



ASX CODE: CMY

29 February 2012

Dear Shareholder

GENERAL MEETING TO BE HELD AT 11am on 3 APRIL 2012

Attached are important documentation for your attention and perusal:

- A. A notice of a General Meeting of shareholders to be held on **Tuesday, 3 April 2012 at 11am in Canberra ACT** which has been called following a requisition by a group of shareholders (Requisitionists), holding at least 5% of the votes that may be cast at the General Meeting, pursuant to Section 249D of the Corporations Act 2001.
- B. A Statement from the Requisitionists, who seek the removal of three directors and the appointment of two of their nominee directors.
- C. A Statement to shareholders from Director Robert J McCauley of Capital Mining Limited.
- D. A Message to shareholders from three Directors (Rick Hine, Christopher J Ablett and John B Seeley) of Capital Mining Limited.
- E. Proxy Form.

Please note that the Board of Directors of the Company has agreed that the acting Chairman for this General Meeting of shareholders will be Christopher J Ablett.

Please contact myself on (02) 6288 2661 or John Keppo on 0407949369 if you have any queries.

Capital Mining Limited

Richard Hine
Chairman

Capital Mining Limited ACN 104 551 171
Tel: +61 2 6288 2661 Fax: +61 2 6288 4878
Unit 4, 20 Rivett Place, Rivett. ACT 2611 Australia
Web: www.capitalmining.com.au

CAPITAL MINING LIMITED

ABN 69 104 551 171

NOTICE OF GENERAL MEETING

EXPLANATORY NOTES

PROXY FORM

Date of Meeting

Tuesday, 3 April 2012

Time of Meeting

11:00 am (AEST)

Place of Meeting

Weston Creek Labor Club
Teesdale Close, Stirling
Australian Capital Territory, 2611

NOTICE OF GENERAL MEETING

CAPITAL MINING LIMITED ABN 69 104 551 171

Notice is hereby given that a General Meeting of members of Capital Mining Limited ("**the Company**") will be held at the Weston Creek Labor Club, Teesdale Close, Stirling, Australian Capital Territory, 2611, at 11:00 am (AEST), on Tuesday, 3 April 2012.

ORDINARY BUSINESS

Resolutions 1 - 5 (Removal and Appointment of Directors) are included in this General Meeting following their proposal in a notice to call a General Meeting received by the Company on 9 February 2012 under section 249D of the *Corporations Act* 2001 (Cth) ("**Corporations Act**"), from a group of members holding at least 5% of the votes which may be cast at the General Meeting ("**Requisition Notice**").

Resolution 6 (Approval of Share Issues) is proposed by the Company to replenish the Company's ability to issue shares of up to 15% of the issued capital of the Company within a 12 month period without prior member approval.

Resolution 1 – Removal of Dr Richard Hine as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

"That pursuant to section 203D of the Corporations Act and in accordance with the Company's Constitution, that Dr Richard Hine be removed as a Director of the Company, with immediate effect on passing this resolution."

Resolution 2 – Removal of Mr Christopher John Ablett as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

"That pursuant to section 203D of the Corporations Act and in accordance with the Company's Constitution, that Mr Christopher John Ablett be removed as a Director of the Company, with immediate effect on passing this resolution."

Resolution 3 – Removal of Mr John Barrington Seeley as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

"That pursuant to section 203D of the Corporations Act and in accordance with the Company's Constitution, that Mr John Barrington Seeley be removed as a Director of the Company, with immediate effect on passing this resolution."

Resolution 4 – Appointment of Mr Michael Ivkovic as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

"That Mr Michael Ivkovic, who has given his consent to act as a Director, being eligible, be appointed a Director of the Company, with immediate effect on passing this resolution."

Resolution 5 – Appointment of Mr Andrew Roach as a Director

To consider and, if thought fit, to pass the following ordinary resolution:

"That Mr Andrew Roach, who has given his consent to act as a Director, being eligible, be appointed a Director of the Company, with immediate effect on passing this resolution."

Resolution 6 – Approval of Share Issues

To consider and, if thought fit, to pass the following ordinary resolution:

“That, for all purposes, including for the purposes of approval under ASX Listing Rule 7.4, the allotment and issue by the Company of 10,536,529 ordinary shares by a placement on 23 December 2011 be approved.”

Further information regarding the issue of the shares is set out in the accompanying Explanatory Statement to this Notice of Meeting.

