

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

Item 1: **Name and Address of Company**

Canagold Resources Ltd. (“**Canagold**” or the “**Company**”)  
810 – 625 Howe Street  
Vancouver, British Columbia V6C 2T6

Item 2: **Date of Material Change**

October 28, 2021

Item 3: **News Release**

A news release announcing the material change referred to in this report was disseminated on October 28, 2021, through Accesswire and subsequently filed under Canagold’s profile on SEDAR.

Item 4: **Summary of Material Change**

On October 28, 2021, Canagold announced that it had closed its previously announced brokered private placement of flow-through shares of the Company for gross proceeds of \$5.3 million (the “**Offering**”).

Item 5: **Full Description of Material Change**

On October 28, 2021, Canagold announced that it had closed the Offering with Red Cloud Securities Inc. (“**Red Cloud**” or the “**Agent**”), acting as sole agent and bookrunner, for gross proceeds of CAD\$5.3 million. The Offering was previously announced by Canagold in a press release dated September 24, 2021 for gross proceeds of CAD\$5 million. Pursuant to the Offering, the Company issued 10.6 million “flow-through shares”, within the meaning of the *Income Tax Act* (Canada) (the “**Tax Act**”) (each, a “**FT Share**”), at a price of CAD\$0.50 per FT Share.

Proceeds from the sale of FT Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Tax Act and "flow-through mining expenditures" as defined in subsection 127(9) of the Tax Act ("**Qualifying Expenditures**"). Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2021, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of FT Shares. Proceeds from the Offering will be used for to fund eligible exploration expenditures of the Company’s New Polaris gold project in north-western British Columbia.

In connection with the Offering, the Company paid to the Agent an aggregate cash commission of approximately CAD\$253,555. The Company also issued an aggregate of 638,510 broker warrants (the “**Broker Warrants**”). Each Broker Warrant is exercisable to acquire one non flow-through common share of the Company at an exercise price of CAD\$0.75 at any time on or before that date which is 24 months after the closing date of the Offering. The securities issued in the Offering are subject to a four-month plus one day hold period ending on March 1, 2022, in accordance with applicable securities laws and the policies of the Toronto Stock Exchange (the “**Exchange**”). The Offering is subject to the final acceptance of the Exchange.

Item 6: **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

Item 7: **Omitted Information**

Not applicable.

Item 8: **Executive Officer**

For further information, please contact Knox Henderson, VP Corporate Development of the Company, at (604) 416-0337.

Item 9: **Date of Report**

October 29, 2021