

29 January 2010

## December 2009 Quarterly Report

General Mining Corporation Ltd  
ABN: 95 125 721 075

ASX Code: GMM

Quoted Securities:  
39,895,000 ordinary f.p. shares

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### HIGHLIGHTS

- **The Company lists on the ASX in December 2009 after raising \$5.5m in its IPO**
- **Managing Director appointed**
- **Drilling starts at the Eyre project**
- **Preparations underway for field work on the Company's flagship projects in Western Australia and Mongolia**

### Corporate

The Company's Initial Public Offer (IPO) raised \$5.5M from a wide spread of retail and institutional investors. Official quotation of the Company's 39,895,000 fully paid ordinary shares commenced on the ASX on 21<sup>st</sup> December 2009.

Dr Boris Matveev was appointed Managing Director of the Company effective from 1<sup>st</sup> January 2010. Dr Matveev is a geologist with 28 years experience in the mining and exploration industry and in geoscientific research in Australia, Africa, the USA and the former Soviet Union including the last 15 years in senior executive positions with ASX and AIM listed resource companies. As executive director of Carnegie Minerals Plc, Dr Matveev recently oversaw the development of a West African industrial mineral project from an early exploration stage to mining and export of mineral concentrates to China.

# Projects

## Western Australia

### **Eyre Project**

*(targeting IOCG<sup>1</sup>/carbonatite related mineralisation - GMM 100%)*

In December 2009 the Company obtained an overview of its Eyre project (E69/2369) in the Eucla Basin by an independent expert who further confirmed the project potential for iron oxide-copper-gold (IOCG) and carbonatite related mineralization.

The overview concluded that the large Moonera magnetic anomaly (~8 km in diameter – Figure 1) is a high priority exploration target that occurs in a geological setting where mineralization of several different styles appears possible including IOCG and carbonatite related mineralization.

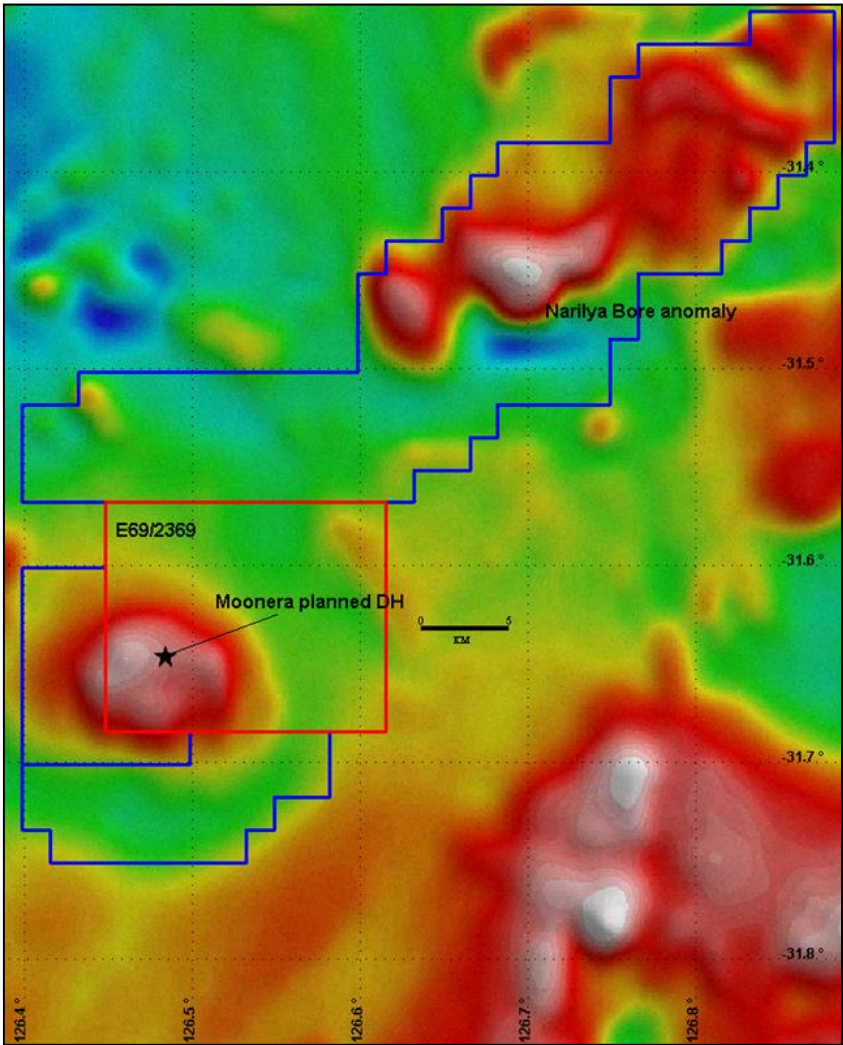


Figure 1: GMM's exploration licence (red line) and application areas (blue line) at the Eyre Project

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<sup>1</sup> IOCG = Iron-Oxide Copper/Gold

The Company commissioned a contractor to drill a single diamond drill hole to a depth of about 700m to establish the origin of this geophysical anomaly. This drilling started in mid-January and is expected to take approximately 4 weeks.

The results of drilling at the Moonera anomaly will be analysed in order to plan work at the adjacent Narilya Bore magnetic anomaly covered by the Company's exploration licence application (Figure 1) and located along the same inferred splay off the crustal scale Mundrabilla Fault as the Moonera target.

In January 2010 the Western Australian Department of Mines and Petroleum sent to the Company the notice of intention to grant exploration licence 69/2616 currently under application within the Eyre project area. The Company also signed a heritage agreement on another exploration licence application 69/2650 in this project area.

### **Shoemaker Project**

*(Iron ore exploration - GMM 50% & earning up to 80% from Galaxy Resources Limited)*

The Company has commissioned a leading consulting firm with extensive iron ore experience to carry out a technical overview of the previous exploration on this project and to provide recommendations on the future exploration strategy. This overview is expected to be completed by mid-February 2010.

In preparation for the field operations, the Company is currently engaged in discussions with the lawyers representing the Native Title claimants in order to start the already planned extension of the previous gravity survey undertaken by Galaxy Resources and to subsequently carry out a field mapping and surface sampling program. A heritage survey over some priority exploration areas will be organised to facilitate other on-ground activities including a RC drilling program.

## **Mongolia**

### **The Uvs Basin Project**

*(Potash; lithium & potassium brines exploration - GMM 100%)*

The Company has commissioned an internationally renowned potash consulting firm to provide recommendations for exploration during the first field season in Mongolia. This consulting work includes the specialised interpretation of the remote sensing data to produce preliminary structural and hydrogeological maps to identify the optimal locations for this year's geophysical and drilling programs. Field reconnaissance and mapping will follow up on this desktop study during the second quarter 2010

In preparation for the first field season in Mongolia, (~April to October), the Company has also started discussions with some of the potential drilling and geophysical contractors both in Mongolia and in Russia in order to be able to sign appropriate contracts in advance of the beginning of the field season.

## **Other Projects**

Following the post-IPO review of the Company's project portfolio and taking into account opinions expressed by investors during the IPO, the Company decided to further prioritise the allocation of the raised funds. The Company has applied for some additional ground to extend the Shoemaker iron ore exploration area in Western Australia. At the

same time, it was decided to relinquish exploration licence 80/3662 (Mt Kinahan) in Western Australia.

### **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 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 (such as the Eyre Project currently being drilled) and is well capitalized with \$5m of liquid funds following its IPO in December 2009.

### ***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.*