

ASX ANNOUNCEMENT  
8 March 2016

## **BINDING SPODUMENE CONCENTRATE AGREEMENTS SIGNED WITH MAJOR CHINESE OFFTAKERS**

- **GMM has sold 60,000 tonnes (minimum 5.5% Li<sub>2</sub>O) of Mt Cattlin spodumene concentrate for 2016 delivery for a confirmed price of USD \$600/t (FOB)**
- **50% of total order (USD \$18m) to be paid up front, cash due to GMM by 31 March 2016**
- **Binding commitment for 120,000 tonnes 2017 delivery, order subject to final agreed price in Q4 2016**
- **Maiden shipment July/August 2016**
- **Total expected minimum 2016 production 65,000 tonnes, further negotiations well underway for sale of remaining tonnes**
- **The signing of these binding off take agreements highlights the strong level of demand from customers for Mt Cattlin production, and confirms the robust market for lithium globally**

General Mining Corporation  
ABN: 95 125 721 075

**ASX Code: GMM**

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

**Share Price:**  
\$0.35 per share

**Market Capitalisation:**  
AUD\$109.1M

### **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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### **Offtake Agreement Details**

General Mining Corporation Ltd (ASX:GMM) ("General Mining", "GMM" or "the Company") and its partner on the Mt Cattlin project Galaxy Resources Limited (ASX:GXY, "GXY"), are pleased to announce the forward sale of 60,000 tonnes of spodumene concentrate from the Mt Cattlin project in Ravensthorpe, Western Australia for USD\$600 per tonne (FOB, minimum 5.5% Li<sub>2</sub>O) to two China based buyers.

Of the USD\$36 million sale, USD\$18 million will be paid as a pre-payment, with funds due to be received on or before 31 March 2016.

GMM and GXY have also agreed to deliver 120,000 tonnes in 2017 to the same Chinese customers with a sale price to be agreed during Q4 2016, based upon prevailing market conditions at that time.

GMM and GXY are selling this 60,000 tonnes of production into the lithium carbonate and lithium hydroxide refining markets. It is intended that for the balance of calendar 2016 and 2017, production will be sold to a range of downstream converters, including the lithium carbonate and lithium hydroxide refining markets, and the cathode market.

General Mining's Executive Chairman Michael Fotios:

*"These sales represent a tremendous step forward for the Mt Cattlin operation, and validate the work General Mining has done to re-optimize the process flow sheet.*

*The Company is very pleased that it has been rewarded for a careful and prudent approach to agreeing its maiden concentrate sales, and we look forward to long and successful relationships with our new customers.*

*Beyond these initial sales, forecast demand for our key product looks very robust in the short to medium term and GMM, who will be the world's largest independent supplier (not owned or controlled by a downstream converter) of spodumene concentrate in 2016, is well positioned to help meet demand from the lithium carbonate and lithium hydroxide refining markets, and the cathode market."*

It is expected that the Company will have further updates on its imminent recommencement of operations at Mt Cattlin in the coming weeks.

#### **Market Update**

The availability of spodumene concentrate continues to remain very tight in China, as well as the general supply of lithium products overall in the market. In light of the significant price increases that have been reported in the last quarter of 2015, GMM and GXY will continue to review the marketing and pricing strategy of the future spodumene product from Mt Cattlin as the project continues to advance to a restart of production.

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#### **Further inquiries:**

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