



ASX CODE : CMY

30 March 2007
Company Announcements
ASX Limited

Dear Sir / Madam

PROPOSED BONUS LOYALTY OPTIONS

Dear Shareholders,

Firstly, on behalf of the Board of Directors, I welcome each and every one of our 530 shareholders to the register of **Capital Mining Limited**. We encourage you to follow and take an interest in your Company as we enter an exciting new growth phase, continuing to build upon previous successes over the past 6 years.

Capital is advancing opportunities found in the Energy Sector as well as formulating plans for future drilling programs. Finalization of the Resource Review at **Chakola** is almost complete whilst we continue to progress the Chakola mining lease application. We are also looking at the acquisition of projects to further enhance **Capital's** portfolio. Announcements will soon be forthcoming over the next few months outlining the results of the above review, programs, opportunities and project acquisitions. **Capital Mining** is now in the enviable position of having over \$3,300,000 cash (net from the IPO), nil debt, whilst also controlling 100% of its portfolio. The Board is absolutely committed to using our assets wisely and seeking out opportunities to enhance the value of our Company.

As a token of thanks to our Shareholders and supporters, the Board of Directors has resolved to issue a Prospectus for:-

A non-renounceable pro-rata offer of 3 year Options, each at an issue price of \$0.01, exercisable at \$0.20 cents, on the basis of one Option for every three Shares held at a Record Date (to be determined in the near future but within the next 6 months) AND a simultaneous public offer of up to 2,000,000 3 year Options each at an issue price of \$0.01, exercisable at \$0.20 cents to be issued at the discretion of the Directors.

Further information will be announced in due course.

Yours Sincerely

Robert J McCauley
Managing Director and C.E.O.

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