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CALIFORNIA GOLD MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2014 AND 2013

This report provides a discussion and analysis of the financial condition of California Gold Mining Inc. to enable a reader to assess material changes in the financial condition between November 30, 2014 and August 31, 2014 and results of operations for the three months ended November 30, 2014 and 2013. This Management's Discussion and Analysis is intended to supplement and complement the unaudited Condensed Interim Consolidated Financial Statements for the three months ended, and as at, November 30, 2014 and 2013 (collectively the "Interim Financial Statements"). Accordingly, this report should be read in conjunction with the Interim Financial Statements. Certain notes to the Interim Financial Statements are specifically referred to in this Management's Discussion and Analysis and such notes are incorporated by reference herein. All figures shown are in Canadian dollars unless otherwise stated.

This report also contains certain forward-looking statements relating to the potential future performance. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. For additional information regarding forward-looking statements, see Section 11 – *Cautionary Note Regarding Forward Looking Statements* Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below, including those set out in Section 10 – *Risks and Uncertainties*.

This Management's Discussion and Analysis has been prepared as of January 20, 2015 (the "Report Date").

1. OVERALL PERFORMANCE

California Gold Mining Inc. ("California Gold" or the "Corporation") is a junior mineral exploration company engaged in the acquisition, exploration and development of mineral resource properties. Since March 1, 2013, its principal property has been its Fremont Property, located in Mariposa, California. Prior to its acquisition of the Fremont Property, the Corporation's only material property was the Dingman Property, which is described further below. From February 9, 2010 through April 12, 2013 the common shares of the Corporation, then named Upper Canada Gold Corporation, traded on the TSX Venture Exchange under the symbol "UCC". Effective as of April 15, 2013, the Corporation's common shares have traded under the symbol "CGM". To date, the Corporation has not earned significant revenues and is considered to be in the exploration stage.

1.1 Financial Condition, Performance and Cash Flows

The Corporation has had no revenue from active operations and its primary activities consist of exploration and development activities at its Fremont Property. Expenses of the Corporation for the three months ended November 30, 2014 were $262,113, resulting largely from share based compensation expenses, management expenses and costs of exploration work at the Fremont Property. See Section 3.1.2 – *Discussion of Operations and Annual and Quarterly Results – Operating Income and Expenses – Expenses* and Section 3.1.4 – *Discussion of Operations and Annual and Quarterly Results – Operating Income and Expenses – General and Administrative and Other Expenses* for additional information on the Corporation's expenses.

During the three months ended November 30, 2014, the Corporation completed a private placement of 7,000,000 common shares for gross proceeds of $350,000. Subsequent to the end of the three month period ended November 30, 2014, on December 12, 2014, the Corporation completed a private placement of 6,840,000 common shares for gross proceeds of $342,000. Net proceeds from these private placements are being used to advance exploration work at the Fremont Property and for general corporate purposes. See Section 7.1 – *Capitalization – Share Capital* for details concerning the private placements.

For the three months ended November 30, 2014, net non-cash expenses were $157,519. Following adjustments to non-cash working capital items, cash outflow on account of operations was $90,438. During the three months ended November 30, 2014, the Corporation incurred $104,005 of costs on exploration and development activities related to the Fremont Property. See Section 3.1.3 – *Discussion of Operations and Annual and Quarterly Results – Operating Income and Expenses – Property Exploration and Acquisition Costs* for additional details for spending on the Fremont Property and Section 4 – *Liquidity & Capital Resources* for information on the Corporation's cash flows. See Section 3.1.3 – *Discussion of Operations and Annual and Quarterly Results – Operating Income and Expenses – Property Exploration and Acquisition Costs* for additional details for spending on the Fremont Property and Section 4 – *Liquidity & Capital Resources* for information on the Corporation's cash flows.

As of November 30, 2014, the Corporation maintained cash and cash equivalents of $94,690 and had a working capital deficiency of $64,567. Please see the third paragraph of Note 1 to the Interim Financial Statements which describes the use of accounting principles applicable to a going concern and management's election to continue using such principles given the Corporation's working capital deficiency.

1.2 Fremont Property

On September 17, 2014, the Corporation announced the results from the property-wide surface geological mapping program conducted at the Fremont Property that was originally commenced on July 8, 2014. The surface geological mapping program included 55 line-kilometres of geological traverses and was successful in identifying five large and new

exploration areas on the Fremont Property, being Golden Chain, Vermont Slab, Golden Slope, Ogle Canyon and Race Track Meadow and also provided critical structural information for a previously known mineralized zone known as Chicken Gulch that had previously been subject to limited exploration RC drilling in the 1980s. The surface geological mapping program was followed up with a surface sampling program focused on the five new exploration zones. The results of the surface sampling program were announced on December 4, 2014 and were considered very positive by management. These results are expected to assist the Corporation in fine tuning targets for the Corporation's next phase of exploration drilling.

