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ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE AND TORONTO STOCK EXCHANGE

30 OCTOBER 2007

QUARTERLY REPORT - SEPTEMBER 2007

LEIGHTON MOBILISES TO SITE AT THE MASBATE GOLD PROJECT

**MKUSHI DRILLING RESULTS INCLUDE
33m @ 3.12% Cu & 37m @2.42% Cu**

During the three months ending 30 September 2007, CGA Mining Limited's ("CGA", the "Company") activities focused on an optimisation review of the Masbate Gold Project in the Philippines, Leighton's mobilisation to site and compilation of a prefeasibility study for the Mkushi Cooper project in Zambia.

MASBATE PROJECT UPDATE

Optimisation Review

The focus of the quarter has been completion of an optimisation review, which enhanced the economics of the Masbate Gold Project and securing the funding necessary to develop the new mine. A detailed announcement in relation to the results of that review was released to the market on 5 October 2007 and is available at www.cgamining.com.

The Definitive Feasibility Study ("DFS") carried out by Ausenco International Pty Ltd Australia ("Ausenco") and published in May 2006 formed the basis of the optimisation review carried out by CGA and Filminera Resources Corp. ("Filminera"), with assistance from independent external consultants.

The optimisation review focused on 6 main initiatives:

- Excess grinding capability due to the procurement of two pre-used ball mills whose combined capacity exceeded that specified as required in the DFS.
- High grade resources were identified within the pit limits delineated in the DFS.
- The water management strategy was reviewed to minimise the use of fresh water.
- Power generation using coal fired boilers to protect the project from high fuel prices and to reduce LOM operating costs.

- Appointment of Leighton Contractors (Philippines) Inc (“LCP”) to conduct a revalidation of the capital costs associated with the process plant and infrastructure using their Philippine experience.
- Selection of Lycopodium Engineers based in Perth and Manila, experienced in the design and construction of large (+4.0 Mtpa) process plants.
- Review of project economics applying current operating costs and gold price assumptions.

The results of the optimisation review were published in an announcement to the Australian Securities Exchange and the Toronto Stock Exchange on 5 October 2007 and are summarised in table 1.1 below.

Table 1.1

Optimisation Study Results Years 1 - 8		
Physical Parameters	Unit	
Milled Ore	million tonnes	37.8
Grade	g/t	1.63
Mill Recovery - Gold	%	82.7%
Refining Recovery - Gold	%	99.9%
Bullion Produced - Gold	million ozs	1.65
Bullion produced per annum	ozs	206,000
Mill Throughput YR1-2	Mtpa	4
Mill Throughput YR3-8	Mtpa	5
Operating Cash Cost	US\$/oz	306
Capital Cost - Project	US\$ million	119.5

The capital cost includes a contingency of US\$7.2m (6.4%) and the proposed funding package has made an additional allowance for up to US\$2.5m for foreign currency movements prior to execution of the fixed price lump sum construction contract.

Average annual gold production during the initial eight (8) years of production averages 206 000 oz at a cash operating cost of US\$ 306/ounce. The Philippine tax regime allows a minimum six (6) year income tax holiday, the benefit of which is not included within the above forecast cash operating costs.

In addition to the ore reserves reported in the DFS there were an additional 16 million tonne of indicated resources left stockpiled from the previous operations. The gold price at the time of preparation of the DFS did not allow for these resources to be included in reserves.

With the recent reported gold price of in excess of US\$650/oz, we plan to do the additional work necessary to have these indicated resources converted into probable reserves and included in the reported production and statistics.

Appointment of Leighton Contractors (Philippine) Inc

Leighton Holdings Limited (“Leighton”), which controls 100% of LCP, is Australia’s largest project development and construction company, well regarded and respected internationally and also today, the world’s leading contract miner, operating a fleet in excess of US\$1.5 billion. LCP is to be awarded both the fixed price lump sum (“FPLS”) construction contract (covering a scope of works to the value of US\$84.94m), with all key terms now agreed, and an alliance mining contract (with LCP providing the full mining fleet estimated to cost in the order of US\$34m).

A letter of Intent (“LOI”) was provided to LCP and an initial purchase order issued to enable LCP to mobilise an earthmoving fleet to the project site to commence the earthworks associated with the process plant construction.

To date LCP has commenced the following activities:

- Process Plant Earthworks.
- Contractor’s Office erection.
- Contractor’s accommodation and utilities.
- Concrete batch plant erection.

A selection of photographs illustrating the progress to date have been posted on the CGA website www.cgamining.com under Projects/Masbate Gold Project.

Power

DMCI Corporation (“Consunji”) is the largest construction company in the Philippines and own and operate a large coal mine on an island close to Masbate. At the coal mine, Consunji generates their own power via coal fired boilers. Consunji was recently awarded a contract to supply power to Maselco (the appointed franchise for power distribution on Masbate Island). CGA and Filminera have entered into negotiations with Consunji for the construction and operation of a dedicated coal fired 25 MW coal fired power station adjacent to the project site. Consunji has engaged Thermax Limited (“Thermax”), an experienced Indian engineering company specialised in coal fired power generation, to design the appropriate facility. The preliminary estimate supplied to CGA / Filminera by Consunji and Thermax includes an all in power cost (Capital, Operating & Maintenance, Raw Materials) averaging US\$0.10/kWh over a 10 year project life. This is a significant reduction when compared to diesel powered generators and the heavy fuel (bunker) powered generation contemplated in the DFS. The effective power cost can be further reduced by disposing of the facility at the end of the life of mine to Consunji at a contracted residual value of 30% of the new price i.e. US\$10m.

