

Nesbitt Mark T
 Form 4
 October 02, 2009

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Nesbitt Mark T

2. Issuer Name and Ticker or Trading Symbol
 CAPITAL GOLD CORP [cgld.ob]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 24 BUCKTHORN DRIVE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 09/04/2009

____ Director _____ 10% Owner
 ____ Officer (give title below) Other (specify below)
 Former Director

LITTLETON, CO 80127
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 09/04/2009 | | F | 4,324 A \$ 0.49 | 60,990 | I | some with spouse |
| Common Stock | 09/04/2009 | | F | 2,875 A \$ 0.63 | 63,865 | I | some with Spouse |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Options | \$ 0.49 | 09/04/2009 | | M | 16,667 (1) | 01/20/2009 ⁽¹⁾ 01/20/2014 | Common Stock | 4,324 (1) |
| Stock Options | \$ 0.63 | 09/04/2009 | | M | 60,000 (1) | 12/20/2007 ⁽¹⁾ 12/20/2014 | Common Stock | 2,875 (1) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-----------------|
| | Director | 10% Owner | Officer | Other |
| Nesbitt Mark T 24 BUCKTHORN DRIVE LITTLETON, CO 80127 | | | | Former Director |

Signatures

Mark T. Nesbitt 10/01/2009
 **Signature of Date
 Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Reporting Person exercised 16,666 and 60,000 options on a cashless basis and received, respectively, 4,324 and 2,875 shares. The balance of the stock options did not vest and have expired due to Reporting Person's separation as a director of the issuer.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.