

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**GENERAL MINING CORPORATION LIMITED**

ABN

95 125 721 075

Quarter ended ("current quarter")

31 December 2011

### Consolidated statement of cash flows

|   | Current Quarter<br>\$A'000 | Year to date<br>(6 Months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>Cash flows related to operating activities</b>               |                            |                                       |
| 1.1 Receipts from product sales and related debtors             |                            |                                       |
| 1.2 Payments for  |                            |                                       |
| (a) exploration and evaluation                                  | (910)                      | (2,216)                               |
| (b) development   | -                          | -                                     |
| (c) production  | -                          | -                                     |
| (d) administration  | (253)                      | (382)                                 |
| 1.3 Dividends received  | -                          | -                                     |
| 1.4 Interest and other items of a similar nature received       | 17                         | 40                                    |
| 1.5 Interest and other costs of finance paid                    | -                          | -                                     |
| 1.6 Income taxes paid   | -                          | -                                     |
| 1.7 Other (provide details if material)                         | -                          | -                                     |
| <b>Net operating cash flows</b>                                 | <b>(1,146)</b>             | <b>(2,558)</b>                        |
| <b>Cash flows related to investing activities</b>               |                            |                                       |
| 1.8 Payment for purchases of                                    |                            |                                       |
| (a) prospects   | -                          | -                                     |
| (b) equity investments  | -                          | -                                     |
| (c) other fixed assets  | -                          | (8)                                   |
| 1.9 Proceeds from sale of                                       |                            |                                       |
| (a) prospects   | -                          | -                                     |
| (b) equity investments  | -                          | -                                     |
| (c) other fixed assets  | -                          | -                                     |
| 1.10 Loans to other entities                                    | -                          | -                                     |
| 1.11 Loans repaid by other entities                             | -                          | -                                     |
| 1.12 Other (provide details if material)                        | -                          | -                                     |
| <b>Net investing cash flows</b>                                 | <b>-</b>                   | <b>(8)</b>                            |
| 1.13 Total operating and investing cash flows (carried forward) | <b>(1,146)</b>             | <b>(2,566)</b>                        |

**Appendix 5B**  
**Mining exploration entity quarterly report**

|      |  |         |         |
|------|--|---------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (1,146) | (2,566) |
|      | <b>Cash flows related to financing activities</b>          |         |         |
| 1.14 | Proceeds from issues of shares, options, etc.              | -       | -       |
| 1.15 | Proceeds from sale of forfeited shares                     | -       | -       |
| 1.16 | Proceeds from borrowings                                   | -       | -       |
| 1.17 | Repayment of borrowings                                    | -       | -       |
| 1.18 | Dividends paid   | -       | -       |
| 1.19 | Other (provide details if material)                        | -       | -       |
|      | <b>Net Financing Cash Flows</b>                            | -       | -       |
|      | <b>Net increase (decrease) in cash held</b>                | (1,146) | (2,566) |
| 1.20 | Cash at beginning of quarter/year to date                  | 1,558   | 2,916   |
| 1.21 | Exchange rate adjustments to Item 1.20                     | (52)    | 10      |
| 1.22 | <b>Cash at end of quarter</b>                              | 360     | 360     |

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

|      |  | Current quarter<br>\$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 123                        |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10   | -                          |

Explanation necessary for an understanding of the transactions

|   | \$'000 |
|---|--------|
| Payments of directors fees, salaries and superannuation | 92     |
| Payments to businesses associated with directors for:   |        |
| Legal fees  | 31     |
| Exploration consultancy fees                            | -      |

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

|     |
|-----|
| N/A |
|-----|

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

|     |
|-----|
| N/A |
|-----|

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### Financing facilities available

*add notes as necessary for an understanding of the position*

|                                 | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities             | -                           | -                      |
| 3.2 Credit standby arrangements | -                           | -                      |

### Estimated cash outflows for next quarter

|                                | \$A'000    |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 150        |
| 4.2 Development                | -          |
| 4.3 Production                 | -          |
| 4.4 Administration             | 150        |
| <b>TOTAL</b>                   | <b>300</b> |

