

CGA Mining Limited
Level 5, BGC Centre
28 The Esplanade
Perth Western Australia 6000

Tel: +61 8 9263 4000
Fax: +61 8 9263 4020
Email: info@cgamining.com
www.cgamining.com

ABN: 88 009 153 128



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE AND TORONTO STOCK EXCHANGE

27 MAY 2008

C\$30M PRIVATE PLACEMENT OF ORDINARY SHARES

CGA Mining Limited (TSX: CGA; ASX: CGX) ("CGA", "the Company") is pleased to announce that it has engaged Haywood Securities Inc ("Haywood") to act as agent for a C\$30 million private placement offering of ordinary shares ("the Offering"). The proceeds, in combination with existing cash reserves and a US\$80 million senior debt facility arranged by BNP Paribas (refer to May 26, 2008 press release), will be utilised to fund the construction of the Masbate Gold Mine in the Philippines, including the acquisition of a power plant and general working capital.

Haywood will also have an over-allotment option entitling them to sell additional ordinary shares for further gross proceeds of C\$5 million, exercisable two days prior to the closing of the Offering.

The ordinary shares will be issued at a price of C\$1.65 per share (approximately A\$1.74/share).

The private placement is subject to any required regulatory approval and the Offering is expected to close on or about June 12, 2008.

ABOUT CGA MINING LIMITED

CGA is listed on the main board of the Toronto Stock Exchange and Australian Stock Exchange. The Masbate Gold Project in the Philippines is currently under construction and is due for completion in December of this year. The project has a total indicated resource base of 4.55M ounces and total inferred resources of 3.22M ounces and is currently forecast to produce over 200,000 ounces per annum. The 4Mt pa plant is under construction by Leighton Contractors Asia Limited ("Leighton"). CGA is currently completing a scoping study for the expansion of the plant throughput at Masbate. The mining contract for the Masbate Gold Project has been awarded to Leighton, the largest mining contractor in the world. A 30,000m drilling program (9,000m of which has already been completed) is currently underway at Masbate. CGA is completing a Feasibility Study into the Mkushi Copper Project in Zambia, which is due for completion in December 2008. The Company is also currently undertaking a 10,000m drilling program at Segilola, regarded as

Nigeria's most advanced gold property. CGA has a disciplined acquisition program focused on acquiring new gold projects with a substantial initial resource with the capacity to grow materially and where the development and operational experience of CGA can be applied to enhance shareholder value.

Enquiries

Australian Contact

President & CEO – Michael Carrick

Tel: +61 8 9263 4000
Fax: +61 8 9263 4020
Email: mcarrick@cgamining.com

US Contact

Chairman – Mark Savage

Tel: +1 505 344 2822
Fax: +1 505 344 2922
Email: marksavage@comcast.net

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR RELEASE TO US NEWS WIRE SERVICES

NATIONAL INSTRUMENT 43-101 AND JORC 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 and confirms compliance with NI43-101 and JORC requirements.

Further information relating to the Masbate Project is included in the technical report entitled Masbate Gold Project, Masbate Island, Philippines Form NI 43-101F1 Technical Report dated 30 April 2006 prepared by IMC Consultants Pty Ltd and available on SEDAR at www.sedar.com.

Mining Associates Pty Ltd, a qualified person, has verified the updated resource statement as disclosed in this announcement, including sampling, analytical and test data underlying the estimate. Verification of the data included numerous site visits, database validation of historical drill results and review of sampling and assaying protocols. The qualified person was satisfied with the verification process.

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 the closing of the Offering, 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.

For personal use