

**Form 62-103F1**

***Required Disclosure under the Early Warning Requirements***

**Item 1 – Security and Reporting Issuer**

**1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

***Issuer***

Canagold Resources Ltd.  
1250 – 625 Howe Street  
Vancouver, BC V6C 2T6  
(the “**Issuer**”)

***Securities***

The Acquiror acquired 13,500,000 common shares of the Issuer (“**Shares**”) both directly and indirectly at a deemed price of \$0.21 per Share.

**1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

The acquisition was carried out pursuant to subscription agreements for common shares between the Issuer and the Acquiror and the Issuer and a related party of the Acquiror.

**Item 2 – Identity of the Disposer**

**2.1 State the name and address of the acquiror.**

Sun Valley Investments AG  
Bahnhofplatz 6300  
Zug, Switzerland  
(“**Sun Valley**”)

Sun Valley is organized under the laws of Switzerland.

**2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

On July 28, 2023, Sun Valley acquired, both directly and indirectly through a related party, beneficial ownership of 13,500,000 Shares of the Issuer at a price of \$0.21 per Share pursuant to subscription agreements between the Issuer and Sun Valley and the Issuer and the related party, Goldlogic Corp. (“**Goldlogic**”).

11,421,000 common shares were acquired directly by Sun Valley and 2,079,000 common shares were acquired by Goldlogic.

**2.3 State the names of any joint actors**

Goldlogic Corp.

**Item 3 – Interest in Securities of the Reporting Issuer**

**3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.**

Sun Valley acquired, directly and indirectly, 13,500,000 Shares (the "Acquisition").

Prior to the Acquisition, Sun Valley beneficially owned, or exercised control or direction over 54,838,133 Shares in the capital of the Issuer, which was equal to 40.06% of the issued and outstanding Shares of the Issuer.

Following the Acquisition, Sun Valley beneficially owns, or exercises control or direction over 68,338,133 Shares in the capital of the Issuer, which is equal to 43.28% of the issued and outstanding Shares of the Issuer.

**3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

Sun Valley acquired, both directly and indirectly, an aggregate of 13,500,000 Shares of the Issuer.

**3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not Applicable.

**3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

See Item 3.1.

**3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

- (a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See 3.1 above

- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not Applicable.

- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not Applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not Applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not Applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not Applicable.

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

The Acquiror paid \$0.21 per Share for a total consideration of \$2,835,000.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities,

**including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 4.1 above.

**4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

**Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

**(a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**

Depending on market conditions and other factors, Sun Valley may in the future increase or decrease its ownership, control or direction over the common shares of the issuer through market transactions, private agreements or otherwise.

**(b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**

Not applicable.

**(c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**

Not applicable.

**(d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**

Not applicable.

**(e) a material change in the present capitalization or dividend policy of the reporting issuer;**

Not applicable.

**(f) a material change in the reporting issuer's business or corporate structure;**

Not applicable.

- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**

Not applicable.

- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**

Not applicable.

- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**

Not applicable.

- (j) a solicitation of proxies from securityholders;**

Not applicable.

- (k) an action similar to any of those enumerated above.**

Not applicable.

#### **Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

**Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.**

Not Applicable.

#### **Item 7 – Change in Material Fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

Not Applicable.

## **Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not Applicable.

## **Item 9 – Certification**

**The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.**

**This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.**

**It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.**

### **Certificate**

I, as the acquiror, certify, or I, as the agent filing this report on behalf of a acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated this 28<sup>th</sup> day of July, 2023

**SUN VALLEY INVESTMENTS AG**

*"Daniel Henao"*

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Name: Daniel Henao

Title: Partner - VP Business Development