding Project

On December 17, 2020, the Company acquired Teton Opportunities Inc. ("Teton"), a private company incorporated under the laws of British Columbia, Canada who holds an option agreement with Altius Resources Inc. ("Altius") for the Wilding Lake Project ("Wilding Project") located in central Newfoundland. The total purchase price of \$2,042,533 was completed 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.

In accordance with terms of the Wilding option agreement, the Company was required to:

- Issue Altius 12,500,000 Teton shares and warrants to acquire a further 6,250,000 Teton shares (issued on December 16, 2020 by Teton prior to acquisition);
- Complete a minimum financing for gross proceeds of \$2,500,000 (completed by Canterra on December 17, 2020);
- Incur cumulative exploration expenditures of at least \$1,000,000 on the property before August 27, 2022 (completed in 2021);
- and complete a transaction with a publicly listed company before December 31, 2020 (completed)

The property is subject to a maximum 2% Net Smelter Return ("NSR") payable to Altius and a 1.5% NSR 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 upon which Altius has the option to reimburse the Company for the Purchased NSR to increase its NSR to the benefit of the purchased NSR.

On April 15, 2021, the Company entered into an option agreement with Sokoman Minerals Corp. ("Sokoman") to acquire 100% of the East Alder gold project ("East Alder") immediately northeast of the Company's Wilding project. The Option granted Canterra rights to acquire 100% in the East Alder project by issuing 750,000 common shares of the Company and work commitments totalling \$600,000 over a 4-year period. Sokoman retain rights to a 1.0% net smelter return royalty

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on the project with Canterra having the right to buy-down 0.5% of the royalty for \$1,000,000. On June 26, 2023, the Company amended the option agreement whereby both Parties agreed all original and amended terms of the Option

Agreement terms were met to the satisfaction of the Parties by Canterra having incurred total exploration expenditures of C\$277,210.77 on the East Alder Property. As consideration for the amended terms, an additional 100,000 shares, subject to a 1-year statutory hold period, were issued to Sokoman and Sokoman's 0.5% royalty on the East Alder Property is fully vested. The East Alder Property is now 100% owned by the Company.

Together with other claims acquired by staking by Canterra, the Wilding -Noel Paul gold projects include approximately 60 km strike extent of the Rogerson Lake structural corridor that runs for 200 km in a southwest-northeast direction across southwest Newfoundland. The corridor hosts Calibre Mining's ("Calibre") Valentine project as well as the Cape Ray gold deposit owned by AuMega Metals Ltd. Recent gold discoveries on the Wilding Property and continued success at Calibre's Valentine Lake project southwest of Canterra's property, confirm the Rogerson Lake corridor is an emerging area of substantial gold endowment.

Gold was first discovered at the Wilding Property through forestry activity in 2016. Five zones of gold mineralization were identified by previous operators through an initial 30-hole drill campaign in 2017, with highlights including:

- 10.01 g/t Au over 5.3 m in hole WL-17-24
- 40.85 g/t Au over 0.5 m in hole WL-17-01
- 0.98 g/t Au over 17.0 m in hole WL-17-12
- 1.44 g/t Au over 5.1 m in hole WL-17-08
- 11.14 g/t Au over 0.5 m in hole WL-17-03
- 0.54 g/t Au over 12.7 m in hole WL-17-28

The 2017 initial drilling demonstrated strong gold endowment at the Wilding Property with gold mineralization in 27 of the 30 holes in a proximal and geologically similar setting to the Calibre's Valentine project whereby gold mineralization occurs in shear-related orogenic style quartz veins and quartz stockworks beneath shallow overburden in an area lacking previous systematic gold exploration.

In the first quarter of 2021, the Canterra completed 2,335 m in 16 drill holes in its first winter drill program at Wilding seeking to expand known gold mineralization in several zones, including at the Elm and Red Ochre prospect areas. Results released in the Spring of 2021 included intercepts of 1.0 g/t gold over 11.0 metres (core length) from the Red Ochre Complex, 13.3 g/t gold over 0.2 metres at the Elm Zone, and 11.0 g/t gold over 0.3 metres at the Dogberry prospect.

