

03 June 2011

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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Contractor commissioned for potash exploratory drilling in the Uvs Basin in Mongolia

Uvs Basin Project

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

After an extensive tender process the Company has signed a contract with a reputable international drilling contractor to carry out planned potash exploratory drilling to an average depth of 1,000 m within the Uvs Nuur Basin in north-western Mongolia (refer GMM's March quarterly report dated 18 March 2011).

The Company has obtained all necessary approvals to start this drilling program that should commence between July and August as soon as a suitable drilling rig becomes available with the contractor.

Drill hole locations and drilling parameters have been identified in consultations with the Company's major technical advisor on this project, German firm ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH, that is one of the leading international experts on potash geology and mining.

The project comprises 5 granted exploration licences covering more than 2,000 km² within the Uvs Nuur Basin that is considered prospective for bedded and domal (salt diapir) potash deposits as well as for lithium and potassium brines.

Some limited drilling at the northern periphery of the basin in the 1950-60s intersected shallow potash mineralisation in up to 600 m thick Devonian evaporates. These drilling results from the Russian part of the Uvs Nuur Basin confirm its prospectivity for potash deposits.

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 at the Uvs Basin project in Mongolia, and iron ore and manganese 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.