The construction of the power station will take 24 months i.e. 9 months longer than the process plant. The optimisation study has allowed for a conservative 12 month delay. During the interim period power will be provided via barge mounted units berthed close to the existing jetty at the project site. The cost of interim power is forecast at US\$0.16 / kWh. Appropriate and available barges have been identified and negotiations with the supplier and operator have commenced.

Permits

All key permits have now been secured including the recent approval of the feasibility study in respect of PGPRC (processing) and Filminera (mining and infrastructure) and the issue of a Mineral Processing Permit by the central and regional authorities in the Philippines.

Staffing

CGA, Filminera, and PGPRC have made the following appointments of consultant or employees for the development activities at Masbate.

General Manager – Tim Armstrong, a Canadian mining engineer with in excess of 20 years experience in the development and operation of underground and surface mines in North America, Greece and Philippines (10 years) will oversee the project.

Construction Manager – Mark Hughes, an Australian electrical engineer with over 20 years construction and project management experience in Australia and South East Asia will oversee the FLSP contract with LCP.

Manager Mining – Noel Rollo, an Australian mining engineer with in excess of 30 years experience in Australia, Africa and South East Asia will be responsible for all geological, mining / earthmoving activities on site.

Geology Manager – Max Tuesley, an experienced Australian geologist who has worked in Australia and South East Asia will be responsible for all geological activities on site at Masbate.

In connection with the above new appointments and the continued objective of attracting and retaining the best team to develop the Masbate Gold Project, the Company issued 2.25m options under The Employee Option Plan to employees, with an exercise price of \$0.90 per option and expiring on 30 September 2012.

Financing

The Company has secured preliminary credit approval, subject to documentation and completion of detailed due diligence for a US\$65m project finance facility and engaged Haywood Securities Inc. to undertake a placement of new shares and units comprised of promissory notes and warrants to raise, on a best effort basis, a further US\$65m, subject to a number of conditions, one of which is shareholder approval of various instruments.

The proceeds of these debt and equity financings are planned to be applied to the development at the Masbate Gold Project and other working capital needs.

A shareholder's meeting has been called for 15 November 2007, to seek approval for the issue of:

- 48.2 million new shares at an issue price of C\$0.83; and
- 25,000 US\$1,000 promissory notes with 250 attaching warrants per note, with an exercise price of C\$1.03 and a maximum 3 year term.

The gross proceeds of the proposed placings, as set out above, are approximately US\$65m.

MKUSHI PROJECT UPDATE

The prefeasibility study is on target for completion in the next quarter and at present is looking positive. Results from the metallurgical testwork have indicated a good grade and clean copper concentrate can be achieved from a simple flotation circuit.

Resource drilling is continuing and is indicating some encouraging results in a southerly extension zone, and also at depth. Further resource drilling has been planned, including from within the existing open pit, which has been dewatered for this purpose.

Recent significant assay results are indicated in the following table. The results have extended the resource potential of the three principal mineralisation zones H, L and G Zones. The promising results from L Zone,

including MH073, 37m at 2.42% Cu, require follow up drilling to establish the full extent of the higher grade mineralisation. Good results have also been found at depth in hole MMU038, 33m @ 3.12% Cu, and this is a strong indication that quality mineralization continues at depth. Although drilling will continue for some time it is expected that a Stage 1 resource estimate will be generated during the last quarter of 2007. Additional copper mineralisation has been located in the hanging wall to both L and H Zones and this will be further targeted in the ongoing drilling programmes. The southern extensions of H Zone have provided good indications and this area will be further tested during the December quarter.

Recent Drilling Results

HOLE NO	PROSPECT	EAST	NORTH	FROM	TO	INTERVAL	Cu GRADE %
MH048	L ZONE	731140	8456911	113	123	10	1.26
MH048	H ZONE	731140	8456911	175	187	12	1.20
MH048	H ZONE	731140	8456911	264	277	13	0.45
MH069	L ZONE	731027	8456733	85	107	22	0.34
MH069	H ZONE	731027	8456733	224	230	6	3.36
MH069	H ZONE	731027	8456733	240	245	5	0.63
MH071	new zone	731145	8457010	73	79	6	1.52
MH073	L ZONE	731069	8456795	119	156	37	2.42
MH073	L ZONE	<i>includes</i>		139	145	6	8.90
MH073	H ZONE	731069	8456795	223	239	16	1.51
MH073	H ZONE	731069	8456795	250	267	17	1.39
MH073	H ZONE	731069	8456795	270	275	5	0.71
MH075	new zone	730904	8456720	107	111	4	0.85
MH075	new zone	730904	8456720	129	135	6	1.61
MH075	L ZONE	730904	8456720	292	297	5	0.72
MH076	L ZONE	730830	8456540	256	258	2	3.68
MMU036	new zone	731409	8457370	132	143	11	1.80
MMU036	new zone	731409	8457370	147	153	6	1.33
MMU036	H ZONE	731409	8457370	175	178	3	0.95
MMU036	H ZONE	731409	8457370	210	222	12	0.93
MMU038	G ZONE	731452	8457399	151	157	6	2.00
MMU038	G ZONE	731452	8457399	163	173	10	0.80
MMU038	G ZONE	731452	8457399	193	198	5	1.10
MMU038	G ZONE	731452	8457399	200	233	33	3.12
MMU041	G ZONE	731487	8457169	24	57	33	1.00
MMU043	G ZONE	731496	8457248	26	76	50	0.97
MMU043	G ZONE	731496	8457248	101	103	2	1.08
MMU042	G ZONE	731757	8457465	166	173	7	0.90

