



NOT FOR DISTRIBUTION TO US NEWS WIRE SERVICES OR FOR DISSEMINATION INTO THE USA

NEWS RELEASE

October 20, 2015

TSX Venture: CTM

CANTERRA CLOSES FIRST TRANCHE OF PRIVATE PLACEMENT AND EXTENDS FINANCING

Vancouver, BC – Canterra Minerals Corporation (CTM-TSX.V) (the “Company” or “Canterra”) announces, further to its news releases dated, July 8, August 21 and September 18, 2015 that it has closed the first tranche of its non-brokered private placement for total gross proceeds of \$500,000 from the sale of 2,738,096 flow-through share units (“Flow-Through Units”) at a price of \$0.08 per Flow-Through Unit and 4,682,547 common share units (“Common Share Units”) at a price of \$0.06 per Common Share Unit. The Flow-Through Units and Common Share Units are collectively referred to herein as the “Offering”. In addition, the Company has extended the closing of its financing to November 18, 2015.

Each Flow-Through Unit consists of one flow-through common share and one-half of one common share warrant (“Non Flow-Through Warrant”), with each such whole warrant entitling the holder there to acquire one non flow-through common share of the Company at a price of \$0.10 per common share until October 19, 2017. In the event the common shares trade at a closing price on the TSX Venture Exchange (the “TSX-V”) of greater than \$0.15 per common share during any twenty (20) consecutive trading-day period at any time after the expiry of the four month hold period, the Company may accelerate the Non Flow-Through Warrant Expiry Date by giving notice to the holders thereof and in such case the Non Flow-Through Warrants will expire on the twenty-first (21) business day after the date on which such notice given to the holders by the Company.

Each Common Share Unit consists of one common share of the Company (a “Common Share”) and one-half of one common share warrant (“Common Share Warrant”), with each whole warrant entitling the holder thereof to acquire one Common Share at a price of \$0.08 per Common Share until October 19, 2017. In the event the Common Shares trade at a closing price on the TSX-V of greater than \$0.15 per Common Share during any twenty (20) consecutive trading-day period at any time after the expiry of the four month hold period, the Company may accelerate the Common Share Warrant Expiry Date by giving notice to the holders thereof and in such case the Common Share Warrants will expire on the twenty-first (21) business day after the date on which such notice given to the holders by the Company.

The Company paid finders’ fees totaling \$3,390 representing 6% of a portion of the gross proceeds raised and issued aggregate finders warrants of 49,500 representing 6% of a portion of the Offering sold. Each of the finders’ warrants are exercisable until October 19, 2016, at a price of \$0.10 per share.

The net proceeds from the Offering will be used by the Company for the upcoming field programs which are being finalized, to follow-up on several target areas warranting additional exploration in the Northwest Territories and general working capital.

Closing of the Offering is subject to receipt of applicable regulatory approvals including the approval of the TSX Venture Exchange. The securities issued in connection with the Offering are subject to a standard four month hold period expiring on February 20, 2016.

Certain directors, officers and insiders of the Company participated in the Offering by acquiring an aggregate of 2,936,166 Common Share Units and 2,188,096 Flow –Through Units (or an aggregate of 5,124,262 shares, assuming exercise of their warrants) for an aggregate subscription of \$351,218. The shares comprising such Common Share Units and Flow Through Units (excluding shares issuable under the warrants) represent approximately 6% of the Company’s currently issued and outstanding shares on a non-diluted basis (or approximately 10%, assuming exercise of their warrants). A material change report relating to the Offering is being filed less than 21 days prior to the closing of the Offering. The shorter period is necessary in order to permit the Company to close the first tranche of the Offering in a timeframe consistent with usual market practice for transactions of this nature.

About Canterra:

Canterra Minerals is a Canadian resource company specializing in diamond exploration with a focus on the Northwest Territories. In total, Canterra holds 97,220 ha in the South Slave Region, with an additional 33% interest in the Buffalo Hills Diamond Project in Alberta where a total of 38 kimberlites have been identified to date. 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 including the Snap Lake Diamond Mine in the Southern Slave and the Ekati Diamond Mine in Lac de Gras.

CANTERRA MINERALS CORPORATION

“Randy Turner”

Randy Turner, President & CEO

For Further Information:

Randy Turner

President & CEO

rturner@canterraminerals.com

Kendra Johnston

Project Geologist

kjohnston@canterraminerals.com

The TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of the content of this news release.