



December Quarter 2011 Activities Report

Globe Metals & Mining Limited (“Globe” or “the Company”; ASX: GBE) is pleased to present its December Quarter 2011 Activities Report:

Highlights

- **Kanyika Niobium Project**
 - Market update due Q1, 2012
- **Memba Titanium - Iron Project**
 - Globe to acquire up to 90% through staged exploration; option to acquire up to a 90% interest in five additional licences
 - Rock-chip samples returned average 47% titanium dioxide (TiO₂)
- **Mount Muambe REE – Fluorite Project**
 - 2011 RC drilling program complete; 5,377m reported to date of a total 9,427m
 - 2nd year obligations met under the joint venture agreement; 51% ownership achieved
 - Zone DD now a priority target following new REE discovery; best results include:
 - MURC081: 36m @ 2.5% TREO with 169ppm Dy₂O₃ (from surface)
 - Inc: 16m @ 4.1% TREO with 210ppm Dy₂O₃ (from surface)
 - Significant REE mineralisation intersected beneath the Main Fluorite Zone; best results include:
 - MURC042: 60m @ 1.5% TREO (from 15m)
 - Inc: 33m @ 2.0% TREO (from 42m);
 - MURC044: 14m @ 1.3% TREO with 167ppm Dy₂O₃ (from 65m)
 - HREO/TREO ratio of 16.4%
 - Drilling north of the Main Fluorite/REE Zone extended near surface fluorite mineralisation to >300m strike, results include: MURC036 - 13m @ 13.9% fluorite and MURC037 - 10m @ 12.9% fluorite
- **Machinga REE Project**
 - Commencement of drilling campaign to target and extend significant heavy rare earth oxides (HREO) and niobium (Nb) mineralisation identified in 2010
- **Salambidwe REE Project**
 - Commencement of 2011 exploration program to target and extend REE and niobium mineralisation identified in 2010
- **Cash at end of quarter A\$39.2m**



1. Mount Muambe REE - Fluorite Project

Progressive drilling activity during the quarter saw the 2011 exploration program reach completion at the Mount Muambe Project. Some of the most exciting REE results to date were received and have begun to paint a clearer geological picture between fluorite and REE mineralisation in and around the Main Fluorite/REE Zone. At the end of the quarter 5,377m of the total 9,427m program had been reported.

1.1. Achievement of 51% Project milestone

Globe met its 2nd year obligations under the joint venture agreement with Bala Usokoti Lda, becoming the beneficial owner of a 51% interest in the Project.

To achieve a 70% interest in the Mount Muambe Project, Globe needs to deliver a resource to JORC standard within the next 12 months. As previously announced on 17 November 2011, Globe expects that its current extensive drilling program will enable a resource to be delivered and announced to the market during Q1 2012.

1.2. Extension of fluorite zone

During the quarter, Globe announced strike extensions and additional infill results from fluorite focused drilling at the Project. Fresh analytical results demonstrate that fluorite is dominantly hosted in sheets of fenite above a larger carbonatite body containing both light rare earth oxide (LREO) and heavy rare earth oxide (HREO) enriched mineralisation.

These new results extended the zone of fluorite mineralisation to the north, confirming a strike length in excess of 300m. The mineralisation occurs in a relatively flat-dipping, irregular shaped zone about 80m wide, with thickness generally ranging between 5m - 30m.

A higher grade core averaging around 30% fluorite occurs in the southern 100m of the drilled area and remains open to the south. The southernmost line of infill drilling shows the largest east – west width of the high-grade core to date, with results including: MURC032 - 6m @ 37.5% fluorite; and MURC033 - 5m @ 39.1% fluorite.

In addition, the expression of fluorite mineralisation at surface in holes MURC077 and MURC078 located at regional target Zone DD (figure 5) is also of significance. This could represent an additional mineralised trend similar to that of the Main Fluorite – REE Zone (Appendix 1, Table 1).

These latest fluorite results outline a consistent zone of mineralisation that will form the basis of the initial resource estimate.

