

## ASX ANNOUNCEMENT

(ASX code: CMY)

26 May 2011

### COWARRA GOLD PROJECT, NSW

**COMMISSIONERS GOLD LIMITED<sup>1</sup> JOINT VENTURE**

#### **GOLD POTENTIAL FURTHER ENHANCED BY ROCK CHIP RESULTS**

Relatively high gold values have been recorded from a batch of 105 rock chip samples collected from old workings, spoil dumps and bedrock exposures at the Never Never, Ironclad and John Murray's prospects in the northern part of the Cowarra project area (i.e. Exploration Licence 5939), near Bredbo in southeast New South Wales.

***The highest grades of 33.8 g/t and 27.8 g/t gold were obtained from quartz-sulphide vein and gossan samples collected from the Never Never and John Murray's groups of old workings respectively.***

***Gold values were markedly anomalous throughout the batch as a whole and 50% of the samples returned values in excess of 1 g/t gold and a relatively high proportion also had in excess of 5 g/t gold (i.e. 29 samples or 28%).***

The rock chip samples were collected in conjunction with geological mapping of a 2.8 kilometre long strike segment of the 300-400 metre wide corridor which hosts the gold-sulphide mineralisation at Cowarra (see map below).

The aim of the work was to characterise the mineralisation and to delineate drill targets in the segment between the Victoria and Ambassador group of workings at the Cowarra mine and the northern limit of the John Murray's workings to the north of the Bredbo River.

***To this end, a grouping of 39 anomalous samples at the John Murray's workings, which averaged 8.1 g/t gold and which were comparatively high in arsenic, copper, silver and antimony for the Cowarra Field, was highlighted as an area for immediate follow up.***

Mineralized trends in the corridor were marked variously by lines of shafts, pits and collapsed stopes, as well as, gossan and ferruginous bands and veinlets in sericite altered metasandstone and slate with ferruginous and barren quartz veins.

Highly anomalous gold values were recorded in a wide range of samples from gossans (18 samples in the range 1.86-27.8 g/t gold), gossanous quartz (3 samples in the range 7.37-12.9 g/t gold), variably ferruginous, gossanous and altered metasandstone (31 samples in the range 0.01-12.9 g/t gold) and variably ferruginous, gossanous and altered slate (31 samples in the range 0.05-19.1 g/t gold).

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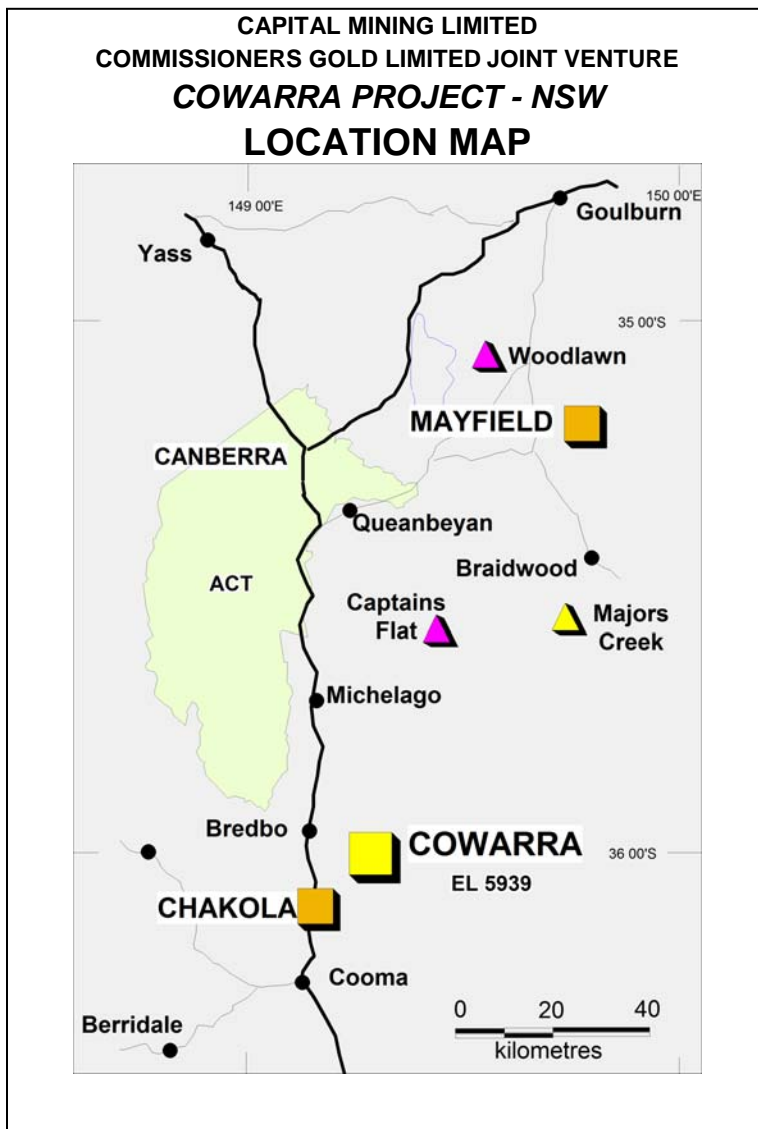
<sup>1</sup> The Cowarra Project is subject to a farm-in agreement with Commissioners Gold Limited (ACN 115 845 952) in which Capital Mining is the project manager and Commissioners Gold Limited has the right to earn a 50% interest in the project for expenditure of \$0.5 million in Stage 1.

