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ASX/Media Announcement

Commencement of Maiden Drilling Program – Machinga REE Project

Highlights

- RC drilling rig has mobilised to site to commence maiden ~1,500m drilling program at Machinga Rare Earth Project
- Drilling will test at least four different zones of heavy rare earth oxide (HREO) and high-grade niobium mineralisation intersected in trenches with previous results including:
 - MATR002: 33m @ 0.71% TREO & 0.40% Nb₂O₅
Inc. 11m @ 1.00% TREO & 0.46% Nb₂O₅
 - MATR001: 7m @ 1.26% TREO & 0.63% Nb₂O₅
 - MATR005: 10m @ 1.00% TREO & 0.50% Nb₂O₅
- Recent studies in Japan confirm favourable eudialyte mineralogy at Machinga - a well known HREO mineral
- Rare earth prices continue to rise on the back of new Chinese export quota restrictions
- Prices for dysprosium oxide, the most economically important HREO at Machinga, have risen ~230% over the past 12 months to ~US\$222/kg

Summary

Globe Metals & Mining is pleased to announce that the contracted reverse circulation (RC) drilling rig has mobilised to the Machinga Rare Earth Project in southern Malawi.

The maiden drill program is designed to test the best zones of HREO mineralisation encountered in the recent trenching program at the Machinga North target. At least four different zones of HREO mineralisation will be drill tested.

Globe's Executive Chairman, Mr. Mark Sumich, said "We are looking forward to drill testing this exciting HREO target at Machinga North in Malawi. Machinga North is just one of seven targets within the EPL, so we believe we have enormous potential to discover a significant economic REE deposit."

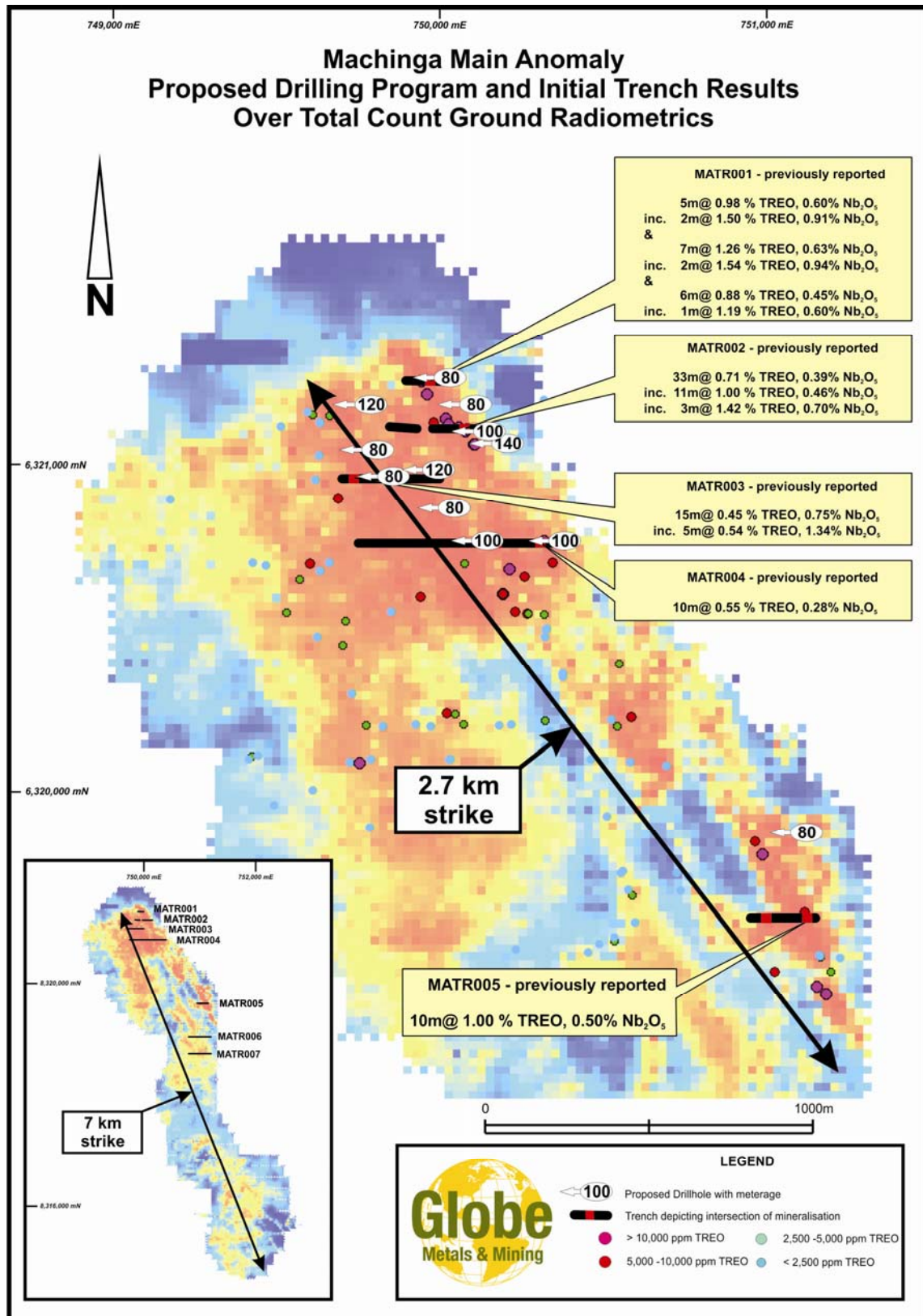
"Our investors and followers would of course be aware of the increasing global interest in, and demand for REEs, especially in light of the recent and ongoing Chinese restrictions on the export of its domestic REE products. Importantly, the price for dysprosium oxide, the most economically important rare earth element at Machinga, has risen to ~US\$222/kg, a rise of over 230% over the past 12 months. Dysprosium is keenly sought by hybrid and electric vehicle manufacturers for use in magnets in drive motors."