Also in 2021, the Company completed a further 4,195 m in 19 drill holes in a fall drilling program at Wilding. Drilling tested several targets in the northern portion of the property where gold-in-soil anomalies and interpretation of airborne magnetic data suggested possible continuation of the Valentine Lake Shear Zone ("VLSZ"), the controlling structure for mineralization at Calibre Valentine project. This drilling also sought to expand known mineralization, including the Elm and Alder veins, and the Red Ochre and Dogberry targets. Result highlights include the Red Ochre Zone, where shallow-dipping stacked quartz-pyrite veins were identified over several areas. Highlights from the fall 2021 program include:

- 42 m at 0.57 g/t Au, including 15.0 m at 1.01 g/t Au in hole WL-21-53 (Red Ochre Zone)
- 0.5 m at 81.52 g/t Au in hole WL-21-54 (Red Ochre Zone)
- 4.0 m at 1.14 g/t Au in hole WL-21-54 (Red Ochre Zone)
- 1.5 m at 3.03 g/t Au in hole WL-21-48 (step-out of the Alder vein)
- 6.5 m at 3.63 g/t Au including 1.2 m at 18.66 g/t Au in hole WL-21-59 (Elm vein)

In 2022, the Company completed a further 3,476 m drill program comprising 18 diamond drill holes at Wilding. Nine holes totaling 1,805 m were drilled on two previously untested targets in the western portion of the property 3 km along strike from known mineralization. The remaining holes were drilled to test the continuity at the Red Ochre and Dogberry zones. Highlights from the winter 2022 program include:

- 6 m at 0.94 g/t Au including 1.5 m at 1.92 g/t Au in hole WL-22-69 (Dogberry Zone)

## CANTERRA MINERALS CORPORATION

### MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F

For the six months ended June 30, 2025

- 1 m at 2.06 g/t Au in hole WL-22-73 (between Dogberry & Red Ochre Zones).
- 7.5 m at 1.0 g/t Au in hole WL-22-75 (Red Ochre Zone).

## ONTARIO

### ***Ring of Fire Project***

The Ring of Fire Project is located in the Ontario Ring of Fire region of Northern Ontario in close proximity and similar geological setting to Eagles Nest, one of the largest undeveloped, high-grade nickel-copper-platinum-palladium deposits in the world. This acquisition resulted from the Company's strategic shift to critical minerals exploration and was facilitated through re-evaluation of historic data from the Company's predecessors' (Diamondex Resources Ltd.) including drilling, geophysical and geological datasets. This re-evaluation highlighted several highly anomalous drill ready targets identified by previous operators. As a result of its being host to several world class deposits, the Ring of Fire region is currently in the process of a major infrastructure push from all levels of government.

On October 1, 2024, the Company announced that it had entered into an Option Agreement (the "Agreement") with Teck Resources Limited ("Teck"), granting Teck the option to acquire a 100% interest in the Ring of Fire project, subject to a 1.5% Net Smelter Returns ("NSR") royalty to be retained by Canterra ([October 1, 2024](#) news release). In accordance with the Agreement, Canterra will option 100% of the project to Teck for gross proceeds of \$275,000:

- On or before:
  - payment of \$50,000 payable on or before two days following the effective date of the Agreement (paid September 19, 2024);
  - payment of \$125,000 payable on or before two business days following the Permit Date; and
  - payment of \$100,000 payable on or before thirty business days following the earliest to occur of the Drill Program Completion Date and September 17, 2026.

A 1.5% NSR will be retained by Canterra under the Agreement but can be reduced to 0.5% upon the exercise of a buy-back right by Teck paying a further \$2,000,000 to Canterra.

## ALBERTA

### ***Buffalo Hills***

On July 15, 2024, the Company announced it had entered into a Definitive Agreement (the "Agreement") with Star Diamond Corporation (DIAM: TSX) ("Star Diamond"), whereby Star Diamond would acquire a 100% interest in the Buffalo Hills Diamond Project, in north central Alberta, Canada from Canterra. The Company announced completion of the sale on August 1, 2024 ([August 1, 2024](#) news release). Through this sale, Star Diamond acquired a 100% interest in the Property in exchange for an aggregate nominal consideration of 17,500,000 common shares of Star Diamond, representing a purchase price of \$1.05 million. Half of the common shares are subject to a 12-month lock-up period and all shares are subject to a customary four-month and a day hold period. Canterra retains a 1% royalty interest in the Project. Star Diamond may buyback 0.5% of the NSR by payment of \$1,000,000 to the Company. Prior to the sale, the Property was held by the Buffalo Hills Joint Venture ("BHJV") comprised of Star Diamond Corporation (50%) and the Company (50%), with Canterra serving as the Operator. The project is comprised of 21 mineral leases covering 4,848 ha in north central Alberta, located 120 km northeast of Peace River and 400 km northwest of Edmonton, and covers 41 kimberlites bodies, of which 28 are diamondiferous. The Project had been on care and maintenance prior to the Agreement with Star Diamond.

