

15 March 2011

**GENERAL MINING CORPORATION RAISES A\$1.2M TO
ADVANCE MONGOLIAN POTASH PROJECT**

PLACEMENT HIGHLIGHTS

- **Share placement to institutional and sophisticated investors to raise A\$1.21M**
- **Funds to accelerate potash and manganese exploration**
- **GMM well positioned to advance projects and deliver growth to shareholders**

General Mining Corporation Limited (ASX:GMM) is pleased to advise that it has placed 6,947,234 shares at \$0.175 per share to raise \$1,215,766 before costs of the issue. Demand for the placement was strong and closed oversubscribed.

The placement was made under the Company's 15% placement capacity to institutional, sophisticated and professional investor clients of Pareto Capital. Pareto will be granted 1,215,766 options exercisable at \$0.20 per share, expiring on 30 June 2012, on completion of the Placement as part consideration for managing the issue and providing on going corporate advisory services. All capital raised by Pareto will attract a 6% capital raising fee.

Use of Funds:

- i) to assist with funding of the Company's forthcoming Mongolian potash and lithium brine exploratory drilling program (focused on the highly prospective Uvs Basin);
- ii) to assist with funding of drilling at the Company's WA Shoemaker project (identified as a high priority iron ore/manganese mineralisation target); and
- iii) for general working capital purposes

The Directors are pleased with the very positive response to the issue.

This is the announcement referred in the Company's request for trading halt dated 11 March 2011.

Dr Boris Matveev
Managing Director

General Mining Corporation Ltd
ABN: 95 125 721 075

ASX Code: GMM

Quoted Securities:
40,955,000 ordinary f.p. shares
Total Issued Capital:
56,087,394 ordinary f.p. shares
(before this issue)

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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 primarily 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.