

PRESS RELEASE

FOR IMMEDIATE RELEASE

CAPITAL GOLD CONTINUES TO SET RECORD GOLD PRODUCTION TOTALS

Management seeking additional projects in Mexico

New York, November 17, 2008 - Capital Gold (TSX:CGC; OTC/BB:CGLD) announced today that the Company has produced 11,888 ounces of gold in the first fiscal quarter of 2009 (ended October 31, 2008) at its El Chanate mine in Sonora, Mexico. Gross proceeds from the quarter were just over \$9.1 million, with an average sale price of \$801 per ounce. John Brownlie, Capital Gold's Chief Operating Officer, said, "We are exceeding each previous quarter's production totals on a consistent basis now. The new ADR plant is almost completely operational and we should continue to see production growth."

At a Special Meeting of Stockholders on October 31, Capital Gold's stockholders, by an overwhelming majority authorized its Board of Directors to effect a reverse split of its Common Stock at a ratio in the range of 1-for-4 to 1-for-6. The split was proposed to meet the \$2 minimum stock price requirement for listing of the Company's Common Stock on the NYSE Alternext US (formerly the American Stock Exchange). Jeff Pritchard, Capital Gold's Executive Vice President, said, "Despite the approval, the Company has decided not to effect the split unless and until market conditions stabilize. We need to see the trading in our shares, other junior mining shares as well as the markets in general, recover to more comfortable levels before the Board of Directors decides to proceed with the split."

The market downturn has created other prospects for the Company, and there have been informal talks with other junior miners in the region. Brownlie added: "Our financial position is strong and we are ideally placed to explore the unique opportunities being created by the current market conditions. So while continuing to explore at El Chanate, we will be focusing on the acquisition of other projects and properties in Mexico."

About Capital Gold

Capital Gold Corporation (CGLD: CGC) is a gold production and exploration company. Through its Mexican subsidiaries and affiliates, it owns 100% of the El Chanate gold property in Sonora, Mexico. The proven and probable reserve is now 832,000 ounces of gold. The Company has produced 40,000 ounces of gold in its first year of operation. Further information about Capital Gold and the El Chanate Gold Mine is available on the Company's website, www.capitalgoldcorp.com.

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Statements in this press release, other than statements of historical information, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements are inherently uncertain. Actual performance and results may differ materially from those projected or suggested due to certain risks and uncertainties, some of which are described below. Such forward-looking statements include comments regarding the establishment and estimates of mineral reserves and non-reserve mineralized material, future increases in mineral reserves, the recovery of any mineral reserves, grade, processing rates and capacity, estimated future gold production, potential mine life and future growth of the company. Factors that could cause actual results to differ materially include timing of and unexpected events during construction, expansion and start-up; variations in ore grade, tonnes mined, crushed or milled; delay or failure to receive board or government approvals; the availability of adequate water supplies; mining or processing issues, and fluctuations in gold price and costs. There can be no assurance that future developments affecting the Company will be those anticipated by management.

Any forecasts contained in this press release constitute management's current estimates, as of the date of this press release, with respect to the matters covered thereby. We expect that these estimates will change as new information is received and that actual results will vary from these estimates, possibly by material amounts. While we may elect to update these estimates at any time, we do not undertake to update any estimate at any particular time or in response to any particular event. Investors and others should not assume that any forecasts in this press release represent management's estimate as of any date other than the date of this press release. Additional information concerning certain risks and uncertainties that could cause actual, results to differ materially from that projected or suggested is contained in the Company's filings with the Securities and Exchange Commission (SEC) over the past 12 months, copies of which are available from the SEC or may be obtained upon request from the Company.

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