Voting Exclusion

The Company will disregard any votes cast on Resolution 6 (Approval of Share Issues) by:

- *a person who participated in the issue; or*
- *any associate of that person.*

However, the Company need not disregard a vote if:

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.*

DATED 29 February 2012

By Order of the Board

John Keppo
Company Secretary

EXPLANATORY NOTES:

These explanatory notes have been prepared for the information of members of the Company in relation to the business to be conducted at the General Meeting to be held at Weston Creek Labor Club, Teesdale Close, Stirling, Australian Capital Territory 2611, on Tuesday, 3 April 2012, at 11:00 am (AEST). These explanatory notes and the respective letters to members described below and attached to the explanatory notes are incorporated in, and comprise part of, the Notice of General Meeting.

Reasons for holding the General Meeting

Why has this General Meeting been called?

This General Meeting has been requested pursuant to section 249D of the Corporations Act by a group of members (“**Requisitionists**”) holding at least 5% of the votes that may be cast at a General Meeting of the Company.

About the Requisition Notice

The Requisition Notice requested a General Meeting to propose Resolutions 1 – 5 (Removal and Appointment of Directors) to remove three current Directors and to appoint two new Directors.

In accordance with the requirements in the Company's Constitution and the Corporations Act, the Company has convened the General Meeting to allow members to vote on the proposed resolutions.

The Company has also proposed Resolution 6 (Approval of Share Issues) to replenish the Company's ability to issue shares of up to 15% of the issued capital of the Company within a 12 month period without prior member approval.

Letter to members and explanatory statement from the Requisitionists

A copy of a letter and explanatory information statement from the Requisitionists is attached to the Notice of Meeting.

Letter to members from four current Directors

Three current Directors have exercised their right under Section 203D of the Corporations Act to provide the members a statement in relation to the proposed resolutions. An explanatory letter from Dr Richard Hine, Mr Christopher John Ablett and Mr John Barrington Seeley is attached to the Notice of Meeting.

A separate explanatory letter from Mr Robert John McCauley, a Director of the Company, is also attached to the Notice of Meeting.

Ordinary business

The following items of ordinary business will be considered as resolutions at the General Meeting:

Resolution 1 – Removal of Dr Richard Hine as a Director

Dr Hine has been the Executive Chairman of the Company since 2007 and was a founding Director of the Company in 2003. He has made a major contribution to the Company in terms of raising finance, decision making and technical project management going back to 1999.

Dr Hine is an explorationist who has had over 40 years of broad experience in the minerals industry as a project geologist, exploration manager and company Director. He has a PhD in economic geology and is a graduate of the Australian National University and the James Cook University of North Queensland.

Dr Hine has specialist skills in exploration management, ore deposit and prospect evaluation, drill target selection, exploration data synthesis, and conceptual analysis. He has worked on a wide range of deposit types and mineral commodities that include: porphyry, epithermal and skarn style copper,

molybdenum and gold deposits; volcanic-hosted massive sulphide copper, lead and zinc deposits; disseminated, vein and skarn style tin and tungsten deposits; alluvial gold and tin; and intrusion related rare metals and REE deposits.

Over the years, Dr Hine's training has come from the teaching and guidance of many high-profile academics and respected industry colleagues. He has worked in Papua New Guinea, the Philippines, Indonesia, Malaysia, Western Europe, New Zealand, the Fiji Islands and Eastern and Central Australia. He has specialist knowledge of the mineralisation of the Lachlan Fold Belt of New South Wales and is well versed in the many aspects of mineral production through his participation in mine development in the nineties.

Dr Hine is a long standing Member of the Australasian Institute of Mining and Metallurgy, the Geological Society of Australia and the Society of Economic Geologists. He is the Managing Director of Heemskirk Resources Pty Limited, which he established in 1999 to pursue exploration opportunities in New South Wales and to provide a consulting and management service to the minerals industry. Dr Hine is a "Competent Person" as defined in the JORC Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Recommendation

The Directors of the Company by majority and with Dr Richard Hine refraining, are against the removal of Dr Richard Hine as a Director of the Company.

Director of the Company, Mr Robert John McCauley is for the removal of Dr Richard Hine as a Director of the Company.

The Chairman of the Meeting for the purposes of considering Resolution 1 (Removal of Dr Richard Hine as a Director) intends to vote undirected proxies against Resolution 1 (Removal of Dr Richard Hine as a Director).

