

## PRESS RELEASE

FOR IMMEDIATE RELEASE

# CAPITAL GOLD REPORTS FIRST QUARTER NET INCOME UP 52%

SCHEDULES ANNUAL MEETING FOR JANUARY 19, 2010

NEW YORK, December 11, 2009 – Capital Gold Corporation (TSX: CGC; OTC Bulletin Board: CGLD) reported today a 52% increase in net income for the first fiscal quarter, ending October 31, 2009, as compared to the first fiscal quarter of last year. Below is a table comparing three month performance ending October 31, 2009 as compared to October 31, 2008.

<u>Summary of Quarterly Results</u> (000's except per share Data)	For the three months ended October 31, 2009	For the three months ended October 31, 2008
Revenues	11,727	9,175
Net Income	2,939	1,936
Basic net income per share	0.02	0.01
Diluted net income per share	0.01	0.01
Gold ounces sold	11,733	11,413
Average price received	\$999	\$805
Cash cost per ounce sold <sup>(1)</sup>	\$338	\$270
Total cost per ounce sold <sup>(1)</sup>	\$389	\$310

1) "Cash costs per ounce sold" is a non-GAAP measure which includes all direct mining costs, refining and transportation costs and by-product credits as well as royalties as reported in the Company's financial statements. "Total cost per ounce sold" is a non-GAAP measure which includes "cash costs per ounce sold" as well as depreciation and amortization as reported in the Company's financial statements.

Commenting on the results, John Brownlie, Capital Gold's President and Chief Operating Officer, said the Company continues to make improvements in all areas at the El Chanate Mine in Sonora, Mexico. "We are pleased with these results and plan to increase production further in 2010. We are nearing completion on the construction of our new leach pad and installation of the additional crushing and screening module," Brownlie stated. "We anticipate both to be operational in January. Together, the new leach pad and crushing and screening module will assist with an increased gold production profile of 70,000 ounces in calendar year 2010."

### Annual General Meeting

The Company also announced that it has scheduled its annual meeting of stockholders to be held at 1PM EST on Tuesday, January 19, 2010 at the Crowne Plaza Times Square Manhattan, 1605 Broadway at 49<sup>th</sup> Street, New York, New York 10019. All stockholders are welcome to attend. The Company's previous meeting scheduled January 2009 was postponed to allow management sufficient time to respond to comments of the staff of the Securities and Exchange Commission resulting from a regular review of the Company's periodic filings. These comments were resolved on March 24, 2009. In addition, the meeting was subsequently delayed due to merger discussions so that annual business and merger approvals could be considered at the same meeting. The merger discussions have been discontinued.

### 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 mine located near the town of Caborca in Sonora, Mexico. It also owns and leases mineral concessions near the town of Saric, also in Sonora, that are undergoing preliminary exploration for gold and silver mineralization. Additional information about Capital Gold and the El Chanate Gold Mine is available on the Company's website, [www.capitalgoldcorp.com](http://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, strip ratio, 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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