



CAPITAL MINING LIMITED

ACN 104 551 171

AGM 2009

Presented by:-

Robert J McCauley
Managing Director

HISTORIC COWARRA GOLD MINE SITE

Broken Hill Proprietary Co Ltd Processing Plant circa 1940-1942

From original photo donated to NSW Geological and Mining Museum by W. A. Bayley

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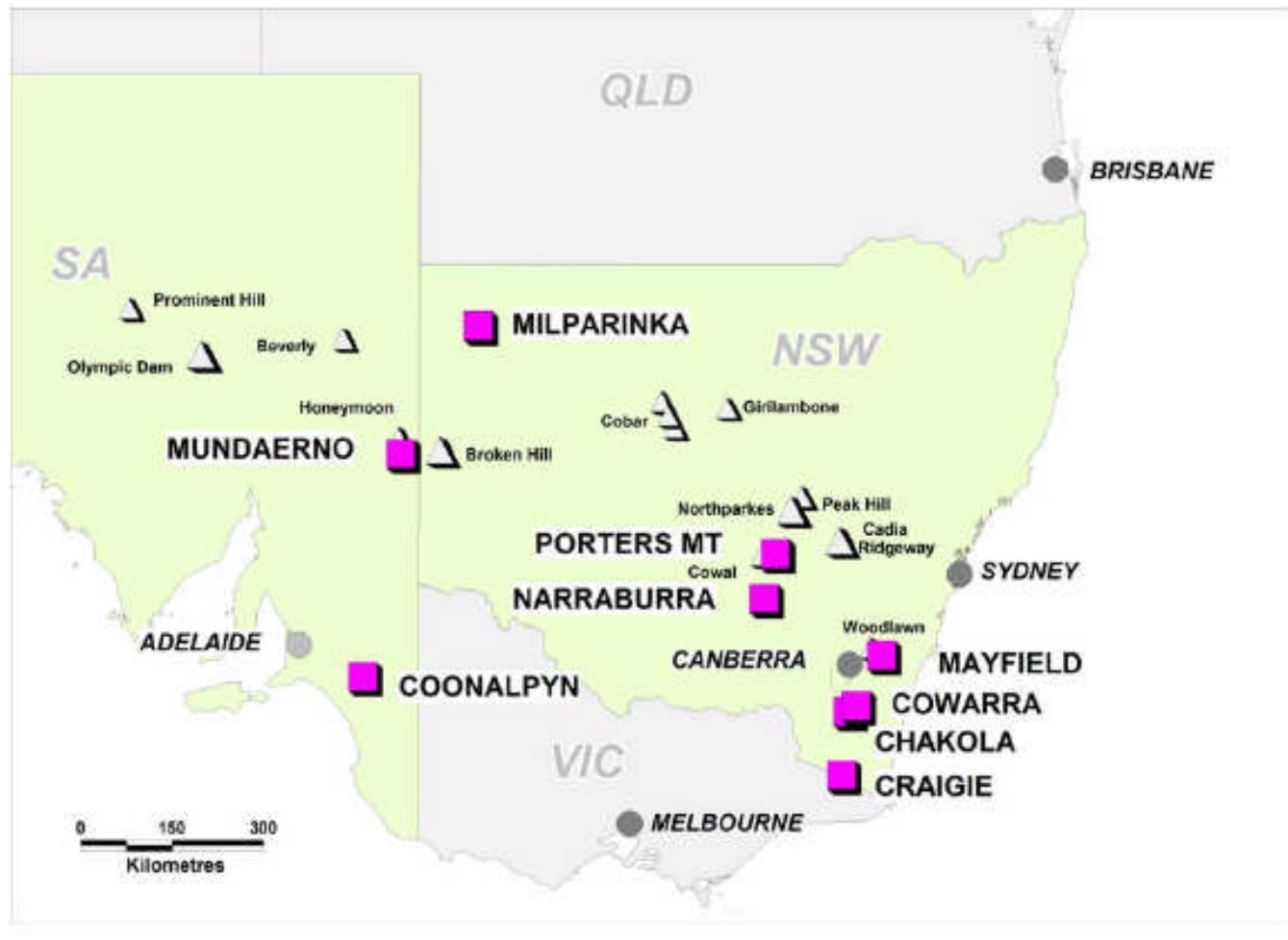
HIGHLIGHTS FOR 2008 – 2009