Resolution 2 – Removal of Mr Christopher John Ablett as a Director

Mr Ablett has been a Director of the Company since 2007 and was a founding Director of the Company in 2003. He also has made a major contribution to the Company in terms of raising finance, decision making and technical project management going back to 1999.

Mr Ablett is a Registered Surveyor who has had a strong association with the mining and exploration industry since the late 1960's. He has considerable experience in mine site, open pit and underground mine survey and in quantity surveying. Mr Ablett has worked on mining projects in Western Australia, the Northern Territory, the eastern Australian states and Fiji and has held a number of senior staff positions with several large gold and base metal mining companies.

Mr Ablett formed his own private company, Ablex Pty Ltd, in 1984 as a service provider for the mining and surveying industries and to look for exploration opportunities in eastern Australia. During this time Mr Ablett has participated at a grass roots level on several significant exploration projects most recently at the Cowal Gold Project and at the Adelong Gold Project in New South Wales. He has provided contract supervision for surface and underground mining and exploration operations.

Mr Ablett is committed to the mining industry and believes Australia provides an excellent environment for exploration and the development of mineral resources. Mr Ablett is a member of the Australasian Institute of Mining and Metallurgy and the Surveying and Spatial Sciences Institute and is the Managing Director of Ablex Pty Ltd.

Recommendation

The Directors of the Company by majority and with Mr Christopher John Ablett refraining, are against the removal of Mr Christopher John Ablett as a Director of the Company.

Director of the Company, Mr Robert John McCauley is for the removal of Mr Christopher John Ablett as a Director of the Company.

The Chairman of the Meeting for the purposes of considering Resolution 2 (Removal of Mr Christopher John Ablett as a Director) intends to vote undirected proxies against Resolution 2 (Removal of Mr Christopher John Ablett as a Director).

Resolution 3 – Removal of Mr John Barrington Seeley as a Director

Mr Seeley was appointed to the Board of Capital Mining Limited on 1 February 2008 as an Independent Non Executive Director. He has made a major contribution to the company in terms of strategic planning, assessment of potential acquisitions, liaison and negotiation with potential joint venture partners and technical guidance since that time.

Mr Seeley has been a geologist in the minerals industry for over 40 years. He has an MSc. (Hons) degree from Auckland University and a post graduate diploma in applied economics from the University of Canberra.

Mr Seeley is the most experienced technical person on the current Board having very broad commodity experience in over twenty five countries in a wide range of geological environments. He has explored for gold in epithermal, mesothermal, porphyry, polymetallic, Carlin type and alluvial environments and for copper in porphyry, volcanic hosted massive sulphide and stratiform environments. He carried out exploration for base metals in stratiform and volcanogenic environments and for nickel and platinum as laterite and sulphides. He has also explored for tin, tungsten and potash for lengthy periods in South East Asia.

His experience includes mine and exploration geology and some sixteen years in exploration management for international mining companies and the United Nations. He has also taught geology at tertiary level. For the past eight years he has worked as an independent consulting geologist undertaking project assessment in a number of countries, writing independent expert reports and carrying out short term project management.

Recommendation

The Directors of the Company by majority and with Mr John Barrington Seeley refraining, are against the removal of Mr John Barrington Seeley as a Director of the Company.

Director of the Company, Robert John McCauley is for the removal of Mr John Barrington Seeley as a Director of the Company.

The Chairman of the Meeting for the purposes of considering Resolution 3 (Removal of Mr John Seeley as a Director) intends to vote undirected proxies against Resolution 3 (Removal of Mr John Seeley as a Director).

Resolution 4 – Appointment of Mr Michael Ivkovic as a Director

Information on the proposed Director is included in the attached Statement supplied by the Requisitionists, and has not been prepared by the Company.

Recommendation

The Directors of the Company by majority are against the appointment of Mr Michael Ivkovic as a Director of the Company.

Director of the Company, Mr Robert J McCauley is for the appointment of Mr Michael Ivkovic as a Director of the Company.

The Chairman of the Meeting for the purposes of considering Resolution 4 (Appointment of Mr Michael Ivkovic as a Director) intends to vote undirected proxies against Resolution 4 (Appointment of Mr Michael Ivkovic as a Director).

Resolution 5 – Appointment of Mr Andrew Roach as a Director

Information on the proposed Director is included in the attached Statement supplied by the Requisitionists, and has not been prepared by the Company.

Recommendation

The Directors of the Company by majority are against the appointment of Mr Andrew Roach as a Director of the Company.