Over the next 12 months, the Corporation intends to progress the Fremont project by conducting the Phase III drill program, which is expected to achieve the following three main objectives through 20,000 to 25,000 feet of diamond drilling – (1) test the down-dip extension of the main mineralized structure at the Pine Tree-Josephine deposit with deep holes, (2) test the tenor of mineralization at the 5 newly discovered mineralized zones on surface with shallow holes, and (3) convert a significant portion of the historic (non-43-101 compliant) Goldenbell resource estimate into a NI 43-101 compliant resource estimate. The commencement of the Phase III drill program is subject to the Corporation raising the requisite funds.

1.3 Dingman Property

The Corporation acquired its interest in the Dingman Property from Opawica Explorations Inc. ("Opawica") on January 29, 2010 pursuant to an option agreement dated July 31, 2009 between the Corporation and Opawica that transferred all of Opawica's interest in the Dingman Property to the Corporation, subject to an existing net smelter royalty. Concurrently with its acquisition of the Dingman Property, the Corporation also completed a financing and undertook other restructuring activities (the "Restructuring") to focus the Corporation on the future development of the Dingman Property. The "Dingman Property", as used herein, refers to eight mining claims and related surface rights agreements in Hastings County near Madoc, Ontario. No material work was completed on the Dingman Property during the three months ended November 30, 2014.

1.4 Other Developments

On September 2, 2014, the Corporation's common shares commenced trading on the OTCQX marketplace in the U.S., under the ticker CFGMF. Also on this date, David Birkenshaw resigned as a director of the Corporation.

On November 12, 2014, the Corporation announced the appointment of Vishal Gupta as its President and Chief Executive Officer.

On December 20, 2013, the Corporation was served with notice that Martin Shefsky (its former CEO) and his holding company ("Holdco"), through which Shefsky had provided his services, had brought an application against the Corporation in the Court of Queen's Bench

of Alberta, alleging, among other things, (a) the failure of the Corporation to constitute its board of directors with a majority of nominees of Shefsky at its April 4, 2013 meeting of shareholders, (b) misrepresentations made in the context of negotiating Holdco's services agreement, (c) breach of Holdco's services agreement, and (d) certain improper actions by the board of directors in connection with the private placement of units completed in September 2013. The private placement is described further in Note 5(b)(i) of the Interim Financial Statements. Shefsky's claim was heard before the Court of Queen's Bench of Alberta on April 2 and 3, 2014. On November 28, 2014, the Court dismissed Shefsky's claim. The Corporation has since received notice that Mr. Shefsky intends to appeal the Court's dismissal of his claim.

2. OVERVIEW OF FINANCIAL RESULTS

2.1 Summary of Quarterly Results

The table below presents selected financial data for the Corporation's eight most recently completed fiscal quarters:

Quarter Ended	Nov 30, 2014	Aug 31, 2014	May 31, 2014	Feb. 28, 2014
Revenue	$nil	$nil	$nil	$nil
Income (Loss) Before Extraordinary Items	($260,596)	($479,226)	($530,229)	($712,555)
Net Income (Loss)	($260,596)	($479,226)	($530,229)	($712,555)
Net Income (Loss) and Comprehensive Income (Loss)	($248,450)	($478,465)	($540,288)	($670,269)
Income (Loss) per Share	($0.0016)	($0.0032)	($0.0037)	($0.0045)
Income (Loss) per Share Fully Diluted	($0.0016)	($0.0032)	($0.0037)	($0.0045)
Total Assets	$5,769,291	$5,501,702	$5,829,164	$6,176,106
Total Long Term Financial Liabilities	$ -	$ -	$ -	$ -
Cash Dividends per Share	$ -	$ -	$ -	$ -

Quarter Ended	Nov. 30, 2013	Aug. 31, 2013	May 31, 2013	Feb. 28, 2013
Revenue	$nil	$nil	$nil	$nil
Income (Loss) Before Extraordinary Items	($563,710)	($433,196)	($1,703,847)	($1,127,943)
Net Income (Loss)	($563,710)	($433,196)	($1,703,847)	($1,127,943)
Net Income (Loss) and Comprehensive Income (Loss)	($556,375)	($412,871)	($1,665,934)	($1,169,283)
Income (Loss) per Share	($0.0039)	($0.0034)	($0.0130)	($0.0180)
Income (Loss) per Share Fully Diluted	($0.0039)	($0.0034)	($0.0130)	($0.0180)
Total Assets	$6,828,507	$6,435,493	$6,947,884	$8,021,378
Total Long Term Financial Liabilities	$ -	$ -	$ -	$ -
Cash Dividends per Share	$ -	$ -	$ -	$ -

3. DISCUSSION OF OPERATIONS AND ANNUAL AND QUARTERLY RESULTS

3.1 Operating Income and Expenses

3.1.1 Income

The Corporation has no revenue from active operations. The Corporation's other income for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 increased from $1,248 to $1,342. The Corporation's main source of other income was rental income from its Fremont Property. The Corporation also realized a small gain on disposal of certain fixed assets during the period ended November 30, 2014.

