

PRESS RELEASE - 21 November 2006

Capital Mining Limited Exciting New Float Shares Go On Offer To The Public -- Zinc Price Hike Adds To Gold's Lustre

Capital Mining Limited is raising funds to ramp up exploration of its promising 100% owned and operated gold, base metals and rare metals prospects in southern and central NSW. The Canberra based company has lodged a Prospectus and is seeking to raise \$3 million through the issue of 15 million shares at an offer price of 20 cents each to fund its ongoing exploration programmes. The offer opened on 16 November and is expected to close on 22 December with ASX listing scheduled for late January 2007.

Funds raised will be used to complete mining pre-feasibility studies and exploration drilling programmes that are targeted on poly-metallic ores of high value per tonne. Proposed programmes are designed to build on the Company's previous exploration successes. These have come from evaluation of a well balanced portfolio of properties that has been acquired and explored since 1999.

Capital's flagship is the Chakola-Harnett gold and base metals prospect near Cooma where a resource of 1.1 million tonnes at 2.7 g/t gold equivalent containing an estimated 35,000 ounces of gold, 6,500 tonnes of copper and 5,000 tonnes of zinc with significant silver and lead has been outlined. The resource has an in-the-ground value of \$122 million at current metal prices and the property is located within the highly productive Woodlawn - Captains Flat base metals province where discoveries of world-class continue to be made.

Other properties that Capital has under investigation are:-

A 55 million tonne rare metals resource with zirconium, niobium, Rare Earth Elements, and thorium located 12 km north east of Temora; inferred alluvial gold resources near Delegate on the Victorian border with an estimated 7,600 ounces of gold; and a deep-seated copper-gold conceptual target at Porters Mount 15 km east of Barrick's world-class Lake Cowal gold deposit near West Wyalong, NSW where the proposal is to drill a possible "Company maker".

Capital's portfolio has been reviewed by a senior, highly qualified Independent Geologist who is of the view that the Company's proposals should enable projects to advance to the mine planning and development stage relatively quickly.

At the proposed issue price Capital's assets are very conservatively valued. The Company is soundly managed, free from debt and has the potential to generate strong cash flows from mining operations in the short term.

Application for shares must be made on the application form attached to the Prospectus.

Enquiries may be directed to Mr. Robert McCauley, Managing Director of Capital Mining Limited. ACN 104 551 171
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The information in the Prospectus to which this statement relates is based on information compiled by Richard Hine who is a Member of the Australasian Institute of Mining and Metallurgy. Richard Hine is a Director of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".