### **Qualified Person**

*Paul Moore M.Sc., P.Geo. (NL), the Company's Vice President Exploration and Christopher Pennimpede BSc. P.Geo. (BC), Chief Executive Officer for Canterra Minerals Corporation, and both Qualified Persons as defined by National Instrument 43-101, has approved the scientific and technical disclosure contained in this Management's Discussion and Analysis.*

# CANTERRA MINERALS CORPORATION

## MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F

For the six months ended June 30, 2025

### Exploration & evaluation expenditures

The Company is an exploration stage company and engages principally in the exploration of resource properties. The following is a summary of exploration and evaluation expenses by project for the six months ended June 30, 2025:

|                     | Geology<br>& Geophysics | Drilling          | Land Use<br>& Tenure | Data Evaluation   | Recoveries          | Total for<br>six months ended<br>June 30, 2025 |
|---------------------|-------------------------|-------------------|----------------------|-------------------|---------------------|------------------------------------------------|
| <b>NEWFOUNDLAND</b> |                         |                   |                      |                   |                     |                                                |
| Wilding Lake        | \$ 8,454                | \$ -              | \$ 180               | \$ 12,962         | \$ -                | \$ 21,597                                      |
| Noel-Paul           | 45,534                  | -                 | 45,600               | 82,639            | -                   | 173,773                                        |
| Boomerang           | 2,375                   | -                 | -                    | 20,361            | (31,104)            | (8,368)                                        |
| Buchans Mine        | 1,476,541               | 419,071           | -                    | 275,727           | -                   | 2,171,340                                      |
| Lemarchant          | -                       | -                 | -                    | -                 | (186,731)           | (186,731)                                      |
| Seal Pond           | -                       | -                 | -                    | 941               | -                   | 941                                            |
| Tulks North         | 3,250                   | -                 | 5,665                | 4,714             | -                   | 31,966                                         |
| Victoria Mine       | 762                     | -                 | -                    | 1,696             | -                   | 4,315                                          |
|                     | <b>\$ 1,536,917</b>     | <b>\$ 419,071</b> | <b>\$ 51,445</b>     | <b>\$ 419,234</b> | <b>\$ (217,835)</b> | <b>\$ 2,208,832</b>                            |

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

|                     | Geology<br>& Geophysics | Drilling          | Land Use<br>& Tenure | Data Evaluation   | Recoveries          | Total for<br>six months ended<br>June 30, 2024 |
|---------------------|-------------------------|-------------------|----------------------|-------------------|---------------------|------------------------------------------------|
| <b>NEWFOUNDLAND</b> |                         |                   |                      |                   |                     |                                                |
| Wilding Lake        | \$ -                    | \$ -              | \$ -                 | \$ 381            | \$ -                | \$ 381                                         |
| Noel-Paul           | -                       | -                 | 7,460                | 236               | -                   | 7,642                                          |
| Boomerang           | 13,650                  | 7,963             | 36,879               | 7,830             | -                   | 66,322                                         |
| Buchans Mine        | 38,449                  | -                 | 3,800                | 129,459           | (20,190)            | 151,518                                        |
| Lemarchant          | 23,767                  | 378,368           | 44,827               | 65,827            | (127,120)           | 385,669                                        |
| Long Lake           | 59,697                  | -                 | 10,818               | 12,070            | -                   | 82,585                                         |
| Tulks North         | 14,861                  | 4,388             | 8,645                | 4,464             | -                   | 32,358                                         |
| Tulk Hill           | 46,961                  | 200               | 4,914                | 8,116             | -                   | 60,190                                         |
| <b>ALBERTA</b>      |                         |                   |                      |                   |                     |                                                |
| Buffalo Hills       | -                       | -                 | 177                  | -                 | -                   | 177                                            |
|                     | <b>\$ 197,385</b>       | <b>\$ 390,919</b> | <b>\$ 117,466</b>    | <b>\$ 228,382</b> | <b>\$ (147,310)</b> | <b>\$ 786,841</b>                              |