3.1.2 Expenses

Expenses of the Corporation for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 decreased from $564,958 to $262,113. The Corporation's expenses for the three months ended November 30, 2014 resulted largely from increased share based compensation awarded to the new directors elected at the January 2014 shareholders' meeting and management fees and exploration expenses, both of which have been reduced compared to the period ended November 30, 2013. Reductions of expenses compared to the prior year's period were also achieved in development costs professional fees, insurance and travel. Higher costs were incurred in investor relations activities, depreciation, property taxes, shareholder information and other general and administrative. The Corporation's expenses were materially offset due to continued depreciation of the Canadian Dollar against the United States Dollar.

3.1.3 Property Exploration and Acquisition Costs

As of January 29, 2010, the Corporation entered the mineral exploration business and has not received any material revenues. Funding of the Corporation's exploration activities has been provided by equity offerings of the Corporation's securities. The recoverability of amounts paid by the Corporation for resource properties will be dependent upon the discovery of economically recoverable reserves and confirmation of the Corporation's interest in the underlying resource properties, as well as the ability of the Corporation to obtain the necessary financing to complete exploration and development of the properties, and upon future profitable production or proceeds from the disposition thereof.

As of November 30, 2014, the Corporation had incurred $7,807,896 of acquisition, improvement, exploration and development costs on the Fremont Property and $3,435,185 of acquisition, improvement, exploration and development costs for the Dingman Property for a total of $11,243,081. The Corporation has expensed all acquisition costs with the exception of US$4,810,000 of acquisition costs for the Fremont Property that were capitalized. The Corporation has capitalized all improvement costs. See the discussion under the sixth paragraph of Section 3.1.4 – *Results of Operations – Operating Income and*

Expenses – General and Administrative and Other Expenses for more information on the capitalization of acquisition costs.

Costs incurred by the Corporation on each of the Fremont Property and the Dingman Property over the three months ended November 30, 2013 and 2014 are set out below:

	Fremont	Dingman	Total Mineral Interests
Costs incurred as of August 31, 2013			
Acquisition costs[(1)]	$ 5,872,691	$ 2,139,055	$ 8,011,746
Exploration costs	610,243	1,280,248	1,890,491
Development costs	32,621	30,561	63,182
Costs incurred as of August 31, 2013	$ 6,515,556	$ 3,449,865	$ 9,965,419
Costs incurred during three months ended November 30, 2013			
Improvements to structures	$ 7,394	–	$ 7,394
Exploration and development costs			
Geologists	$ 75,601	–	$ 75,601
Analysis and laboratory	58,135	–	58,135
Professionals	27,350	–	27,350
General labour	26,978	–	26,978
Core logging	14,655	–	14,655
Surveying	9,305	–	9,305
Facility rentals	311	1,200	1,511
Mapping and digitizing	1,475	–	1,475
Equipment rental	863	–	863
Other	(141)	–	(141)
Total exploration costs	$ 214,532	$ 1,200	$ 215,732
Development costs	$ 49,553	–	$ 49,553
Costs incurred during three months ended November 30, 2013	$ 271,479	$ 1,200	$ 272,679
Costs incurred as of November 30, 2013	$6,787,035	$3,451,065	$10,238,100

	Fremont	Dingman	Total Mineral Interests
Costs incurred as of August 31, 2014			
Acquisition costs	$ 5,872,691[(2)]	$ 2,139,055	$ 8,011,746
Property improvement costs	7,649	–	7,649
Exploration costs	1,694,302	1,264,668	2,958,970
Development costs	126,918	30,561	157,479
Costs incurred as of August 31, 2014	$ 7,701,561	$ 3,434,285	$ 11,135,846
Costs incurred during three months ended November 30, 2014			
Improvements to land and structures	$ 2,330	–	$ 2,330
Exploration costs			
Geologists and consultants	$ 33,943	–	$ 33,943
General labour and contractors	28,316	–	28,316
Analysis and laboratory	14,192	–	14,192
Mapping and digitizing	2,604	–	2,604
Internal studies	22,231	–	22,231
Exploration geology	2,445	–	2,445
Facility rentals	–	900	900
Consumables	55	–	55
Other	218	–	218
Total exploration costs	$ 104,005	$ 900	$ 104,905
Development costs	–	–	–
Costs incurred during three months ended Nov. 30, 2014	$ 106,335	$ 900	$ 107,235
Costs incurred as of Nov. 30, 2014			
Acquisition costs	$ 5,872,691	$ 2,139,055	$ 8,011,746
Property improvement costs	9,979	–	9,979
Exploration costs	1,798,307	1,265,568	3,063,875
Development costs	126,918	30,561	157,479
Costs incurred as of August 31, 2014	$ 7,807,896	$ 3,435,185	$ 11,243,081

(1) The figure reported for the Fremont Property is net of a refund on deposits given to the Corporation subsequent to August 31, 2011.

