

CAPITAL GOLD CORP  
Form 8-K  
March 27, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)  
March 22, 2007

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

<u>Delaware</u> (state or other juris- diction of incorporation)	<u>0-13078</u> (Commission File Number)	<u>13-3180530</u> (I.R.S. Employer Identification No.)
<u>76 Beaver Street, New York, NY</u> (Address of principal executive offices)		<u>10005</u> (Zip Code)

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

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Section 5 - Corporate Governance and Management**

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On March 22, 2007, we issued 500,000 shares of our Common Stock to John Brownlie, our Chief Operating Officer, under the Capital Gold Corporation 2006 Equity Incentive Plan.

**Section 8 - Other Events**

**Item 8.01 Other Events.**

On March 23, 2007, we reacquired the remaining 1% net profits interest in our Mexican affiliate, Minera Santa Rita S. de R.L. de C.V. ("MSR") from one of the successors ("FG's Successor") to Grupo Minero FG S.A. de C.V. ("FG"). FG was our former joint venture partner. When the joint venture was terminated in March 2004, FG received, among other things, a participation certificate entitling it to receive 5% of the annual dividends of MSR, when declared. The participation certificate also gave FG the right to participate, but not to vote, in the meetings of MSR's Board of Managers, Technical Committee and Partners. In August 2006, we repurchased the participation certificate from FG's Successor for \$500,000 with FG's Successor retaining a 1% net profits interest in MSR, payable only after a total \$20 million in net profits has been generated from operations at El Chanate. We reacquired the remaining 1% net profits interest in consideration of our advancing \$319,000 to Sinergia Obras Civiles y Mineras, S.A. de C.V. ("Sinergia") under the mining contract between MSR and Sinergia. FG's Successor is a principal of Sinergia.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAPITAL GOLD CORPORATION

March 27, 2007

By: /s/Gifford A. Dieterle

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Gifford A. Dieterle, President