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Press Release – January 12, 2016

CALIFORNIA GOLD REPORTS SUCCESFUL RESULTS FROM PROPERTY-WIDE AIRBORNE MAGNETIC & RADIOMETRIC SURVEY AT THE FREMONT PROJECT

Toronto, Ontario – California Gold Mining Inc. ("California Gold" or the "Company") announced today the results of a recently concluded high-resolution, property-wide helicopter-borne magnetic and gamma-ray geophysical survey and interpretation at its flagship Fremont Property (the "Property") in Mariposa County, California. The survey was conducted by Geotech Ltd. ("Geotech") and involved the collection of geophysical data and colour air photographs along a total survey length of 810 line-kilometres at a nominal line-spacing of 25 metres. SRK Consulting (Canada) Inc. ("SRK") was retained to verify the validity of the survey, and to provide a comprehensive structural geology interpretation of the survey results.

A thorough review of the geophysical survey, and its subsequent structural interpretation, has yielded the following positive findings:

- Very strong correlation between the results of the geophysical survey and the results of the previously conducted surface geological mapping program that delineated extensive new, previously unexplored, zones of mineralization (originally discussed in the Company's December 4, 2014 press release);

- ~2.5 kilometres of un-interrupted prospective mineralized strike length in the main shear zone trending NNW-SSE through the middle of the Property encompassing (from north to south) the Queen Specimen Succedo target, the Crown Point target and the Pine Tree-Josephine target;

- ~2.0 kilometres of prospective mineralized strike length at the WNW-ESE trending Golden Slope target located on the eastern half of the Property, interpreted to be a major lithological boundary;

- ~1.5 kilometres of prospective mineralized strike length at the NNW-SSE trending Ogle Canyon target located on the western half of the Property, interpreted to be a major lithological boundary;

- Presence of a major dilational-jog in the main shear zone at the Queen Specimen Succedo target which has the potential to significantly widen the mineralized zone at this target;

- Presence of significant folding at the Queen Specimen Succedo target which has the potential to cause a repetition of the mineralized zone at this target, thereby increasing its attractiveness as a future prospective exploration area; and

- A much-improved understanding of the overall structural regime including the significance of major structures that control the extent and orientation of gold mineralization at Fremont.

Vishal Gupta, California Gold's President and CEO, said, "These results are a testament to the tremendous quality of the Fremont Property and the competence of the Company's technical team. We have demonstrated a strong correlation between the results of the airborne geophysical survey and the previously completed surface geological mapping program at Fremont. We are delighted to get corroboration on the extent and prospective nature of the newly discovered zones of mineralization at Fremont, and look forward to the results of the exploratory drilling that is currently being conducted on these zones as part of the Company's ongoing Phase III drill program."

Details of the Geophysical Survey & Structural Interpretation of Survey Results

Geotech conducted a helicopter-borne geophysical survey at the Fremont Property from October 12th to 29th, 2015. The survey acquired geophysical data over 810 line-kilometres, with a nominal spacing of 25 metres between survey lines.

SRK utilized the data provided by Geotech, along with the data collected by the Company's technical team during the 2014 surface geological mapping program, and the data collected by SRK during a preliminary structural study of the Property in the spring of 2014, to complete a comprehensive interpretation of the Property's structural and lithological regime.

SRK's interpretation of the geophysical data sets correlated very well with the previous structural analysis conducted by SRK, and the Company's surface geological mapping program in 2014. The greatest structural complexity in the area exists within, and proximal to, the Melones shear zone where two phases of early (reverse and strike-slip) deformation are preserved. In addition, a set of late west-northwest trending brittle faults has been identified, and better definition of the location of major lithological breaks has been achieved.

Analysis of the geophysical data sets, in particular the gamma-ray spectrometry data sets (including Thorium radioactivity signature), shows that the historic French and Tractor deposits are located at, or proximal to, major lithological breaks, that correlate well with the Company's previously delineated Golden Slope and Ogle Canyon targets, respectively. It is expected that a rheological contrast between the different rock types, in addition to the presence of favourable structures, would have created enhanced fluid-flow and mineral precipitation in these areas.

Towards the north of the Property, a right-stepping bend in the Melones shear zone between the Queen Specimen Succedo and Crown Point targets has resulted in considerable dilation of the shear zone. The dilation of the shear zone at a right stepping bend is in agreement with the interpretation of D2 dextral strike-slip movement. Form line mapping in this area suggests that the widening of the shear zone may, in part, also be related to the location of tight to isoclinal fold hinges within the shear zones. While mineralization is interpreted to be associated with D1 reverse fault development, the widening of the structure in which the majority of known mineralization is hosted suggests that this area is considered to be highly prospective.

