



ASX CODE: CMY

May 12, 2008
Company Announcements Office
Australian Securities Exchange Limited

Dear Sir / Madam,

TELLURIUM POTENTIAL INVESTIGATED FOR FIRST SOLAR Inc USA

High values for tellurium of up to 59g/t were recorded from drilling results at Capital Mining's 100% owned Stonehenge North Prospect, Chakola, near Cooma NSW as announced to the ASX on January 3, 2008.

We are delighted to announce that after analysing a digital data package of the Chakola results, the Senior Geologist from World Industrial Minerals, Denver, Colorado USA has now arrived at our Canberra exploration office to conduct further investigations and field visits into the potential of Capital's tellurium deposits on behalf of their client, First Solar Inc Phoenix, Arizona USA.

First Solar Inc (Nasdaq:FSLR) is the worlds largest consumer of Tellurium (Te). First Solar uses Tellurium, a rare precious metal, in the production of its Cadmium-Telluride (CdTe) Solar Cells. First Solar's market capitalisation has grown from around US\$5Billion to more than US\$20Billion over the past 12 months.

Notwithstanding the fact that the analysis of Capital's Tellurium potential is ongoing, negotiations are only at an early stage regarding any possible offtake agreement or joint development proposal. We are very encouraged by the results and progress to date and we will continue to inform the market of outcomes as per our continuous disclosure obligations.

Yours Sincerely

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Managing Director and CEO

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