Director of the Company, Mr Robert J McCauley is for the appointment of Mr Andrew Roach as a Director of the Company.

The Chairman of the Meeting for the purposes of considering Resolution 5 (Appointment of Mr Andrew Roach as a Director) intends to vote undirected proxies against Resolution 5 (Appointment of Mr Andrew Roach as a Director).

Resolution 6 (Approval of Share Issues)

Approval of share issues under ASX Listing Rule 7.4 to replenish 15% cap under ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts a listed company from issuing or agreeing to issue more than 15% of the issued capital in a 12 month period without member approval, unless an exception applies under ASX Listing Rule 7.2. The Company has not exceeded this 15% limit at the date of this Notice of Meeting.

On 23 December 2011, the Company made a placement of 10,536,529 fully paid ordinary shares to professional and institutional investors to raise working capital of AUS \$242,340 (before costs) ("**Placement Shares**").

The Company was not required to obtain prior member approval for the issue of the Placement Shares under ASX Listing Rule 7.1 as the 15% cap on new issues under ASX Listing Rule 7.1 had not been exceeded.

Under ASX Listing Rule 7.4, an issue of equity securities made by a company without member approval under ASX Listing Rule 7.1 is treated as having been made with member approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 when made and the company subsequently obtains member approval for the issue.

The Company now seeks member approval pursuant to ASX Listing Rule 7.4, for the issue of the Placement Shares. This approval will refresh the Company's capacity to issue up to 15% of its issued capital within 12 months without it having to obtain further member approval.

Information required to be provided under ASX Listing Rules 7.5

ASX Listing Rule 7.5 requires that the following information regarding the share issue under consideration be provided to members for the purpose of obtaining approval pursuant to ASX Listing Rule 7.4:

Number of Placement Shares allotted

- The Company issued 10,536,529 fully paid ordinary shares on 23 December 2011.

Price at which Placement Shares were issued

- The Placement Shares were priced at AUS \$0.023 per share.

Terms of the Placement Shares

- The Placement Shares rank equally with and are on the same terms as the existing fully paid ordinary shares on issue.

The names of the allottees or the basis on which allottees were determined

The use (or intended use) of the funds raised.

- AUS \$242,340 (before costs) was raised under the placement for working capital and continuation of exploration activities on the Company's projects.

Resolution 6 (Approval of Share Issues) seeks member approval of the issue of 10,536,529 shares for all purposes, including for the purposes of ASX Listing Rule 7.4. If passed, this will enable the Company to issue further shares of up to 15% of the Company's share capital without member approval.

Recommendation

The Directors of the Company believe that the approval of the issue of the Placement Shares and the refreshment of the 15% share issue cap is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of equity securities permitted under the ASX Listing Rule 7.1 in the next 12 months, should such issues be required, without having to obtain further member approval. The Board unanimously recommends that members vote in favour of Resolution 6 (Approval of Share Issues).

The Chairman of the Meeting for the purposes of considering Resolution 6 (Approval of Share Issues) intends to vote undirected proxies in favour of Resolution 6 (Approval of Share Issues).

Voting instructions

Voting entitlement

For the purposes of the Corporations Regulation 7.11.37, the Board has determined that in relation to the entitlement to attend and vote at this General Meeting convened by this Notice of Meeting, shares will be taken to be held by the persons who are registered holders at 7:00 pm (AEST) on Sunday, 1 April 2012.

Accordingly share transfers registered after that date will be disregarded in determining entitlement to attend and vote at the General Meeting.

Proxies

A member entitled to attend this General Meeting and vote is entitled to appoint a proxy to attend and vote for the member at the General Meeting. In accordance with the Company's constitution, to be effective, proxy forms must be received by the Company's share registry, Boardroom Pty Limited, at least 24 hours before the time for holding the General Meeting (that is not later than 11:00 am (AEST) on Monday, 2 April 2012) at the Company's Share Registry, being:

Boardroom Pty Limited

Hand delivery

Level 7
207 Kent Street
Sydney, NSW 2000

By Mail

GPO Box 3993
Sydney, NSW 2001

By Facsimile

(02) 9290 9655

A member who is entitled to attend and vote at the General Meeting may appoint up to two proxies to attend and vote on behalf of that member. A proxy need not be a member of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If the appointment does not so specify, each proxy may exercise half of the votes. If the proxy appointment is signed by the appointer's attorney, the Company must be provided the authority under which the appointment was signed or authenticated or a certified copy of the authority. Proxies given by corporate members must be executed in accordance with their constitutions, or signed by two directors, a director and the company secretary, a duly authorised officer or attorney. A form of proxy accompanies this Notice of Meeting.

