



CAPSTONE GOLD CORP

METALLURGY STUDY COMPLETED BY SGS LAKEFIELD AND DEVELOPMENT UPDATE AT THE COZAMIN COPPER-SILVER-ZINC PROJECT, ZACATECAS, MEXICO

Dated: February 10, 2005

TSX: CSG

VANCOUVER, B.C. – Capstone Gold Corp. (“Capstone”) is pleased to provide results from the metallurgy study completed by SGS Lakefield Limited (“Lakefield”) and an update on the development of the Cozamin copper-silver-zinc project located in Zacatecas State, Mexico.

Highlights

- **Preliminary metallurgy testing completed by SGS Lakefield finds 95% recovery for copper and 79% for silver.**
- **Dewatering of the underground workings has been completed.**
- **Rehabilitation of the San Roberto hoist, headframe and shaft has been completed.**
- **An initial 2 km of crosscut development has started within the San Roberto mine.**

Capstone has received the report from Lakefield outlining metallurgical results for the start-up of the existing Cozamin mill. As part of the study, Lakefield used samples of Capstone’s phase I and II drill core which were used to do quantitative metallurgical studies to establish the pre-concentration potential, grinding requirements and the presence of mineralogy that may affect recovery. Batch flotation tests were conducted to develop suitable copper, lead and zinc flotation circuits. Lakefield concluded that: The material is conventional, relatively coarse-grained polymetallic material; good liberation is achieved at a primary grind coarser than 100 microns; the work index of the material is 15.1 kW/tonne, making this moderately hard material; copper flotation, using a primary grind of k80 of 125 microns and a concentrate regrind of 45 microns, yielded concentrates assaying 27% copper at 95% Cu recovery. 79% of the silver is recovered to the copper concentrate. Testing is continuing to establish the protocol for the byproduct zinc flotation circuit. Levels 8 and 9 are currently being resampled by Capstone. Similar metallurgical testing will also be done on these samples.

Dewatering of the underground workings in the San Roberto mine has been completed to below level 8. The San Roberto hoist, headframe and shaft have been rehabilitated and are operating. Two scooptrams have been mobilized down the shaft to help complete the ongoing development program.

Capstone has commenced 2,000 m of new crosscuts and openings for underground drill stations on level 8. The initial drill stations are expected to be ready by the end of February 2005. Underground definition drilling will commence in early March. A total of 15,000 m of drilling will be completed from the underground drill stations. This work will evaluate resources between levels 9, 10 and 11 where exploration drilling has indicated some of the best mineralization to date. Up to 4 underground drill rigs will be used to finish the drilling by June 2005. Results from this program will be used to build a current resource estimate to advance mine planning. The estimated cost to complete the underground crosscuts and drilling is US\$1,500,000. Capstone has the required funds to complete this program.

Capstone is currently completing a 7,000 m Phase II surface drill program. Results from holes CG-04-21 to 29 have been announced in the January 24, 2005 press release. Additional results for the Phase II drill holes will be reported when they are made available to Capstone from the laboratory.

Jack Marr, P.Geo, a director of Capstone and a qualified person under NI 43-101, has reviewed the contents of this news release.

ABOUT CAPSTONE

Capstone is a mineral exploration company focused on the exploration and development of five advanced projects in Mexico. All of the projects have existing tonnage and grade defined by underground workings. Capstone has 37.7 million shares outstanding and is well financed with no long term debt. More information is available online at: www.capstonegold.com.

ON BEHALF OF THE BOARD

“Darren M. Pylot”
President & CEO

For further information about the Company, please contact:
Chris Tomanik, Telephone: (604) 684-8894 / Facsimile: (604) 688-2180
Email: ctomanik@capstonegold.com