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Canagold Optionee Getchell Gold Corp. Reports Broad High-Grade Gold Drill Intercepts at Fondaway Canyon, Nevada

Vancouver, Canada -January 27, 2021 – Canagold Resources Ltd. (TSX: CCM, OTC-QB: CRCUF, Frankfurt: CAN) is pleased to announce the results of the first three drill holes by Getchell Gold Corp. from their maiden six-hole 1,995 metre drill program at the Fondaway Canyon Gold Project in Nevada. (See Figure 1 Fondaway Central Area Plan Map)

Getchell can acquire a 100% interest in Fondaway Canyon from Canagold by paying US$4 million in cash payments and share issuances and incurring annual exploration expenditures on the property (See news release of January 7, 2020). Upon exercise of the option Canagold will retain a 2% NSR on the Project.

Key Highlights

- Assay results have been returned for the first three holes from the 2020 drill program at Fondaway (See Table 1 Fondaway 2020 Drill Interval Highlights)
- Holes FCG20-02 and 03 were drilled in the Central Area to test the down-dip extension of the Colorado Zone mineralization (See Figure 2 - Colorado-Pack Rat Long Section)
- Multiple gold zones were intersected in hole FCG20-02 including a new high-grade gold zone above the modelled Colorado Zone mineralization and closer to surface;
- **The new high grade gold zone assayed 6.2 grams per tonne (g/t) gold (Au) over 21.9 meters (m)** including **9.6 g/t Au over 12.0m**, and **20.4 g/t Au over 3.2m**;
- In addition, holes FCG20-02 and 03 both intersected broad intervals of mineralization down-dip of the Colorado Zone with higher than anticipated gold grades
- Hole FCG20-02 intersected **1.9 g/t Au over 43.5m** and **4.2 g/t Au over 14.9m**
- Hole FCG20-03 intersected **4.3 g/t Au over 21.1m** including **8.7 g/t Au over 9.4m** and **2.0 g/t Au over 49.0m**
- Hole FCG20-01 drilled 2.3km to the west at the Pediment Target Area was lost within a fault zone prior to reaching the target depth. Additional drilling is planned for this prospective target; and
- Assays are still pending for holes FCG20-04 to FCG20-06 drilled in the Central Area.
- Hole 4 targeted the Halfmoon zone, assays pending
- Holes 5 and 6 targeted the Colorado zone down dip of holes 2 and 3, assays pending

Sampling and Assay Methods

The 2020 drill core was cut at Bureau Veritas Laboratories' ("BVL") facilities in Sparks, Nevada, with the samples analyzed for gold and multi-element analysis in BVL's Sparks, Nevada and Vancouver, BC laboratories respectively. Gold values were produced by fire assay with an Atomic Adsorption finish on a 30-gram sample (BV code FA430) with over limits re-analyzed using method FA530 (30g Fire Assay with gravimetric finish). The multi-element analysis was performed by ICP-MS following aqua regia digestion on a 30g sample (BV code AQ250). Quality control measures in the field included the systematic insertion of standards and blanks.

USA Gold Land Package

Fondaway Canyon is one of 11 gold-silver properties in the USA acquired by Canagold in 2017. Four of these properties are currently optioned out to third parties. Canagold continues to receive expressions of interest in the remaining 7 properties in Nevada, including the Corral Canyon project.

Canagold is focused on creating shareholder value by advancing its flagship New Polaris Gold Project and acquiring new gold properties with compelling discovery potential.

Qualified Person

Garry Biles, P.Eng, President & COO for Canagold Resources Ltd, is the Qualified Person who reviewed and approved the contents of this news release.

"Scott Eldridge"

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Scott Eldridge, Chief Executive Officer
CANAGOLD RESOURCES LTD.

About Canagold - Canagold Resources Ltd. is a growth-oriented gold exploration company focused on generating superior shareholder returns by discovering, exploring and developing strategic gold deposits in North America. Canagold shares trade on the TSX: CCM and the OTCQB: CRCUF.

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Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the United States private securities litigation reform act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation. Statements contained in this news release that are not historical facts are forward-looking information that involves known and unknown risks and uncertainties. Forward-looking statements in this news release include, but are not limited to, statements with respect to the future performance of Canagold, and the Company's plans and exploration programs for its mineral properties, including the timing of such plans and programs. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "has proven", "expects" or "does not expect", "is expected", "potential", "appears", "budget", "scheduled", "estimates", "forecasts", "at least", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others risks related to the uncertainties inherent in the estimation of mineral resources; commodity prices; changes in general economic conditions; market sentiment; currency exchange rates; the Company's ability to continue as a going concern; the Company's ability to raise funds *through equity financings; risks inherent in mineral exploration; risks related to operations in foreign countries; future prices of metals; failure of equipment or processes to operate as anticipated; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals; government regulation of mining operations; environmental risks; title disputes or claims; limitations on insurance coverage and the timing and possible outcome of litigation. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, do not place undue reliance on forward-looking statements. All statements are made as of the date of this news release and the Company is under no obligation to update or alter any forward-looking statements except as required under applicable securities laws.*