

CAPITAL GOLD CORP  
Form 10-Q  
March 12, 2009  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended January 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 0-13078

CAPITAL GOLD CORPORATION  
(Exact name of registrant as specified in its charter)

DELAWARE  
(State or other jurisdiction of  
incorporation or organization)

13-3180530  
(I.R.S. Employer  
Identification No.)

76 Beaver Street, 14th floor, New York, NY 10005  
(Address of principal executive offices)

Registrant's telephone number, including area code: (212) 344-2785

Not applicable  
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer

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Non-accelerated filer   
(do not check if smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common equity as of the latest practicable date.

Class	Outstanding at March 1, 2009
Common Stock, par value \$.0001 per share	193,349,826

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

The accompanying financial statements are unaudited for the interim periods, but include all adjustments (consisting only of normal recurring adjustments), which we consider necessary for the fair presentation of results for the three and six months ended January 31, 2009.

Moreover, these financial statements do not purport to contain complete disclosure in conformity with U.S. generally accepted accounting principles and should be read in conjunction with our audited financial statements at and for the fiscal year ended July 31, 2008.

The results reflected for the three and six months ended January 31, 2009 are not necessarily indicative of the results for the entire fiscal year ending July 31, 2009.

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CAPITAL GOLD CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEET  
(in thousands, except for share and per share amounts)

## ASSETS

	January 31, 2009 (Unaudited)	July 31, 2008
Current Assets:		
Cash and Cash Equivalents	\$ 8,848	\$ 10,992
Accounts Receivable	1,201	1,477
Stockpiles and Ore on Leach Pads (Note 4)	13,513	12,176
Material and Supply Inventories	1,207	937
Deposits	342	9
Marketable Securities (Note 3)	60	65
Prepaid Expenses	197	219
Loans Receivable – Affiliate (Note 9 and 13)	35	39
Other Current Assets (Note 5)	1,200	490
Total Current Assets	26,603	26,404
Mining Concessions (Note 8)	54	59
Property & Equipment – net (Note 6)	22,537	20,918
Intangible Assets – net (Note 7)	342	181
Other Assets:		
Deferred Financing Costs	516	599
Mining Reclamation Bonds	82	82
Deferred Tax Asset (Note 17)	768	573
Security Deposits	63	63
Total Other Assets	1,429	1,317
Total Assets	\$ 50,965	\$ 48,879

## LIABILITIES AND STOCKHOLDERS' EQUITY

## Current Liabilities:

Accounts Payable	\$ 786	\$ 788
Accrued Expenses (Note 10)	4,336	2,673
Derivative Contracts (Note 16)	987	930
Deferred Tax Liability (Note 17)	2,492	2,063
Current Portion of Long-term Debt (Note 15)	4,050	4,125
Total Current Liabilities	12,651	10,579

Reclamation and Remediation Liabilities (Note 11)	1,215	1,666
Other liabilities	43	62
Long-term Debt (Note 15)	6,200	8,375
Total Long-term Liabilities	7,458	10,103

## Commitments and Contingencies

## Stockholders' Equity:

Common Stock, Par Value \$.0001 Per Share;

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Authorized 300,000,000 shares; Issued and Outstanding 193,349,826 and 192,777,326 shares, respectively	19	19
Additional Paid-In Capital	63,668	63,074
Accumulated Deficit	(27,363)	(32,496)
Deferred Financing Costs	(2,209)	(2,611)
Deferred Compensation	(433)	(549)
Accumulated Other Comprehensive Income (Note 12)	(2,826)	760
Total Stockholders' Equity	30,856	28,197
Total Liabilities and Stockholders' Equity	\$ 50,965	\$ 48,879

The accompanying notes are an integral part of the financial statements.

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