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CAPITAL MINING SECURES RAVENSTHORPE AND YALGOO LITHIUM PROJECTS

Highlights

- Capital Mining has pegged three new lithium prospective projects in Western Australia - the Ravensthorpe and Yalgoo North and Yalgoo South Projects
- Projects are considered prospective for lithium-rich spodumene bearing pegmatites
- The Ravensthorpe Project is located close to the Mt Cattlin Lithium Mine
- The Yalgoo North and South Projects are located close to known LCT pegmatite mineralisation
- New Projects continue to expand Capital's prospective lithium asset portfolio
- Capital plans to commence field work immediately to identify and define targets

Capital Mining Limited (ASX: CMY) ("**Capital**" or "**the Company**") is pleased to announce it has secured three additional lithium prospective exploration licence applications being the Ravensthorpe and Yalgoo North and Yalgoo South Lithium Projects in Western Australia.

The projects are all considered highly prospective for lithium-rich spodumene bearing pegmatites, and are located in close proximity to known mineral occurrences associated with Lithium-Caesium-Tantalum (LCT) pegmatites.

The Ravensthorpe Project comprises one exploration licence application (E74/609) covering an area of 68.60km². It is located in close proximity to Galaxy Resources' (ASX: GXY) major Mt Cattlin Lithium Mine in the Phillips River mineral province in the Great Southern region of Western Australia. The Yalgoo North (E59/2195) and Yalgoo South (E59/2196) exploration licence applications cover a total area of 118.12 km² in the Yalgoo Mineral Field in the Mid-West region of WA.

The projects all exhibit key features of a conventional LCT Pegmatite model and have been identified and pegged based on their potential to host rare-element granitic pegmatites of the LCT geochemical family.

Capital is an active exploration company, focused on acquiring and exploring for high value mineral resources. The acquisition of the Ravensthorpe, Yalgoo North and Yalgoo South Projects adds to the Company's expanding portfolio of highly prospective lithium exploration assets. Capital will now commence a first phase exploration program across the newly acquired projects to help identify and define targets for follow-up exploration and drilling.

Ravensthorpe Project

The Ravensthorpe ELA was selected based on the extension of magnetic features from the nearby Mt Cattlin Project into Capital's project area. This suggests favourable structure and also potentially favourable geology for lithium-bearing LCT pegmatites.

The Company will now review all relevant Government and Open File reports prior to undertaking reconnaissance fieldwork to sample pegmatites at the project area.