Drilling Program

The planned drilling program will test at least four discrete zones of HREO mineralisation over 2.7km of strike length at Machinga North. All holes will be drilled at -55° toward 270° in order to intersect the easterly dipping, mineralised pegmatite zones (Figure 1).

Figure 1: Planned Drilling at Machinga North Anomaly



Mineralogical Study

A recent mineralogical study undertaken by Japanese rare earth experts has identified eudialyte as being the main host mineral for REEs at Machinga. Eudialyte is known to be the main ore mineral for REE at numerous HREE/Zirconium/Niobium mines of the Lovozero Province (Russia), and advanced projects at Kipawa Lake (Ontario), Strange Lake (Quebec) and Dubbo (Australia).

Eudialyte is one of the most common ore minerals for HREOs and concentration and processing methods have therefore already been developed for these ore types.

REE Prices and Export Quotas

Rare earth prices continue to rise, most recently due to reports from China advising that it will continue its policy of reducing export quotas of rare earths. The recently announced quota for the second half of 2010 has been reduced by a further 40% from the previous quota.

Given that China currently supplies approximately 95% of the world's rare earth requirements, this ongoing restriction will have important and long term implications for the supply and pricing of rare earths, as well as the critical downstream products and applications they are used for in the advanced technology, military, consumer electronic and environmentally-friendly sectors.

A stark example of the recent rare earth price movement is that of dysprosium oxide, the most economically important rare earth element at Machinga, having risen to ~US\$222/kg, a rise of ~230% over the past 12 months. Dysprosium is keenly sought by hybrid and electric vehicle manufacturers as a key component of magnets in drive motors.

About Resource Star Limited

Resource Star Ltd is a publicly-listed Australian company (ASX: RSL) that has interests in uranium and uranium-associated exploration assets in the Northern Territory, Western Australia, Tasmania and Malawi.

The Company's main projects are the 100%-owned Edith River Uranium Project in the Northern Territory, the Livingstonia Uranium Project in Malawi (RSL earning up to 80% from GBE) and the Machinga Rare Earth Project in Malawi (GBE earning up to 80% from RSL). Globe is managing the Machinga program, with input from Resource Star, and they are currently earning 20% equity through exploration expenditure. In a staged process Globe can earn up to 80% in the project by funding all activity up to and including a feasibility study.

About Globe Metals & Mining Limited

Globe Metals & Mining is an African-focused resource company. Its main focus is the multi-commodity (niobium, uranium, tantalum and zircon) Kanyika Niobium Project in central Malawi. A Bankable Feasibility Study was commissioned in August 2009 and production is planned to commence in 2013 at a rate of 3,000tpa niobium metal, principally in the form of ferro-niobium.

Globe also has a number of other projects at an earlier stage of development: it is earning up to an 80% interest in the Machinga Rare Earth Project in southern Malawi from Resource Star Limited (ASX: RSL), and the Company can earn up to a 90% interest in the Mount Muambe Fluorite Project in Mozambique. Initial drill programs on both projects will be undertaken in mid-2010.

Globe manages its projects from its regional exploration office in Lilongwe, the capital of Malawi. The Company has been listed on the ASX since December 2005 (ASX: GBE), and has its corporate head office in Perth, Australia.

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Competent Person: The contents of this report relating to geology and exploration results are based on information compiled by Dr. Julian Stephens, Member of the Australian Institute of Geoscientists and Executive Director - Exploration for Globe Metals & Mining. Dr Stephens has sufficient experience related to the activity being undertaken 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 and consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

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