

CAPITAL MINING LIMITED

ABN 69 104 551 171



6 June 2007

Company Announcements Office
ASX Limited

Issue of Options

Capital Mining Limited advises that it has issued a total of 500,000 options over ordinary shares as follows:

- 250,000 \$0.25 options expiring on 22 March 2012
- 250,000 \$0.30 options expiring on 22 March 2012

The issue of these options was approved by shareholders at the Company's general meeting held on Friday 1 June 2007.

Attached is a completed Appendix 3B and 3Y with respect to the issue.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Richard Hine', is written over a faint circular stamp.

Richard Hine
Company Secretary

Capital Mining Limited ACN 104 551 171
P.O. Box 3770, Weston Creek, ACT. 2611 Australia
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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Capital Mining Limited

ABN

69 104 551 171

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Unquoted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 500,000 unquoted options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 250,000 options with an exercise price of \$0.25 cents and 250,000 options with an exercise price of \$0.30 cents expiring on 22 March 2012. |

+ See chapter 19 for defined terms.

| 4 | <p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>The securities will rank equally in all respects with CMY fully paid ordinary shares when exercised.</p> | | | | |
|------------|---|--|--------|--------------------|------------|----------------------------|
| 5 | <p>Issue price or consideration</p> | <p>250,000 options have an exercise price of \$0.25 cents and 250,000 options have an exercise price of \$0.30 cents.</p> | | | | |
| 6 | <p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>The options have been issued to a director of the Company in respect of past performance.</p> | | | | |
| 7 | <p>Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p> | <p>6 June 2007</p> | | | | |
| 8 | <p>Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p> | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;">⁺Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">39,610,500</td> <td style="padding: 2px;">Fully paid ordinary shares</td> </tr> </tbody> </table> | Number | ⁺ Class | 39,610,500 | Fully paid ordinary shares |
| Number | ⁺ Class | | | | | |
| 39,610,500 | Fully paid ordinary shares | | | | | |

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| | Number | +Class |
|---|---------|----------------------------------|
| 9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) | 250,000 | 25 cent options expire 22 Mar 12 |
| | 250,000 | 30 cent options expire 22 Mar 12 |

| | |
|---|--|
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | Full participation in any future dividends |
|---|--|

Part 2 - Bonus issue or pro rata issue

| | |
|--------------------|----------------|
| Questions 11 to 33 | Not applicable |
|--------------------|----------------|

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities NOT APPLICABLE

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

Questions 38 to 42

| |
|----------------|
| Not applicable |
|----------------|

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ***Richard Hine***
(Director/Company Secretary)

Date: 6 June 2007

Print name: Richard Hine

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+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

| | |
|-----------------------|-------------------------------|
| Name of entity | Capital Mining Limited |
| ABN | 69 104 551 171 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|--------------------------|
| Name of Director | Robert J McCauley |
| Date of last notice | 16 April 2007 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|--|--|
| Direct or indirect interest | Direct and indirect |
| Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small> | Options held by wife C McCauley |
| Date of change | 1 June 2007 |
| No. of securities held prior to change | 4,150,000 fully paid ordinary shares (indirectly) |
| Class | Unquoted options |
| Number acquired | 500,000 unquoted options |
| Number disposed | Nil |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small> | 250,000 options with an exercise price of \$0.25 cents and 250,000 options with an exercise price of \$0.30 cents expiring on 22 March 2012. |
| No. of securities held after change | 4,150,000 (indirectly) 250,000 unquoted options (indirectly) 250,000 unquoted options |
| Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small> | Issue of options |

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

Part 2 – Change of director's interests in contracts R McCauley

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|--|------|
| Detail of contract | None |
| Nature of interest | |
| Name of registered holder (if issued securities) | |
| Date of change | |
| No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed | |
| Interest acquired | |
| Interest disposed | |
| Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation | |
| Interest after change | |

6 June 2007

+ See chapter 19 for defined terms.