- Acquisition of 100% of the historic Cowarra Gold Project from Atlas Resources Pty.Ltd for 3 million Capital Mining shares. Initial JORC resource of 37,000 oz Gold - ASX announcement 20 August 2009.
- Heads of Agreement with Monaro Mining ASX:MRO to earn 75% of the Mayfield Gold and Base Metals Project by the expenditure of \$200,000 – subject to Monaro electing to contribute after Capital has earned 51%. Initial JORC resource of 77,000oz Gold; 16,000 tonnes Copper and 1.2 million oz Silver – ASX announcement 28 September 2009.
- Non-Renounceable Rights Issue raised \$1 million. The issue was very well supported and significantly over subscribed.
- Lodgement of Development Application for the Chakola Gold and base metals Project near Cooma NSW.

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CAPITAL MINING LIMITED **SOUTHEAST AUSTRALIA** PROJECT LOCATION MAP SEPTEMBER 2009



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PROJECT AREAS - NEW SOUTH WALES

CHAKOLA Gold & base metals Project

- Gold, copper, silver, lead, zinc JORC resource.
- Development Application (D.A.) lodged to develop small open cut mine.
- Drilling to obtain samples for phase two metallurgical testing and engineering purposes is planned.
- Upon proposed approval of D.A. Capital will seek Joint Venture participation to develop the open cut mine and associated infrastructure.

CRAIGIE alluvial gold

- Identified alluvial gold resource within the historic Craigie goldfield.
- Aiming to establish reserves for low cost mining operation.
- Assessment of application to develop trial mining operation is continuing.
- Mine planning focus meeting to be arranged.

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MAYFIELD Gold and base metals Project



Mayfield Prospect - view looking NNE down the line of lode from an exposure of gossanous ironstone and siliceous breccia at the southern end. June '09.

- Gold, copper, silver, zinc, JORC resource in iron rich skarns.
- Other promising Gold prospects such as the Limekins prospect where intercepts of up to 3m @ 41g/t gold from surface have been recorded.
- Specialist re-processing of historical data completed.
- Specifications have been drawn up for a 1,070 metre reverse circulation RC drilling program.
- Expect to earn 51% interest by end calendar 2009.

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COWARRA Gold Project

- Initial Gold JORC Resource announced.
- Recent intensive site investigations and historical data analysis, including field visits by four consultant geologists and mining engineer.
- Since goldfield proclaimed in 1891, one and a half tonnes of gold extracted mainly by original prospectors, BHP Co Ltd and Horizon Pacific.
- Official approval of plan to re-open and sample underground workings.
- Specialist reprocessing of historical magnetic and radiometric data commenced.
- Specifications drawn up for a 1,000 metre diamond core drilling program.