3.1.4 General and Administrative and Other Expenses

General and administrative and other expenses incurred during the three months ended November 30, 2014 and 2013 consist of the following:

	Three months ended November 30	
	2014	**2013**
Share-based compensation	$ 142,736	$ 7,459
Management fees	108,104	186,195
Exploration costs expensed	104,905	215,732
Salaries and wages	43,441	–
Investor relations	30,989	3,815
Professional fees	22,470	47,489
Depreciation	14,958	8,497
Property tax	14,899	13,330
Shareholder information	13,197	7,424
Insurance	9,595	13,514
Occupancy costs	7,750	7,723
Travel and meals	3,256	28,995
Interest and bank charges	906	600
Development costs	–	49,553
Other general & administrative	8,705	33,908
Gain on foreign exchange	(263,798)	(59,276)
Total Expenses	$ 262,113	$ 564,958

Share-based compensation of the Corporation for the three months ended November 30, 2014 compared to the three months ended November 30, 2012 increased from $7,459 to $142,736. The expenses incurred during the three months ended November 30, 2013 reflect the cost of options granted during prior periods but that vested during the period. The expenses incurred during the three months ended November 30, 2014 largely relate to stock options granted during the period. Note 6 to the Interim Financial Statements describes the assumptions used in calculating the fair value of the options granted and/or vested.

Management fees for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 decreased from $186,195 to $108,104. During the period ended November 30, 2013, a one-time termination payment of $90,000 was made to the former CEO of the Corporation, and therefore the reduction largely reflects the non-recurrence of that payment.

Exploration costs expensed include costs incurred in the exploration of the Fremont Property and the Dingman Property. Exploration costs expensed for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 decreased

from $215,732 to $104,905. Development costs include costs incurred in pursuit of advancing the development of the Fremont Property that are not considered in furtherance of defining a mineral resource estimate, including, but not limited to environmental studies, permitting and community relations.

With respect to the Dingman Property, costs incurred during the three months ended November 30, 2014 and 2013 were on account of sample and drill core storage costs.

With respect to the Fremont Property, exploration costs incurred during the three months ended November 30, 2013 were largely on account of analyzing the results of the Phase 1 drill program that included 6,487 feet of HQ drilling over 14 holes. Exploration costs incurred during the three months ended November 30, 2014 were on account of smaller internal studies conducted on the Fremont Property, including a desktop mining study, digitization of historical underground mine workings data, the comprehensive surface sampling program and additional metallurgical testing on the Phase II drill core.

A detailed breakdown of the foregoing exploration costs is provided above in Section 3.1.3 *– Results of Operations – Operating Income and Expenses – Mineral Property Acquisition and Exploration Costs*.

Beginning with the interim period ended May 31, 2014, the Corporation has removed and segregated non-management salaries and wages from other general and administrative expenses. Non-management salaries and wages for the three months ended November 30, 2014 were $43,441. These amounts relate primarily to the Corporation's employees based at its Fremont Property.

Investor relations expenses for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 increased from $3,815 to $30,989. These expenses can vary greatly and for the three months ended November 30, 2013, the costs relate to the cost of meetings with investors. For the three months ended November 30, 2014, the costs relate primarily to the cost of investor meetings, conference attendances and IR consultants.

Professional fees for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 decreased from $47,489 to $22,470. During the three months ended November 30, 2014, 90% of professional fees were incurred on account of routine accounting and auditing costs. Approximately 70% of the professional fees incurred during the three months ended November 30, 2013 were on account of legal fees. These legal fees were incurred equally on account of legal advice for the Corporation's US operations, maintaining the Corporation's ongoing claim against the Dingman Property's western surface rights holders, immigration activities and legal services in Canada. The balance of professional fees incurred during the three months ended November 30, 2013 included routine accounting expenses of the Corporation.

Depreciation expenses for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 increased from $8,497 to $14,958 due to additional

depreciation associated with depreciable asset purchases and improvements to depreciable assets made during the later period. Please see Note 4 to the Interim Financial Statements for more information on the Corporation's depreciable assets.

Property taxes for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 increased from $13,330 to $14,899. All property taxes pertain to the Fremont Property.

Shareholder information expenses for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 increased from $7,424 to $13,197. These increases were on account of the new expenses associated with the commencement of trading of the Corporation's common shares on the OTC-QX marketplace.

Insurance expenses of the Corporation for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 decreased from $13,514 to $9,595. However, $5,748 of this reduction was the result of the reclassification of the cost of workers' compensation insurance to be categorized as non-management salaries, wages and benefits. Therefore, the cost of other insurance policies maintained by the Corporation actually increased over the prior year's period.

Occupancy expenses of the Corporation for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 remained fairly stable, increasing from $7,723 to $7,750.

