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CGA ANNOUNCES ACQUISITION OF A FURTHER INTEREST IN PAJO AND EARLY EXPLORATION SUCCESS

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE AND TORONTO STOCK EXCHANGE

20 SEPTEMBER 2011

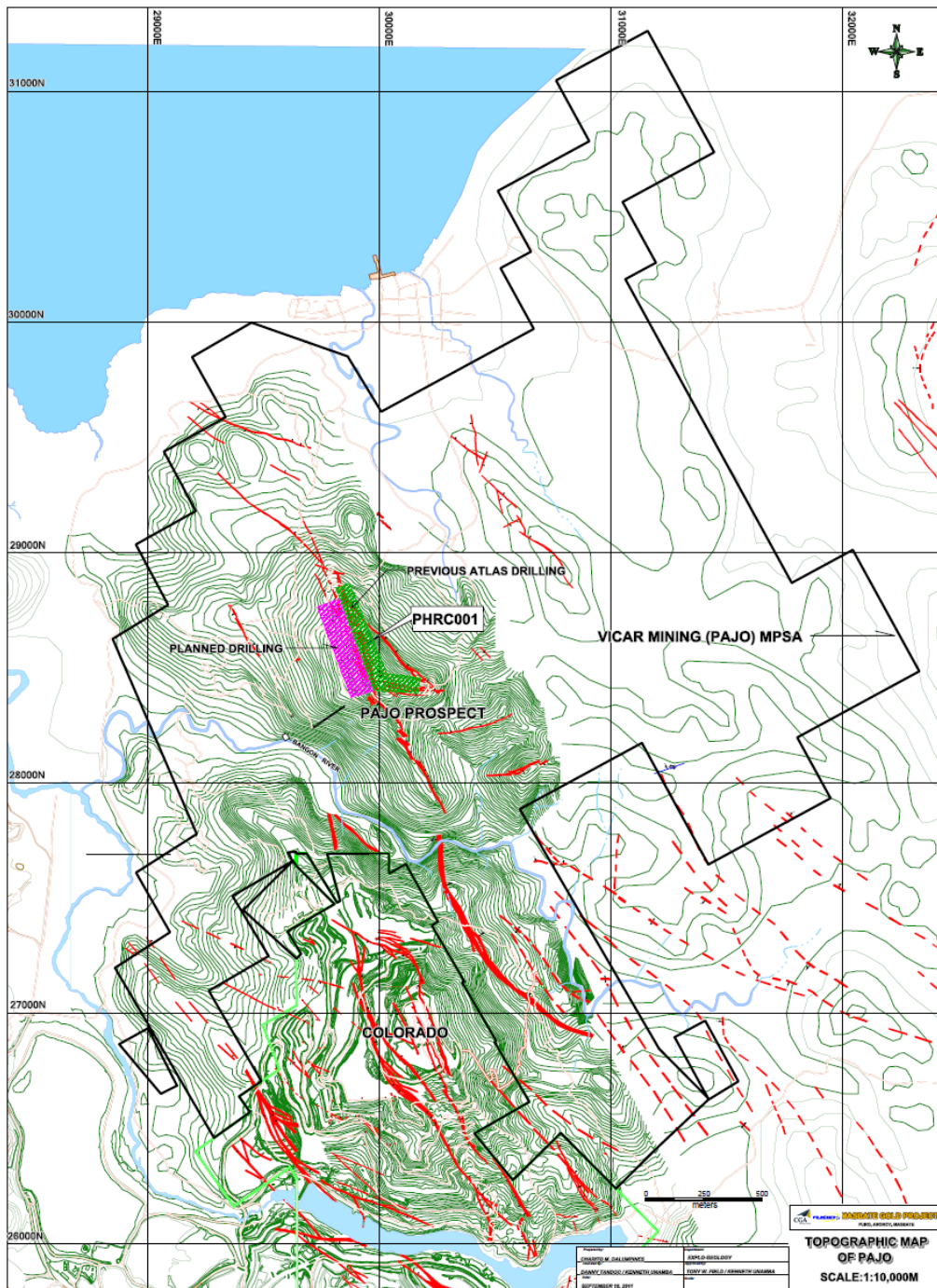
The Board of CGA Mining Limited ("CGA", "the Company") (**TSX Code : CGA, ASX Code : CGX**) is pleased to announce that it has agreed to acquire 100% of the interests of Bloomsbury Holdings Limited in the companies owning a direct and indirect interest in the highly prospective Pajo MPSA, immediately to the north of our Colorado Pit. Exploration activities have already commenced on the MPSA with the first hole drilled, returning **85m @ 0.85g/t Au including 14m @ 1.26g/t Au from surface**. The assays were conducted by SGS at their onsite laboratory using Fire Assay techniques with a 50g charge.

The entire hole was mineralised and was drilled to intersect the central - northern end of the mineralised zone from the eastern side of the hill. Due to drilling difficulties the hole was stopped in mineralisation. The intercept showed the same style of mineralisation, degree of alteration and multi-veining that is seen in the immediately adjacent Colorado deposit, which together with Main Vein in the south of the property, are the two main deposits of the Masbate Gold Project.

Logging of completed holes and comparisons with the historical holes shows that most of the historical drilling did not penetrate the full width of the mineralised zone and any previous resource estimations would have underestimated the size of the zone.

The initial Pajo exploration program consists of 3000m of RC drilling (22 holes) and 4850m of diamond core drilling (20 holes) and will target the central 500m strike of the main mineralised zone. The holes will have a target vertical depth of 140m and a line spacing of 40m. To date 12 RC holes have been completed and this is only the first of the assays to be returned.

The Pajo program is part of a total exploration program of US\$20M which will include 172,000m of drilling on the Masbate tenements for fiscal year 2012.



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 153,410,000 tonnes @ 0.92g/t Au giving 4.55M ounces of gold, total inferred resource base of 127,150,000 tonnes @ 0.79g/t Au giving 3.22M ounces of gold and a probable reserve of 92,236,000 tonnes @ 1.02g/t Au giving 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 is completing a US\$15M investment program designed to upsize throughput to 6.5Mtpa at Masbate. Once this is completed and the SAG mill brought back on line 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 Geoff.G.Jones, F.Aus.I.M.M.CP Mng, CGA’s Consulting Engineer, 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 2010 filed with the Canadian securities regulatory authorities on the SEDAR website at sedar.com.