## **CANTERRA MINERALS CORPORATION**

### **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F**

For the six months ended June 30, 2025

#### **RESULTS OF OPERATIONS**

##### **For the three months ended June 30, 2025 and 2024**

During the three months ended June 30, 2025, the Company had a net loss of \$1,191,641 (three months ended June 30, 2024 - \$397,307), an increased net loss of \$794,334 when compared to the same period in the previous year. The primary contributors were the following:

- Exploration expenses increased by \$859,078 in the three months ended June 30, 2025, when compared to the same period of the previous year primarily due to a higher level of exploration activities in the current period.
- Share based compensation increased by \$84,473 in the three months ended June 30, 2025, compared to the same period of 2024 due to there being no stock options granted in the three months ended June 30, 2024.
- Unrealized loss on marketable securities increased by \$87,483 in the three months ended June 30, 2025 due to the decrease in market price of the Star Diamond shares from March 31, 2025. The Company did not hold any Star Diamond shares at June 30, 2024.
- Legal, audit and accounting fees increased by \$37,378 during the three months ended June 30, 2025, when compared with the same period of previous year primarily due the increase of audit and accounting fees in the three months ended June 30, 2025.

The above factors were offset by the following:

- Flow-through premium amortization increased by \$176,964 in the three months ended June 30, 2025, as a result of the level of qualified exploration expenditures incurred in the quarter. As at June 30, 2024, the Company had no qualified exploration expenditures related to the flow-through premium.
- Regulatory and transfer agency fees decreased by \$48,453 in the three months ended June 30, 2025, due to more exchange fees paid for activities related to the three months ended June 30, 2024.

##### **For the six months ended June 30, 2025, and 2024**

During the six months ended June 30, 2025, the Company had a net loss of \$1,981,181 (six months ended June 30, 2024 - \$1,613,384), an increased net loss of \$367,797 when compared to the same period in the previous year. The primary contributors were the following:

- An unrealized gain on marketable securities amounting to \$524,850 was recognized in the six months ended June 30, 2025 due to the market price increase in the Star Diamond shares from December 31, 2024 to June 30, 2025. The Company did not hold these shares at June 30, 2024.

## CANTERRA MINERALS CORPORATION

### MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F

For the six months ended June 30, 2025

- Share based compensation decreased by \$141,663 in the six months ended June 30, 2025, compared to the same period of 2024 due to the longer vesting periods of the stock options granted in the six months ended June 30, 2025.
- Regulatory and transfer agency fees decreased by \$41,648 in the six months ended June 30, 2025, due to more exchange fees paid for activities related to the three months ended June 30, 2024.
- Flow-through premium amortization increased by \$379,915 in the six months ended June 30, 2025, as a result of qualified exploration expenditures incurred in the year. As at June 30, 2024, the Company had no qualified exploration expenditures related to the flow through premium.
- Consulting fee decreased by \$108,431 in the six months ended June 30, 2025, compared with the same period of 2024 due to fewer consultants engaged in the six months ended June 30, 2025.

The above factors were offset by the following:

- Exploration expenses increased by \$1,421,991 in the six months ended June 30, 2025, when compared to the same period of the previous year primarily due to a higher level of exploration activities in the current period.
- Wages and benefits expenses increased by \$72,134 primarily due to a consultant role that was made into an employee position and bonuses accrued in 2025.

### Summary of Quarterly Results

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters.

| <b>Year:</b>                  | <b>2025</b>   | <b>2025</b>   | <b>2024</b>   | <b>2024</b>   | <b>2024</b>   | <b>2024</b>   | <b>2023</b>   | <b>2023</b>   |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Quarter Ended:</b>         | <b>Jun 30</b> | <b>Mar 31</b> | <b>Dec 31</b> | <b>Sep 30</b> | <b>Jun 30</b> | <b>Mar 31</b> | <b>Dec 31</b> | <b>Sep 30</b> |
| Net sales or total revenue:   | \$Nil         | \$Nil         | \$Nil         | \$Nil         | \$Nil         | \$Nil         | \$Nil         | \$Nil         |
| Net income (loss):            |               |               |               |               |               |               |               |               |
| (i) in total (000s)           | \$(1,191)     | \$(789)       | \$(1,639)     | \$14          | \$(397)       | \$(1,216)     | \$(403)       | \$(185)       |
| (ii) per share <sup>(1)</sup> | \$(0.00)      | \$(0.00)      | \$(0.01)      | \$0.00        | \$(0.00)      | \$(0.01)      | \$(0.00)      | \$(0.00)      |

*(1) Fully diluted loss per share amounts are not shown as they would be anti-dilutive.*

While the information set out in the foregoing table is mandated by *National Instrument 51-102*, it is management's view that the variations in financial results that occur from quarter to quarter are not particularly helpful in analyzing the Company's performance. It is in the nature of the business of junior exploration companies that unless they sell a mineral interest for a sum greater than the costs incurred in acquiring such interest, they have no significant net sales or total revenue.