Travel and accommodation expenses of the Corporation for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 decreased from $28,995 to $3,256. These decreased costs were associated with less travel to the Fremont Property given the lower activity levels at the Fremont Property.

Interest and bank charges for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 increased from $600 to $906. These increases are associated with additional banking activities.

Other general and administrative expenses of the Corporation for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 decreased from $33,908 to $8,705. However, expenses for the earlier period include non-management wages and salaries, but for the later period, these are excluded and presented separately as salaries and wages. Otherwise, general and administrative expenses primarily include general office costs, telephone costs, government filing fees and disbursements charged by the Corporation's suppliers. Of the total other general and administrative expenses incurred during the three months ended November 30, 2014, material components included telephone and internet (46%), utilities at the Fremont Project (21%) and office supplies (12%). Approximately 43% of the Corporation's general and administrative expenses for the three months ended November 30, 2014 were incurred on account of operating the Fremont Property.

The Corporation's loss (gain) from foreign exchange improved from a gain of $59,276 for the three months ended November 30, 2013 to a gain of $263,798 for the three months ended November 30, 2014. These gains were incurred due to the depreciation of the Canadian Dollar against the United States Dollar. The Corporation's US subsidiaries benefit from this depreciation as (1) their intra-corporate loans are denominated in Canadian Dollars and (2) the carrying value of their fixed assets is denominated in US Dollars.

3.2 Net Loss

The net loss of the Corporation for the three months ended November 30, 2014 compared to the three months ended November 30, 2013 narrowed from a loss of $563,710 to a loss of $260,596. The reduced net loss resulted largely from reduced exploration costs and management fees combined with a more favourable foreign exchange gain. These reductions to net loss were partially offset by increased share based compensation.

3.3 Other Comprehensive Gain or Loss

The functional currency of the Corporation's United States subsidiaries is the US Dollar while the parent company, California Gold Mining Inc. has retained the Canadian Dollar as its functional currency. Other comprehensive gain or loss is the result of the translation of the financial results of the Corporation's US subsidiaries into Canadian Dollars for consolidation purposes. The cumulative effect of these translations is accounted for as part of the Corporation's equity.

For the three months ended November 30, 2014, the Corporation's other comprehensive gain was $12,146 (2013 – gain of $7,335).

4. LIQUIDITY & CAPITAL RESOURCES

The Corporation has not historically generated enough revenues to offset its expenses. The Corporation's ability to continue as a going concern depends on its ability to finance its cash requirements through the issuance of equity securities or other financing. For more information on risks and uncertainties facing the Corporation, see Section 10 – *Risks and Uncertainties*.

Cash and cash equivalents as at November 30, 2014 were $94,690 compared to $104,281 as at August 31, 2014. Factors that could impact on the Corporation's liquidity are monitored regularly and include the market price of the Corporation's trading securities for the purposes of raising financing, exploration expenditures, and operating costs.

As at November 30, 2014, the Corporation had a working capital deficiency of $64,567 as compared to a working capital deficiency of $43,842 as of August 31, 2014.

As of November 30, 2014, accounts receivable and accrued interest of $17,231 consisted primarily of HST receivable of $17,130.

As of November 30, 2014, accounts payable and accrued liabilities of $244,120 consisted of $151,165 in trade payables, $90,279 in accrued liabilities, $2,217 in accrued wages and $458 in unearned income.

4.1 Operating Cash Flow

The Corporation is considered to be in the exploration and development stage and as such, does not earn any significant revenue. The Corporation has not historically generated enough revenues to offset its expenses.

For the three months ended November 30, 2014, cash outflow expended on operations before changes in non-cash working capital items was $103,077 compared to an outflow of $547,754 for the three months ended November 30, 2013. Changes in non-cash working capital items for the three months ended November 30, 2014 were $12,639 compared to $21,184 for the three months ended November 30, 2013 resulting in net cash outflows from operations of $90,438 for the three months ended November 30, 2014 and outflows of $526,570 for the three months ended November 30, 2013.

4.2 Investing Activities

For the three months ended November 30, 2014, the Corporation had net cash outflows of $2,330 associated with the purchase or improvement of fixed assets compared to cash outflows of $40,003 for the three months ended November 30, 2013.

4.3 Financing Activities

For the three months ended November 30, 2014, the Corporation had cash inflows of $347,140 associated with financing activities net of financing costs. This cash inflow resulted from the issuance by the Corporation of 7,000,000 common shares at a price of $0.05 per common share for gross proceeds of $350,000.

For the three months ended November 30, 2013, the Corporation had cash inflows of $877,080 associated with financing activities net of financing costs. This cash inflow resulted from the issuance by the Corporation of 17,542,066 units for gross proceeds of $887,616. Of these units, 15,860,000 were issued at a price of $0.05 and 1,682,062 were issued at a price of $0.05625 per unit. Each unit was comprised of one common share and one common share purchase warrant with each warrant entitling the holder thereof to acquire a further common share of the Corporation at a price of $0.10 until September 10, 2017 (as to 17,542,066 units) and until October 2, 2107 (as to 1,682,062 units). At the times of these transactions, persons already considered to be “insiders” under applicable securities laws subscribed for a total of 3,500,000 units.

