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CGA ANNOUNCES RESUMPTION OF FULL PRODUCTION AT THE MASBATE GOLD PROJECT

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE AND TORONTO STOCK EXCHANGE

29 DECEMBER 2011

The Board of CGA Mining Limited ("CGA", "the Company") (TSX Code : CGA, ASX Code : CGX) is pleased to report that full production has resumed at the Masbate Gold Project.

Repairs to the SAG mill were completed ahead of schedule on 25 December 2011 with recommissioning occurring over the ensuing days. Initially production was set at 300-350tph to bed the mill in and make final mechanical checks.

Production rates have subsequently been lifted to 700tph with all mechanical checks showing that the circuit has settled in and is running smoothly.

All repairs were conducted under the supervision of mill specialists, Metso Minerals, who have repaired similar issues on this type of mill on a number of previous occasions. All repair work was subjected to extensive Non Destructive Testing which showed that 100% of the weld was within specification. Further engineering work in the form of the addition of gussets which "knit" the rotating element to the mill heads was also implemented to ensure improved structural integrity to the mill shell.

The purchase of a new rotating element is also in process giving extra security against any chance of another prolonged shut down.

Given the successful recommissioning of the SAG mill, the Masbate Gold Project is forecast to produce 100,000 ounces in the period January to June 2012 inclusive.

ABOUT CGA MINING LIMITED

CGA is listed on the main board of the Toronto Stock Exchange and ASX. The Masbate Gold Project in the Philippines was successfully constructed with first gold poured mid-2009. The project has a total indicated resource base of 4.55M ounces of gold, total inferred resource base of 3.22M ounces of gold and a probable reserve of 3.03M ounces of gold.

The 4Mtpa designed plant was constructed by Leighton Contractors Asia Limited ("Leighton") without one lost time injury. The mining contract for the Masbate Gold Project has been awarded to Leighton, the largest mining contractor in the world. CGA has completed a US\$12M investment program designed to upsize throughput to 6.5Mtpa at Masbate. The project is forecast to produce at a rate of over 200,000 ounces per annum (Year ended 30 June 2011: 190,033 ounces).

CGA has an aggressive exploration strategy. It is planned to undertake 172,000m of drilling at a cost of US\$20M over the next twelve months.

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

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NATIONAL INSTRUMENT 43-101 AND JORC COMPLIANCE

Mr Mark Turner, BE Min(Hons), M.Aus.I.M.M. CP Man, CGA's Chief Operating Officer, 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 Technical Report on the Mineral Resources of the Masbate Deposit, Masbate Province, Republic of the Philippines for CGA Mining Limited prepared by Mining Associates Pty Ltd and available on SEDAR at sedar.com, lodged 8 July 2008.

Andrew James Vigar of Mining Associates Pty Ltd, a qualified person, has verified the resource statement for the Masbate Project 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.

A NI 43-101 compliant report has been lodged on sedar.com verifying and supporting the new reserve statement made for the Masbate Project. Mr Daniel Tuffin, previously of Lower Quartile Solution Pty Ltd, a qualified person, has verified the reserve statement for the Masbate Project as disclosed in this announcement, including sampling, analytical and test data underlying the estimate. Verification of the data included 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, milestones related to the Masbate Gold Project, production estimates and CGA's future operating or financial performance, are forward-looking statements. 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 CGA's mineral projects; the need to obtain additional financing to develop CGA's mineral projects.; the possibility of delay in development programs or in construction projects and uncertainty of meeting anticipated program milestones for CGA's mineral projects ; and other risks and uncertainties disclosed under the heading "Risk Factors" in CGA's Annual Information Form for the year ended 30 June 2011 filed with the Canadian securities regulatory authorities on the SEDAR website at sedar.com.