

24 October 2011

ASX ANNOUNCEMENT

Update on the Uvs projects in Mongolia

HIGHLIGHTS

- **Potash exploration to be continued in the next field season in conjunction with the Company's new coal exploration project in Uvs**
- **Leading coal industry experts commissioned to assist the Company with its coal project**

Uvs Basin Project

(Potash; coal & lithium brine exploration - GMM 100%)

The Company has finished the 1st stage of the potash exploratory drilling program in the Uvs Basin. 3,000 to 5,000 line metres of diamond drilling were planned to an average depth of 1,000 m (refer to ASX announcement dated 22 August 2011). 3 out of planned 6 drill holes have been drilled on budget to a total of 3,537 line metres and the drilling contractor has started the demobilization.

No potash mineralisation has been encountered; however, these 3 drilled holes tested only part of the Company's exploration ground within 2 out of the Company's 5 exploration licences and a very substantial area remains to be explored in the Uvs Basin (Figure 1).

The Company maintains its belief in the prospectivity of the Uvs Basin for the discovery of a potash deposit as supported by historical potash intersections at the Russian part of the Uvs Basin (about 30 km from the Company's exploration licences). The Company plans to continue the potash exploration in 2012 after the end of the Mongolian winter season and, more importantly, in conjunction with the funding and logistical preparations for Company's new coal exploration program at Uvs.

As announced previously (refer to ASX announcements dated 27 September and 12 October 2011), the Company is acquiring a 100% interest in exploration licence 15206X adjacent to the Company's exploration properties at Uvs and is also farming-in mining licence 11617A that covers the central part of the Khuden black coal deposit, originally explored in the 1970s – 80s (Figure 2).

General Mining Corporation Ltd
ABN: 95 125 721 075

ASX Code: GMM

Quoted Securities:
47,902,234 ordinary f.p. shares
Total Issued Capital:
63,034,628 ordinary f.p. shares

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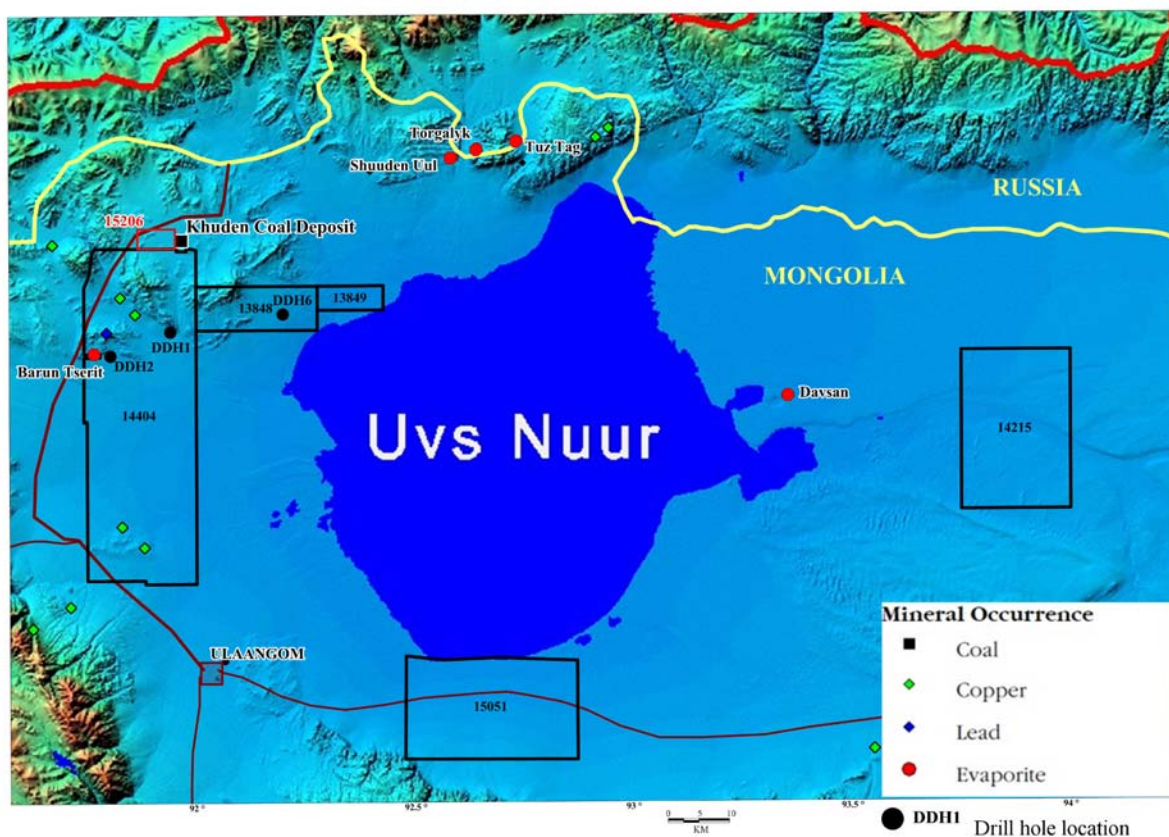


Figure 1: The Uvs Basin project area: licence 15206X and GMM's licences and mineral occurrences and deposits including the Khuden Coal Deposit

Historical coal exploration reports (Mineral Resources Authority of Mongolia Open File Reports 2045, 2319 and 4477) as well as two independent geological reviews commissioned by the Company in 2008 suggest the prospectivity of further deeper exploration at the Khuden Deposit (i.e. at licence 11617A). These reports also suggest the possible extension of the Khuden coal seams to the west of the coal outcropping area (i.e. into licence 15206X), where the coal hosting Carboniferous geology is covered by Quaternary sediments. Most of the Carboniferous geology outside the deposit remains largely unexplored and the Company's licences 14404X and 13848X as well as licence 15206X, which is being acquired by the Company, include some substantial areas that are considered to be prospective for coal.

