

General Metals CEO Provides FAQ on Latest Capital Raise Ahead of Shareholder Meeting

RENO, NV., June 20, 2013 -- General Metals Corporation (OTCQB: GNMT): (www.generalmetalscorporation.com) released today an interview with the President and CEO of the Company, Daniel J. Forbush, in which Mr. Forbush responded to a series of questions about the recently announced transaction with Open Gold Corporation and about the agenda items at the upcoming meeting of shareholders tentatively rescheduled for Wednesday, August 28, 2013 at 10:00 a.m. (PDT) in Reno, Nevada as the Security and Exchange Commission has notified the Company that it intends to review the preliminary prospectus currently filed with and issue a comment letter within 23 days from today.

“As we’ve talked about the objectives of the special shareholders’ meeting, we thought additional information regarding the reverse stock split in particular would be helpful for shareholders,” commented Forbush. “This is rather a unique deal where we’re growing stockholder value with the addition of more capital while restructuring the capital base.”

CEO Forbush FAQs

Q: What is the purpose of the special shareholder’ meeting to be held at the end of July?

A: We have announced the agenda for the meeting previously and it remains unchanged. As stated, we want to do five main things:

- To elect five (5) directors to the board of directors;
- To ratify the appointment of Ingenium Accounting Associates as its independent registered public accountants for the next fiscal year;
- To approve a reverse stock split (consolidation) of the company's issued and outstanding common shares on an up to 20 to1 basis.
- To approve the sale of the Wilson-Independence Gold – Silver Mine pursuant to an Assignment and Purchase Agreement with Open Gold Corp.; and
- To transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Q: Why is GNMT doing a reverse stock split? Isn’t this typically a sign a mining company is going under?

A: First, let me clarify that should a reverse stock split be authorized by the shareholders, it will only be used to create a vehicle for the acquisition of a new project or projects to be put in GNMT so that our shareholders have another potential asset after the OPG transaction closes. Remember, after the GNMT / OPG deal is completed, current GNMT shareholders will still hold all their shares in GNMT plus a proportional amount of shares of OPG—therefore holding stock in both companies. GNMT has plans to continue adding assets and building shareholder value. However, the main focus now is getting the Independence Project ready for the production phase by OPG raising the agreed upon capital.

Second, the total number of outstanding GNMT shares is quite large (approximately 350,000,000) and tends to discourage new investors. Over the years, under different management, the shares grew faster than the actual progress of the Independence mining project. Investor-attractive junior mining companies typically have less than 50,000,000 outstanding shares as they near the production phase—the time when most early shareholders see the most growth in value. Also, a smaller number of shares (we are not dropping shareholders) is ideal for acquisition efforts.

Third, during the period GNMT owns the OPG shares while OPG is receiving the appropriate listing approvals in the US, a prerequisite to our being able to execute the Distribution to our shareholders, the market value of GNMT should mirror 64% of the market value of OPG. This situation is probably unlike any other Reverse Split you have seen, in that, the perceived market value of GNMT could be raised to a new height (tied to OPG) as a result of its ownership of 64% of OPG.

Fourth, GNMT has \$10 million in Net Operation Loss (NOL) carry forwards, an asset which cannot be monetized for our shareholders with the current number of Outstanding Shares. Approval of the Reverse Split allows us to provide greater value than just the Independence project. Upon distribution of the OPG shares to our shareholders, the only assets on the GNMT balance sheet will be the NOL and whatever other projects we can include. Without a Reverse Split of some level, acquiring another asset for the benefit of our shareholders may be an unachievable objective.

Fifth, this Reverse Split has no impact on the amount of OPG shares that you or any other shareholder will receive. You will receive the same percentage of OPG shares as your Ownership in GNMT at the time of the Distribution. The Reverse Split does not change your ownership percentage, but does allow us to continue to finalize the OPG deal, raise new capital from OPG, move the Independence Project nearer to the production phase, identify additional mineralization, and attract new, more traditional investors with listings in the US and Canadian stock markets.

P. S. You should be aware that an investment bank in Canada was requiring a 25 to 1 reverse split as part of a proposed financing and sponsorship to get GNMT listed on a Canadian exchange. The amount of dilution at current prices that would be required to put the Independence into production would far exceed the corporation's Authorized Share total as it currently stands. Nevertheless this is no longer an issue as a result of the OPG transaction.

Q: When will the GNMT/OPG deal be completed?

A: We are hopeful the transaction with OPG can close the day of the shareholders meeting or the day after which should sometime in mid to late August. With respect to the distribution of OPG shares, we are doing everything we can to insure we are meeting the regulatory requirements in the US and Canada. The expected time frame for the Distribution of shares is anywhere from 3 to 6 months after the transaction itself closes. The timeframe identified in the agreement is a "worst case scenario" required to be included by the Canadian regulators. It is in our best interest to accelerate the Distribution. We will do everything in our power to have the Distribution completed in the first quarter of the 2014. We have no expectation that that the Distribution will happen in any other way than described. However we cannot control the regulators or other people.

Q: Won't the GNMT stock price gradually drop back down again after the reverse split as usually happens to penny stocks?

A: We don't believe so. After the deal is completed, the value of GNMT stock is closely tied to the ownership value of OPG's stock that's linked to the vibrant Independence project and any other future projects incorporated into the GNMT umbrella.

Q: How do we ensure the money raised is properly used by OPG?

A: GNMT management will be in a position to have significant input to the Board of Directors of OPG and the agreement requires that 85% of the funding is to be spent on the Independence Project and working Capital..

Mr. Forbush concluded by saying, "It is for these reasons that I, along with all members of the board, recommend that shareholders approve these two important actions as well as the normal business items being put forward."



Daniel J. Forbush
President and CEO
General Metals Corporation [GNMT]

About General Metals Corporation □ General Metals Corporation (OTCQB: GNMT.OB); www.nevada-goldmine.com, is an aggressive junior mining exploration and development company, based in Reno, Nevada. The company is actively pursuing the re-opening of its Independence gold and silver mining project strategically located in the prolific Battle Mountain Mining District of Nevada.

Cautionary Note to U.S. Investors - The U.S. Securities and Exchange Commission permits U. S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this presentation, such as "measured", "indicated", and "inferred" "resources", which the SEC guidelines strictly prohibit U.S. registered companies from including in their filings with the SEC. U.S. investors are urged to consider closely the disclosure in General Metal's form 10-K, which may be secured from General Metals or the SEC website at: <http://www.sec.gov>.

Notice Regarding Forward-Looking Statements □ This news release contains "forward-looking statements," as that term is defined in Section 27A of the United States Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and in Canadian securities legislation. Statements in this press release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. Such forward-looking statements include, among other things, that Open Gold will complete the acquisition of the Independence Project or the financing, a project can be found to put into General Metals, the timing of the Special Meeting that General Metals share price will in any way be affected by the Open Gold share price. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although we believe that the beliefs, plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that such beliefs, plans, expectations or intentions will prove to be accurate.

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