Significant variances in the Company's reported loss from quarter to quarter most commonly arise from several factors that are difficult to anticipate in advance or to predict from past results. These factors include: (i) level of exploration and project evaluation expenses incurred, (ii) decisions to write off acquisition costs when management concludes there has been an impairment in the carrying value of a mineral property, or the property is abandoned, and (iii) the vesting of incentive stock options, which results in the recording of amounts for share-based compensation expense that can be quite large in relation to other general and administrative expenses incurred in any given quarter.

### Financing Activities

During the six months ended June 30, 2025, there were no financing activities, compared to the same period in the prior year where \$1,489,792 was received through a non-brokered private placement.

## CANTERRA MINERALS CORPORATION

### MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F

For the six months ended June 30, 2025

#### Investing Activities

During the six months ended June 30, 2025, investing activities consisted of cash payments for acquiring mineral properties of \$23,710 of and cash proceeds from the sale of Star Diamond Corporation shares for \$181,555. In the same period of the prior year there was \$3,311 of cash payments for acquired mineral properties.

#### OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

#### COMMITMENTS

As at June 30, 2025, the Company has an obligation to spend \$2,086,520 by December 31, 2025 (December 31, 2024 - \$4,311,620 by December 31, 2025) in relation to flow-through proceeds.

#### RECENT DEVELOPMENTS AND OUTLOOK

The Company expects to obtain financing in the future primarily through further equity financing. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its exploration and evaluation assets.

#### PROPOSED TRANSACTIONS

The Company does not have any proposed transactions as at the report date, other than what is disclosed in this document.

#### TRANSACTIONS WITH RELATED PARTIES

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.

During the six months ended June 30, 2025 and 2024, compensation paid or payable to key management personnel for services rendered are as follows:

|                                         | Six months<br>ended<br>June 30, 2025 | Six months<br>ended<br>June 30, 2024 |
|-----------------------------------------|--------------------------------------|--------------------------------------|
| Consulting fees                         | \$ -                                 | \$ 84,000                            |
| Wages & Benefits                        | 167,058                              | 90,430                               |
| Share-based compensation <sup>(1)</sup> | 102,942                              | 101,714                              |
| Total                                   | \$ 270,000                           | \$ 276,144                           |

(1) Represents the fair-value of stock options, RSUs and DSUs granted to officers.

## CANTERRA MINERALS CORPORATION

### MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F

For the six months ended June 30, 2025

During the six months ended June 30, 2025 and 2024, amounts paid or payable to related entities to the Company:

|                                                 | Six months<br>ended<br>June 30, 2025 | Six months<br>ended<br>June 30, 2024 |
|-------------------------------------------------|--------------------------------------|--------------------------------------|
| Rent                                            | \$ -                                 | \$ 8,040                             |
| Accounting, investor relations, geology & other | -                                    | 16,100                               |
| Total                                           | \$ -                                 | \$ 24,140                            |

Included in accounts payable at June 30 is \$18,092 and accrued liabilities at June 30, 2025 is \$88,750 (December 31, 2024 - \$60,000) due to related parties.

#### **LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN**

The Company has no operations that generate cash flow. The Company's future financial success will depend on the discovery of one or more economic mineral deposits. This process can take many years, can consume significant resources and is largely based on factors that are beyond the control of the Company and its management.

Management has determined that exploration, evaluation, and related costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

To date, the Company has financed its activities by the private placement of equity securities, consisting of a combination of flow-through and non-flow-through securities, option payments received on properties it has optioned to third parties, sale of marketable securities, as well as funds received from Rand Explorations. In order to continue funding exploration activities and corporate costs, exploration companies are usually reliant on their ongoing ability to raise financing through the sale of equity. This is dependent on a number of factors including positive investor sentiment, which in turn is influenced by a positive climate for the commodities that are being explored for, a company's track record, and the experience and caliber of a company's management. There is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities.

