



CAPITAL MINING

CAPITAL MINING LIMITED
ACN 104 551 171

<i>Postal Address</i>	PO Box 400, Erindale Centre, ACT, 2903, Australia
<i>Registered Office</i>	72 Dundas Court, Phillip, ACT 2606
<i>Telephone</i>	0432 327 015
<i>Facsimile</i>	02 6296 6631
<i>E-mail</i>	admin@capitalmining.com.au

Supplementary Prospectus

Dated 8 February 2007

1. IMPORTANT NOTICE

This supplementary prospectus ("**Supplementary Prospectus**") is dated 8 February 2007.

The Prospectus when read together with this Supplementary Prospectus:

- contains all information that would be required by sections 710, 711 and 716 of the Corporations Act 2001 (Cth) ("**Act**"); and
- does not contain any material statement that is false or misleading.

The Prospectus contains detailed information about the Company and it is advisable to read the Prospectus and this Supplementary Prospectus before completing an Application Form.

A copy of this Supplementary Prospectus was lodged with ASIC on 8 February 2007.

Neither ASIC nor ASX takes any responsibility for the content of this Supplementary Prospectus.

Unless the context otherwise requires, terms defined in the Prospectus have the same meaning when used in this Supplementary Prospectus.

2. REASONS FOR THIS SUPPLEMENTARY PROSPECTUS

This Supplementary Prospectus has been prepared to provide details of the following events that have occurred subsequent to the release of the Prospectus and which the Directors believe are or may be material to existing Shareholders, persons who have already lodged Application Forms and other potential investors:

- ASIC modification
- Change to indicative timetable
- Status of tenements
- Recent exploration results

3. ASIC MODIFICATION

ASIC has granted the Company relief under section 741(1) of the Act. A copy of the declaration made by ASIC under section 741(1) is attached to this Supplementary Prospectus ("**Declaration**").

The purpose of the relief is to enable the Company to issue new Shares offered under the Prospectus dated 8 November 2006 notwithstanding that:

- a) the securities are not admitted for quotation on the ASX within 3 months after the date of the Prospectus; and
- b) the requirement that the minimum subscription under the Prospectus be achieved within 4 months after the date of the Prospectus is not met.

By virtue of the Declaration made by ASIC under section 741(1) of the Act, the Company may issue new Shares offered under the Prospectus to Applicants provided that:

- a) the securities are admitted for quotation on the ASX within 3 months after the date of this Supplementary Prospectus; and b) the minimum subscription under the Prospectus is achieved within 4 months after the date of this Supplementary Prospectus.

The effect of the relief provided by the Declaration made by ASIC is that:

- a) for the purposes of sections 723(3)(b) and 724(1)(b)(ii) of the Act, the time within which the securities must be admitted to quotation on the ASX has been extended to 3 months after the date of this Supplementary Prospectus; b) for the purposes of section 724(1)(a) of the Act, securities may be issued to Applicants so long as the minimum subscription is achieved within 4 months after the date of this Supplementary Prospectus; and c) if the securities offered under the Prospectus and this Supplementary Prospectus are not admitted to quotation on the ASX within 3 months after the date of this Supplementary Prospectus the Company will either repay the money received by it from Applicants or give the Applicants a supplementary or replacement prospectus and one month to withdraw their applications and be repaid their Application Monies.

4. CHANGE TO INDICATIVE TIMETABLE

The summary of important dates set out on page 8 of the Prospectus is modified by this Supplementary Prospectus as follows:

	2007
Lodgement of this Supplementary Prospectus with ASIC	8 February
Closing Date (5.00 pm EST)	20 March
Despatch of statements of shareholding	26 March
Quotation of Shares on ASX expected to commence	30 March

Dates shown in the table above are indicative only and may be varied. The Company reserves the right to vary the Closing Date without prior notice, which may have a consequential effect on the other dates.

The Application Form contained in the Prospectus has been amended to reflect the existence of this Supplementary Prospectus. The amended Application Form is attached to this Supplementary Prospectus.

5. STATUS OF TENEMENTS

There have been no changes to the status of the Company's tenements from that set out in the Prospectus.

6. RECENT EXPLORATION RESULTS

The Board is continuing to add value to Capital Mining through the ongoing assessment of its established resources and the generation of promising drill targets in the Porters Mount and Narraburra Project areas.