*The rock chip results are considered to be very encouraging given the gold grades that were measured, the high proportion of very anomalous samples collected and the differing geochemical character of the mineralization at the John Murray's prospect.*

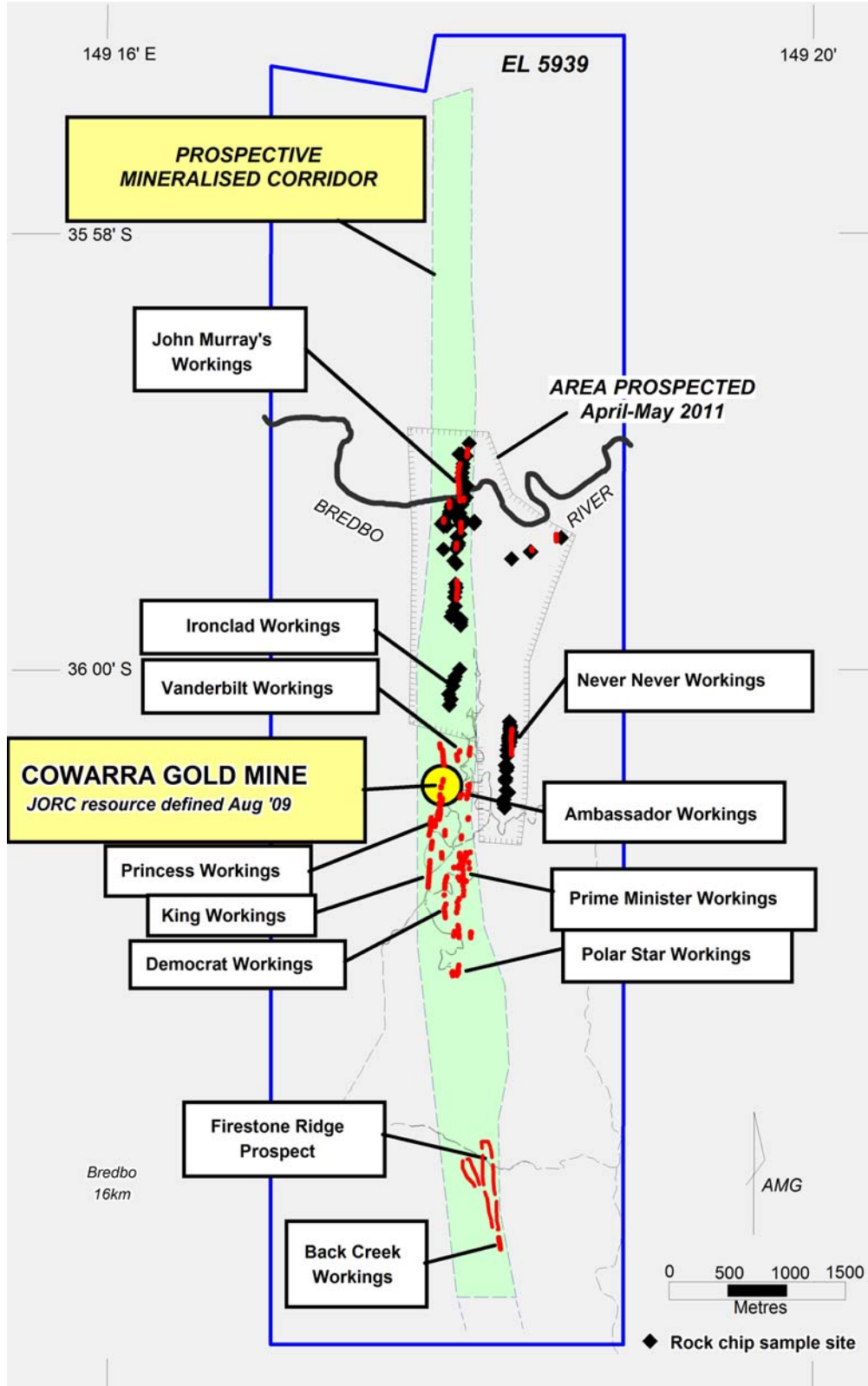
Detailed mapping, which will enable specifications to be drawn up for the drill testing of the highest ranked targets within the area of interest, is nearing completion and exploration is continuing.

