



CAPITAL MINING LIMITED

ACN 104 551 171

PO Box 3770, Weston Creek, ACT 2611 Australia
Ph: 02 62817951; Fax: 02 62825324; Mob: 0432 327 015; E-mail: admin@capitalmining.com.au

17 June 2009

Companies Announcements Office
Australian Securities Exchange

NON-RENOUCEABLE RIGHTS ISSUE

Capital Mining Limited (ASX Code: CMY) is pleased to announce the terms of pro rata non-renounceable Rights Issue to shareholders of up to approximately 25,568,300 New Shares and approximately 12,784,150 attaching New Options at an Issue price of 4 cents per Share to Shareholders who are registered at 5.00pm EST on 26 June 2009 (the Record Date) to raise approximately \$1,023,000 (before costs of the Issue). This amount excludes any funds raised from the exercise of New Options issued. Due to rounding of Entitlements the exact maximum number of New Shares and attaching New Options that may be issued under the Offer will not be known until the Record Date.

The New Shares will be offered on the basis of three New Shares for every five Shares held at the Record Date. One attaching New Option will be issued to the holder of every two New Shares subscribed for under the Rights Issue. The New Options will have an exercise price of 8 cents and expire on 1 July 2011. The rights issue includes a "top up" facility whereby eligible shareholders may apply for additional new shares in excess of their entitlement at the issue price. The top up will only be available subject to other eligible shareholders not taking up their entitlements. Allocation of the top up shares will be at the discretion of the Directors.

The rights issue is not underwritten.

The Prospectus relating to the rights issue will be lodged with the Australian Securities and Investments Commission (ASIC) and ASX on or about 17 June 2009. Holdings on different registers (or subregisters) will not be aggregated for calculating entitlements.

The Share issue gives the Company a source of future funding to continue to expand its project development programmes and add value to the Company assets. Funds raised from this offer will be used to progress the proposed small open pit gold and base metals development at Chakola and also to accelerate activities on a number of fronts and to replenish working capital of the Company.

Shareholders will receive their copy of the Prospectus soon and application can only be made on the personalised entitlement and acceptance form accompanying the Prospectus. A copy of the Prospectus will be available for review on the ASX website: www.asx.com.au or on the Company's website: www.capitalmining.com.au

Following is an indicative timetable for the issue:

Announcement of non-renounceable Rights Issue and lodge Appendix 3B with ASX	17 June 2009
Prospectus lodged with ASIC and ASX	17 June 2009
Notice sent to Shareholders containing information required by Appendix 3B	19 June 2009
Capital Mining Shares commence trading ex-Rights	22 June 2009
Record Date for determining Rights	26 June 2009
Despatch Prospectus and announcement of completion of despatch	30 June 2009
Closing Date of Rights Issue and Top Up Offer	14 July 2009
Securities quoted on a deferred settlement basis	15 July 2009
Notify ASX of under subscriptions	17 July 2009
Allotment of New Shares and New Options	20 July 2009
Holding statements despatched and deferred settlement trading ends	22 July 2009
Trading of New Shares and New Options expected to commence on ASX	23 July 2009

The Company reserves the right to vary the above dates subject to the Corporations Act and ASX Listing Rules.

The Appendix 3B application for the quotation of the New Shares and attaching Options on ASX is attached to this announcement.

Capital Mining Limited



Robert J McCauley
Managing Director & CEO

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Capital Mining Limited

ABN

69 104 551 171

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares and Attaching Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 25,568,300 Ordinary Shares
12,784,150 Attaching Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Three new shares for every five shares held at an Issue price of 4 cents per new share, with one attaching new option for every two new shares subscribed for with an exercise price of 8 cents and an expiry date of 1 July 2011. |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:
<ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | The fully paid ordinary shares will rank equally with Capital Mining Limited's ("CMY") currently quoted fully paid ordinary shares.

The new Options will form a new class of quoted security.

On exercise of any of the options, the shares issued will rank equally in all respects with CMY fully paid ordinary shares. |
| 5 | Issue price or consideration | Entitlements under the rights issue will be determined on the basis of three new Capital shares for every five existing Capital shares held |

		at the record date at an issue price of \$0.04 per share, payable in full on application. The Options will be issued on basis of one Option for each two shares subscribed for.								
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	As detailed in the Prospectus released to ASX and as set out in the attached announcement.								
7	Date of entering +securities into uncertificated holdings or despatch of certificates	22 July 2009.								
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>68,182,134</td> <td>Fully Paid Ordinary Shares</td> </tr> <tr> <td>14,306,231</td> <td>Options exercisable at 20 cents expiring 18 October 2010</td> </tr> <tr> <td>12,784,150</td> <td>Options exercisable at 8 cents expiring 1 July 2011</td> </tr> </tbody> </table>	Number	+Class	68,182,134	Fully Paid Ordinary Shares	14,306,231	Options exercisable at 20 cents expiring 18 October 2010	12,784,150	Options exercisable at 8 cents expiring 1 July 2011
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68,182,134	Fully Paid Ordinary Shares									
14,306,231	Options exercisable at 20 cents expiring 18 October 2010									
12,784,150	Options exercisable at 8 cents expiring 1 July 2011									
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>250,000</td> <td>Options exercisable at 19.1 cents expiring 22 March 2012</td> </tr> <tr> <td>250,000</td> <td>Options exercisable at 24.1 cents expiring 22 March 2012</td> </tr> </tbody> </table>	Number	+Class	250,000	Options exercisable at 19.1 cents expiring 22 March 2012	250,000	Options exercisable at 24.1 cents expiring 22 March 2012		
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	New Shares have an equal entitlement to any future dividends.								
Part 2 – Bonus issue or pro rata issue										
11	Is security holder approval required?	No								
12	Is the issue renounceable or non-renounceable?	Non-Renounceable								
13	Ratio in which the +securities will be offered	The non-renounceable rights issue is three shares for every five shares held on the record date.								
14	+Class of +securities to which the offer relates	Ordinary shares								
15	+Record date to determine entitlements	26 June 2009								
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes								
17	Policy for deciding entitlements in relation to fractions	Fractions will be rounded up								
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	As set out in Section 3.16 of the Prospectus dated 17 June 2009.								

19	Closing date for receipt of acceptances or renunciations	14 July 2009
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	This Offer is not underwritten.
22	Names of any brokers to the issue	Applications received and accepted which bear the stamp of a member firm of ASX will be entitled to receive a 5% handling fee payable by the Company. Additionally, a completed Shortfall Application Form applying for a portion of any Shortfall, which has been accepted and which bears an ASX member's stamp, will result in a 5% handling fee payable by the Company.
23	Fee or commission payable to the broker to the issue	Refer 22 above
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Refer 22 above
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	30 June 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	17 June 2009
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do +security holders sell their entitlements in full through a broker?	Not applicable
31	How do +security holders sell part of their entitlements through a broker and accept for the balance?	Not applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Despatch date	22 July 2009

Part 3 – Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)**Additional securities forming a new class of securities**

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1- 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

37 A copy of any trust deed for the additional +securities

Information to Questions 35 to 37 will be provided following the Closing Date of the Issue and the issue of the Options for which quotation is being sought.

Entities that have ticked box 34(b)

Questions 38 to 42

Not applicable

