

April 10, 2008

CGA Mining Ltd. (CGA-T, \$1.65)

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Rating: SECTOR OUTPERFORM; 12-Month Target: C\$3.00; Risk: SPECULATIVE

Impact: Positive

Masbate Development Ahead of Schedule

- **Masbate Update** - CGA Mining has announced that the Masbate development schedule is currently 4 weeks ahead of plan and that construction activities have achieved a key milestone of 1 million person hours completed without lost time injury. We view the advancement in the construction schedule as a reflection of Leighton Contractors (Asia) Ltd. operational strength in the Philippines and the strength of CGA Mining's development team. Advancement of the development timeframe was also achieved during the monsoon season. With the dry season in the Philippines commencing, CGA is poised to further condense the development timeframe and achieve commissioning in Q4.
- **Reserve / Resource update pending** - CGA Mining is working towards a reserve / resource update in early Q2 based on infill and extensional drilling completed through H2/07 and Q1/08. We expect reserves to grow from the current 2 million to the 3 million ounce range driven by infill drilling at the Panique zone that hosts an inferred resource of 15.3 million tonnes at 1.87 g/t gold, or 900,000 ounces of gold. We also see future high-grade gold resource potential developing at the Libra North vein discovery where recent drilling has consistently intersected multi-metre widths of +9 g/t gold.

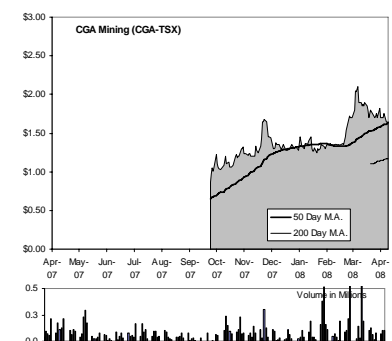
Implications: Positive - CGA Mining is 4 weeks ahead of development at the Masbate mine located in the Philippines through the monsoon season. With the dry season in the Philippines commencing, CGA is poised to further condense the development timeframe and achieve commissioning in Q4. Our current valuation targets commissioning during Q1/10 with production of 193,000 ounces of gold versus 219,000 ounces outlined in the Q4/07 optimization study.

Valuation: Our target price of \$3.00 per share is based on 1.2x our after-tax project NAV_{5%} of US\$551 million or US\$2.60 per share. We add an exploration credit of US\$75 million, or US\$0.35 per share, to reflect further growth potential at Masbate. CGA Mining trades at 0.6x project NAV_{5%}, at the low end of our coverage universe that trade between 0.5x and 2.3x (average 0.9x) project NAV_{3%to 8%}.

Last Research: March 10, 2008

Target Price	\$3.00	52-Week High / Low	C\$2.14 / C\$0.45
Current Price	\$1.65	Shares O/S	210.6 million (basic)
Return (incl. dist'n)	94%		226.8 million (F/D)
YTD Performance	14%	Market Capitalization	C\$347.4 million
Risk Profile:	SPECULATIVE	Daily Volume	
Forecast Risk	High	(3 mo avg)	121,000
Financial Risk	Low	Currency	C\$ unless noted
Valuation Risk	Moderate	Web Site	cgamining.com
Political Risk	High	CEO	Michael Carrick

Price Performance



Source: Bloomberg



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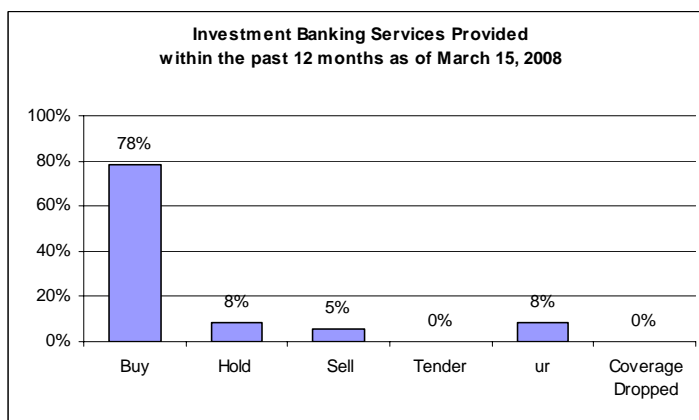
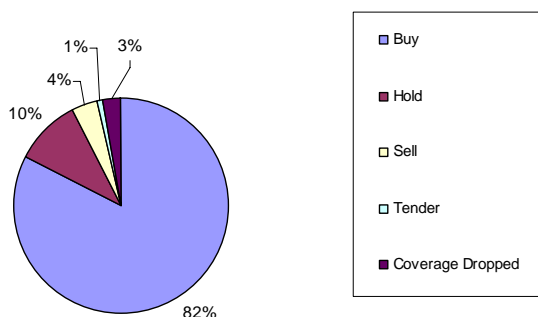
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Rating Distribution December 15, 2007 - March 15, 2008



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