A leading coal consultancy group with direct experience in Mongolian coal deposits has been commissioned by the Company for a preliminary site geological reconnaissance in November 2011 as well as to provide an independent review of historical geological and geophysical data and to subsequently advise on the further coal exploration. Subject to drilling contract negotiations, this coal exploration program would be expected to start in the second quarter of 2012 and may include the following:

- twinning some selected old drill holes to verify the historical data
- deeper drilling at the Khuden Deposit targeting the lower seams (licence 11617A)
- drill testing of possible extensions of the Khuden coal seams (licence 15206X)
- drill testing of other coal exploration areas comprising the prospective Carboniferous sedimentary geology (licences 14404X, 15206X & 13848X)
- comprehensive coal quality analysis

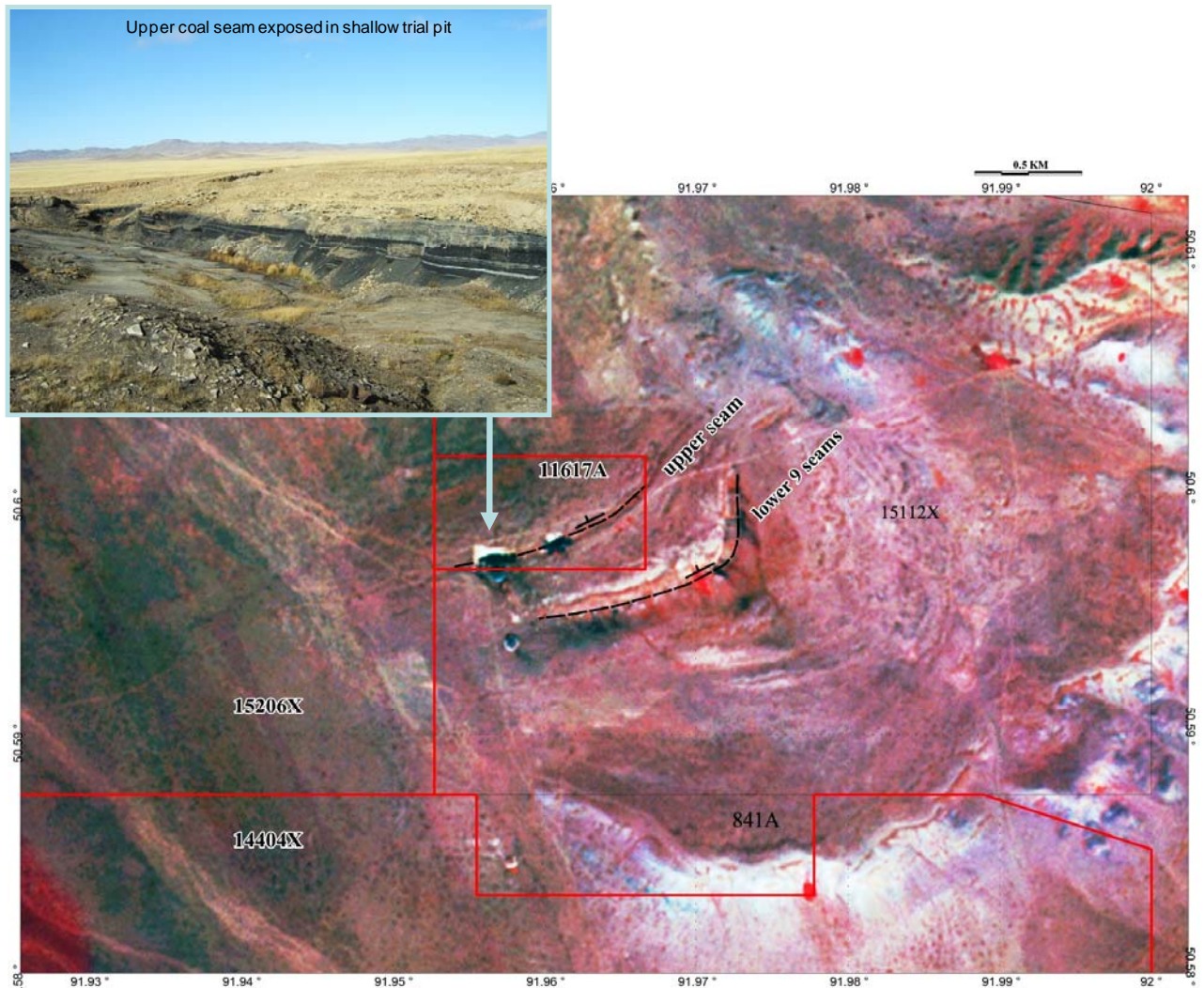


Figure 2 : Satellite image of the Khuden Deposit - 2 black coal outcropping areas:

- upper coal seam (average thickness 6.6 m)
- lower horizon (9 coal seams ~20 m aggregate thickness)

GMM's interests:

exploration licences

14404X – 100% owned

15206X – 100% being acquired

mining licence

11617A – being farmed-in

Dr Boris Matveev
Managing Director

About General Mining Corporation Ltd (ASX: GMM)

General Mining Corporation Ltd is a Western Australian company with a substantial portfolio of exploration properties in Mongolia and Western Australia. The Company is focused on bulk commodities, namely high-margin potash and coal at the Uvs Basin project in Mongolia, and iron ore at the Shoemaker project in Western Australia.

The Company also has some base metal and IOCG exploration properties in those countries.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Boris Matveev, who is a Member of The Australian Institute of Geoscientists. Dr Matveev is a full-time employee of General Mining Corporation Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Matveev consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.