

ASX ANNOUNCEMENT

20 May 2010

Drilling recommences at Eyre project (WA) GMM 100%

General Mining Corporation Ltd
ABN: 95 125 721 075

ASX Code: GMM

Quoted Securities:
39,895,000 ordinary f.p. shares

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The Company is pleased to announce that a drill rig has been mobilized to site and is expected to recommence drilling at the Eyre project by this weekend.

The Eyre project, located in the Eucla Basin of Western Australia, is focused on the large Moonera magnetic anomaly (~8 km in diameter) located on an inferred splay fault off the crustal scale Mundrabilla Fault. Following a ground based magnetic survey by the Company in 2008, an independent overview of the project in late 2009 concluded that the Moonera magnetic anomaly is a high priority exploration target that occurs in a geological setting where mineralization of several different styles appears possible including IOCG and carbonatite related mineralization.

As previously announced, it was decided to abandon the first hole drilled at this site when it encountered wall stabilisation problems at a depth of 530m i.e. before reaching the modelled depth of the Moonera anomaly of approximately 560m. A new vertical pre-collar hole was then drilled 100m south of the original drilling site to the base of the limestone horizon at a depth of 320m, utilising a RC rig that was in the area.

A diamond drilling rig has now been mobilized to the site and is expected to commence drilling by this weekend to extend the precollared hole into the basement rocks to the planned depth of about 700m.

IOCG = Iron oxide copper gold

Dr Boris Matveev
Managing Director

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 focused on bulk commodities, namely high-margin potash at the Uvs Basin project in Mongolia, and iron ore at the Shoemaker project in Western Australia.

The Company also has some base metal and IOCG exploration properties, in those countries (such as the Eyre Project the subject of this announcement) and is well capitalized with \$3.8m of liquid funds following its IPO in December 2009.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Boris Matveev, who is a Member of The Australian Institute of Geoscientists. Dr Matveev is a full-time employee of General Mining Corporation Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Matveev consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.