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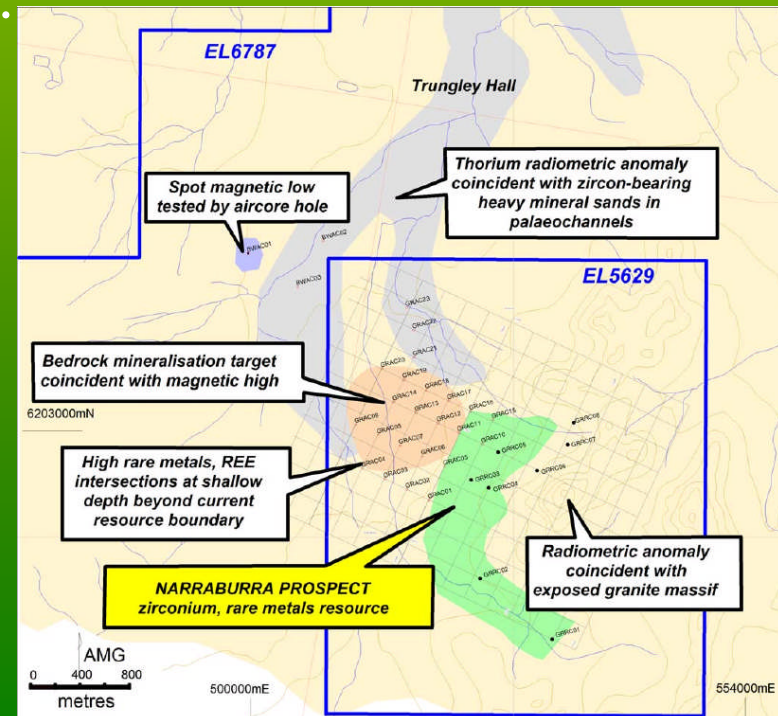
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NARRABURRA Zirconium and Rare Earths Project

Identified large JORC resource of Zirconium and Rare Earths including niobium, lithium, thorium, hafnium, yttrium, gallium and beryllium.

Bulk sampling and metallurgical testing program underway.

Increase in interest by third parties as Capital progresses the project including the resurgence in the sector as available supplies decline & prices rise for Rare Earths and zirconium.



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PORTERS MOUNT Gold, Copper, Molybdenum Project

As previously reported an 890 metre deep diamond core hole confirms the existence of a potentially very productive epithermal style gold-silver mineralised system.

Licence close to Barrick's NYSE:ABX, TO:ABX world class Cowal Gold Mine and Newcrest's ASX:NCM Marsden porphyry copper prospect.

Design of RC and diamond core drilling program to test known mineralised structures, prospective geophysical anomalies and conceptual targets.

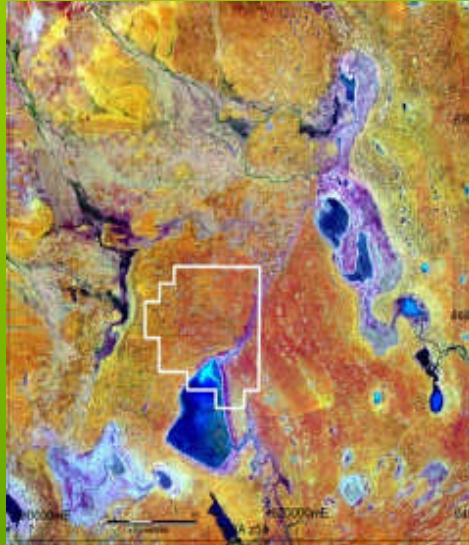
Third party reviews of data packages are in progress.



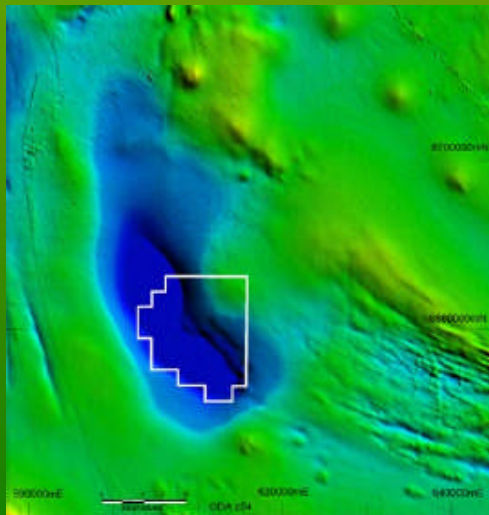
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MILPARINKA Platinum - Nickel Project



Landsat image



Regional magnetics

Covers conceptual targets for world class platinum-nickel and copper-gold deposits.

Located within the NSW Department of Industry and Investment's New Frontiers Thomson Orogen Project Area.

Target maps were used to narrow the search and therefore the project area was reduced in size so as to reduce expenditure commitments and conserve funds.

