

QUARTERLY ACTIVITIES REPORT

SEPTEMBER 2015

General Mining Corporation
ABN: 95 125 721 075

ASX Code: GMM

Quoted Securities:

269,176,853 shares
24,700,000 unlisted options

Share Price:

17.0 cents per share

Market Capitalisation:

A\$45.8M

Board of Directors

Mr Michael Fotios
Executive Chairman

Mr Alan Still
Non-executive Director

Mr Michael Kitney
Non-executive Director

Company Secretary

Ms Karen Brown

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HIGHLIGHTS

- **Formal agreement with Galaxy on the Mt Cattlin Project executed**
- **Mt Cattlin transaction approved by shareholders**
- **Capital raisings successfully completed raising \$5.4M**
- **Key operational positions on site filled; recommencement work underway**

CORPORATE

The formal agreement with Galaxy Resources Limited (ASX: GXY) ("Galaxy") was executed early in September for the Company to earn a 50% equity interest in the Mt Cattlin Project for expenditure of \$25M (\$7M in CAPEX contributions and \$18M over three years payable direct to Galaxy). Additionally, General Mining will acquire a 50% equity interest in the James Bay Project in Quebec, Canada by spending USD \$5m in three years as part of this transaction. Shareholders signified their approval of the transaction with an overwhelming vote in its favour at the General Meeting held on 9 September 2015.

Shareholders also approved a placement facility to provide funding towards these expenditures. 63,300,000 shares have been placed at \$0.05 per share and, together with the heavily oversubscribed one for five rights issue completed late in October at the same issue price, the Company has raised some \$5.4M.

Subsequent to the end of the quarter, the Company's foreshadowed Board restructure was completed. Alan Still and Michael Kitney, both well credentialed metallurgists with international experience in critical metals including lithium and other rare metals, were appointed to the Board and Mr Michael Fotios was appointed as Executive Chairman. Michael Wright, Craig Readhead and founding director Bob Wanless have all stepped aside – their contributions to the Company through its establishment, listing and up to the present day have been greatly appreciated.

Finally, and also subsequent to the reporting period, in October the Company signed a binding and exclusive Sales & Distribution Agreement with Mitsubishi covering the sale of any spodumene concentrate produced at Mt Cattlin for a period of four years (plus an option for a further one year extension). Please see the ASX release dated Wednesday 28th October 2015 for further details

OPERATIONAL UPDATE – MT CATTLIN PROJECT

Progress continued at Mt Cattlin in the quarter in a number of areas:

- Flow sheet redesign is nearing completion, with a continued focus on a redesigned and refurbished crushing circuit, and increased spodumene and tantalum recovery rates
- Key positions have been filled covering the areas of mining, geology, metallurgy and processing

It is expected that development work at Mt Cattlin will increase significantly in the December 2015 quarter.

On 4 August 2015, the Company released an updated Resource & Reserve statement for the Mt Cattlin Project. This statement was upgraded to comply with JORC 2012 requirements, but was otherwise a restatement of the prior resource accounting for 6 months of activity on site by Galaxy in the first half of 2012.

EXPLORATION

WA Gold Projects

Activity was restricted to desktop work on the Company's WA based gold exploration assets in the quarter, with no work occurring in the field.

The new Board of General Mining will be conducting a review of these assets in late 2015 following completion of the transaction with Galaxy Resources, and General Mining's subsequent progression into producer status.

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