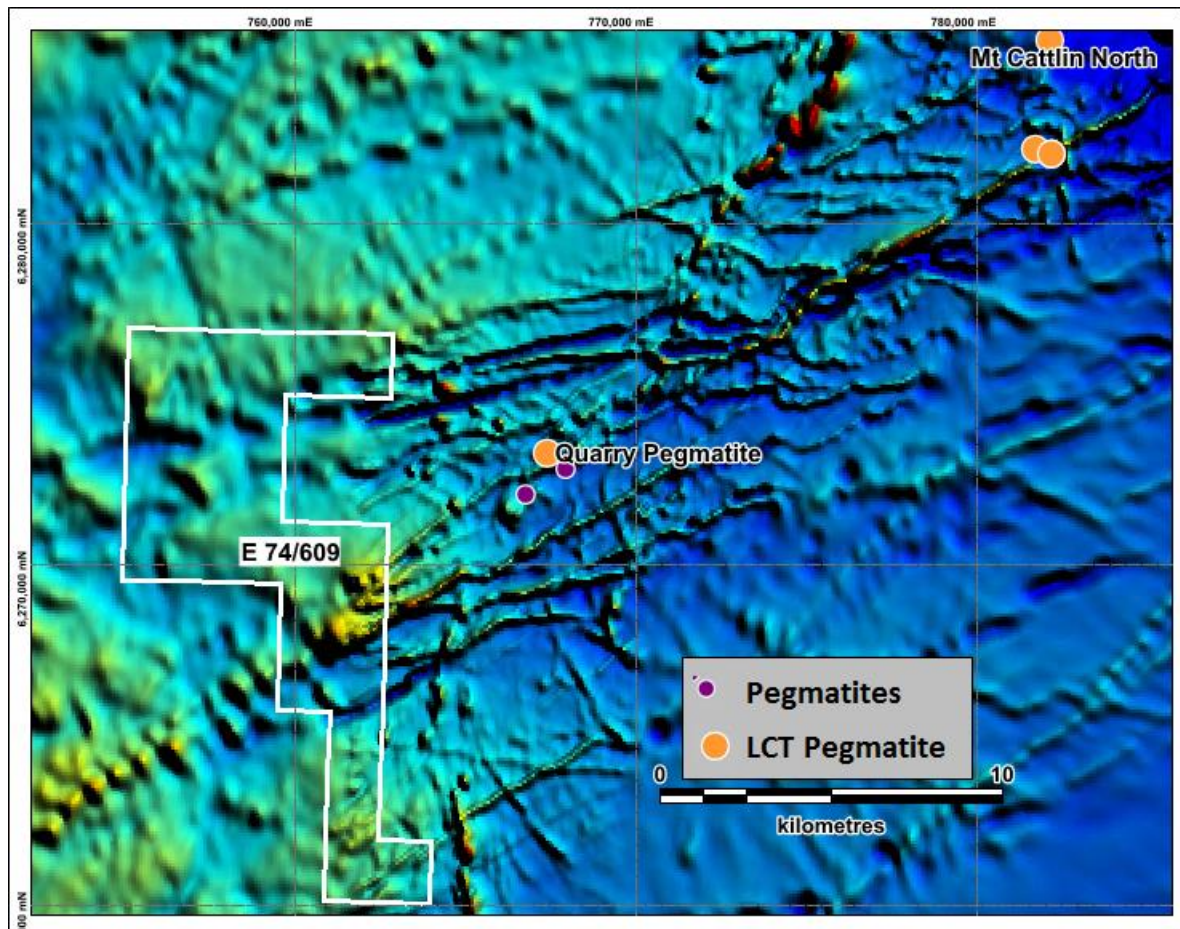


Figure 1: The Ravensthorpe Project showing nearby Pegmatite and LCT Pegmatite occurrences.

Yalgoo North and Yalgoo South Projects

The Geological Survey of Western Australia (GSWA) has recorded a number of pegmatites in the Yalgoo Region including lithium-bearing LCT pegmatites.

The Yalgoo North tenement was selected based on magnetic features which indicate the presence of greenstone rafts (mafic rocks) at the northern extremity of the greenstones terrain. Yalgoo South lies on the eastern margin of the north, north-west trending greenstone belt and extends into the granitic rocks (biotite and monzogranite), with magnetic features indicating greenstone rafts. The presence of greenstone is interpreted to further add to the projects' spodumene bearing pegmatite potential.

Yalgoo North and South are situated in close proximity to Toronto-listed MacArthur Minerals' (TSX-V: MMS) (MacArthur) Edah Hill Lithium Project. MacArthur has accumulated a lithium-prospective ground holding of more than 1,869 km² in the Yalgoo Mineral Field.

Capital plan to review all relevant Government and Open File reports prior to undertaking reconnaissance exploration to sample pegmatites at the Yalgoo Projects.

