

Issued Capital:

311,702,853 shares
22,700,000 unlisted options

Share Price:

\$0.40 per share

Market Capitalisation:

AUD\$124.7M

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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PRODUCTION COMMENCES AT MT CATTLIN

- **GMM issued Production Notice to GXY 31 March 2016**
- **Mining and processing underway**
- **Transfer of GMM's equity and profit interests to occur in April**
- **GMM now part owner and operator of ASX's only producing hard rock lithium asset globally**
- **Spodumene continues to play a critical role in feeding the growing lithium sector in China**

Executive Summary

General Mining Corporation Ltd (ASX: GMM) ("General Mining", "GMM" or "the Company") is pleased to announce it has issued a Production Notice to Galaxy Resources Limited (ASX: GXY) in accordance with its earn in obligations at the Mt Cattlin Project, and mining and processing operations are now underway.

Under the terms of the formal Mt Cattlin Acquisition and Development Agreement, signed between GMM and GXY in September 2015, GMM agreed to commit the first \$7m of capital required to restart production at Mt Cattlin (forming the first \$7m of its \$25m total consideration) by 31 December 2015, and recommence production at the Project on or before 31 March 2016. Upon completion of both of these milestones, now achieved, GMM has qualified for its initial 14% equity interest in the Project, and 50% operating profit interest. The formal transfer of these interests is scheduled to occur later in April 2016.

General Mining's Executive Chairman Michael Fotios:

"The recommencement of production at Mt Cattlin represents another major achievement by General Mining in not only meeting its obligations to Galaxy Resources, but also in becoming a reliable, independent and growing supplier of spodumene concentrate to the global lithium market."

"The Project team has delivered against a very tight commissioning timeline in order to take advantage of market demand, and I'm confident in our ability to continue to meet our ramp up schedule over the coming months."

Production Overview

Production has commenced with both mining and processing operations. An initial 5-week program will sequentially recover and stockpile spodumene and tantalum concentrates from the fines circuit ahead of crusher and HMS circuit (coarse circuit) commissioning later in the June quarter (as announced 29 February 2016).

Given the quantities of ore already mined and available for processing, the immediate focus at restart (through to early May 2016) is on the processing circuit, including progressive commissioning of the primary and secondary feed preparation circuits, thickener, fine and coarse circuit screens, mica removal screens, tantalum spirals and tables, fines reflux classifiers and filter belt.

Recovery of previously blasted ore in the Dowling Pit has also commenced, and this ore is being stockpiled for processing later in the June quarter. Recovery of fines material from the TSF for processing in the fines circuit is scheduled to begin during the quarter. Initial plant feed will be sourced from the existing crushed fine ore stockpile adjacent to the plant.

Upcoming News Flow

General Mining will provide regular operational updates to the market as the Mt Cattlin processing facility works through its 3-month ramp up to a base case throughput rate of 800,000tpa by the end of June. A second optimisation phase will continue through the second half of the calendar year to improve yields to a targeted 70-75%, based off the ongoing 800,000tpa throughput rate.

First delivery of concentrate remains on target for July/August 2016, and GMM and GXY are continuing to work through the formal documentation process with their China based offtakers. Further updates on execution of formal offtake agreements and ongoing exploration drilling at Mt Cattlin are scheduled for release to the market in the coming weeks.

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Further inquiries:

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Forward-looking statements

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