4.4 Commitments

Effective as of March 1, 2013 the Corporation and First Metals Inc. entered into an agreement for shared office space. During the three months ended November 30, 2013, the Corporation paid base rent of $7,723 plus a share of certain operating costs. This cost sharing agreement expired on July 30, 2014. The Corporation has since entered into a new month-to-month cost sharing agreement for office space with an unrelated third party.

4.5 Contingent Liabilities

On December 20, 2013, the Corporation was served with notice that Shefsky and the holding company ("Holdco") through which he had provided his services had brought an application against the Corporation in the Court of Queen's Bench of Alberta, alleging, among other things, (a) the failure of the Corporation to constitute its board of directors with a majority of nominees of Shefsky at its April 4, 2013 meeting of shareholders, (b) misrepresentations made in the context of negotiating Holdco's services agreement, (c) breach of Holdco's services agreement, and (d) certain improper actions by the board of directors in connection with the private placement of units completed in September 2013. The private placement is described further in Note 5(b)(i) of the Financial Statements. A full hearing on the matter took place on April 2 and 3, 2014. On November 28, 2014 the Court ordered that Shefsky's and Holdco's application was dismissed. Mr. Shefsky has since given notice to the Corporation that he intends to appeal the dismissal of his application.

4.6 Sources of Financing

The Corporation's ability to continue as a going concern depends on its ability to finance its cash requirements through the issuance of equity securities or other financing. It is not possible to predict the Corporation's ability to fund its cash requirements in the short term (see Section 10 – *Risks and Uncertainties*).

5. OFF-BALANCE SHEET ARRANGEMENTS

The Corporation currently has no off-balance sheet arrangements with any parties.

6. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are set out in Note 10 to the Interim Financial Statements. All such transactions are in the normal course of operations and are measured at the exchange amount which is the amount agreed to by the related parties.

7. CAPITALIZATION

Shareholder's equity was $5,525,171 as at November 30, 2014 compared to shareholder equity of $5,283,745 as at August 31, 2014.

7.1 Share Capital

The Corporation is authorized to issue an unlimited number of voting common shares, an unlimited number of non-voting first preferred shares and an unlimited number of non-voting second preferred shares. As of November 30, 2014, the Corporation had 160,882,620 common shares issued and outstanding, 89,542,066 warrants and 764,000 broker warrants outstanding. As of November 30, 2014, the Corporation had 17,992,342 stock options outstanding (of which 16,542,342 have vested), each entitling the holder to acquire one common share. The Corporation therefore had 269,181,028 common shares outstanding on a fully diluted basis as of November 30, 2014. As of the Report Date the Corporation has 16,792,342 stock options outstanding of which 15,817,342 have vested.

As at the Report Date, the Corporation has 167,722,620 common shares issued and outstanding of which 6,840,000 are restricted from trading until April 13, 2015. Please refer to Note 5 of the Interim Financial Statements for further information on the Corporation's share capital.

Please refer to the second paragraph of Section 1.1 – *Overview – Financial Condition, Performance and Cash Flows* for additional information concerning the private placement conducted during the three months ended November 30, 2014.

7.2 Warrants

As of November 30, 2014 and August 31, 2014, the Corporation had 89,542,066 warrants outstanding.

	Number	**Weighted Average Exercise Price**
Balance, August 31, 2014	89,542,066	$0.134
Granted	nil	n/a
Expired	nil	n/a
Exercised	nil	n/a
Balance, November 30, 2014	89,542,066	$0.134

As at the Report Date, the Corporation has 89,542,066 common share purchase warrants outstanding. The following table provides information about common share purchase warrants outstanding and exercisable as at the Report Date:

Exercise Price	Number of Warrants	Expiry Date
$0.10	12,000,000	December 30, 2016
$0.15	49,687,500	February 8, 2017
$0.15	10,312,500	February 15, 2017
$0.10	15,860,000	September 10, 2017
$0.10	1,682,066	October 2, 2017
	89,542,066	

7.3 Broker Warrants

As of November 30, 2014, the Corporation had 764,000 broker warrants outstanding which was the same number that were outstanding as at August 31, 2014.

