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C\$ 17M PRIVATE PLACEMENT OF ORDINARY SHARES

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE AND TORONTO STOCK EXCHANGE

26 MAY 2009

CGA Mining Limited (**TSX Code: CGA; ASX Code: CGX**) ("CGA", "the Company") is pleased to announce that it has engaged Haywood Securities Inc ("Haywood") to act as agent for a C\$17 million private placement offering of ordinary shares ("the Offering"). The proceeds, in combination with existing cash reserves, are proposed to be utilised to supplement working capital during the initial months of production at the Masbate Gold Mine. The pouring of gold has commenced and the first shipment is scheduled for delivery to the refiner, Metalor Technologies SA in Switzerland, later this week.

The plant is operating well, with the power station now fully commissioned, together with the crushing, leach and gold recovery circuits. Currently the operation is running with the SAG mill and one ball mill, and is achieving near design throughput of 540 wet tonnes per hour. When the second ball mill is brought on line, the expectation is to exceed design parameters, with a target throughput of approximately 600 tonnes per hour (or in the order of 5mtpa). To date, the power draw has been lower than originally anticipated and grade control drilling has continued to confirm the original reserve modelling. Commercial production is currently anticipated to be achieved in June 2009.

The ordinary shares will be issued at a price of C\$1.35 per share (A\$1.54 equivalent).

The Offering is subject to any required regulatory approval and is expected to close on or about June 12, 2009.

ABOUT CGA MINING LIMITED

CGA is listed on the Toronto Stock Exchange and Australian Securities Exchange. The Masbate Gold Project in the Philippines was successfully constructed with first gold poured on 12 May 2009. The project which is currently ramping up to full production has a total indicated resource base of 4.55M ounces, total inferred resource base of 3.22M ounces and a probable reserve of 3.03M ounces of gold. It is currently forecast to produce over 200,000 ounces per annum.

The 4Mt per annum plant was constructed by Leighton Contractors Asia Limited ("Leighton") without one lost time injury. The mining contract for the project has also been awarded to Leighton, the largest mining contractor in the world. CGA is completing a scoping study for the expansion of the plant throughput at Masbate.

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 www.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 www.sedar.com verifying and supporting the reserve statement made for the Masbate Project. Mr Daniel Tuffin 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, 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 "Risk Factors" in CGA's Annual Information Form for the year ended 30 June 2008 filed with the Canadian securities regulatory authorities on the SEDAR website at www.sedar.com.