

ASX ANNOUNCEMENT

(ASX code: CMY)

26 November 2010

COWARRA GOLD PROJECT, NSW

FARM-IN AGREEMENT WITH COMMISSIONERS GOLD LIMITED

HIGHLIGHTS

- **Commissioners Gold Limited to earn a 50% interest in the Cowarra tenement for expenditure of \$500,000 on exploration over 2½ years**
- **Commissioners with right to earn an 85% interest for expenditure of a further \$350,000 should Capital elect not to contribute and dilute**
- **Exploration to focus on drill definition of gold deposits potentially amenable to both open pit and underground mining**

The directors of Capital Mining are pleased to advise that a Heads of Agreement has been entered into between Capital Mining and **Commissioners Gold Limited** ("CGL" ACN 115 845 942) which will allow for accelerated exploration of gold targets at the historic Cowarra gold mine near Bredbo in southeast New South Wales.

Capital has been exploring at Cowarra since mid 2009. High-grade gold-sulphide veins and shoots in shear zones are being targeted. First-pass drilling has been completed and a JORC Inferred gold resource of **500,000 tonnes at 2.3 g/t gold, containing 37,000 ounces of gold¹** has been delineated.

The objective of ongoing exploration is to test for extensions to the mineralisation at depth and to delineate drill targets in a narrow structural corridor which encloses the known mineralisation. Capital will manage work programs in consultation with CGL.

Commissioners Gold Limited is an unlisted public company currently exploring a portfolio of gold tenements in the Lachlan Fold Belt of central western New South Wales. Upon completion of their current drilling program on the "*Black Bullock*" target at Oberon, where results have included 13 metres @ 5.62 g/t gold from 87 metres, Commissioners Gold Limited will be launching an Initial Public Offering to list on the ASX by second quarter 2011².

¹ Refer to detail as announced to the market on 20th August 2009

² For further detail on the Commissioners Gold Limited Offer contact Keith Taylor at Novus Capital or *Commissioners Gold* direct by visiting www.commissionersgold.com.au

Under the terms of the agreement, Commissioners Gold Limited has:

- the exclusive right to earn a 50% equity interest in EL 5939 for expenditure of \$500,000
- the right to earn a 85% equity interest for expenditure of a further \$350,000 should Capital elect not to contribute and to dilute its interest.

Considering the potential to locate extensions to the known mineralisation and to outline additional resources within the tenement, the directors consider the terms to be very favourable for both parties.

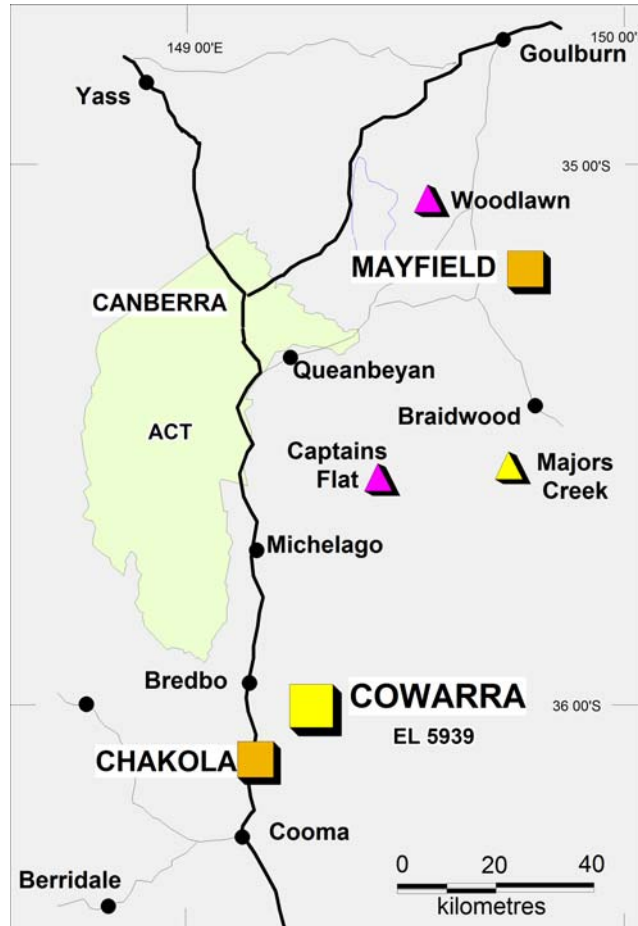
The directors are looking forward to working with CGL with a view to generating positive results from what is considered to be a most prospective joint venture project area.

For further information about the Cowarra project and the results of previous exploration please visit Capital's website or contact the Capital management team.

Dr Rick Hine
Capital Mining Limited
P.O. Box 3770, Weston Creek, ACT. 2611 Australia
Web: www.capitalmining.com.au
Phone: 02 6288 2661

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 – COMMISSIONERS GOLD LIMITED JV COWARRA PROJECT LOCATION SOUTHEAST NEW SOUTH WALES



CAPITAL MINING LIMITED – COMMISSIONERS GOLD LIMITED JV COWARRA EL 5939, NSW -- PROSPECT LOCATION MAP