HARNETT PROSPECT - CHAKOLA EL 5697 AND MLA 269, NSW

<i>Target commodity</i>	Gold, copper, zinc, lead, silver
<i>Target type</i>	Volcanogenic massive sulphide
<i>Metallogenic Province</i>	Woodlawn-Captains Flat Silurian Volcanic Belt

The Company is in the process of updating the mineral resource estimate at the Harnett gold and base metals prospect in EL 5697 and MLA 269. The new estimate will take into account:

- significant increases in commodity prices since November 2005 when the original estimate was made;
- the addition of zinc to the suite of recoverable elements in the primary sulphide mineralization;
- the potential to extract material to 100m depth by open pit mining rather than to 70m;
- historic results from diamond drill holes which intersected the mineralized envelope below the defined resource and along strike at a depth of up to 300m below the surface.

An official announcement of the results will be made in due course.

PORTERS MOUNT PROSPECT - WEST WYALONG EL 6591, NSW

<i>Target commodity</i>	gold, copper, silver, molybdenum
<i>Target type</i>	porphyry copper-gold
<i>Metallogenic Province</i>	Temora - Forbes- Parkes Porphyry Copper-Gold Belt

The Company has recently completed a comprehensive review of historic exploration results from the Porters Mount porphyry copper-gold prospect and specifications for drilling this exceptional target have been drawn up. The principal target earmarked for testing is a zone of magnetite destructive alteration with a coincident IP anomaly. The target zone is interpreted to be a pyritic alteration zone surrounding a copper-gold mineralised intrusion with a footprint of around 250m diameter.

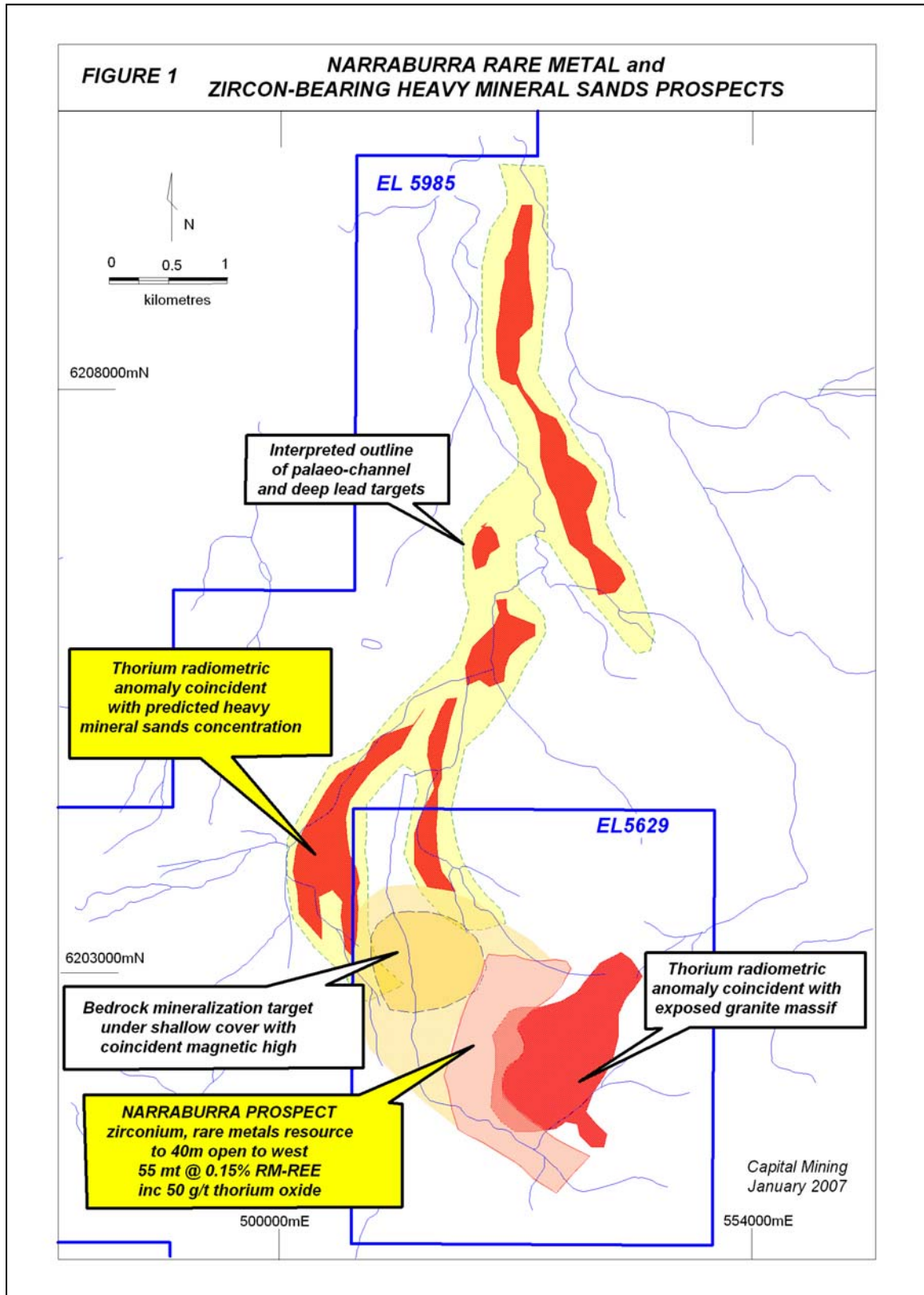
NARRABURRA PROSPECT - TEMORA EL 5629 AND EL 5985, NSW

