



ASX CODE: CMY

28 November 2007
Company Announcements
ASX Limited

Dear Sir / Madam,

***Managing Director's Review to Shareholders
A.G.M. 2007 – 28 November 10.30am at Hellenic Club of Canberra***

Ladies and Gentlemen,

Following on from Richard Hine's Chairman's address I would also like to welcome you all to our first Annual General Meeting. On behalf of the Board I would also like to welcome our recently appointed company Secretary Mr. John Keppo and Mr. Tony Dowell of Barnes Dowell James to our AGM in the National Capital. I would also like to take this opportunity to thank Mr. Tony Locantro of Patersons Securities Limited, Perth for his continuing support of **Capital Mining** during and after the IPO.

Over the past year **Capital Mining** has consolidated its position amongst Australia's leading junior exploration companies. Drilling has commenced at our flagship tenement at **Chakola** and drilling programs for **Porters Mount** and **Narraburra** are scheduled for early 2008. The Mining Lease Application at **Chakola** is progressing well with modifications to the conceptual mine plan and the flora and fauna survey completed. At **Chakola** our development proposal includes initially producing approximately **20,000oz (gold equivalent) per annum**. Official approval was received for a more extensive bulk sampling program for alluvial gold at **Craigie**. Work will commence once the new licence conditions have been met.

Three new tenements were added to our portfolio of leases after listing on the Australian Securities Exchange earlier this year. Those projects added were:- **Milparinka** targeting platinum, nickel, copper and gold in the "new frontiers area" in north western New South Wales; **Mundaerno South** (uranium, copper, gold and rare earth elements) located 20km south of the **Honeymoon Uranium mine in SA** and finally the **Coonalpyn Project** (uranium, gold, copper, zinc, silver, lead, tin) in Eastern SA. Capital Mining now has a diverse portfolio of quality tenements at varying stages of exploration development. They compliment each other with time frames and sizes that will allow Capital to continue to grow at a sustainable rate by adding value to our portfolio of leases. As mentioned earlier in his Chairman's address, Richard will give a technical presentation about our projects after the conclusion of the formal part of this meeting.

Also part of my responsibilities as Managing Director is to facilitate the raising of capital for our Company. We estimate that in about eighteen months the capital required to complete the design, development and construction of the infrastructure at **Chakola** to be in the order of \$5-6million. I have been investigating all the possibilities to raising this capital including the option of a listing on the **AIM market on the London Stock Exchange**. Meetings and discussions with representatives and advisors of the LSE have been very positive.

Presently, companies listed for at least 18 months on the ASX can be “fast tracked” to listing on the AIM market on the LSE. Of course it is prudent to have a range of existing and future options for funding our projects. I will continue to investigate over the next 12-18 months all of these funding options and possibilities for the proposed infrastructure development at **Chakola**.

As most of you are aware, Gold has recently rallied through **A\$900 per oz** and I believe that gold will consolidate at these and higher levels over the coming years. As they say “timing is everything” and I believe that this will help support and underpin our share price and so secure future funding for **Chakola** and other projects through the minimal issue of equity.

On behalf of the Board of Directors I would also like to thank you all for your attendance today at our first AGM and I look forward to meeting with some of you after the technical presentation.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'R. McCauley', with a horizontal line underneath the name.

Robert J McCauley

Managing Director and CEO

Capital Mining Limited ACN 104 551 171

Tel: +61 4 3232 7015 Fax: +61 2 6296 6631

P.O. Box 400, Erindale Centre. 2903 Australia

Email: admin@capitalmining.com.au Web: www.capitalmining.com.au