Management has applied judgement in the assessment of the Company continuing as a going concern by taking into account all available information. Management estimates that the going concern assumption is appropriate for at least the next twelve months following the reporting date of these statements.

#### **Cash and Financial Condition**

As of June 30, 2025, the Company had a working capital of \$2,616,024 (December 31, 2024 – \$4,461,500).

The Company does not have any unused lines of credit or other arrangements in place to borrow funds and has no off-balance sheet arrangements. The Company does not use hedges or other financial derivatives.

The Company manages its liquidity risk (i.e., the risk that it will not be able to meet its obligations as they become due) by forecasting cash flows from operations together with its investing and financing activities. Expenditures are adjusted to ensure liabilities can be funded as they become due. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

## **CANTERRA MINERALS CORPORATION**

### **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F**

For the six months ended June 30, 2025

#### **Capital Risk Management**

The Company's objective of capital management is to ensure that it will be able to continue as a growing concern, continue the exploration of mineral properties, and identify, evaluate, and acquire additional resource properties. The capital of the Company consists of shareholders' equity. The Company is meeting its capital risk objectives by successfully raising, from time to time, the required funds through debt and equity.

#### **FINANCIAL INSTRUMENTS**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The fair value of marketable securities is measured based on level 1 of the fair value hierarchy. The fair values of cash and cash equivalents, receivables, land use deposits and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by management under the direction and guidance of the Board of Directors. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

*Credit risk* - Credit risk is the risk of a financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligation. The Company manages credit risk by carrying short-term investments, if any, with investment grade ratings. The Company's receivables consist primarily of sales tax receivable due from federal and provincial government agencies and receivables from exploration partners with whom the Company has established credit policies. The Company does not have a significant concentration of credit risk with any single counter-party. The Company's cash is invested in interest bearing accounts at major Canadian chartered banks. Because of these circumstances, the Company does not believe it has a material exposure to credit risk.

*Interest rate risk* - Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company is not exposed to any significant interest rate risk.

*Liquidity risk* - Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances, asset sales or a combination thereof. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

*Price risk* - The Company is exposed to price risk with respect to commodity, equity and marketable security prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

## **CANTERRA MINERALS CORPORATION**

### **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F**

For the six months ended June 30, 2025

#### **ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES**

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions about future events that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may differ from these estimates.

The most significant areas that require judgement and estimate as the basis for determining the stated amounts include going concern, the recoverability of mineral properties, valuation of share-based payments, and recognition of deferred tax amounts. See *Liquidity, Capital Resources and Going Concern* for details regarding going concern and recoverability of mineral properties.

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Management continuously reviews its estimates, judgements and assumptions on an ongoing basis using the most current information available. Revision to estimates is recognized prospectively.

#### **CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

The International Accounting Standards Board continually issues new and amended standards and interpretations which may need to be adopted by the Company. The Company continually assesses the impact that the new and amended standards and interpretations may have on its financial statements or whether to early adopt any of the new requirements. No new or amended standards and interpretations have affected the condensed interim consolidated financial statements for the six months ended June 30, 2025.

##### **New accounting standards issued but not yet adopted**

IFRS 18 – Presentation and disclosure in the financial statements was issued in April 2024 to provide requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure a company provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The standard is effective for annual periods beginning on or after January 1, 2027 and has not yet been adopted by the Company and is being evaluated to determine the impact.

## **CANTERRA MINERALS CORPORATION**

### **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F**

For the six months ended June 30, 2025

#### **OUTSTANDING SECURITIES AT THE REPORT DATE**

As of the report date, the Company has the following securities outstanding:

| <b>Security</b>               | <b>Number</b> | <b>Weighted<br/>Average<br/>Exercise Price</b> | <b>Expiry Date</b>                 |
|-------------------------------|---------------|------------------------------------------------|------------------------------------|
| Common Shares                 | 343,321,385   |                                                |                                    |
| Warrants                      | 37,084,450    | \$0.08                                         | December 20, 2025 - April 24, 2028 |
| Restricted share units (RSUs) | 984,375       |                                                | December 31, 2028                  |
| Deferred share units (DSUs)   | 1,125,000     |                                                | N/A                                |
| Options                       | 12,972,531    | \$0.14                                         | March 19, 2026 – February 20, 2030 |

#### **SUBSEQUENT EVENTS**

Subsequent to June 30, 2025, the Company sold 5,151,000 shares of Star Diamond Corp. for net proceeds of \$262,266.

