

PRESS RELEASE

FOR IMMEDIATE RELEASE

CAPITAL GOLD CORPORATION COMPLETES DUE DILIGENCE ON NAYARIT GOLD

Provides Production, Exploration and Marketing Updates

NEW YORK, March 8, 2010 – Capital Gold Corporation (NYSE AMEX:CGC; TSX:CGC) today announced that it has completed its due diligence work on Nayarit Gold Inc. (TSX NYG).

John Brownlie, Capital Gold's President and Chief Operating Officer, said the acquisition process is proceeding according to plan with the relevant regulatory document filing process to begin during the next few weeks. "In the meantime, we are reviewing options to advance the development of Nayarit's Orion deposit in the most expeditious and cost effective manner," he said.

While completing the due diligence process of Nayarit, Capital Gold continues to produce gold at an increased rate at its El Chanate mine in Sonora, Mexico. For the month of February, approximately 367,134 tonnes of ore was processed at an average grade of 0.65 g/t to produce 5,250 ounces of gold. "With the recent improvements made at the mine, we anticipate gold production to continue at the rates we have seen in January and February. Moreover, as crushed ore production increases, we anticipate a further increase in gold production. We have also identified and will soon incorporate ways to reduce maintenance downtime that will further increase production throughout 2010 and beyond," Brownlie added.

The Company also continues to make progress at its exploration property, Saric – located just 50 miles from the El Chanate mine - where 13 core holes have now been completed for a total of 1,100 meters. The purpose of the core drilling program was to confirm the geological interpretation and assay confirmation of previous reverse circulation drilling campaigns.

Preliminary examination of the cored rocks show that mineralization is associated with intrusive breccias, zones of stockwork quartz veining, and quartz, sericite, pyrite alteration. The mineralization is believed to be of the 'porphyry gold' type associated with porphyritic sub-volcanic rocks of intermediate composition with potassic alteration. Capital is now awaiting metal assays from ALS Chemex of Hermosillo and Vancouver.

Meanwhile, Mr. Brownlie continues to pursue a robust outreach program meeting with numerous financial institutions, investors and the media in the U.S. and Canada.

He will attend the PDAC conference in Toronto this week where he will give a presentation to investors, analysts and media on Monday, March 8, at 10:40AM EST. Later he will meet with Lorenza Martinez, Mexico's Undersecretary of State for Economy – Mexico's principal mining authority – to discuss the company's plans going forward while on Tuesday, March 9, Brownlie will be featured together with the Undersecretary in a live television program on BNN – Canada's premier business television network. Other senior industry executives featured on the program include Rob McEwen and Tom Patton. Viewers may tune into the program on BNN TV on Tuesday, March 9, at 12:30PM EST. It will also be archived on the BNN website www.bnn.ca. A number of print media interviews have also been planned with international mining and business publications attending the conference.

About Capital Gold

Capital Gold Corporation (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.

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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 a national stock exchange listing 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, national exchange 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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