

PRESS RELEASE

FOR IMMEDIATE RELEASE

LEACHING PROCESS HAS BEGUN AT CAPITAL GOLD'S EL CHANATE GOLD MINING PROJECT

Over 350,000 metric tons of ore stacked on the pads

NEW YORK, June 21, 2007—Capital Gold Corporation (TSX:CGC;OTC/BB:CGLD) said today that the leaching process has begun at the company's El Chanate gold mining project, located in Sonora, Mexico. John Brownlie, Capital Gold's Chief Operating Officer, said, "It marks a formidable milestone in the continuing growth of Capital Gold. The application of cyanide solution to the leach pad has commenced. We have been crushing and stacking ore since mid March, and during that period have stacked over 350,000 metric tons of ore on the leach pad." Daily crusher production varied during the commissioning period as refinements were made. "In an attempt to determine what the maximum crusher output could be, the system was able to process 11,600 tons of ore in 19 hours of operation, which was 50 percent greater than the feasibility design," Brownlie added.

The average gold grade contained in the stacked ore is approximately 0.89 grams/metric tonne. Capital Gold now anticipates the first gold production within the next 30 to 45 days. The timing is controlled by the solution percolation rate through the pad, and the rate of gold dissolution. Brownlie went on to say, "As the project nears physical completion, we are pleased that the foresight to tightly control and manage all aspects of the design, procurement, and construction has resulted in a lower cost for the project, and a more flexible and improved quality design than in the original feasibility study."

Exploration and drilling progress.

The recent drilling program, which was designed to help increase the proven and probable gold reserve at El Chanate, was completed in April. The program ultimately expanded the total number of holes from 51 to 72. These holes were targeted to intersect additional ore grade material adjacent to, and on strike with, the main pit in all directions. They were also designed to infill and expand on the existing drill hole database and to identify any ore grade material that would connect the main pit mineralization with known mineralization to the east of the main pit. Capital Gold has received all assay results from the 8,200 meters of completed drilling. Results so far show continuous mineralization east of the main Chanate pit area.

The quality control of the drilling procedures and chain of custody of the samples were audited by SRK Consulting of Denver, Colorado. Capital Gold now plans on turning the data over to an independent third party to update the resource and reserve estimate for the El Chanate mine as well as an updated mine plan. A 43-101 compliant report for the Canadian authorities will also be issued. Capital Gold's own in-house evaluation of the drilling and assaying received to date is encouraging.

Regional exploration.

Capital Gold is currently revisiting areas of interest within its own concession areas that, through preliminary geological evaluation, have shown to warrant further examination. With the completion of the state of the art assay and metallurgical laboratory on site, Capital Gold has generated interest with land owners and others in the region looking to evaluate their own properties. The company's intention is to grow the company through acquisition or joint venturing of other prospects within Mexico. The laboratory now allows Capital Gold to conduct preliminary evaluation of those potential prospects.

About Capital Gold

Capital Gold Corp. (CGLD) is a gold exploration and development company. CGLD, through its Mexican subsidiaries and affiliates, owns 100% of the El Chanate gold property in Sonora, Mexico. During August 2006 CGLD completed debt financing for the construction of the Chanate Mine. Engineering Procurement and Construction Management activities commenced June 1, 2006. Gold production is estimated to begin in July, 2007. Further information about Capital Gold and the El Chanate Gold Mine, along with our updated corporate video and new photos, 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, construction cost estimates, construction completion dates, equipment requirements and costs, production, production commencement dates, grade, processing capacity, potential mine life, results of feasibility studies, development, costs and expenditures. 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, tons mined, crushed or milled; delay or failure to receive board or government approvals; timing and availability of external financing on acceptable terms for equipment, construction, working capital and other purposes; the availability of adequate power and water supplies; the availability of adequate mining equipment; technical, permitting, 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.

The 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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