Maps showing the recently delineated mineralized targets, the magnetic calculated vertical derivative from the geophysical survey, and an illustration of the dilational-jog and folding at the Queen Specimen Succedo target can be viewed in Appendices A, B and C, respectively.

Mr. Vishal Gupta, the Company's President & CEO has reviewed and approved this press release. Mr. Gupta is a P.Geo. registered with the Association of Professional Geoscientists of Ontario (APGO), and a Qualified Person (QP) as defined under National Instrument 43-101.

About California Gold Mining Inc.

California Gold Mining Inc. is focused on developing its flagship Fremont gold project in Mariposa County, California. The project consists of a land package totaling 3,351 acres of historically producing gold mines. The Fremont Property lies within California's prolific Mother Lode Gold Belt that has produced over 50 million oz of gold historically. The Company purchased the property in March 2013.

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 expected benefits and results to be realized from the geophysical survey as well as the mineralization of the targets referred to herein. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements, and readers are cautioned not to place undue reliance on these forward looking statements. Any factor could cause actual results to differ materially from California Gold's expectations. California Gold undertakes no 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.

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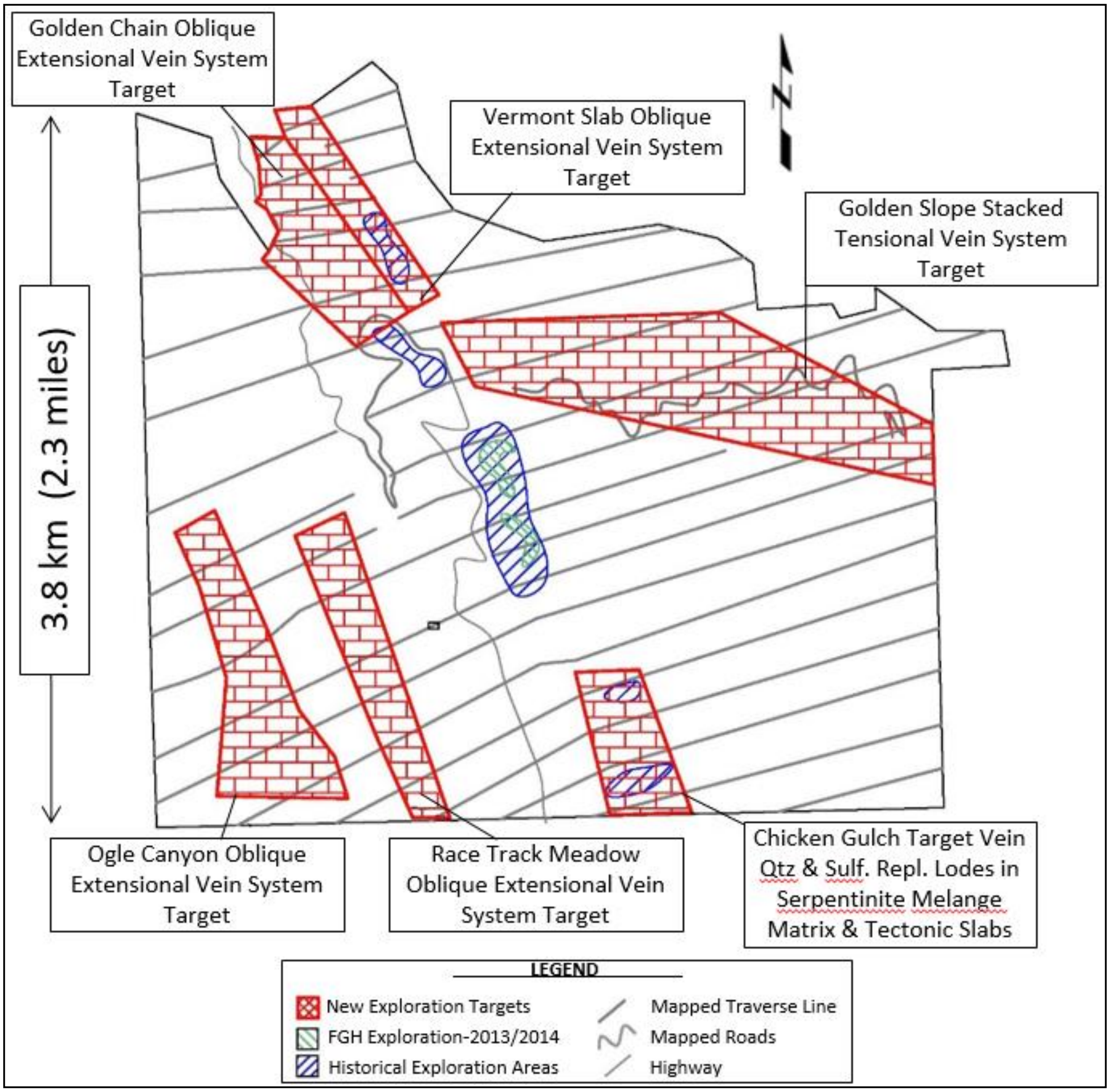
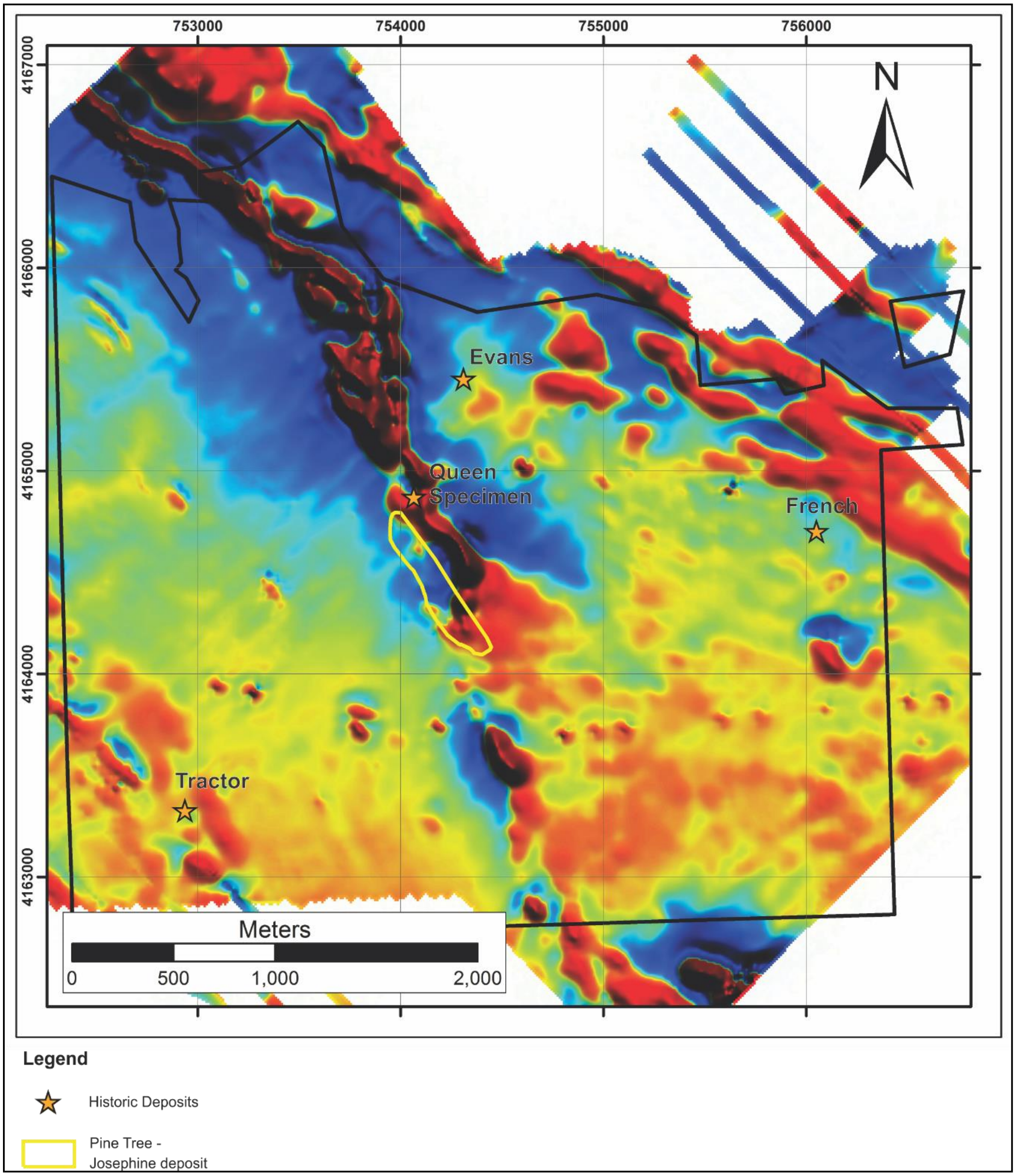
Appendix A

Location of the Newly Mineralized Targets Discovered During the Surface Geological Mapping & Sampling Program in 2014



Appendix B

Magnetic Calculated Vertical Derivative Map from the Airborne Geophysical Survey



Appendix C

Map Illustrating Dilational-Jog and Folding at Queen Specimen Succedo Target