

Capital Mining Limited

ASX: CMY

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EXPLORATION UPDATE

Capital Mining Limited (ASX: CMY) (**Capital or the Company**) provides the following update on the Company's activities.

Exploration Update

Dalgaranga (WA) [E59/2221]

This EL of 62 km² is well located within a known Tantalite enriched LCT (Lithium Caesium Tantalite) pegmatite region some 70 km from the regional mining town of Mt Magnet WA. Past results reported by Capital highlighted strongly anomalous tantalum results in the southern part of the EL based on limited sampling.

The planned current program is intended to commence in late March to April 2018 and expanded to obtain spatial coverage over most of the EL involving a few hundred samples - mainly soils along with rock chips and stream samples to detect Ta and LCT anomalies. Existing tracks will be used where available to speed up exploration. Samples will be collected some distance off tracks to avoid contamination. Any anomalous areas will then be infill sampled and mapped for LCT type pegmatites. The EL has thicker bush on its eastern side and stream drainages crossing tracks will be included in that sampling.

A variety of targets have been identified by photo air interpretation and magnetic imagery. Numerous small scattered granitoid outcrops and some possible dyke formations were photo identified in the north along with some unexplained small patchy white outcrops in the central area that may be associated with pegmatite dykes. A large linear magnetic zone extends from the known Dalgaranga historic mined tantalite zone into this EL. Widespread soil cover is common enabling potential target areas to be concealed under thin cover. (Refer to **Figure 1**).