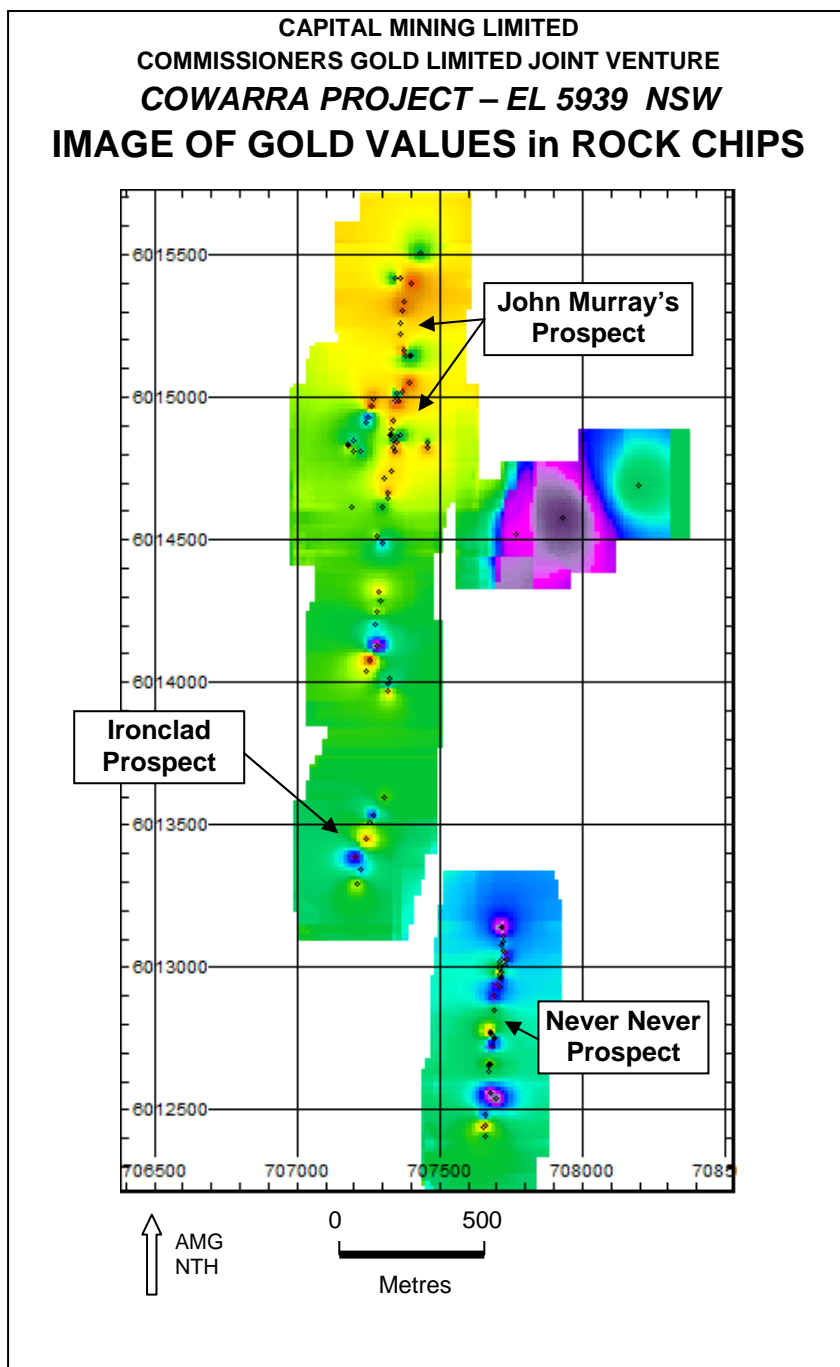
For further information please contact the Capital Mining management team or visit the Company's website [www.capitalmining.com.au](http://www.capitalmining.com.au)

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## CAPITAL MINING LIMITED – COMMISSIONERS GOLD LIMITED (ACN115 845 952) JOINT VENTURE COWARRA EL 5939 NSW -- PROSPECT LOCATION MAP





*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.*