

## **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

### **CAPITAL GOLD TO BEGIN NEW DRILLING PROGRAM AT EL CHANATE**

**Looking to Increase Proven Gold Reserves**

**Gold Production Scheduled to Begin Shortly**

NEW YORK, February 12, 2007—Capital Gold Corporation (TSX:CGC;OTC/BB:CGLD) said today that the company will undertake a 51-hole drilling campaign designed to determine additional proven and probable gold reserves at the El Chanate gold mining project, located in Sonora, Mexico. Drilling is scheduled to begin by the end of February.

Gifford Dieterle, Chairman of Capital Gold, said, “Now that we are on the verge of gold production, we are looking to increase our gold reserves at El Chanate.” 26 holes are planned with the intent of bringing additional gold ounces into the reserve totals. The current proven and probable reserve at El Chanate is 489,000 ounces of gold.

The remaining 25 holes are exploration holes. “These areas where exploration drilling will take place are areas where previous owners suspended their drill programs back in the late 1990’s due to low gold prices. When we acquired the property, we felt that there were some areas that had additional exploration possibilities, and now is the time to test those areas,” Dieterle added. The planned 51 holes will total almost 7,000 meters, and are positioned to fill in gaps in the ore body and test the southern and eastern limits of the currently known ore zones.

The El Chanate mine construction is nearly complete. Commissioning of the mine is expected to commence in March. Screened ore is currently being placed on the leach pads, with crushed ore scheduled to be placed next month. Gold production will follow shortly thereafter. The project continues to stay within budget.

#### About Capital Gold

Capital Gold Corp. (CGLD) is a gold exploration and development company. CGLD, through its Mexican subsidiaries, owns 100% of the El Chanate gold property in Sonora, Mexico. During August 2006 CGLD completed debt financing for the construction of the Chanate Mine. Engineering Procurement and Construction Management activities commenced June 1, 2006. Other construction activities have been underway at the mine site since early this year and we anticipate gold production will begin in early 2007. Further information about Capital Gold and

the El Chanate Gold Mine, along with current photographs, are available on the Company's website, [www.capitalgoldcorp.com](http://www.capitalgoldcorp.com).

###

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, construction cost estimates, construction completion dates, equipment requirements and costs, production, production commencement dates, grade, processing capacity, potential mine life, results of feasibility studies, development, costs and expenditures. 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, tons mined, crushed or milled; delay or failure to receive board or government approvals; timing and availability of external financing on acceptable terms for equipment, construction, working capital and other purposes; the availability of adequate power and water supplies; the availability of adequate mining equipment; technical, permitting, 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.

The 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.

**Contact:**

**Jeff Pritchard, VP-Corporate Relations**

Capital Gold Corporation

Tel: (212) 344-2785

Fax: (212) 344-4537

Email: [investorrelations@capitalgoldcorp.com](mailto:investorrelations@capitalgoldcorp.com)

**Media Inquiries:**

**Victor Webb/Madlene Olson**

**Marston Webb International**

Tel: (212) 684-6601

Fax: (212) 725-4709

Email: [marwebint@cs.com](mailto:marwebint@cs.com)