Corporate representatives

A body corporate which is a member, or which has been appointed as a proxy, may appoint an individual to act as its representative at the General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the General Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

The Company has been provided with the following statement by the Requisitionists. Pursuant to section 249P of the Corporations Act, the Company is required to give this statement to all its members.

Statement from Shareholders proposing the Resolutions:

Vote for change at Capital Mining – vote FOR all the Resolutions

Over the past 5 years, the current management team has been unable to progress any of the existing projects to the point of mining approval or generating revenue, even though significant funding has been provided by shareholders. We believe that this lack of progress and inability to generate revenue will continue into the future.

Therefore, to improve the future viability of Capital Mining and prospects for generating value for shareholders, we are proposing a new management team that has proven experience. The two new Directors will bring an invaluable blend of mining and investment experience to the Board of Capital Mining. This new management team will undertake to:

- ✓ Review current projects and focus on those most likely to be able to generate revenue in the medium term;
- ✓ Urgently commence activities required for the Chakola approvals process;
- ✓ Leverage new management team experience to bring opportunities and JV relationships that can truly enhance shareholder value; and
- ✓ Ensure transparency in communications with shareholders.

Vote to change management – vote FOR all the resolutions.

Statement of Experience – Michael Ivkovic

Michael has extensive experience in the structured finance, funds management and investment banking industries in Australia and Asia. Michael was formerly the Chairman of Brick Securities Limited and Executive Chairman of NZI Securities Limited and NZI Investment Services Limited.

Michael established The Australian Private Capital Advisory Services Group in 1988 and retired from that position in 1998 following a management buyout. Since that time, he has served as a Director of Paramount Securities Limited, the publicly listed Harrington Group Limited (now named Sun Biomedical Limited), and AFT Limited.

Over the past 4 years Michael has been actively involved in the successful listings of both Meridien Capital limited and Meridien Resources Limited on the NSX. Meridien Resources Limited moved its listing to the ASX in April 2011 after which time Michael continued to serve as company's Managing Director until his resignation in February 2012. During his tenure as MD at Meridien Resources, Michael has been recognized for his leading contribution in advancing the Lucky Draw Project, and more recently in the signing of a mining operation agreement with Developed Resources which will see Meridien Resources producing gold in late 2012. Michael is currently Managing Director of the NSX listed, Meridien Capital Limited.

Statement of Experience – Andrew Roach

Andrew has extensive knowledge in Financial Markets, beginning his career in 1997 as a Private Client Advisor for Baker Young Stockbrokers specialising in small to medium capitalisation companies and trading extensively in derivative products.

Andrew successfully part owned and operated a stockbroking office for Baker Young, located in Darwin between 2004 and 2007, before returning to Baker Young's head office.

In 2010, Andrew opened an investment and advisory firm which raised \$100m in capital for ASX listed mining companies in 2011, and he has extensive experience in structuring acquisitions and raising capital.

VOTE “FOR” ALL THE RESOLUTIONS
Recommendation from Robert McCauley
Director of Capital Mining Limited

Dear Shareholders,

I am sure you would agree that Capital Mining needs a change of direction.

The proposed beginning of a new management team will start the process of turning around Capital Mining. A new dynamic team will bring together a wealth of experience in advancing Projects as well as many years of experience in Financial Markets.

*Therefore, I am recommending that you vote **FOR** all the resolutions.*

Should you have any questions or queries please don't hesitate to phone me on 0432 327015 or email me at robert.mccauley@ozemail.com.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. McCauley', with a horizontal line underneath the name.

Robert J McCauley
Director
Capital Mining Limited ACN 104 551 171

A MESSAGE TO SHAREHOLDERS

FROM

Rick Hine **Executive Chairman**

Chris Ablett **Director**

John Seeley **Director**

Dear Shareholders,

This meeting is all about control of your Board and the future direction of your Company.

Mineral exploration is our core business. It is what we do best and we have a proven track record of being successful at it.

Our very recent announcement of a significant and exciting new high-grade gold find at the Mayfield Project is proof positive of this.

A small group of shareholders is trying to remove all of the exploration expertise and 120 man years in total of experience in exploration and mineral project evaluation from your Board.

