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NEWS RELEASE

January 4, 2012

TSX Venture: CTM

Canterra Closes Private Placement for Gross Proceeds of C\$1.9 Million

Vancouver, BC – Canterra Minerals Corporation (CTM-TSX.V) (the "Company") is pleased to announce the closing of its non-brokered private placement financing announced on December 6, 2011 for gross proceeds of C\$1,972,990 from the sale of 13,153,266 units (the "Units") at a price of C\$0.15 per Unit.

Each Unit consisted of one common share of the Company and one common share purchase warrant entitling the holder to purchase one additional common share at a price of \$0.25 until June 21, 2013. The warrants are subject to an acceleration clause that in the event the Company's common shares trade at a closing price of greater than \$0.50 per share during any twenty consecutive trading-day period, at any time after the expiry of four months, the Company may accelerate the Warrant expiry date to 21 days after the date that the Company provides notice to holders.

In connection with the private placement, the Company paid finders' fees of a 6% cash commission and 6% in warrants on certain of the subscriptions. The Company ultimately paid a total of \$67,529.39 and issued an aggregate of 450,196 warrants. The warrants issued to finders are subject to the same terms, conditions and acceleration clause as the Unit warrants and will also expire on June 21, 2013.

The net proceeds from the Offering will be used by the Company for exploration activities and for general corporate purposes.

Certain insiders of the Company participated in the financing. The Company has determined that there are exemptions available from the various requirements of TSX Venture Policy 5.9 and Multilateral Instrument 61-101 for the issuance of these securities. No new insiders were created, nor has any change of control occurred, as a result of this financing.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person as defined under applicable securities laws unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

CANTERRA MINERALS CORPORATION

"Christopher Mitchell"

Christopher Mitchell, Chief Financial Officer

For further information please contact Investor Relations at 604-687-6644
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