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

|  | Current Quarter<br>\$A'000 | Previous Quarter<br>\$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank                                   | 13                         | 91                          |
| 5.2 Deposits at call   | 347                        | 417                         |
| 5.3 Bank overdraft   | -                          | -                           |
| 5.4 Other – term deposits with less than 12 months to maturity | -                          | 1,050                       |
| <b>Total: cash at end of quarter (item1.22)</b>                | <b>360</b>                 | <b>1,558</b>                |

### Changes in interests in mining tenements – see tenement schedule

|     | Tenement Reference  | Nature of Interest<br>[note (2)] | Interest at Beginning of Quarter | Interest at End of Quarter |
|-----|---|----------------------------------|----------------------------------|----------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed |                                  |                                  |                            |
| 6.2 | E 69/1869   | Equity                           | 50%                              | 80%                        |
|     | E 69/1870   | Equity                           | 50%                              | 80%                        |
|     | E 69/1871   | Equity                           | 50%                              | 80%                        |

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates

|   | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|---|--------------|---------------|---|--|
| 7.1 <b>Preferences securities</b> (description)   |              |               |   |  |
| 7.2 Changes during quarter<br>(a) increases through issues<br>(b) decreases through returns of capital, buybacks, redemptions |              |               |   |  |
| 7.3 <b>Ordinary securities</b><br><i>Fully paid</i>   | 63,034,628   | 63,034,628    |   |  |
| 7.4 Changes during quarter<br>(a) increases through issues<br>(b) decreases through returns of capital, buybacks              |              |               |   |  |
| 7.5 <b>Convertible debt securities</b> (description)  |              |               |   |  |
| 7.6 Changes during quarter<br>(a) increases through issues<br>(b) decreases through securities matured, converted             |              |               |   |  |
| 7.7 <b>Options</b> (description and conversion factor)<br><i>Unlisted options</i>   |              |               | <i>Exercise price</i>                         | <i>Expiry date</i>                               |
|   | 4,000,000    | -             | 20c   | 30/09/2012                                       |
|   | 2,000,000    | -             | 20c   | 28/02/2013                                       |
|   | 550,000      | -             | 20c   | 26/06/2013                                       |
|   | 550,000      | 200,000       | 20c   | 31/08/2014                                       |
|   | 2,500,000    | -             | 20c   | 14/12/2012                                       |
|   | 550,000      | -             | 20c   | 21/12/2014                                       |
|   | 2,715,766    | -             | 20c   | 30/06/2012                                       |
| 7.8 Issued during quarter<br><i>Unlisted options</i>  |              |               |   |  |
| 7.9 Exercised during quarter  |              |               |   |  |
| 7.10 Expired during quarter   |              |               |   |  |

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**TENEMENT SCHEDULE AS AT 31 December 2011**

| Tenement reference    | GMM interest (%) | Comments                              |
|-----------------------|------------------|---------------------------------------|
| <b>AUSTRALIA</b>      |                  |                                       |
| <b>Shoemaker</b>      |                  |                                       |
| E 69/1869             | 80%              |                                       |
| E 69/1870             | 80%              |                                       |
| E 69/1871             | 80%              |                                       |
| E(A) 69/2763          | 100%             |                                       |
| E 69/2792             | 100%             |                                       |
| E 69/2793             | 100%             |                                       |
| <b>Eyre</b>           |                  |                                       |
| E 69/2369             | 100%             |                                       |
| E 69/2616             | 100%             |                                       |
| E 69/2649             | 100%             |                                       |
| E 69/2650             | 100%             |                                       |
| <b>Veevers</b>        |                  |                                       |
| E(A) 80/3986          | 100%             |                                       |
| <b>Black Hill</b>     |                  |                                       |
| E 80/3663             | 100%             |                                       |
| <b>MONGOLIA</b>       |                  |                                       |
| <b>Uvs Nuur Basin</b> |                  |                                       |
| 13848X                | 100%             |                                       |
| 13849X                | 100%             |                                       |
| 14215X                | 100%             |                                       |
| 14404X                | 100%             |                                       |
| 15015X                | 100%             |                                       |
| 15206X                |                  | Right to acquire up to 100% by stages |
| <b>Khangai Fault</b>  |                  |                                       |
| 13846X                | 100%             |                                       |
| 13847X                | 100%             |                                       |
| 14598X                | 100%             |                                       |
| 14314X                | 100%             |                                       |
| 14593X                | 100%             |                                       |

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