

## **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

### **CAPITAL GOLD PRODUCTION RAMPS UP QUICKLY AT EL CHANATE MINE**

#### **2,500 Ounces of Gold Produced in August**

New York, August 30, 2007 Capital Gold (TSX:CGC; OTC/BB:CGLD) said today that the second shipment of dore gold has been sent to the refinery. This shipment of over 2,500 ounces of gold represents production for the first 21 days of August. So far, the total mine production for the first 26 days of production, is 3,175 ounces of gold.

John Brownlie, Chief Operating Officer for Capital Gold said, “We are close to the feasibility study production levels of 7,500 tonnes per day (tpd) and 4,000 ounces of gold produced per month, which equates to 48,000 ounces of production annually. Once those levels are met we will slowly start to ramp up daily tonnage levels from 7,500 (tpd) up to 10,000 tpd. This should boost our gold production toward 5,000 ounces per month and over 60,000 ounces per year.” Brownlie added: “Right now, our cash costs to produce an ounce of gold are inline with those stated in the feasibility study, or approximately \$260 per ounce. But only after we’ve operated for several months will we have a more exact number.”

We anticipate the results of the recently concluded drill campaign will be available during the first week of September. Independent Mining consultants of Tucson, AZ will be preparing the new proven and probable ore reserve, an updated mine plan and 43-101 report for the Canadian authorities.

#### ***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. 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).

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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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