

GENERAL MINERALS CORPORATION

FOR IMMEDIATE RELEASE: 07-04



**General Minerals Corporation Announces
Exercise of Over-Allotment Option of SASC**

Trading Symbol: GNM-TSX

Webpage: www.generalminerals.com

SEC 12g3-2(b): 82-34810

February 28, 2007

General Minerals Corporation (“GMC”) announces that South American Silver Corp. (“SASC”) has completed the sale today of 5,100,000 common shares at a price of \$0.50 per common share pursuant to the exercise in full of an over-allotment option (the “Over-Allotment Option”) by MGI Securities Inc., as lead agent with Dundee Securities Corporation (collectively, the “Agents”). The Over-Allotment Option was granted by SASC to the Agents in connection with SASC’s initial public offering which was completed on February 19, 2007 (the “IPO”).

Upon completion of the IPO, there were 42,600,000 common shares of SASC issued and outstanding, of which GMC owns and controls 8,600,000 common shares (the “GMC Shares”). Prior to the exercise of the Over-Allotment Option, the GMC Shares represented approximately 20.2% of the issued and outstanding common shares of SASC. Following the exercise of the Over-Allotment Option, there are now 47,700,000 common shares of SASC issued and outstanding. As a result, GMC’s securityholding percentage in SASC has decreased to approximately 18%.

The shares of SASC owned and controlled by GMC are subject to a regulatory escrow agreement and a lock-up agreement with the agents. The net effect of these escrow and lock-up agreements is that until August 19, 2007, unless GMC receives the consent of MGI Securities Inc., none of the common shares of SASC owned and controlled by GMC can be sold. On August 19, 2007, 4,300,000 common shares will be released from the escrow and contractual restrictions, with 2,150,000 shares being released on each of February 19, 2008 and August 19, 2008.

GMC holds its Common Shares of SASC for investment purposes and this investment will be reviewed on a continuing basis and, subject to the escrow and lock-up agreements described above, such holdings may be increased or decreased in the future.

Certain statements contained herein constitute “forward-looking statements”. These forward-looking statements are based on current expectations. The nature, timing and extent of the exploration programs may materially change from current intentions for a number of reasons. Additionally, “forward looking statements” look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as “plans,” “intends,” “anticipates,” “should,” “estimates,” “expects,” “believes,” “indicates and similar expressions. The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

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