	Number	Weighted Average Exercise Price
Balance, August 31, 2014	764,000	$0.15
Granted	nil	n/a
Exercised	nil	n/a
Balance, November 30, 2014	764,000	$0.15

As of the Report Date, the Corporation has 764,000 common share purchase broker warrants outstanding. Each broker warrant entitles the holder thereof to purchase one common share of the Corporation for a purchase price of $0.15. The following table provides information about common share purchase broker warrants outstanding and exercisable as at the Report Date:

Exercise Price	Number of Broker Warrants	Expiry Date
$0.15	764,000	February 15, 2017
	764,000	

7.4 Stock Options

On April 4, 2013, shareholders approved, and the Corporation adopted, a new stock option plan pursuant to which 25,615,000 options may be issued. As of November 30, 2014, the Corporation had 17,992,342 stock options outstanding as compared to August 31, 2014 when there were 13,142,342 stock options outstanding. As of November 30, 2014 and of the outstanding options, 16,542,342 had vested. As of the Report Date, the Corporation has 16,792,342 stock options outstanding of which 15,817,342 have vested, and the remaining 975,000 will vest as follows:

Exercise Price	Number of Stock Options	Vesting Date
$0.10	312,500	March 2, 2015
$0.10	37,500	March 4, 2015
$0.10	312,500	June 2, 2015
$0.10	312,500	September 2, 2015
	975,000	

Issued and outstanding stock option data as of November 30, 2014 is as follows:

	Number	Weighted Average Exercise Price
Balance, August 31, 2014	13,142,342	$0.19
Granted - Vested	3,600,000	$0.20
Granted - Not Vested	1,250,000	$0.10
Expired	nil	n/a
Balance, November 30, 2014	17,992,342	$0.19

As of the Report Date, the Corporation has 16,792,342 common share purchase options outstanding. The following table provides information about common share purchase options outstanding and exercisable as at the Report Date:

Exercise Price	Number of Options	Expiry Date
$0.24	4,800,000	January 29, 2015
$0.20	400,000	April 18, 2017
$0.15	3,842,342	January 9, 2018
$0.15	300,000	January 22, 2018
$0.20	2,400,000	April 22, 2018
$0.25	250,000	May 14, 2018
$0.10	1,000,000	December 20, 2018
$0.10	150,000	March 4, 2019(1)
$0.20	2,400,000	September 2, 2019
$0.10	1,250,000	September 2, 2019(2)
	16,792,342	

Notes
(1) Of these options, 112,500 have vested.
(2) Of these options, 312,500 have vested.

7.5 Reserves

Reserves are described in Note 12 of the Interim Financial Statements and are comprised of the following components:

	Warrants	Broker Warrants	Contributed Surplus	Reserves
Balance, August 31, 2013	$ 3,184,899	$ 75,025	$ 3,080,089	$ 6,340,013
Warrants issued (Sept. 10, 2013)	420,389			420,389
Warrants issued (Oct. 2, 2013)	41,936			41,936
Transaction costs re: Warrants	(11,613)			(11,613)
Stock options vested (Nov. 1, 2013)			7,459	7,459
Balance, November 30, 2013	$ 3,635,611	$ 75,025	$ 3,087,548	$ 6,798,184
Balance, August 31, 2014	$ 3,635,611	$ 75,025	$ 3,124,065	$ 6,834,701
Stock options granted / vested			142,736	142,736
Balance, November 30, 2014	$ 3,635,611	$ 75,025	$ 3,266,801	$ 6,977,437

The basis of valuation of valuation of the warrants issued during the three months ended November 30, 2013 is set out in Notes 5(b)(i) and (ii) of the Interim Financial Statements.

The basis of valuation of the stock options vested during the three months ended November 30, 2013 is set out in Notes 6(i) and (ii) of the Interim Financial Statements.

The basis of valuation of the stock options granted and/or vested during the three months ended November 30, 2014 is set out in Notes 6(iii) and (iv) of the Interim Financial Statements.

8. CRITICAL ACCOUNTING ESTIMATES AND CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Corporation's critical accounting policies and changes in accounting policies including initial adoption are set out in Note 2 to the Interim Financial Statements.

9. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

9.1 Credit Risk Management

The Corporation's credit risk is primarily attributable to cash and cash equivalents and amounts receivable. The Corporation has no significant concentration of credit risk arising from operations. Cash is held with select major Canadian and US banks and cash equivalents consists of bankers' acceptances which have been invested with reputable financial institutions and government of Canada treasury bills, from which management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to financial instruments amounts receivable is remote. As at November 30, 2014, no amounts receivable are considered impaired or past due.

9.2 Liquidity Risk

The Corporation has in place a planning and budgeting process to help determine the funds required to support the Corporation's normal operating requirements on an ongoing basis and its capital, development and exploration expenditures. The Corporation ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

As of November 30, 2014, the Corporation had a cash and cash equivalents balance of $94,690 (August 31, 2014 - $104,281) to settle current amounts payable and other liabilities of $244,120 (August 31, 2014 - $217,957). All of the Corporation's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

9.3 Market Risk

9.3.1 Interest Rate Risk

The Corporation has cash balances and no interest bearing debt. The Corporation's current policy is to invest excess cash in investment grade short-term deposit certificates issued by its banking institutions and fixed income instruments issued by the government of Canada. The Corporation monitors the investments it makes and is satisfied with the credit ratings of its banks.

9.3.2 Price Risk

The Corporation is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Equity price risk is defined as the potential adverse impact on the Corporation's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Corporation closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Corporation.

