

ASX RELEASE - 29 April 2010

GOLD VALUES IN ROCK CHIPS EXTEND PROSPECTIVE ZONE AT COWARRA, NSW

Relatively high gold values have been recorded from a batch of 43 rock chip samples collected from exposures in the southern part of Capital's Cowarra Exploration Licence 5939, near Bredbo in southeast New South Wales.

The highest grade of 18.3 g/t gold was from a sample collected from a shallow working at a distance of 1750m south of the Polar Star mine. The Polar Star is the southernmost of the group of workings that comprise the historic Cowarra Goldfield.

Other samples with up to 4.2 g/t gold were recorded from the batch in which 8 samples had in excess of 1g/t gold and a high proportion (37%) also had significantly anomalous gold greater than 0.2 g/t.

The rock chip samples were collected in conjunction with geological mapping of the 2700m long southern strike segment of the narrow corridor within which the bulk of the gold-sulphide mineralisation at Cowarra is confined (see map below).

The aim of the work was to determine whether or not there was any potential for repetitions of the mineralisation in the block between the Polar Star workings and the Back Creek prospect near the southern boundary of the licence.

Two main mineralized trends on the western and eastern sides of the corridor respectively, were outlined by the work. These were marked variously by lines of shallow workings, gossan bands up to 0.3m wide, ferruginous bands in slate and variably ferruginous to barren quartz veins. *Vein quartz samples with 4.21g/t gold within slate host rock going 0.58 g/t gold were also recorded.*

A high proportion of samples were also anomalous in silver, base metals, arsenic and antimony.

The results are considered to be very encouraging and indicate that gold-bearing structures similar in character to those at the Cowarra mine extend southward into the segment of the corridor that was investigated.

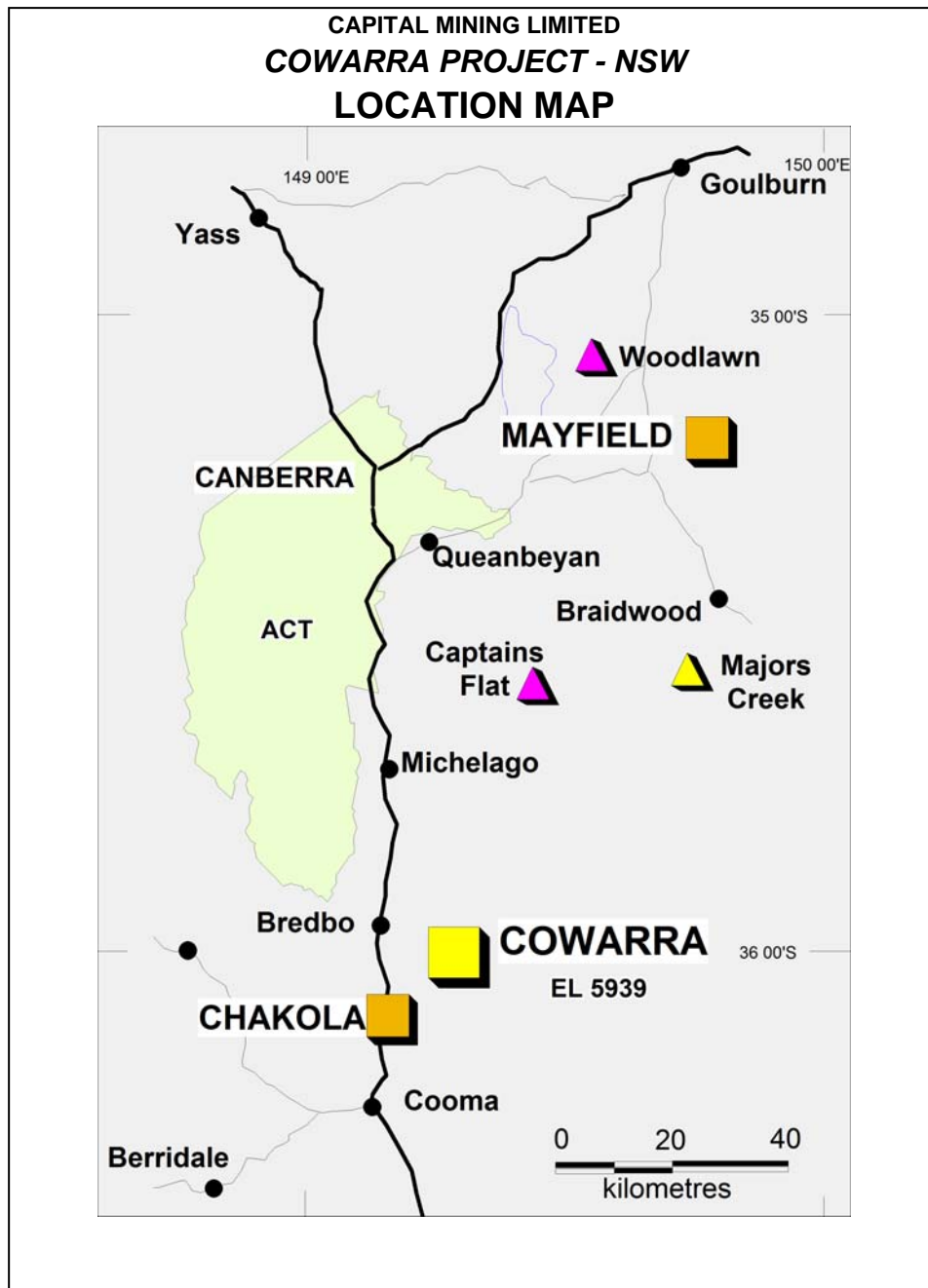
Despite its proximity to a former producing mine, the area in question has been underexplored and the current results are considered to warrant further testing of the structures identified by drilling.

A second phase of rock chip sampling and mapping is planned to investigate prospects in the northern segment of the prospective corridor. Exploration is ongoing and diamond drilling of targets in the confines of the Cowarra mine is currently in progress.

For further information please contact the management team Rick Hine, Chris Ablett, John Seeley or Rob McCauley. Expressions of interest from potential joint venture partners are welcomed.

Rick Hine
Capital Mining Limited
P.O. Box 3770, Weston Creek, ACT, 2611 Australia
Web: www.capitalmining.com.au
Phone: 02 6281 7951

The information in the report to which this statement is attached that relates to Exploration Results and Mineral Resources is based on information compiled by Richard Hine who is a Member of the Australasian Institute of Mining and Metallurgy. Richard Hine is a Director of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Richard Hine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



CAPITAL MINING LIMITED COWARRA EL 5939, NSW -- PROSPECT LOCATION MAP