Joint venture partners are being sought to test the conceptual and physical targets by drilling a pilot stratigraphic (deep) hole as soon as practicable.

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PROJECT AREAS – SOUTH AUSTRALIA

MUNDAERNO SOUTH

Uranium, Gold, Copper, Rare Earths Project

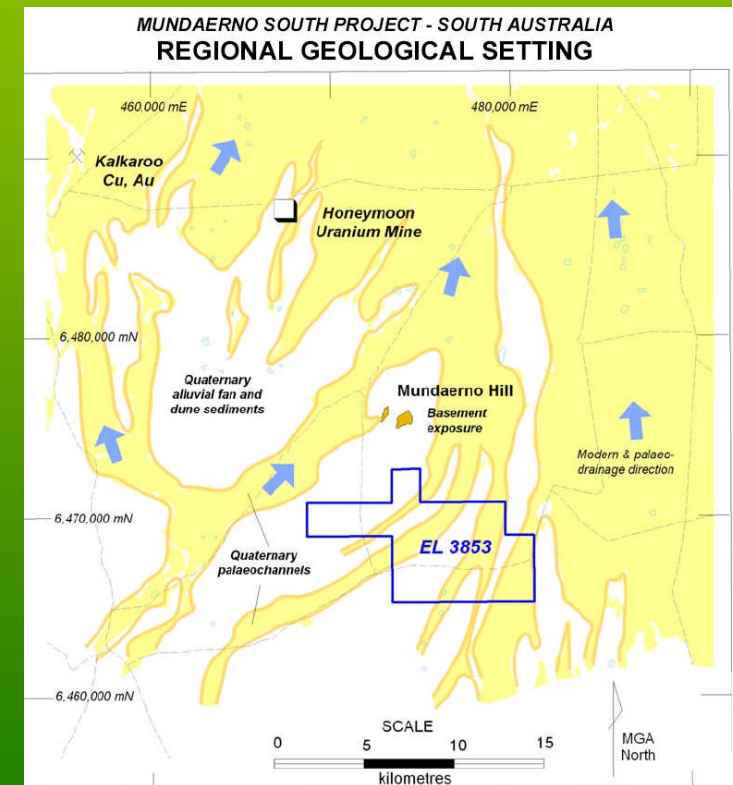
Project in a known uranium exploration province located between the historic Radium Hill Uranium Mine and the nearby Honeymoon Uranium Mine – 18 km NW.

Four palaeochannels cross the project area that are prospective for calcrete hosted uranium deposits similar to those being developed at the nearby Honeymoon Uranium Mine.

Also prospects for iron oxide bearing copper-gold-uranium-rare earth (IOCGU) deposits.

New uranium prospects have recently been discovered at Marmota Energy's ASX:MEU Junction Dam and Mulyungarie Projects located approximately 15-20 km north of Capital's Mundaerno South project area.

This is an exciting new development in our region and drilling is planned for the first half of 2010.



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COONALPYN

Uranium, Gold, Base Metals and Zircon Project.

Project covers an underexplored area east of Adelaide that includes excellent conceptual targets for Uranium, Gold, Base Metals and Zircon-rich mineral sands.

Follow up targets have been generated from infrared satellite imagery. A work program including drill testing of these targets will be implemented when practicable.

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CONCLUSION

- **Capital Mining currently has 7 Project Areas in New South Wales and 2 Project Areas in South Australia exploring for a diverse array of precious metals and commodities.**
- **Bulk sampling for zirconium and rare earths underway.**
- **Three drilling programs planned for the near future.**
- **Development Applications lodged for Chakola and Craigie.**
- **Recent increase in enquiries regarding Capital Mining projects from local and overseas companies.**
- **Capital Mining's current ASX market capitalisation is \$4.4 million with cash of \$1.4 million. Therefore the current enterprise value being assigned by the market for all of Capital's assets and value adding is only \$3 million. In my opinion this enterprise value significantly undervalues Capital's assets, thereby creating significant upside potential for Capital Mining's share price in the future.**

Robert J McCauley *Managing Director*