

Press Release – August 17, 2020

CALIFORNIA GOLD ANNOUNCES REALIZATION OF REVENUE FROM SALE OF CBD ISOLATE

Toronto, Ontario - California Gold Mining Inc. ("California Gold" or "CGM" or the "Company") (CSE: CGM) (OTC-QX: CFGMF) is pleased to announce the realization of revenue from the sale of the first tranche of CBD Isolate produced from its wholly-owned hemp biomass, as per the sale agreement announced on January 29, 2020.

Details of the sale are as follows:

- Total quantity of CBD Isolate sold in this first tranche is 71 kilograms;
- Total revenue generated is US\$248,500;
- Sale price is US\$3,500 per kilogram of CBD Isolate;
- Cost of Goods Sold associated with the production and sale of CBD Isolate is approximately US\$2,450 per kilogram; and
- Gross Margin from the sale of this first tranche is 30%.

CGM's current inventory of bulk hemp-CBD products equates to over 1,250 kilograms of CBD Isolate. Following the sale of this initial tranche, the Company's management expects to complete sales of successive tranches on a regular basis until the entire inventory of CBD Isolate is sold.

California Gold's President and CEO, Mr. Vishal Gupta stated, "For a junior company that has never realized any meaningful revenue in its entire history, the completion of this first sale is a truly extraordinary feat. What makes today's announcement an even more impressive achievement is that the Company was able to generate a Gross Margin of 30% on this first sale despite the devastating price compression that the US hemp-CBD industry has been reeling from since last December."

Mr. Gupta goes on to say, "We have had a significant delay in achieving our sales objectives, primarily due to the onset of the global COVID-19 pandemic in March. Our toll-processing partners in North Carolina suffered crippling restrictions to their extraction and isolation operations as a result of the continually high COVID-19 infection rates in the state. Some of those restrictions were eased recently, which allowed the CBD Isolate production to re-start at their facility, culminating in the completion of our first sale. We plan to complete sales of additional tranches of CBD Isolate on a regular basis going forward."

Management expects to complete the sale of a second tranche of CBD Isolate in the next 15 days. The Company's Board of Directors continues to investigate the economics of purchasing additional batches of hemp biomass in order to produce and eventually sell additional refined products once the sale of the current inventory of refined products is complete.

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 also has an outdoor, high-CBD industrial hemp biomass cultivation operation on its Grove Road Farm property totaling 82 acres of agricultural farmland 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 (i) potential sales of CBD Isolate and the timing of such sales, (ii) the ability of the Company to achieve similar gross margin on future sales of CBD Isolate to the gross margin received on the sale disclosed in this press release and (iii) the Company's plans to acquire additional 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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