

# CAPITAL MINING LIMITED

ABN 69 104 551 171



11 December 2007

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

Dear Sir

## **Exercise of Options - Appendix 3B**

3,334 of the Company's 20 cent exercise price options have been exercised. The Company therefore advises the issue of 3,334 new CMY shares.

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

### **Notice Under Section 708A(5)(e)**

Capital Mining Limited has resolved to issue a total of:

- i) 3,334 fully paid ordinary shares at an issue price of \$0.20 per share on the exercise of existing options. The shares were allotted on 10 December 2007.

Capital Mining Limited gives notice that:

- (1) this notice is being given under Section 708A(5)(e) of the Corporations Act 2001 (Corporations Act);
- (2) Capital Mining Limited will issue the new shares without disclosure to investors under Part 6D.2 of the Corporations Act;
- (3) as at the date of this notice, Capital Mining Limited has complied with:
  - (a) the provisions of Chapter 2M of the Corporations Act as they apply to Capital Mining Limited; and
  - (b) section 674 of the Corporations Act; and
- (4) except as may be set out in this notice, there is no other information that is excluded information as at the date of this notice which is required to be set out in this notice under Section 708A(6)(e) of the Corporations Act.

Yours faithfully

**Capital Mining Limited**



**John Keppo**  
Company Secretary

Capital Mining Limited ACN 104 551 171  
P.O. Box 3770, Weston Creek, ACT. 2611 Australia  
Email: [admin@capitalmining.com.au](mailto:admin@capitalmining.com.au) Web: [www.capitalmining.com.au](http://www.capitalmining.com.au)

# 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   | Fully paid ordinary shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 3,334 fully paid ordinary shares   |
| 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) | The shares are issued to one shareholder as a result of exercise of existing 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 shares will rank equally in all respects with CMY fully paid ordinary shares from the date of allotment.</p>						
5	Issue price or consideration	\$0.20						
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The shares are issued to one optionholder as a result of exercise of existing options at a price of \$0.20.						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	10 December 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%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td>39,613,834*</td> <td>Fully paid ordinary shares</td> </tr> <tr> <td>14,306,231**</td> <td>20 cent options expire 18 Oct 2010</td> </tr> </tbody> </table>	Number	+Class	39,613,834*	Fully paid ordinary shares	14,306,231**	20 cent options expire 18 Oct 2010
Number	+Class							
39,613,834*	Fully paid ordinary shares							
14,306,231**	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%; border-collapse: collapse;"> <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						

\*includes 18,100,000 ordinary shares that are escrowed and restricted for 24 months from listing and \*\*6,033,335 20 cent options escrowed and restricted for 24 months from listing

+ 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

**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: **John Keppo**  
(Company Secretary)

Date: 11 December 2007

Print name: John Keppo

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