

ASX ANNOUNCEMENT
18 May 2016

MAIDEN OFFTAKE COMPLETED, MT CATTLIN PROJECT RECEIVES USD 9 MILLION

- **Final offtake agreement signed between General Mining, Mitsubishi Corporation and customer**
- **Terms consistent with binding Term Sheet announced 8 March 2016**
- **USD 9 million pre-payment received by General Mining on behalf of joint venture with Galaxy**
- **Mt Cattlin operations now fully funded through to production**
- **Discussions with other customer progressing after recent visit to Mt Cattlin**
- **Mt Cattlin is now the #2 largest producing hard rock lithium mine globally**
- **First tantalum production from Mt Cattlin on 16 May 2016 as ramp up continues**

General Mining Corporation
ABN: 95 125 721 075

ASX Code: GMM

Issued Capital:
311,702,853 shares
22,700,000 unlisted options

Share Price:
\$0.58 per share

Market Capitalisation:
AUD\$181M

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

www.generalmining.com

Address:
89 Burswood Road
Burswood WA 6100

Telephone:
08 9227 1186

Facsimile:
08 9227 8178

On 8 March 2016, General Mining Corporation Ltd (ASX: GMM) (**GMM** or the **Company**), along with its project partner Galaxy Resources Limited (ASX: GXY) (**Galaxy**), announced the signing of two binding Term Sheets with two China based buyers for the sale of 60kt of spodumene concentrate (USD 600/t) in 2016, and a further 120kt in 2017 (subject to price agreement in the December quarter 2016).

Completed Offtake agreement details

The Company is pleased to announce that it has now signed a binding tri-party offtake agreement with one of the offtake parties, and GMM's exclusive selling and settlement agent, Tokyo based Mitsubishi Corporation.

The terms of the offtake agreement are consistent with the terms of the binding Term Sheet announced on 8 March 2016. For clarity, this completed agreement is for the sale of 30,000 tonnes of spodumene concentrate in 2016 at a price of USD 600/tonne, 50% of which was payable in advance.

The Company is now pleased to announce that it has received the USD 9 million pre-payment under the offtake agreement. This payment significantly strengthens the Mt Cattlin Project's working capital position as the operation progresses through its staged ramp up through to December 2016.

Discussions continue with the other Chinese customer which requested a visit to Mt Cattlin before completing the final offtake documentation. Having obtained visas, a delegation from that customer and Mitsubishi Corporation visited Mt Cattlin last week and final discussions are now taking place.

Operational Update

Activity at Mt Cattlin continues to progress with first tantalum production achieved on 16 May 2016, fed from existing crushed ore stockpiles. The coarse rejects from this process (containing the lithium) are being stockpiled ready for activation of the DMS circuit next month.

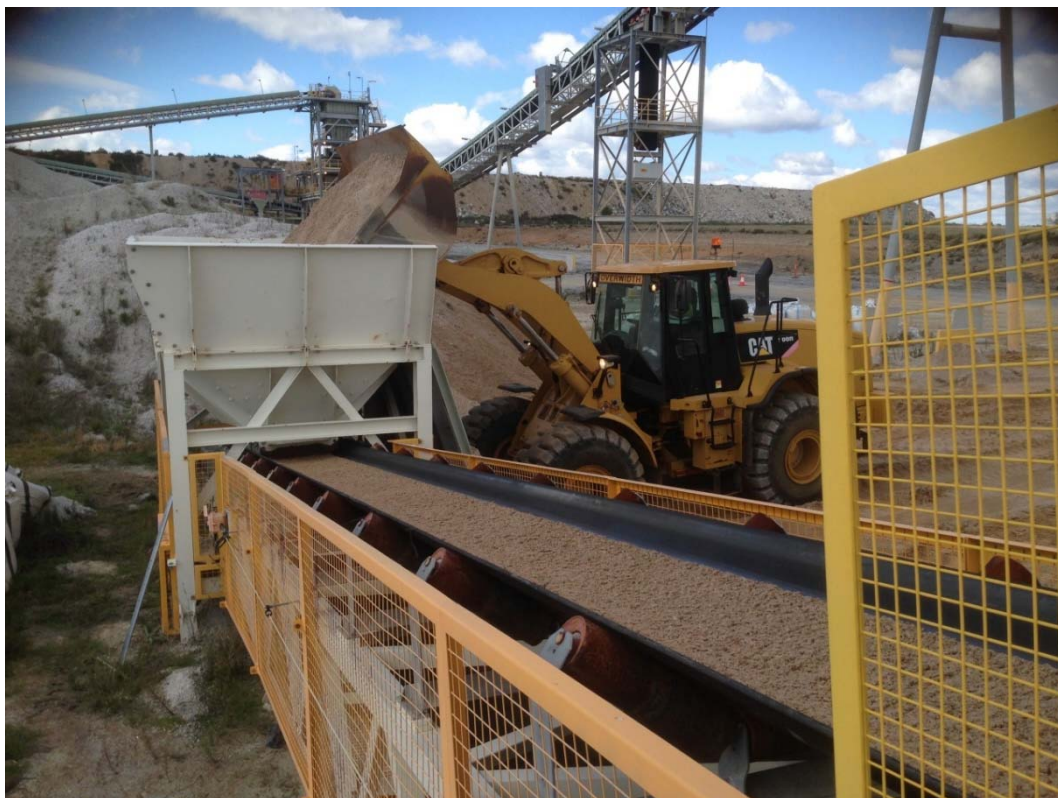


Fig 1: Front end loader tipping on to Feeder 07, bypassing the crushing circuit



*Fig 2: Discharge undersize from Feed Prep Screen transferred to the Spirals building (yellow),
oversize discharged on to CV07 (red).*



Fig 3: Stockpiling of feed for DMS circuit after tantalum removal

-END-

Further inquiries:

Michael Jardine
Business Development Manager
Tel: +61 8 6241 1832 or
+61 424 615 047
michael.jardine@deltaman.com.au

Jon Snowball
FTI Consulting
Tel: +61 2 8298 6100 or
+61 477 946 068
jon.snowball@fticonsulting.com

Forward-looking statements

This presentation includes forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are, or may be, outside the control of General Mining Corporation Limited. Actual values, results or events may be materially different to those expressed or implied in this announcement. Although General Mining Corporation Limited believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements and no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of General Mining Corporation Limited, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. General Mining Corporation Limited undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly you should not place undue reliance on any forward looking statement.