<i>Target commodity</i>	zirconium, niobium, yttrium, thorium, REE, beryllium
<i>Target type</i>	bulk disseminated intrusion hosted rare metals; zircon-bearing heavy mineral sands
<i>Metallogenic Province</i>	Tumut Trough Post-Orogenic Igneous Belt

The rare metals being sought in the Narraburra Project area have a wide range of uses in ceramics, electronics, alloys, super-magnets, superconductors and the nuclear industry. Demand is increasing and there have been recent significant price rises in a number of these commodities, zircon in particular.

A review of the Narraburra Project data highlighted the potential for zircon to be concentrated in heavy mineral sands in a palaeo-channel system emanating from a source at the foot of the Narraburra Hills. The northward trending palaeo-channel system is marked by an anomalous thorium radiometric signature as shown in Figure 1. The source region includes the area encompassing the bedrock resource at the Narraburra prospect and a broad magnetic high under shallow cover to its west.

The association between concentrations of iron oxide and rare metals found by analysis of bedrock drill samples makes the magnetic high an attractive target for higher-grade bedrock mineralization. The Company considers the prospect to have excellent potential and will undertake a programme of ground geophysical surveying and drilling to test these promising targets after the Offer closes.



This is the Supplementary Prospectus dated 8 February 2007 prepared by Capital Mining Limited that is intended to be read in conjunction with the Prospectus dated 8 November 2006.

7. RIGHT TO WITHDRAW APPLICATIONS

Pursuant to Section 724(2) of the Act, Applicants who have lodged Applications for new Shares under the Prospectus will be entitled, within 1 month after service of this Supplementary Prospectus upon them, to withdraw their Applications and be repaid their Application Monies. Applicants should note that they will not have a further opportunity to withdraw their Applications on the basis that the new Shares offered under the Prospectus have not been admitted to quotation on the ASX for at least another 3 months.

Applicants who have lodged Applications for new Shares and who now wish to withdraw their Application should write to either the Share Registrar or the Company at one of the following addresses and request that their Application Monies be refunded.

Registries Limited
PO Box R67
ROYAL EXCHANGE NSW 1223

or

Capital Mining Limited
PO Box 400
ERINDALE ACT 2903

8. APPLICATIONS FOR NEW SHARES

Persons who have not lodged an Application for new Shares who wish to do so should use the Application Form which is attached to and forms part of this Supplementary Prospectus.

Persons who have previously applied for new Shares and who wish to apply for additional new Shares should do so using the Application Form which is attached to and forms part of this Supplementary Prospectus.

9. CONSENTS

Registries Limited has given and, as at the date hereof, has not withdrawn its written consent to be named as Share Registrar in the form and context in which it is named. Registries Limited has had no involvement in the preparation of any part of this Supplementary Prospectus other than being named as Share Registrar to the Company. Registries Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Supplementary Prospectus.