#### **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's Statement of Operations and Comprehensive Loss contained in its interim consolidated financial statements for June 30, 2025, that are available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

#### **RISK FACTORS RELATING TO THE COMPANY'S BUSINESS**

As a company involved in the mineral resource exploration and development industry, the Company is exposed to a number of risks, including the financial risks associated with the fact that it has no operating cash flow and must access the capital markets to finance its activities.

Exploration is a capital-intensive business activity, typically with long lead times between the date exploration expenses are incurred and the time the exploration company can derive a profit from such investments. As a consequence, junior exploration companies such as Canterra are very reliant upon accessing the equity markets, as they are not generally in a position to generate cash flow internally. Share prices of companies in the junior exploration sector can be quite volatile and at times there can be a lack of liquidity, if trading volumes decrease to very low levels.

Negotiations with First Nations' and or aboriginal groups can add an additional layer of risk and uncertainty to efforts of exploration and development of mineral deposits in many areas of Canada. The nature and extent of First Nations and or aboriginal rights and title remains the subject of active debate, claims and litigation in Canada, including with respect to intergovernmental relations between First Nation and or aboriginal authorities and federal, provincial and territorial authorities. There can be no guarantee that such claims will not cause permitting delays, or additional costs for the Company's interest in Canada.

There can be no assurances the Company will continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs. The Company may need to further reduce activities if funding is unavailable when required. In addition to this having an impact on its wholly-owned projects, the Company could find itself in a position at a future time where it is unable to fund its share of costs incurred under joint venture agreements or meet earn-in requirements under purchase options agreements to which it is a party and its interest or right to the underlying property interest could be reduced or eliminated as a result. The Company is very reliant upon its existing management and if the services of such personnel were withdrawn for any reason, this could have a material adverse impact on the Company's operating activities.

## **CANTERRA MINERALS CORPORATION**

### **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - FORM 51-102F**

For the six months ended June 30, 2025

There is intense competition within the minerals industry to acquire properties of merit, and the Company competes with other companies possessing greater technical and financial resources than itself. Even if desirable properties are secured, there can be no assurances that the Company will be able to execute its exploration programs on its proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions, or other factors related to exploring in areas that lack infrastructure and where essential supplies and services may not be readily available.

Ultimately, even if the Company is successful in identifying mineral resources on its properties, the economics of potential projects may be affected by many factors beyond the capacity of the Company to anticipate and control, such as the marketability of the mineral products under profitable conditions, government regulations relating to health, safety and the environment, the scale and scope of royalties and taxes on production and demands for "value added" processing within Canada of the minerals produced. One or more of these risk elements could have a material adverse impact on costs of an operation, which, if significant enough, could reduce or eliminate the profitability of a particular project.

The Company's exploration activities require permits from various governmental agencies charged with administering laws and regulations governing exploration, labour standards, occupational health and safety, control of toxic substances, waste disposal, land use, environmental protection and other matters. Failure to comply with laws, regulations and permit conditions could result in fines and/or stop work orders, costs for conducting remedial actions and other expenses. In addition, legislated changes to existing laws and regulations could result in significant additional costs to comply with the revised terms and could also result in delays in executing planned programs pending compliance with those terms.

#### **FORWARD LOOKING INFORMATION**

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the British Columbia Securities Act, the Alberta Securities Act and the Ontario Securities Act. This includes statements concerning the Company's plans at its mineral properties, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the ability of the Company to continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs; inability to fund the Company's share of costs incurred under joint venture agreements or meet the earn-in requirements under purchase options agreements to which it is a party, and reduction or elimination of its interest in the underlying mineral property as a result; competition within the minerals industry to acquire properties of merit, and competition from other companies possessing greater technical and financial resources; difficulties in executing exploration programs on the Company's proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions, or other factors related to exploring in the north, such as the availability of essential supplies and services; factors beyond the capacity of the Company to anticipate and control, such as the marketability of diamonds, government regulations relating to health, safety and the environment, the scale and scope of royalties and taxes on production, and demands for "value added" processing of rough diamonds; unusually mild winter conditions affecting or delaying the opening of the winter roads and resulting in difficulties in transporting materials needed to support various exploration projects and resulting increased costs of transport by air; the availability of experienced contractors and professional staff to perform work in a competitive environment and the resulting adverse impact on costs and performance and other risks and uncertainties, including those described in each management's discussion and analysis of financial condition and results of operations. In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.