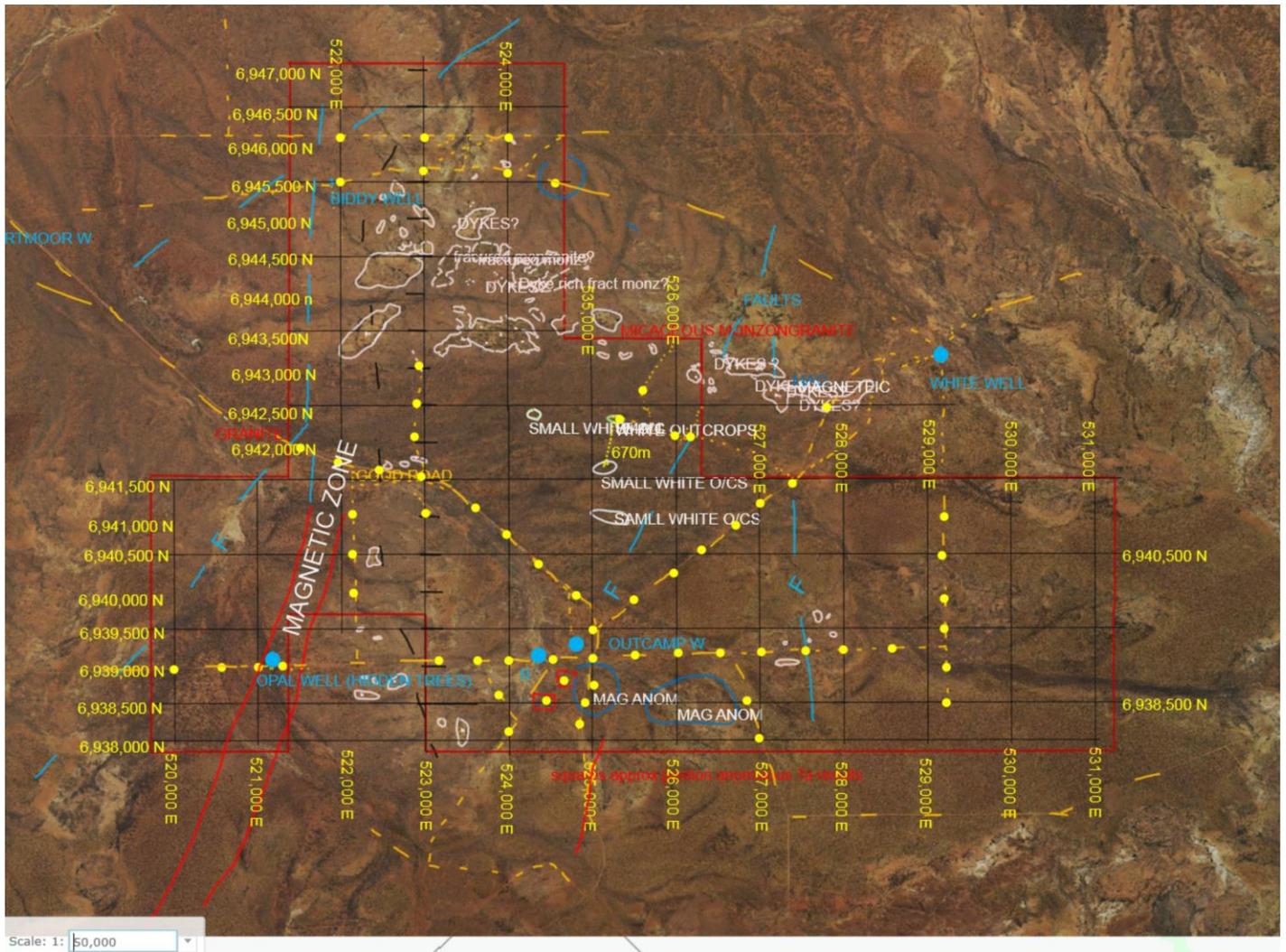


Figure 1: Dalgaranga EL Air Photo Imagery with geological features and some of the proposed sample sites as yellow dots.

Big Bell South (WA) [E20/906]

Along with the Dalgara project 50 Km to the north east, this EL of approximately 45 km² is within a known pegmatite rich region. Initial sampling by Capital returned anomalous LCT responses. It has various tracks across it so access for exploration is favourable and vegetation relatively sparse allowing 4WD access to most areas.

It has outcrops of Archean aged basaltic greenstone, quartzite and metamorphosed Banded Iron Formation set within larger areas of micaceous granitoid rocks and meta granodiorite indicating a history of intrusive granitoids and metamorphism that generated pegmatites with LCT signatures. Complex pegmatites with beryl are recorded a few kilometres north of the EL.

The current planned program has been expanded to cover most of the EL with soil and some stream sampling. Reconnaissance geological mapping of areas that show evidence of visual pegmatites can be conducted during the course of sampling.

Approximately 200 to 300 soil and stream samples will be spaced out and offset along access tracks that transect much of the area and in other areas of geological interest including past anomalous sampling results. Magnetic imagery and elements of available multispectral imagery such as its silica index have been used to select certain target areas.

Having previously established its LCT prospectivity with limited sampling, the next phase is to cover the whole tenement and then close in on areas with stronger results.

A secondary exploration objective will involve some sampling for gold due to its proximity to the historic Big Bell mines and presence of metamorphosed BIFs and sediments in the central part of the EL. The images show large areas concealed by thin soil cover.

