

## **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

### **CAPITAL GOLD ANNOUNCES GOLD PRODUCTION TOTALS FOR DECEMBER**

#### **Greatest Monthly Production to Date**

New York, January 8, 2008 - Capital Gold (TSX:CGC; OTC/BB:CGLD) reported today that the Company has produced approximately 4,200 ounces of gold in December from its El Chanate mine in Sonora, Mexico. Total production for the current fiscal quarter, which ends January 31, now stands at 7,200 ounces. The average sale price for this fiscal quarter has been approximately \$816 per ounce, as compared to \$711 per ounce for the first quarter. Production costs are still running well below industry average. The Company's latest sale of gold was completed at \$860 per ounce. Production for the first full year of operation is estimated to be 50,000 ounces.

Capital Gold's Chairman Gifford Dieterle said: "Our December production figures indicate that we are ahead of where we were during the same period in the first quarter of operation. That, combined with the increasing gold price, makes me believe that our second quarter performance will be better than our very successful first quarter."

Capital Gold's Chief Operating Officer, John Brownlie, said, "The leach pad expansion is going as planned, and we are currently stacking ore on the first of the newly constructed panels. We will continue construction of the leach pad through the first half of 2008. This will give the Company sufficient leach pad capacity for the next five years, even at the planned increased production rates. Assembly of additional leach pad stacking conveyors will begin this week and is anticipated to be completed during January." Brownlie added, "Throughout the initial period of operation we have continually focused on maximizing our production through operator training and adjustments to the crushing circuit. This has paid off because we are consistently crushing 30 percent more ore than the feasibility study rates. Ultimately, this increased tonnage crushed will result in greater gold production and lower operating costs."

#### 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 property in Sonora, Mexico. The proven and probable reserve is 832,000 ounces of gold. Further information about

Capital Gold and the El Chanate Gold Mine is 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, 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, 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.

**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)