



## CANAGOLD RESOURCES LTD.

### RIGHTS OFFERING NOTICE

Notice to Security Holders – November 4, 2022

**We currently have sufficient working capital to fund Canagold and advance the New Polaris project for approximately 3 months. We require 100% of the offering in order to fund Canagold and advance the New Polaris project for approximately 12 months.**

The purpose of this notice is to advise holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Canagold Resources Ltd. (“**Canagold**”) of a proposed offering of rights (“**Rights**”) of Canagold (the “**Rights Offering**”).

References in this notice to “we”, “our”, “us” and similar terms are to Canagold. References in this notice to “you”, “your” and similar terms are to the Shareholders.

#### 1. Who can participate in the rights offering?

We are issuing to the registered and beneficial Shareholders of Common Shares of record at the close of business on November 10, 2022 (the “**Record Date**”) rights to subscribe for Common Shares on the terms described in our Rights Offering circular (the “**Rights Offering Circular**”). Each Shareholder of record at market close on the Record Date who is resident in an Eligible Jurisdiction (as defined below) may participate in the Rights Offering.

#### 2. Who is eligible to receive rights?

The offer of these securities is made in (i) all provinces and territories of Canada except Quebec, (ii) each state of the United States (excluding Arizona, Arkansas, California, Minnesota, Ohio, Utah and Wisconsin), and (iii) in all jurisdictions outside Canada and the United States excluding any jurisdiction that does not provide a prospectus exemption substantially similar to the exemption provided in Canada or that otherwise requires obtaining any approvals of a regulatory authority in such jurisdiction or the filing of any document by Canagold in such jurisdiction in connection with this offering (collectively, the “**Eligible Jurisdictions**”). In addition, the offering is not being made in jurisdictions where Canagold is not eligible to make such offer. The Rights are being offered only to Shareholders resident in Eligible Jurisdictions (“**Eligible Holders**”).

The offer and sale of the Common Shares issuable upon exercise of the Rights within the United States is being registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”). Notwithstanding registration under the U.S. Securities Act, the securities or “blue sky” laws of certain states (including Arizona, Arkansas, California, Minnesota, Ohio, Utah and Wisconsin) may restrict exercise of the Rights. Shareholders in, or that hold their securities for the account or benefit of any person in, such jurisdictions will not be permitted to exercise their Rights but may transfer the Rights outside of the United States in accordance with Regulation S under the U.S. Securities Act.

This notice is not to be construed as an offering of the Rights, nor are the Common Shares issuable upon exercise of the Rights offered for sale, in any jurisdiction outside the Eligible Jurisdictions or to Shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions (“**Ineligible Holders**”).

Ineligible Holders will not receive a DRS Advice (as defined below), but will be sent a letter describing how Ineligible Holders may (i) participate in the Rights Offering, in Canagold’s discretion, or (ii) transfer their Rights. If Ineligible Holders do not satisfy Canagold of their eligibility to participate in the Rights Offering or notify and provide transfer instructions to Computershare Investor Services Inc. (the “**Rights Agent**”), the subscription agent retained by the Canagold in connection with the Rights Offering, on or before 2:00 p.m. (Pacific time) (the “**Expiry Time**”) on December 9, 2022 (the “**Expiry Date**”), their Rights may not be

exercised. Instead, the Rights Agent will attempt to sell any remaining such Rights for the account of the registered Ineligible Holders. The Right Agent will distribute the proceeds from such sale, if any, pro rata to the registered Ineligible Holders. Any Rights remaining unexercised by the Expiry Time will be null and void.

### 3. How many rights are we offering?

We are offering a maximum of 91,259,596 Rights to Eligible Holders on the Record Date to purchase up to an aggregate of 45,629,798 Common Shares.

### 4. How many rights will you receive?

We are offering each Eligible Holder one (1) Right for every one (1) Common Share held as of the Record Date. No fractional Rights will be issued. The holder's entitlement will be reduced to the next lowest whole number of Rights.

### 5. What does one right entitle you to receive?

Each two (2) Rights entitles an Eligible Holder to one (1) Common Share at a subscription price of \$0.175 per Common Share (the "**Basic Subscription Privilege**") until the Expiry Time on the Expiry Date.

Any Eligible Holder who exercises all of their Rights under the Basic Subscription Privilege will also have the additional privilege of subscribing, pro rata, for additional Common Shares at the subscription price (the "**Additional Subscription Privilege**"). The Common Shares available under the Additional Subscription Privilege will be those Common Shares issuable in the Rights Offering that have not been subscribed and paid for under the Basic Subscription Privilege by the Expiry Time.

Any Eligible Holder who exercises their Rights must enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Computershare Investor Services Inc., Canagold's rights agent on or before the Expiry Time on the Expiry Date.

### 6. How will you receive your rights?

**Registered Eligible Holders** – If you are a registered Eligible Holder of Common Shares, a DRS advice (a "**DRS Advice**") representing the total number of Rights that you are entitled to as of the Record Date and a subscription form (a "**Subscription Form**") are enclosed with this notice.

**Beneficial Eligible Holders** – You are a beneficial Eligible Holder of Common Shares if you hold your Common Shares through a securities broker or dealer, bank or trust company or other participant (a "**Participant**") in the book-based system administered by CDS Clearing and Depository Services Inc. ("**CDS**"). The total number of Rights to which all beneficial Eligible Holders as of the Record Date are entitled will be issued to and deposited with CDS following the Record Date. If you are a beneficial Eligible Holder, we expect you will receive a confirmation of the number of Rights issued to you from the applicable Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holding Rights.

### 7. When and how can you exercise your rights?

The period to exercise the Rights expires at the Expiry Time on the Expiry Date.

If you are a registered Eligible Holder who receives a DRS Advice, you must complete and deliver your Subscription Form on or before the Expiry Time on the Expiry Date to the Rights Agent as follows:

*By Hand Delivery or Courier:*

Computershare Investor Services Inc.  
8th Floor, 100 University Avenue

*By Mail:*

Computershare Investor Services Inc.  
PO Box 7021  
31 Adelaide Street East

Toronto, Ontario M5J 2Y1  
Attention: Corporate Actions

Toronto, Ontario M5C 3H2  
Attention: Corporate Actions

If you are a beneficial Eligible Holder, you must arrange exercises, transfers or purchases of Rights through your Participant on or before the Expiry Time on the Expiry Date or such earlier time as required by your Participant. We expect that each beneficial Eligible Holder will receive a customer confirmation of issuance or purchase, as applicable, from their Participant through which the Rights are issued in accordance with the practices and policies of such Participant.

**8. What are the next steps?**

**This notice contains key information that you should know about Canagold. You can find more details in our Rights Offering Circular, a copy of which can be obtained on Canagold's profile at [www.SEDAR.com](http://www.SEDAR.com) or you can ask your dealer representative for a copy, or contact Canagold at 604-685-9700. You should read the Rights Offering Circular, along with Canagold's continuous disclosure record, to make an informed decision.**

Dated November 4, 2022

*(signed) "Catalin Kilofliski"*  
Catalin Kilofliski  
Chief Executive Officer  
Canagold Resources Ltd.