

22 August 2011

ASX ANNOUNCEMENT

Potash exploratory drilling started at the Uvs project in Mongolia

General Mining Corporation Ltd
ABN: 95 125 721 075

ASX Code: GMM

Quoted Securities:
47,902,234 ordinary f.p. shares
Total Issued Capital:
63,034,628 ordinary f.p. shares

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Uvs Basin Project

(Potash; lithium & potassium brines exploration - GMM 100%)

The deep potash exploratory drilling has commenced as planned and this program is expected to take about 4 months.

The Company commissioned a reputable international drilling contractor for 3,000 to 5,000 line metres of potash exploratory drilling to an average depth of 1,000 m per hole targeting **bedded potash** as a primary exploration target.

Drill hole locations and drilling parameters have been identified in consultation with one of the leading international experts on potash geology and mining German firm ERCOSPLAN, who remain the Company's major technical advisor on this project.

The Uvs project comprises 5 granted exploration licences covering more than 2,000 km² within the Uvs Nuur Basin in the north-west Mongolia that is considered **prospective for bedded and domal (salt diapir) potash deposits as well as for lithium and potassium brines**.

Some rock salt, soda ash & gypsum deposits and base metal occurrences have been discovered within the Uvs Basin (Figure 1), and limited drilling at the northern periphery of the basin in the 1950-60s intersected shallow potash mineralisation in up to 600 m thick Devonian evaporites. These drilling results from the Russian part of the Uvs Nuur Basin confirm the prospectivity for solid potash and/or potassium brine deposits on the Company's licences.

Dr Boris Matveev
Managing Director

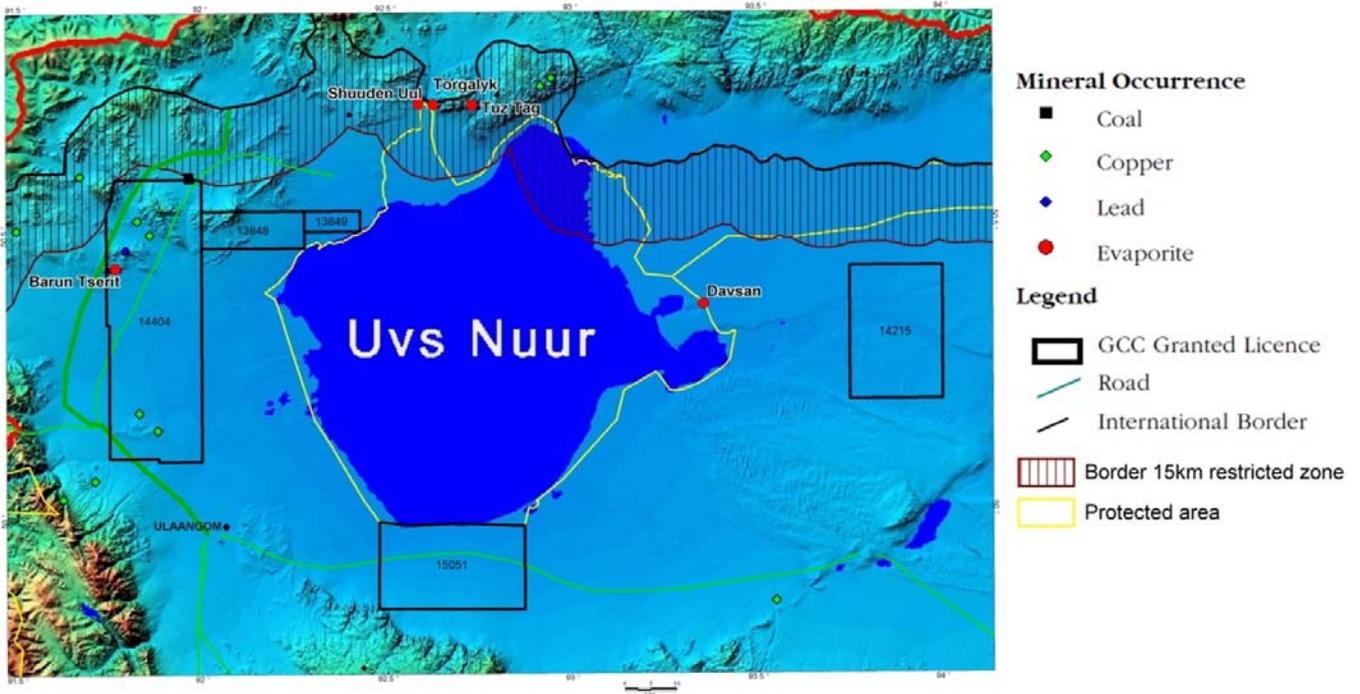


Figure 1: The Uvs Basin project area: GMM's exploration licences and known evaporite and other mineral occurrences

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.

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.