

PRESS RELEASE

FOR IMMEDIATE RELEASE

CAPITAL GOLD ANNOUNCES REVERSE STOCK SPLIT/ APPLIES FOR LISTING ON NYSE AMEX

NEW YORK, January 25, 2010 – Capital Gold Corporation (TSX: CGC; OTC Bulletin Board: CGLD) announced today that it has applied for the listing of its common stock on the NYSE AMEX.

The Company also announced that, to meet minimum share price requirements in connection with its NYSE AMEX listing application, it has today effected a reverse stock split, with every four (4) shares of common stock of the Company issued and outstanding being converted into one (1) share of common stock. The shares will commence trading today on the OTC Bulletin Board and the Toronto Stock Exchange on a post-reverse split basis. The reverse split was originally approved by shareholders at the Annual Shareholders Meeting held on October 31, 2008 and subsequently ratified by shareholders at the recent Annual Shareholders Meeting held on January 19, 2010. No fractional common shares will be issued in connection with the reverse split. A holder of common shares, who otherwise would have been entitled to receive a fractional share as a result of the reverse split, will receive an amount in cash equal to US\$0.79 (the closing trading price on January 22, 2010) multiplied by such fractional entitlement. Letters of transmittal have been sent to registered shareholders to effect the exchange of their certificates representing pre-reverse split shares for new certificates representing post-reverse split shares. Shareholders owning shares via a broker or other nominee will have their positions automatically adjusted and will not be required to take any action in connection with the reverse split.

"We are pleased to be applying for this stock listing to move from the OTC Bulletin Board to the NYSE AMEX," said Gifford Dieterle, Chairman and Chief Executive Officer of Capital Gold. "This application for listing marks an important strategic step with regard to raising our profile as a gold production and exploration company, and improving our stock's liquidity as we continue to make progress on achieving our corporate objectives."

John Brownlie, the Company's President and Chief Operating Officer, commented: "It is an important milestone to have applied for a listing on the NYSE AMEX. We believe that NYSE AMEX provides excellent exposure for gold production and exploration companies, such as ours. This advancement underscores our commitment to generating long-term value for our shareholders."

“The timing to initiate the reverse split and the AMEX application was carefully considered in conjunction with the recent upswing in the gold price cycle. We at the Company believe we initiated the process at the appropriate time for our shareholders and it is in the best interest of our stockholders and the future growth of the Company.” Brownlie added

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 mine located near the town of Caborca in Sonora, Mexico. It also owns and leases mineral concessions near the town of Saric, also in Sonora, that are undergoing preliminary exploration for gold and silver mineralization. Additional 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 effect of the reverse split, a national stock exchange listing, plant upgrades, operating efficiency, estimated future gold production 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, strip ratio, tonnes mined, crushed or milled; delay or failure to receive board, national exchange 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:

Kelly Cody, Investor Relations Manager

Capital Gold Corporation

Tel: (212) 344-2785

Fax: (212) 344-4537

Email: kelly@capitalgoldcorp.com

Media Inquiries:

Victor Webb/Madlene Olson

Marston Webb International

Tel: (212) 684-6601 Fax:

(212) 725-4709

Email: marwebint@cs.com