

PRESS RELEASE

FOR IMMEDIATE RELEASE

CAPITAL GOLD ANNOUNCES GOLD PRODUCTION TOTALS FOR THE THIRD QUARTER OF OPERATIONS

Significant New Mining Concessions Leased

New York, May 1, 2008 - Capital Gold (TSX:CGC; OTC/BB:CGLD) said today that the Company has produced approximately 9,500 ounces of gold in the third fiscal quarter (ended Apr. 30, 2008) at its El Chanate mine in Sonora, Mexico. Estimates for the cost of production (including mining, crushing, processing and site G & A) are approximately \$246 per ounce, which are in line with the first two quarters of production. Gross proceeds from the quarter are just over \$8.8 million, with an average sale price of \$930 per ounce. Full financial results from this quarter will be available via a conference call to be scheduled sometime in mid-June. Details regarding how to participate on that call will be released in early June.

Updating the production expansion progress at El Chanate, Capital Gold's Chief Operating Officer, John Brownlie, said that everything is moving on schedule. "The leach pad expansion is completed, giving us five years of ore stacking capacity. We have also increased the overall pumping ability of the system and have installed additional carbon columns that will triple the current handling capacity," Brownlie said. "The last item needed is an additional carbon regeneration kiln, which is being sourced. Once this is installed, we should be able to reach an annualized rate of 70,000 ounces per year in gold production." All of these upgrades have been financed through operating cash flow.

In other developments, Capital Gold recently leased 12 mining concessions totaling 1,790 hectares located northwest of Saric, Sonora. Also, a claim has been filed for approximately 2200 additional hectares adjacent to this property. These concessions and this claim are about a sixty mile drive northeast of the El Chanate project. Mineralization is evident throughout, and is hosted by shear zones and quartz veins in granite intrusive, the company said. A short drill campaign, along with some geochemical work, is currently underway.

The restructuring of the \$12.5 million Standard Bank loan is nearing completion. Capital Gold anticipates that this will occur in the near future. Reduction of the interest rate, removal of many covenants, exercising of a portion of the warrants and establishment of a \$5 million line of credit are all scheduled to be part of the restructured loan agreement.

AngloGold Ashanti completed an initial due diligence visit to the El Chanate mine in mid-April. A decision on whether or not they exercise their one-time back-in right needs to be made by July 28th, 2008. Exact figures for the price of the back-in cannot be discussed at this time. (These costs are subject to further due diligence and will be disclosed in due course).

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 now 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.

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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, 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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