9.3.3 Foreign Currency Risk

The Canadian Dollar is the functional currency of California Gold Mining Inc. and Washmax (Weston) Ltd. The functional currency of California Gold Mines (US) Inc. and Fremont Gold Mining LLC is the US Dollar. The Corporation funds certain operations, exploration and administrative expenses in the United States using US Dollar currency converted from its Canadian Dollar bank accounts held in Canada. The Corporation also maintains US Dollar bank accounts in Canada and Canadian Dollar bank accounts in the United States. As a result, the Corporation is subject to gains and losses due to fluctuations in the exchange rate between US Dollar and Canadian Dollar.

9.3.4 Sensitivity Analysis

The sensitivity analysis shown in the notes below may differ materially from actual results. Based on management's knowledge and experience of the financial markets, the Corporation believes the following movements are "reasonably possible" over a twelve month period:

(i) The Corporation has no interest bearing debts and receives low interest rates on its cash and cash equivalents balances. As such, the Corporation does not have significant interest rate risk.

(ii) The Corporation holds balances in foreign currencies which could give rise to exposure to foreign exchange risk. Sensitivity to a plus or minus 10% change in the foreign exchange rate against the functional currencies would have affected the reported loss and comprehensive loss by approximately $22,000.

9.3.5 Fair Value of Financial Assets and Liabilities

The book values of the cash and cash equivalents, amounts receivable, and amounts payable and other liabilities approximate their respective fair values due to the short-term nature of these instruments.

10. RISKS AND UNCERTAINTIES

The Corporation's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, decisions and policies of governmental authorities, metal prices, political and general economic conditions. Although the Corporation has taken steps to verify the title to its mineral interests, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Corporation's title. Title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects. The Corporation is dependent on the cooperation of surface rights holders to provide timely access to the Dingman Property. The Corporation has had ongoing disputes with the surface rights owners of the Dingman Property and cooperation of the surface rights owners in facilitating access to the Dingman Property for the Corporation cannot be assured. The Corporation has no significant source of operating cash flow and no revenues from operations. The PEA on the Dingman Property indicated that at a base gold price of US$1,500/oz or less, the Dingman Project was not expected to be economically feasible. The Fremont Property has no mineral resources and neither the Fremont Property nor the Dingman Property has any mineral reserves (both as defined by NI 43-101). The Corporation has limited financial resources. Substantial expenditures are required to be made by the Corporation to establish ore reserves. The Fremont Property and Dingman Property interests owned by the Corporation are in the exploration stage only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Corporation's properties may not result in any discoveries of commercial bodies of mineralization. If the Corporation's efforts do not result in any discovery of commercial mineralization, the Corporation will be forced to look for other exploration projects or cease operations. The Corporation is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to permitting, property reclamation, discharge of hazardous material and other matters. These laws and regulations may change at any time prior to the granting of necessary approvals. The support of local politicians and/or communities may be required to obtain necessary permits and approvals and such support cannot be assured. The Corporation may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Corporation conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Corporation is not aware of any existing environmental problems related to any of its current properties that may result in material liability to the Corporation.

Since acquiring the Fremont Property, the Corporation continues to be exposed to risks similar to those when developing the Dingman Property. However, the Fremont Property is located in California, United States, which has different, and in many cases more stringent, environmental and permitting requirements than Ontario, Canada. The Corporation's ability to complete exploration work within planned budgets and using financial resources on hand will be affected by movements in the Canadian Dollar-US Dollar exchange rate. While the Corporation expects to incorporate aspects of the historic work (including resource estimates, engineering and metallurgical studies, environmental studies, etc.) done in the late 1980's and early 1990's, there is no guarantee that this historic work will be validated or will remain valid under today's current regulatory requirements or that the project will be permitted in a timely and economically viable period of time. Martin Shefsky has given notice that he intends to appeal the court order dismissing the litigation commenced by him against the Corporation.

11. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth herein.

This Management's Discussion and Analysis contains "forward-looking statements, within the meaning of applicable Canadian Securities legislation", that involve a number of risks and uncertainties. Forward looking statements include, but are not limited to, statements with respect to the future price of gold, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "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", or "might" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to integration of acquisitions, the actual results, costs and timing of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; failure of equipment or processes to operate as anticipated;

accidents, labour disputes, disputes concerning property access rights, and other risks of the mining industry; delays in or inability to obtain governmental approvals or financing; and fluctuations in metal prices and foreign exchange rates. Although the Corporation has attempted to identify important factors that could 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 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. The Corporation undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

12. OTHER

12.1 Registered Office and Mailing Address

The registered office of the Corporation is located at #4 – 140, 11th Avenue S.W., Calgary, Alberta, T2R 0B8.

The mailing address of the Corporation is Suite 1010 - 55 University Avenue, Toronto, Ontario, M5J 2H7.

12.2 Additional Information

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com.