Through our expertise we have brought the company from ZERO in the ground value in 2003 to having ESTABLISHED, VERY VALUABLE JORC COMPLIANT MINERAL RESOURCES in a diverse range of commodities in FOUR of our project areas in 2012.

We couldn't have achieved this without that exploration expertise both in the boardroom and out in the bush.

Our overall and long standing strategy is to create wealth for the company through exploration and discovery. Recently, we've again done just that and announced a significant new gold discovery at Mayfield that has plenty of potential for follow up in the near future. We're focussed on increasing the *in-the-ground* value of the resource there by adding contained ounces of gold, silver, copper and other metals on the back of the recent drill results. At the same time, we've been working towards unlocking the wealth in the gold and base metals resource at Chakola by pursuing activities aimed at bringing the project to a "shovel ready" stage. Similarly, we've been striving for a breakthrough in the metallurgical extraction process that has the potential to unlock the wealth in the very large zirconium and rare metals resource at Narraburra where we have targeted metals for a technologically, rapidly advancing world.

Since listing in 2007, our achievements as an exploration team have been well documented and our investment in monetary terms and through a great deal of personal sacrifice and hard work, has led to us having established very valuable in the ground resources of gold, silver, base metals, zirconium and other rare metals. Throughout, we have been gratified by the support of our many loyal shareholders who have made it possible.

Our recent gold discovery at Mayfield can be a wonderful catalyst for future growth.

SO, PLEASE WEIGH THIS CONTRIBUTION TO YOUR COMPANY IN TERMS OF DEDICATION, SACRIFICE AND EXPLORATION SUCCESS against the unknown prospects under the proposed new directors.

OUR MESSAGE IS SIMPLE:

- **SUPPORT YOUR LONG SERVING AND SUCCESSFUL EXPLORATION TEAM**
- **ENSURE THAT YOUR COMPANY REMAINS FOCUSED ON ITS CORE BUSINESS**

VOTE AGAINST RESOLUTIONS 1 TO 5 (CONCERNING DIRECTORS) AT THE FORTHCOMING MEETING

Thank you for your consideration,

Richard Hine
Chairman

Christopher Ablett
Director

John Seeley
Director



FOR ALL ENQUIRIES CALL:
(within Australia) 1300 737 760 (outside Australia) +61
2 9290 9600

FACSIMILE
+61 2 9290 9655

ALL CORRESPONDENCE TO:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Australia



Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 11:00 am (AEST) MONDAY, 2 APRIL 2012

TO VOTE ONLINE

Reference Number:

Please note it is important you keep this confidential



STEP 1 : VISIT www.boardroomlimited.com.au/vote/capitalminingg2012

STEP 2: Enter your holding/Investment type

STEP 3: Enter your Reference Number and VAC: <VAC NUMBER>

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

STEP 3 Sign the Form

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 24 hours before the commencement of the meeting at **11:00 am (AEST) on Tuesday, 3 April 2012**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia

BY FAX - + 61 2 9290 9655

IN PERSON - Share Registry – Boardroom Pty Limited, Level 7, 207 Kent Street, Sydney, NSW 2000, Australia

Vote online at:

www.boardroomlimited.com.au/vote/capitalminingg2012
or turnover to complete the Form →

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Capital Mining Limited

STEP 1 - Appointment of Proxy

I/We being a member/s of Capital Mining Limited and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X')
 OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **General Meeting of Capital Mining Limited to be held at the Weston Creek Labor Club, Teesdale Close, Stirling, ACT 2611 on Tuesday, 3 April 2012 at 11:00 am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit. The Chairman intends to vote all undirected proxies **against** resolutions 1 to 5 and in **favour** of resolution 6.

STEP 2 - Voting directions to your Proxy – please mark to indicate your directions

Ordinary Business	For	Against	Abstain*
Resolution 1 Removal of Director – Dr Richard Hine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Removal of Director – Mr Christopher John Ablett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Removal of Director – Mr John Barrington Seeley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Appointment of Director – Mr Michael Ivkovic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Appointment of Director – Mr Andrew Roach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval of Share Issues (Please refer to the Notice of Meeting for details on voting restrictions for Resolution 6)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies **against items 1 to 5 and in favour of item 6** in the items of business.

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input style="width: 250px; height: 40px;" type="text"/>	<input style="width: 250px; height: 40px;" type="text"/>	<input style="width: 250px; height: 40px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name Contact Daytime Telephone Date / / 2012