

NEWS RELEASE

August 17, 2016

TSX Venture: CTM

**CANTERRA SIGNS AGREEMENT ON THE WEST CARSWELL DIAMOND PROJECT WITH CANALASKA
AND COMMENCES AIRBORNE MAGNETIC SURVEY**

Vancouver, BC – Canterra Minerals Corporation (CTM-TSX.V) (the “Company” or “Canterra”) is pleased to announce that it has signed a property agreement with CanAlaska Uranium Ltd. (**CVV-TSX.V**) (“CanAlaska”) to acquire up to a 70% interest in the West Carswell property (the “Property”) located in the western Athabasca Basin, Saskatchewan. The company also announces the commencement of a detailed 1,770 line kilometer (“km”) airborne magnetic survey over the Property.

The West Carswell property comprises approximately 44,000 hectares within the west Athabasca Kimberlite trend and is located 20 km southwest of De Beers’ / CanAlaska’s Athabasca Diamond Project. The Property encompasses six discrete magnetic anomalies derived from a survey flown in 2011 for the Saskatchewan Geological Survey. These six targets exhibit discrete magnetic lows and are characteristic of magnetic features, thought to be kimberlite pipes, intruding into the thick Athabasca sandstone sequence.

Randy Turner, President and CEO of Canterra stated “We are excited to be working with CanAlaska. CanAlaska has been innovative in their approach to diamond exploration and identified many new targets within northwestern Saskatchewan; a region we believe has the potential to host a new Canadian kimberlite field”.

Peter Dasler, President and CEO of CanAlaska stated “We are very pleased to be working with Canterra, and to be able to use their considerable expertise in diamonds. This is a very interesting group of magnetic targets close to existing infrastructure”.

Pursuant to the agreement, the Company can acquire a 50% interest in the Property by making staged cash payments totaling \$100,000 (\$30,000 upon closing), the issuance of 2,000,000 million shares upon closing and work commitments of \$1,000,000 by the third anniversary of the closing. Upon completion of the 50% earn-in, Canterra and CanAlaska will form a Joint Venture with each party maintaining a 50% ownership. Canterra will have the option to acquire an additional 20% ownership for additional cash payment of \$100,000, an additional issuance of 1,000,000 shares and incurring a further \$4,000,000 within the third anniversary of completion of the initial 50% earn-in. The transaction is subject to approval of the TSX.V.

Bruce Kienlen, P.Geol, Senior Geologist for Canterra is the Qualified Person, as defined by National Instrument 43-101 and has reviewed the technical information in this news release.

About Canterra:

Canterra Minerals is a Canadian resource company specializing in diamond exploration in the Northwest Territories, strategically located between the Snap Lake Diamond Mine and the Gahcho Kué Diamond Project. The Company also maintains a 33% interest in the Buffalo Hills Diamond Project in Alberta and has recently acquired an option to earn 70% in the West Carswell property in Saskatchewan. As leaders of exploration in the junior diamond sector for over 25 years, the Canterra team has been involved in the discovery of two of Canada’s four diamond mines, the Snap Lake Diamond Mine in the South Slave and the Ekati Diamond Mine in Lac de Gras. Location maps can be found on the Company’s website www.canterraminerals.com.

About CanAlaska:

CanAlaska Uranium Ltd. holds interests in approximately 500,000 hectares (1.2 million acres), one of the largest land positions in Canada’s Athabasca Basin region – the “Saudi Arabia of Uranium.” CanAlaska’s strategic holdings has attracted major international mining companies Cameco, Denison, KORES, KEPCO, and the De Beers Group of Companies. CanAlaska is a project generator and is positioned for discovery success in the world’s richest uranium district. For further information visit www.canalaska.com.

CANTERRA MINERALS CORPORATION

“Randy Turner”

Randy Turner, President & CEO

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*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy
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