

CAPITAL MINING LIMITED



ABN 69 104 551 171

CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING 10 November 2011

Ladies and Gentlemen,

Welcome everyone to this our fifth Annual General Meeting.

It is a pleasure to hold this meeting in Sydney and provide an opportunity for local shareholders to attend. Our shareholder base has grown to more than 700 and is now diversified across Australia.

Over the last twelve months Capital Mining Limited has:

1. Received funding of \$696,000 under the strategic share subscription agreement with China Metallurgical Investment Limited (CMI). This agreement was terminated on 28 October 2011 following non receipt of the Tranche 3 payment. Refer ASX announcement dated 28 October 2011 for details.
2. Completed a JV drilling program with Australian Mineral and Waterwell Drilling (AMWD) at the Mundaerno South uranium tenement in South Australia.
3. Set up a JV with Commissioners Gold Limited to jointly explore and drill gold targets at Cowarra. Drill assay results from the latest program are awaited.
4. Continued exploration at Mayfield where a drilling program is about to commence.
5. At Chakola, commissioned an Environmental Impact Statement (EIS) for the mining Development Application. The updated EIS is well under way and is expected to be completed early in the New Year.
6. Very recently, released details of a re-estimate of the zirconium and Rare Earths resource at Narraburra. Refer ASX announcement dated 9 November 2011 for details.

Whilst our subscription agreement with CMI has been terminated, we remain positive about future prospects and opportunities that may come along through our association with CMI. At the same time, we welcome the flexibility and freedom to seek out other new partners to work with and fund selected projects on a JV basis.

Thank you all for your continued support.

Rick Hine

EXECUTIVE CHAIRMAN

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