

Press Release – September 24, 2019

CALIFORNIA GOLD CLOSES SECOND TRANCHE OF SECURED CREDIT FACILITY

Toronto, Ontario - California Gold Mining Inc. ("California Gold" or the "Company") (CSE: CGM) (OTC-QX: CFGMF) is pleased to announce that the second advance for US\$1.5 million of the total US\$3.0 million credit facility, previously announced in a press release on July 17, 2019, has now been completed with Toronto-based alternative credit firm Romspen Investment Corporation ("Romspen"). The terms of the second advance are substantially similar to those set forth in the July 17, 2019 press release.

Update on Outdoor Hemp Cultivation in Illinois

Following the purchase of the private 82.42-acre Grove Road Farm in Kendall County, Illinois in July 2019, the Company commenced outdoor cultivation of high-CBD hemp biomass on approximately 40 acres. The biomass is expected to be harvested in the third/fourth week of October 2019.

Management is currently negotiating a contract for third-party, post-harvest processing of biomass, including drying, shucking (separation of high-CBD flower from other parts of the plant), storage and transportation.

After conducting due diligence on numerous third-party extraction/isolation companies, management has identified the ideal processor of the Company's high-CBD biomass. A fixed-price, toll-processing contract is in the final stages of negotiation with the selected processing company, and is expected to be ratified by the Company's Board of Directors in the coming days.

Use of Proceeds

This second advance of US\$1.5 million from Romspen will be used for the development of a greenhouse-based seed propagation operation on the Grove Road Farm and for working capital for the outdoor cultivation operation.

Management is also investigating the viability of purchasing significant amounts of additional third-party, high-CBD industrial hemp biomass, and toll-processing it through the selected extraction/isolation company, thereby providing additional revenue independent of the revenue projected from the Grove Road Farm.

The Company is currently negotiating off-take agreements with numerous nutraceutical and cosmeceutical companies for the extract/isolate projected to be produced from the toll-extraction process.

About California Gold Mining Inc.

California Gold Mining Inc. is focused on continued development of a high-quality gold resource on its 100%-owned Fremont property in Mariposa County, California. The Fremont property consists of an entirely private and patented land package totaling 3,351 acres of historically producing gold mines, with a state highway, PG&E electric substation and abundant water present on the property itself. The Fremont property lies within California's prolific Mother Lode Gold Belt that has produced over 50 million ounces of gold. The Company purchased the Fremont property in March 2013.

The Company is also in the process of establishing an outdoor, high-CBD industrial hemp biomass cultivation operation along with greenhouse-based propagation of high-CBD industrial hemp seed on the newly-acquired Grove Road Farm property in Kendall County, Illinois. The Company plans to use a portion of cash flow from

its hemp biomass and hemp seed operations to continue development of its gold business, with minimal dilution for shareholders.

The Company's technical report in respect of the Fremont Property prepared pursuant to National Instrument 43-101 is available on SEDAR at www.sedar.com and on the Company's website at www.caligold.ca.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release of California Gold contains statements that constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause California Gold's actual results, performance or achievements, or developments in the industry to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding the use of proceeds from the financing, the timing of operations in the greenhouse, the Company's industrial hemp seed project and its potential success, the Company's industrial hemp biomass cultivation project and its potential success, the ability to negotiate and finalize an agreement with the third-party for post-harvest processing of biomass and the Company's plans to purchase significant amounts of additional third-party, high-CBD industrial hemp biomass. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated by such statements and could materially affect the Company's results of operations. Readers are cautioned not to place undue reliance on forward looking statements in this press release. California Gold does not undertake any obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change, unless otherwise required by law.

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

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