California Gold Reports Excellent Recoveries and High-Grade Sulphide Concentrate in Pea-Level Metallurgical Testing at Fremont

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Toronto, Ontario (FSCwire) - California Gold Mining Inc. (“California Gold” or the “Company”; CGM - TSXV) is pleased to announce results from its ongoing preliminary metallurgical test program at the laboratories of Inspectorate Metallurgical Division of Bureau Veritas Commodities Canada Ltd. (Inspectorate) in Richmond, BC where samples of both oxide and sulphide mineralized zones were processed from its 100%-owned flagship Fremont property (the “Property” or “Fremont”) in Mariposa County, California.

The Preliminary Economic Assessment (PEA) level test-work was performed on the following three metallurgically significant mineralization types identified on the Property:

- Quartz-Hosted Mineralization (QTZ)
- Sulphide Replacement Mineralization (SRM)
- Oxide Cap Mineralization (OXC)

Based on the Company’s review of the historic work performed on the project by previous operators, and an analysis of the drill core produced during the Company’s recently concluded Phase I and Phase II drill programs, it is estimated that the QTZ, SRM and OXC mineralization types represent approximately 40%, 50% and 10% of the mineralized zone at the Pine Tree-Josephine deposit by estimated tonnage, respectively. Highlights from the batch metallurgical testing are as follows:

- Gold concentrate grade of 139 g/t (4.5 oz/t) and recoveries of 93.6% achieved through a combination of gravity and flotation for QTZ composite sample.
- Gold concentrate grade of 58 g/t (1.9 oz/t) and recoveries of 85.6% achieved through a combination of gravity and flotation for SRM composite sample.
- Gold recoveries of 93% achieved over 10 days through a coarse bottle roll cyanide leach test on a minus 25mm (~1 inch) OXC composite sample.

Locked cycle tests using a combination of gravity and flotation techniques are expected to further improve grades and/or recoveries on the SRM and QTZ composites.

The Company’s Interim President & CEO, Mr. Chad Williams states, “We are delighted that to-date the results of the metallurgical test-work have exceeded our expectations in terms of the oxide leach recoveries, the sulphide concentrate recoveries and the sulphide concentrate grades. Furthermore, since this is just the first phase of metallurgical testing, we hope to fine-tune the test parameters and work towards enhancing these initial results in subsequent phases.”

Mr. Williams also adds, “The excellent gold recoveries and the high-grade nature of the sulphide concentrates indicate that a combination of gravity and flotation offers a technically viable processing option for both the QTZ and SRM mineralization present at Fremont. In addition, the high gold extraction rate achieved through the coarse bottle roll cyanide leach test indicates excellent heap leach potential for the OXC component of the mineralization at Fremont.”

Further results from the metallurgical testing shall be released when they are received. As announced on July 28, 2014, the Company is conducting a property-wide surface geological mapping program at Fremont, at the completion of which, the first detailed geological map of the property shall be compiled. The Company’s management team views this mapping program as a critical step in identifying the full mineralization potential for the entire land package, and delineating additional targets for future exploration.

Summary Results of the Metallurgical Test Program

This PEA-level metallurgical test program was designed by the Company’s Vancouver-based

metallurgical consultant BOMENCO (Bolu Mineral Engineering & Consulting) Inc., with the objective of developing a precious metals recovery process for the various metallurgical mineralization prevalent at the Fremont Property. The test-work was conducted on three split drill core composite samples from the Company’s recently concluded Phase II drill program and included the following major investigations.

Head Sample Analysis

Representative head samples of the three composites were analyzed and the analysis for the elements of prime interest is listed below:

Element	Unit	OXC	QTZ	SRM
Gold	g/t	2.19	3.74	2.79
Silver	g/t	1.5	1.2	1.4
Sulphur	%	0.02	0.86	1.88

Comminution Tests

Samples from the SRM and QTZ composites were tested for hardness using the Bond Ball Mill Work Index test. The results at 12.3 kWh/tonne and 14.3 kWh/tonne for the SRM and QTZ samples, respectively indicate that the two mineralization types are medium-soft to medium in hardness.