An Environmental Impact Assessment is also underway and a draft Environmental Impact Statement is due in December 2007.

SEGILOLA PROJECT UPDATE

An agreement has been signed with Spektra Jeotek AS ("Spektra"), a Turkish drilling company, for the supply and operation of a diamond core drill rig at the Segilola project site for the planned drilling of a minimum 10,000m. Arrangements are currently underway to have the drill transported to the Segilola Project in Nigeria.

Spektra is an established drilling company based and registered in Ankara, Turkey having a registered branch office in Tehran-Iran, Karachi-Pakistan and a local company in Serbia. Spektra has its own fully equipped and staffed workshop in Ankara. In addition they fully own a manufacturing company, DELTA Machinery AS (Delta), which manufactures drill rigs and equipment for the needs of Spektra. For Segilola they have built a crawler mounted diamond drill rig and have supplied the necessary drilling equipment for the planned drilling programme.

Spektra has a highly skilled, experienced and competent team of staff and technicians who also operate and maintain their rigs. They have almost 25 years of experience in the drilling industry and are currently operating mainly in the mineral resource industry. Spektra has drilled, and is currently drilling, for various national and multinational companies all around the world and is operating in: Morocco; Algeria; Serbia; Turkey; Azerbaijan; Iran; Pakistan; Yemen and Turkey.

Prior to arrival of the rig, trenching and sampling is continuing. Quartz samples recently taken from the existing trench in the old open pit are shown below.

Trench Sample Results

Trench ID	Au intersect	Comments
1620N	6m @ 4.9g/t	includes 1m @ 14.1g/t, & 1m @ 8.5g/t
1745N	10m @ 3.2 g/t	includes 1m @ 9.95g/t

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National Instrument 43-101 Compliance

Mr Geoff.G.Jones, F.Aus.I.M.M.CP Mng, CGA's general manager, technical, is acting as the Qualified Person in compliance with NI 43-101 and JORC reporting requirements with respect to this announcement. He has prepared and or supervised the preparation of the scientific or technical information in this announcement.

Cautionary Note Regarding Forward Looking Statements

This announcement includes certain "forward-looking statements" within the meaning of Canadian securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding anticipated dates for construction and production, and other milestones related to the Masbate Gold Project and other projects; estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; and CGA's future operating or financial performance, are forward-looking statements. Information concerning mineral reserve and resource estimates including statements regarding the conversion of inferred resources to reserves also may be deemed to be forward-looking statements in that it reflects a prediction of the mineralization that would be encountered if a mineral deposit were developed and mined. Forward-looking statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially

from CGA's expectations include uncertainties related to fluctuations in gold and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies in the development of the Masbate Gold Project; the need to obtain additional financing to develop the Masbate Gold Project; the possibility of delay in development programs or in construction projects and uncertainty of meeting anticipated program milestones for the Masbate Gold Project; and other risks and uncertainties disclosed under the heading "Caution Regarding Forward-Looking Statements" in CGA's Annual Information Form for the year ended 30 June 2007 filed with the Canadian securities regulatory authorities on the SEDAR website at www.sedar.com.

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1.19	Other (provide details if material)	-	-
	Net financing cash flows	30	30
	Net increase (decrease) in cash held	(1,139)	(3,312)
1.20	Cash at beginning of quarter/year to date	27,236	29,324
1.21	Exchange rate adjustments to item 1.20	(173)	(88)
1.22	Cash at end of quarter	25,924*	25,924*

* Filminera Resources Corp. has an additional \$9.1m in cash.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	120
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of salaries, taxes, and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,768
4.2	Development	25,467
	Total	27,236

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	23,845	24,560
5.2 Deposits at call	132	132
5.3 Bank overdraft	-	-
5.4 Other (provide details)		
USD Account	1,947	4,632
USD Deposit		
Total: cash at end of quarter (item 1.22)	25,924	29,324

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed	-	-
6.2		Interests in mining tenements acquired or increased	-	-

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	161,549,976	161,549,976		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)				
7.8 Issued during quarter				
7.9 Exercised during quarter	300,000	-	0.60	0.60
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Hannah Hudson

Date: 30 October 2007

(Director/Company secretary)

Print name: Hannah Hudson.....

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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