

# CAPITAL MINING LIMITED

ABN 69 104 551 171



24 October 2007

Company Announcements  
ASX Limited  
Level 6, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

## Issue of Bonus Options and Appendix 3B

Further to the Company's announcement of 29 August 2007, the directors are now pleased to advise that the acceptances under the prospectus in relation to a non-renounceable 1:3 entitlement offer of 20 cent exercise price options to existing shareholders have been finalized..

The number of Options allocated under this offer was 12,309,565 out of available number, 13,203,500 (Appendix 3B dated 29 August 2007 refers).

The offer was 93% subscribed with a small shortfall of 7% or 893,935 Options. This shortfall will lapse and the offer is now fully closed.

The offer raised \$123,095.65 before costs and will used for working capital purposes.

These Options will form a new class of securities and will be quoted on ASX under Code CMYO. In addition to the 12,309,565 Options above, a further 2,000,000 Options that were issued on 31 August 2007 (ASX announcement 27 August 2007 refers) will also form part of this new class of securities. The total securities to be quoted under CMYO will be as follows:

From this Prospectus Offer	12,309,565
From 31 August 2007 issue	<u>2,000,000</u>
Total	<u>14,309,565</u>

A new Appendix 3B for the 2,000,000 Options is attached. This replaces the Appendix 3B lodged on 27 August 2007.

Also attached are the listing for top 20 Option holders and distribution schedules.

The Directors would like to pass on their thanks to all shareholders who participated in the offer and demonstrated their continuing support for the company as it moves forward in its exploration projects.

The despatch of holding statements is expected to occur on 25 October 2007.

Yours faithfully

**Robert J. McCauley**  
**Managing Director and CEO**

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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   | Options   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 2,000,000 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) | 2,000,000 options with an exercise price of \$0.20 expiring on 18 October 2010. |

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+ 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"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>The options will form part of a new class of quoted security, CMYO.</p> <p>On exercise of any of the options, the shares issued will rank equally in all respects with CMY fully paid ordinary shares.</p>						
5	Issue price or consideration	The options are issued for \$0.01 each and have an exercise price \$0.20 per option.						
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The options have been issued to advisors who assisted in the Company's successful listing on the ASX earlier this year.						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	31 August 2007						
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td>39,610,500</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td>14,309,565</td> <td>20 cent options expire 18 Oct 2010</td> </tr> </tbody> </table>	Number	+Class	39,610,500	Fully paid ordinary shares	14,309,565	20 cent options expire 18 Oct 2010
Number	+Class							
39,610,500	Fully paid ordinary shares							
14,309,565	20 cent options expire 18 Oct 2010							
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td>250,000</td> <td>25 cent options expire 22 Mar 2012</td> </tr> <tr> <td>250,000</td> <td>30 cent options expire 22 Mar 2012</td> </tr> </tbody> </table>	Number	+Class	250,000	25 cent options expire 22 Mar 2012	250,000	30 cent options expire 22 Mar 2012
Number	+Class							
250,000	25 cent options expire 22 Mar 2012							
250,000	30 cent options expire 22 Mar 2012							
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Full participation in any future dividends						

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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**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**

*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 **Attached**

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories **Attached**  
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 **NOT APPLICABLE**

**Entities that have ticked box 34(b)**

Questions 38 to 42

Not applicable

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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**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: ***Robert J McCauley***  
(Managing Director and CEO)

Date: 24 October 2007

Print name: Robert J McCauley

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+ See chapter 19 for defined terms.

**Capital Mining Limited**  
**Options \$0.20 Exp. 18-10-2010**  
**Top 20 Holdings as at 24-10-2007**

<b>Holder Name</b>	<b>Balance at 24-10-2007</b>	<b>%</b>
MR RICHARD HINE	3,000,000	20.965
MR CHRIS ABLETT	2,000,000	13.977
STANFORD HILL PTY LTD	1,500,000	10.482
CHAKOLA GOLD PTY LTD	1,350,000	9.434
SIDAN ENTERPRISES PTY LTD	225,000	1.572
WALPETT ENGINEERING PTY LTD <SUPER FUND A/C>	200,000	1.398
MR MICK MCCAULEY & MRS BARBARA MCCAULEY	150,001	1.048
MR PATRICK MARTIN TAYLOR	150,000	1.048
MR BRUCE JONES	150,000	1.048
WARINCO SERVICES PTY LIMITED <WARING SUPER FUND A/C>	150,000	1.048
MR HEATH ROBERTS	150,000	1.048
MRS ANNETTE MIZON <THE BOBBIN SUPER FUND A/C>	100,000	0.699
MR JOE BLICHARZ & J M B ENTERPRISES PTY LTD	100,000	0.699
MR KEVIN ARTHUR THOMAS & MRS BARBARA THOMAS <THE KBT SUPER FUND A/C>	100,000	0.699
MR IAN RAYMOND RELF	90,334	0.631
MR RAMAMOORTHY SRINIVASAN & MRS BHANUMATHI SRINIVASAN	88,700	0.620
MR OLIVER BUECHER & MRS GEORGINA BUECHER	85,226	0.596
MR ROBERT ORMOND BOWYER & MRS JANISE MARY BOWYER	83,334	0.582
BT PORTFOLIO SERVICES LIMITED <THE MCCAULEY SUPER FUND A/C>	67,150	0.469
JP & KP NOMINEES PTY LTD	66,667	0.466
MR RAUL USED <THE RAUL USED FAMILY A/C>	66,667	0.466
NIXON INVESTMENTS QLD PTY LTD	66,667	0.466
	9,939,746	69.462
	14,309,565	

**Capital Mining Limited**  
**Analysis of Holdings as at 24-10-2007**

<b>Security Classes</b>	<b>Holdings Ranges</b>	<b>Holders</b>	<b>Total Units</b>	<b>%</b>
Options \$0.20 Exp. 18-10-2010	1-1,000	17	10,813	0.076
	1,001-5,000	177	599,146	4.187
	5,001-10,000	123	978,006	6.835
	10,001-100,000	128	3,696,599	25.833
	100,001-99,999,999,999	11	9,025,001	63.070
<b>Totals</b>		<b>456</b>	<b>14,309,565</b>	<b>100.000</b>