10. DIRECTORS AUTHORISATION AND RESPONSIBILITY STATEMENT

The Directors of the Company, each of whom has authorised the issue of this Supplementary Prospectus, accept responsibility for the information contained in this Supplementary Prospectus. This Supplementary Prospectus is signed by Robert McCauley being a person who has been authorised by each Director of the Company to sign this Supplementary Prospectus on his behalf.

The Directors confirm that they have made all reasonable enquiries and accordingly have reasonable grounds to believe that, other than the matters described above, there is no material information that has arisen between the date of the Prospectus and this Supplementary Prospectus that investors and their professional advisers would reasonably require to make an informed assessment of the offer of Shares made pursuant to the Prospectus.



ROBERT J McCAULEY
Chief Executive Officer / Director

Signed for and on behalf of Capital Mining Limited
8 February 2007

Australian Securities and Investments Commission Corporations Act 2001 - Subsection 741(1) - Declaration

Pursuant to subsection 741(1) of the *Corporations Act 2001* (the "Act") the Australian Securities and Investments Commission ("ASIC") hereby declares that Chapter 6D of the Act applies to the persons specified in Schedule A in the case specified in Schedule B as if:

1. the text of paragraph 723(3)(b) of the Act was omitted and the following substituted:
"the securities are not admitted to quotation within 3 months after the later of:
(i) the date of the disclosure document; and
(ii) the date of the latest supplementary disclosure document which discloses that the securities are not admitted to quotation;"
2. paragraph 724(1)(a) of the Act was modified or varied by omitting the words "and that condition is not satisfied within 4 months after the date of the disclosure document" and substituting the words:
"and that condition is not satisfied within 4 months after the later of:
(iii) the date of the disclosure document; or
(iv) the date of any supplementary disclosure document which discloses that the securities are not admitted to quotation"; and
3. the text of subparagraph 724(1)(b)(ii) was omitted and the following substituted:
"(ii) the securities are not admitted to quotation within 3 months after:
(A) the date of the disclosure document; or
(B) the date of any supplementary disclosure document which discloses that the securities are not admitted to quotation;"

SCHEDULE A

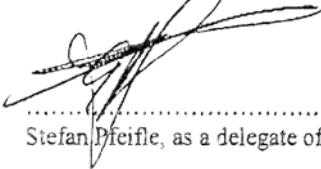
Capital Mining Limited ACN 104 551 171 ("Issuer") and any person acting on its behalf.

SCHEDULE B

An offer or issue of securities of the Issuer under a disclosure document lodged with ASIC on 8 November 2006.

Dated this 30th day of January 2007.

Signed:


.....
Stefan Pfeifle, as a delegate of ASIC

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS AND THE SUPPLEMENTARY PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A. If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than **10,000** and then in multiples of **1,000**). Multiply by **\$0.20** AUD to calculate the total for Shares and enter the **\$amount** at B.
- C. Write your **full name**. Initials are not acceptable for first names.
- D. Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E. If you are sponsored in CHESS by a stockbroker or other CHESS participant, you may enter your CHESS HIN if you would like the allocation to be directed to your HIN.
NB: your registration details provided must match your CHESS account exactly.
- F. Enter your Australian **tax file number** ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN /ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- G. Complete **cheque details** as requested. Make your cheque payable to **Capital Mining Limited Float Account** in Australian currency, cross it and mark it **"Not negotiable"**. Cheques must be made in Australian currency, and cheques must be drawn on an Australian Bank.
- H. Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.
- I. Enter your **email address** so we may contact you regarding your Application Form or Application Monies or other correspondence.

Correct Forms of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	Mr John Smith & Mrs Mary Smith <Smith Family Super Fund A/C>	John & Mary Smith Superannuation Fund

Lodgement

Mail your completed Application Form with cheque(s) attached to the following address:

Mailing address:

Capital Mining Limited
C/- Registries Limited
PO Box R67
ROYAL EXCHANGE NSW 1223

Delivery address:

Capital Mining Limited
C/- Registries Limited
Level 2
28 Margaret Street
SYDNEY NSW 2000

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Registries Limited on 02 9290 9600.

Privacy Statement:

Registries Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website (http://www.registriesltd.com.au/help/share_privacy.html).