



CAPITAL MINING LIMITED

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Companies Announcements Office
Australian Securities Exchange

NON-RENOUCEABLE RIGHTS ISSUE CLOSES SIGNIFICANTLY OVERSUBSCRIBED

Capital Mining Limited is pleased to announce that the pro rata non-renounceable Rights Issue to shareholders ("**Issue**") has closed (14 July 2009) with the total of shareholder entitlements, additional shareholder applications and Shortfall applications resulting in a significant oversubscription to the total number of shares available.

As a result of this very positive response, Capital is currently determining the allocation of additional shares and the scale back required. Final numbers and allotment of the shares and options will be announced to the market early next week.

Under the Issue, a total of 25,568,300 New Shares and 12,784,150 attaching New Options were offered to raise approximately \$1,023,000 (before costs of the Issue).

The New Shares were offered to eligible shareholders on the basis of three New Shares for every five Shares held at the Record Date, with one attaching New Option to 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 also included a "top up" facility whereby eligible shareholders were able to apply for additional new shares in excess of their entitlement at the issue price, subject to availability by 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 was not underwritten but Capital acknowledges the strong support for the Issue from Tony Locantro, his clients and the team at Patersons Securities Ltd.

The funds raised will be used for:

- Precious metal exploration at Cowarra
- Chakola gold and base metals project
- Mayfield gold and base metals project
- Exploration on Company's other projects
- Project generation work
- Corporate costs and paying for the costs of the Issue

Robert McCauley, CEO and Managing Director said today quote,

“I thank fellow shareholders and the investment community for their strong support and success of the Issue. I see this as demonstrating shareholder confidence and overwhelming support of the Company’s strategy going forward. After the completion of this capital raising, the Company is in a strong position with cash resources of approximately \$1.7 million and projects with significant enterprise value. I will immediately implement a focussed strategy to delineate further JORC compliant resources and commence drilling programmes with results expected before the end of calendar 2009. Again, on behalf of the Board I thank everyone for their tremendous support of the Issue and vote of confidence in the Company.”

It should be noted that CEO Rob McCauley took up all of his entitlements of 2,158,172 New shares and therefore contributed a total of \$ 86,326 to the Issue.

Also, may I take this opportunity to let those shareholders who missed the recent ABC TV Stateline programme about Capital’s Chakola Gold and base metals project that you can see this programme through the following web address:-

www.abc.net.au/news/video/2009/05/15/2572099.htm

John Keppo
Company Secretary
Capital Mining Limited