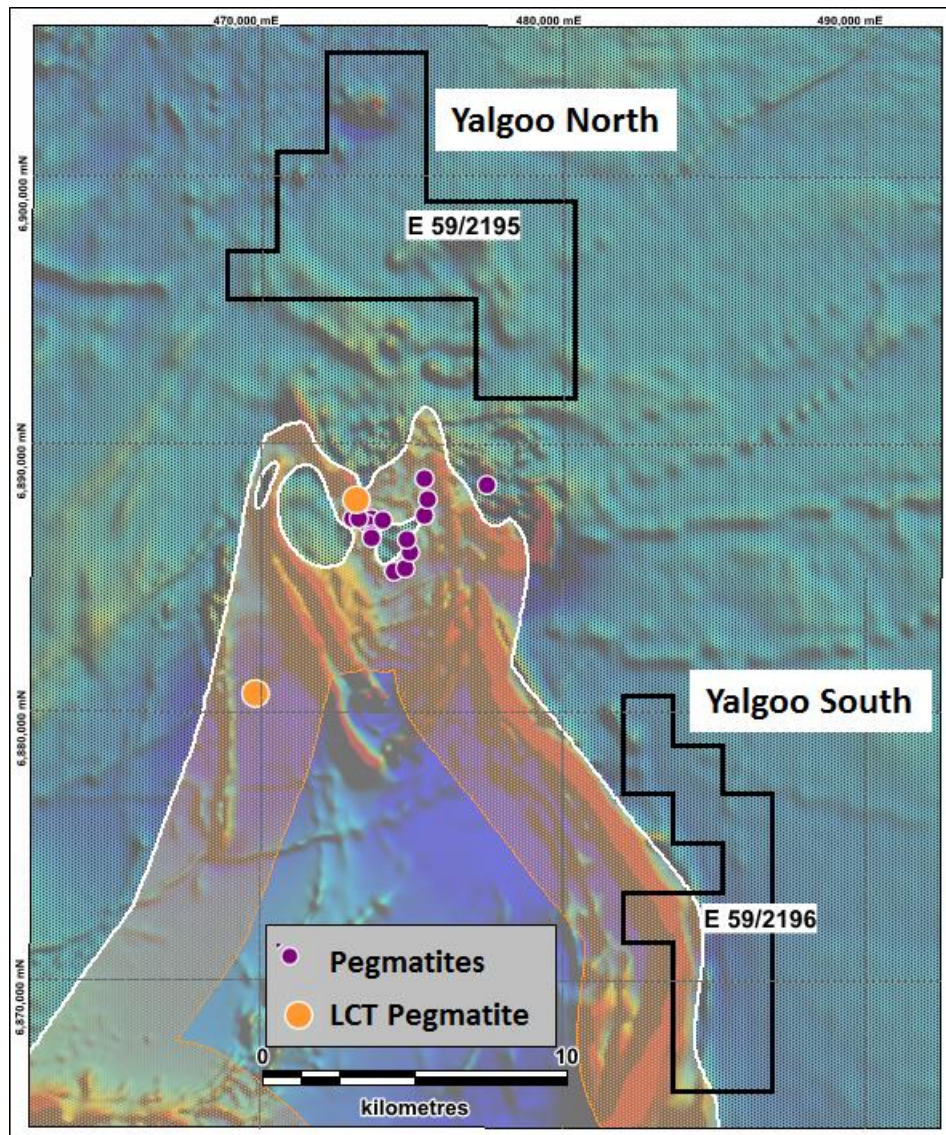


Figure 2: Yalgoo North and Yalgoo South Projects showing nearby Pegmatite and LCT Pegmatite occurrences.

Location and Infrastructure

The three ELAs are located in established and active mineral fields. The Ravensthorpe Project is situated close to the town of Ravensthorpe and the Mt Cattlin Lithium Mine. The project is approximately 230km from both the Esperance and Albany Ports. The Yalgoo North and Yalgoo South Projects are located in the Mid-West region of WA, which hosts multiple active exploration and mining operations, and are 230km from the Geraldton Port. All the project areas are well serviced by existing infrastructure.



Works Program

Capital plans to commence a first phase field work program at the projects in the near future. This will be a reconnaissance exploration program and will include soil sampling, rock chip sampling and mapping as part of the target identification and definition process. The Company then plans to embark on a more detailed exploration program to further define and refine target areas.

Exploration Rationale

The Ravensthorpe, Yalgoo North and Yalgoo South Projects are all considered prospective for rare-element granitic pegmatites of the LCT geochemical group. Pegmatite is composed of common granite minerals including quartz, feldspar and micas, as well as economically significant minerals containing elements such as lithium (spodumene), tantalum, niobium, tin and tungsten.

Project Generation

Capital continues to assess new lithium project opportunities and projects in other demand-driven commodities, and will advise the market of any further acquisitions to its project portfolio. The Company will also update the market on the progress of its exploration activities at its existing projects in due course.

ENDS

Peter Dykes
Director