

SPROTT ASSET MANAGEMENT INC

Form SC 13G

February 13, 2009

SCHEDULE 13G
Under the Securities Exchange Act of 1934

Capital Gold Corporation
(Name of Issuer)

Common Shares
(Title of Class of Securities)

14018Y106
(CUSIP Number)

December 31, 2008
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- [] Rule 13d-1(b)
[X] Rule 13d-1(c)
[] Rule 13d-1(d)

CUSIP No. 14018Y106
.....

1. NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Sprott Asset Management Inc.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) []
(b) [X]

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Ontario, Canada

NUMBER OF 5. SOLE VOTING POWER
SHARES 0

BENEFICIALLY 6. SHARED VOTING POWER
OWNED BY 20,735,000

EACH 7. SOLE DISPOSITIVE POWER
REPORTING 0

PERSON 8. SHARED DISPOSITIVE POWER
WITH 20,735,000

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

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20,735,000

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

10.7%

12. TYPE OF REPORTING PERSON*

IA

Item 1.

- (a) Name of Issuer: Capital Gold Corporation
- (b) Address of Issuer's Principal Executive Offices:
76 Beaver Street, New York, NY 10005

Item 2.

- (a) Name of Person Filing: Sprott Asset Management Inc.
- (b) Address of Principal Business Office:
Suite 2700, South Tower, Royal Bank Plaza, Toronto, ON M5J 2J1
- (c) Citizenship: Canada
- (d) Title of Class of Securities: Common Shares
- (e) CUSIP Number: 14018Y106

Item 3. If this statement is filed pursuant to Rule 13d-1(b), or 13d-2(b), check whether the person filing is a:

- (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c) Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (e) An investment adviser in accordance with ss. 240.13d-1(b)(ii)(E).
- (f) An employee benefit plan or endowment fund in accordance with ss. 240.13d-1(b)(1)(ii)(F).
- (g) A parent holding company or control person in accordance with ss. 240.13d-1(b)(1)(ii)(G).
- (h) A savings association as defined in Section 3(b) of the

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Federal Deposit Insurance Act (12 U.S.C. 1813).

(i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3).

(j) Group, in accordance with ss. 240.13d-1(b)(1)(ii)(J).

Item 4. Ownership

(a) Amount Beneficially Owned: 20,735,000

(b) Percent of Class: 10.7%

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote: 0

(ii) Shared power to vote or to direct the vote: 20,735,000

(iii) Sole power to dispose or to direct the disposition of: 0

(iv) Shared power to dispose or to direct the disposition of: 20,735,000

Item 5. Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following.

Item 6. Ownership of More than Five Percent on Behalf of Another Person:

N/A

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

N/A

Item 8. Identification and Classification of Members of the Group:

N/A

Item 9. Notice of Dissolution of Group:

N/A

Item 10. Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

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After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 14, 2009

Date

Sprott Asset Management Inc.

/s/ Kirstin McTaggart

Signature

Kirstin McTaggart, Chief Compliance Officer

Name/Title