

PRESS RELEASE

FOR IMMEDIATE RELEASE

CAPITAL GOLD ANNOUNCES ADDITIONAL SECONDARY CRUSHING MODULE IS OPERATIONAL

Mine Throughput Now Exceeds 15,000 Tonnes of Ore Per Day

NEW YORK, May 12, 2009—Capital Gold Corporation (TSX:CGC; OTC/BB:CGLD) is pleased to announce that the additional secondary crushing module is now installed and operational at its El Chanate mine in Sonora Mexico. The crushing system now has the capacity to process over 15,000 tonnes of ore per day. The module was manufactured and installed by Excel Machinery of Amarillo, Texas, the company that has provided all of the other components in the system.

John Brownlie, Capital Gold's Chief Operating Officer provides a brief operational update: "The Secondary crushing module was delivered, installed and became operational about a full month ahead of our initial schedule. It also came in on budget. This now gives El Chanate the ability to process over 15,000 tonnes of ore per day, which is a significant increase to the current daily rate of between ten and eleven thousand tonnes." Brownlie adds: "This will help enable us to reach our stated goal of a production rate of 70,000 ounces per year in 2009".

The company also announced that it has engaged SRK Consulting of Denver, Colorado to provide a pit optimization study to determine whether or not production rates can be increased further. At the same time, additional core drilling will begin next month at El Chanate to test the current pit boundaries. A second drill program will also begin at the Company's Saric Exploration property located approximately 50 miles to the northeast of El Chanate. The results from the first 19 holes drilled at Saric merited a second round of drilling. This program is expected to begin in July.

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 Company has produced over 75,000 ounces of gold since inception. 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, the impact of any hedging arrangements, including the termination of such arrangements; 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 expansion; 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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