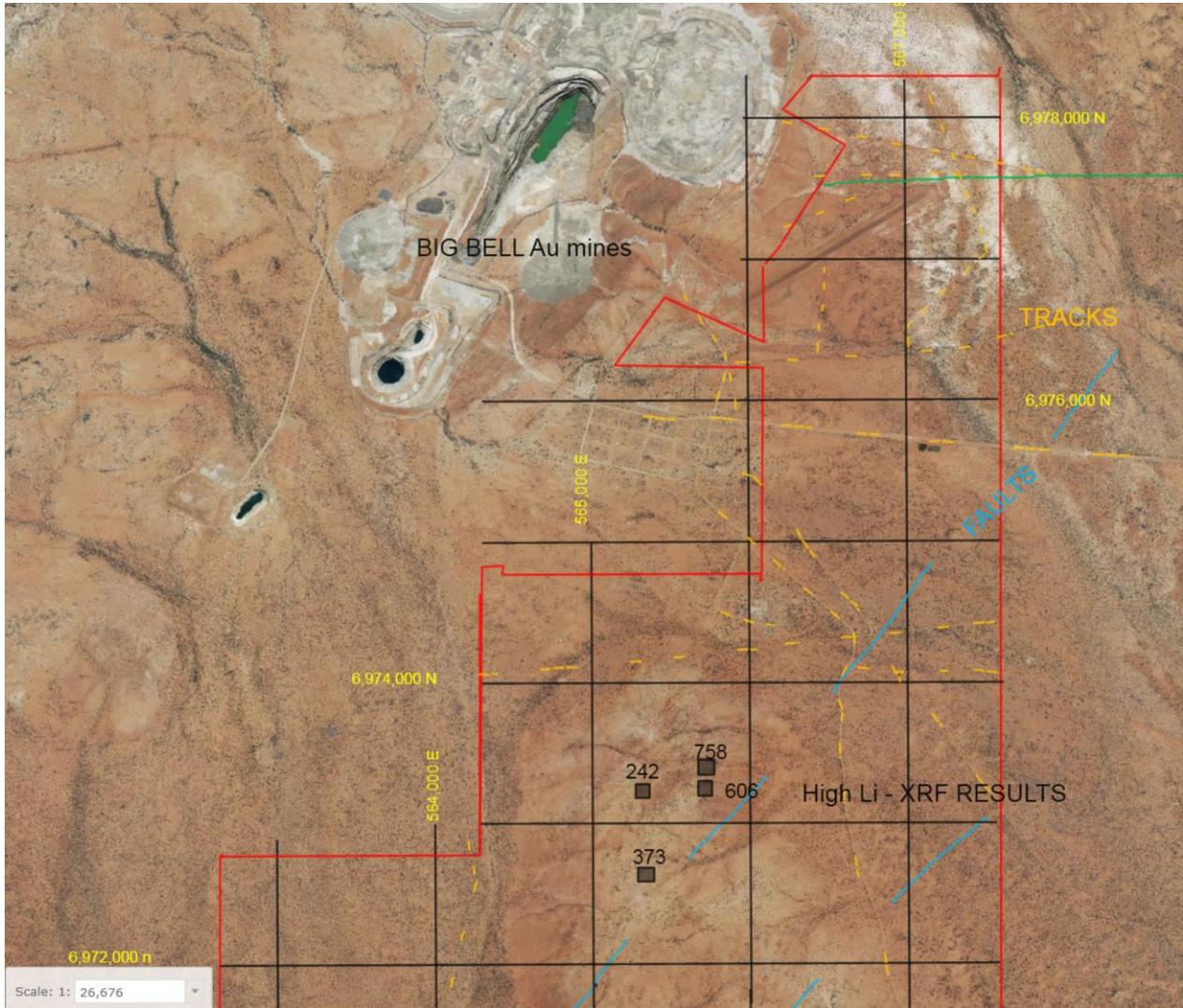


Figure 2: Northern sector Big Bell Sth Air Photo Image showing past anomalous lithium XRF results in ppm