Coarse Bottle Roll Cyanide Leach Tests

A 10-day bottle roll cyanide leach test on a 50kg minus 25mm (~1 inch) OXC composite sample was conducted. Results indicated that a gold recovery of 93%, and a silver recovery of 75%, was achieved. The leach kinetics plot indicated that higher recoveries may be achieved for residence times longer than 10 days. The results indicate that there is good heap leach potential for the OXC composite materials and in order to further investigate the heap leach characteristics, further testing such as a column heap leach, will be considered.

Flotation Tests

Batch rougher kinetics flotation tests using conventional flotation conditions and reagents were conducted on the SRM and QTZ composite samples at grind sizes of 80% passing 150 and 75 microns. The variation in grind size appeared to have minimal effect on the metallurgy or concentrate grade and recovery.

Batch rougher-cleaner flotation tests conducted on the two composite samples at a primary grind size of 80% passing 150 microns and a target regrind size of 35 microns indicated that overall third cleaner concentrate recovery for the SRM composite sample was 69% at a concentrate grade of 71 g/t gold, while the QTZ composite sample showed an overall third cleaner recovery of 80% for a cleaner concentrate grade of 214 g/t gold.

Gravity Tests

Gravity concentration tests were conducted on both SRM and QTZ composites using a laboratory centrifugal gravity separator at a grind size of 80% passing 150 microns. The results for the QTZ sample showed that a gravity cleaner concentrate recovery of 36% was achieved at a cleaner concentrate grade of 786 g/t (>25 oz/t) while a projected 50% of the gold was potentially recoverable into a cleaner gravity concentrate assaying ~310 g/t (~10 oz/t). The SRM sample showed a 13% gold recovery at a cleaner concentrate grade of 225 g/t (>7 oz/t) while a projected 30% of the gold was potentially recoverable into a cleaner gravity concentrate assaying 150 g/t (~5 oz/t)

Combination of Gravity & Flotation Tests

The SRM and QTZ composite samples were each ground to 80% passing 150 microns and subjected to a rougher-cleaner flotation preceded by a scalping centrifugal gravity separation stage where a cleaner gravity concentrate and a gravity tailings product were produced. A rougher-cleaner flotation test was subsequently

conducted on gravity tailings using a target regrind size of 80% passing 30 microns.

The SRM composite sample achieved a combined gold recovery of 85.6% between the cleaner gravity concentrate and third cleaner flotation concentrate at a weighted average gold grade of 58 g/t (1.9 oz/t). The corresponding silver recovery for the combined concentrate was 69% at a grade of 30 g/t (1 oz/t). The gravity concentrate gold recovery was 7% at 230 g/t (>7.4 oz/t).

The QTZ composite sample achieved a combined gold recovery of 93.6% between the cleaner gravity concentrate and cleaner flotation concentrate at a weighted average gold grade of 139 g/t (4.5 oz/t). The corresponding silver recovery for the combined concentrate was 76% at a grade of 71 g/t (2.3 oz/t). The gravity concentrate gold recovery was 39% at 1,636 g/t (52.6 oz/t).

About California Gold Mining Inc.

California Gold Mining Inc. (formerly Upper Canada Gold Corp. TSX-V:UCC) is focused on exploring and then 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.

Qualified Persons (QPs), as defined under National Instrument 43-101 regulations, who are responsible for the technical content of this press release are as follows:

Metallurgical Content: Mr. H.M. Matt Bolu, Principal Metallurgical Engineer of BOMENCO Inc., and the Company's metallurgical consultant, who is a P.Eng. registered with the Association of Professional Engineers and Geoscientists of BC (APEGBC).

Geology and Other Content: Mr. Vishal Gupta, the Company's Chief Operating Officer who is a P.Geo. registered with the Association of Professional Geoscientists of Ontario (APGO).

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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 planned exploration work on the Company’s Fremont Property, and the timing of the receipt of metallurgical test results by the Company as well as whether results can be released. 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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