

29 July 2016

**Capital Mining Limited**

**ASX: CMY, CMYO**

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**Directors**

Mr Peter Torney

Mr Peter Dykes

Mr Anthony Dunlop

**Company Secretary**

Mrs Elizabeth Hunt

## QUARTERLY ACTIVITIES REPORT JUNE 2016

Capital Mining Limited (**'the Company'**) presents details of the Company's activities during the quarter, June 2016.

### 1. Cash Balance

The Company cash balance as at 30 June 2016 was \$2.018M.

### 2. Exploration

During the period, the Company has commenced an exploration program at the Chakola (NSW) tenement.

#### Chakola EL5697 (NSW)

Capital has commenced planning for the next phase of exploration at its Chakola Project, located near Heron Resources' (ASX: HRR) major Woodlawn Zinc-Copper Project, in southern New South Wales.

Capital plans to undertake additional work at the Chakola project to better assess the prospectivity of the Harnett deposit as well as a number of other identified prospects.

Capital has committed a budget of \$85k to the initial fieldwork at Chakola, including mapping and sampling programs and metallurgical and environmental studies. Work has commenced on the analysis of existing data.

Subject to the results of this preliminary work, Capital hopes to better define the existing mineralization and identify any new priority areas, following which, Capital expects to outline targets for an extensive drilling program (with budget circa \$500k).

Capital views Chakola as a potentially significant gold and base metal asset and will provide further details on progress of its exploration programs at the project in due course.

### 3. Acquisitions

#### Shaw River

Capital Mining announced the acquisition of 100% of Shaw River Lithium on 13 May 2016.

Following extensive due diligence, including fieldwork (airborne mapping and sample collection), Capital has withdrawn from the agreement on the basis of unsatisfactory results.

# CAPITAL MINING LIMITED



ABN 69 104 551 171

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## Wolfhound

The Company also announced on 1 June 2016, it had entered into a Binding Agreement with Wolfhound Lithium Limited to acquire three lithium projects in the Republic of Ireland. The due diligence on this acquisition has also commenced.

Capital will update the market on the due diligence in due course.

## 4. Future Developments

Capital is continuing to look for additional project opportunities in addition to the Wolfhound acquisition.

Capital is currently considering a number of gold-prospective acquisitions and will update shareholders should any suitable opportunities be progressed.

Capital advises, with this renewed focus on exploration, that the Company is no longer assessing investment opportunities in the technology sector.

## 5. ASX Listing Rule 5.3.3

The Company presents the tenement information in Table 1 below in accordance with ASX Listing Rule 5.3.3.

**Table 1:** Tenement Information

Project Name	Location	Tenement Licence	Interest held at 31 March 2016	Interest acquired/disposed of	Interest held at 30 June 2016
Mayfield	NSW	EL6358	51%	N/A	51%
Chakola	NSW	EL5697	100%	N/A	100%
Cowarra*	NSW	EL5939	50%	N/A	Nil

*\*As announced on 6 January 2015 Gold Mountain Limited (ASX: GMN) entered into an agreement with CMY to acquire their remaining unearned interest in EL 5939. The transfer was completed in June 2016.*

**-ENDS-**

**Enquiries:**  
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Director