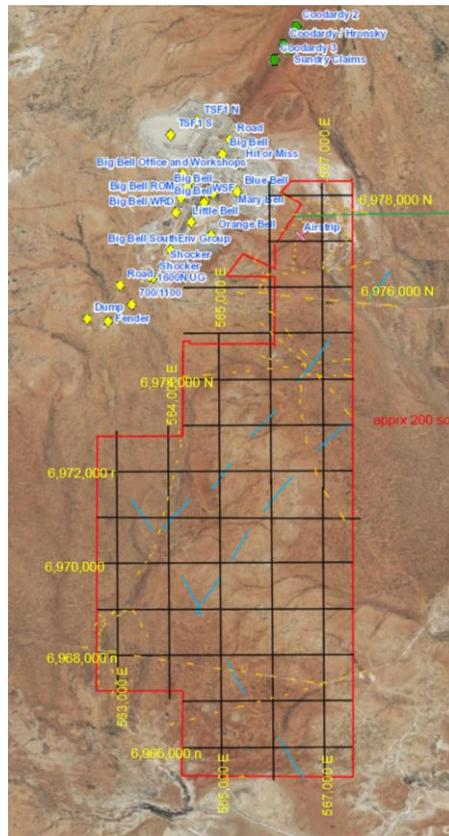


Figure 3: Overview Big Bell South Photo Image

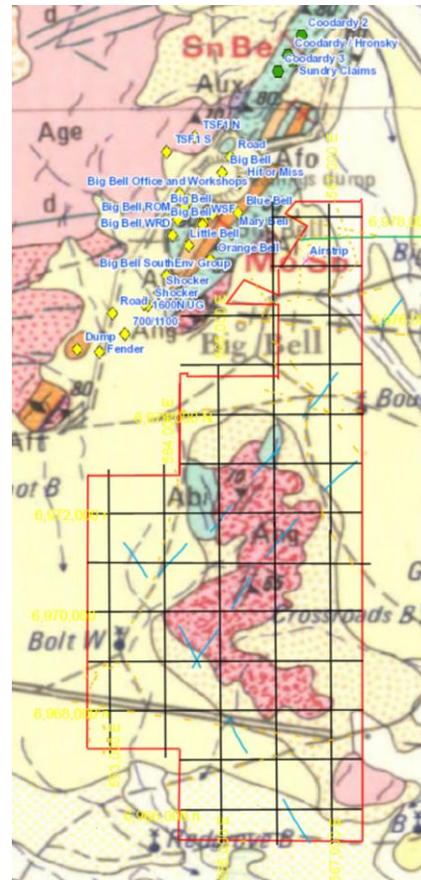
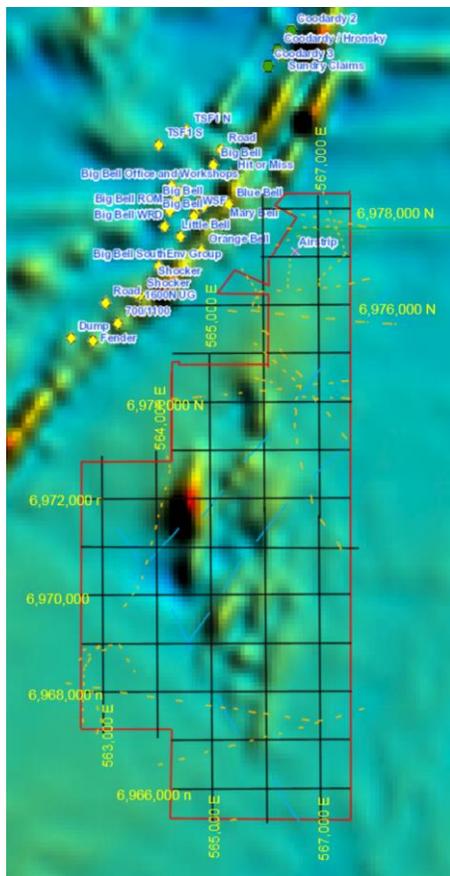


Figure 4: Big Bell Sth Total Magnetic Image

Figure 5: Big Bell Sth Geology Image

Recent Share Issues

The issue of 25,456,573 shares announced on 13 March 2018 were to a drilling supplier and a geological services supplier in lieu of payment in order to preserve the cash resources of the Company.

ENDS

About Capital Mining Limited

Capital Mining Limited (ASX: CMY) is an active ASX listed junior mineral resources company focused on the acquisition and exploration of key, demand driven commodities. Its project portfolio includes cobalt and lithium prospective assets in Western Australia and lithium in the Republic of Ireland, plus gold and base metals projects in New South Wales.