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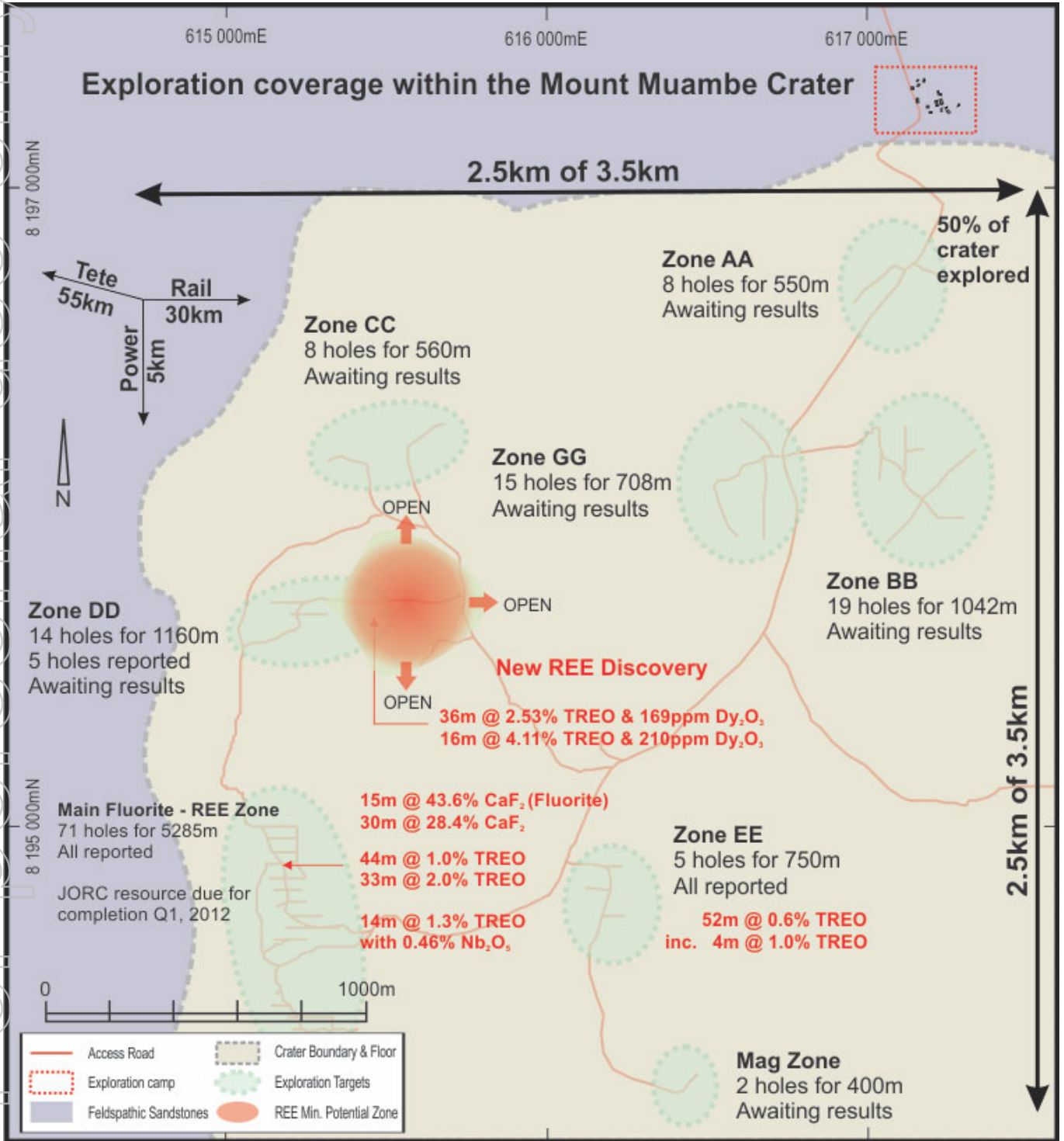


Fig 1: Exploration coverage within the Mount Muambe crater.

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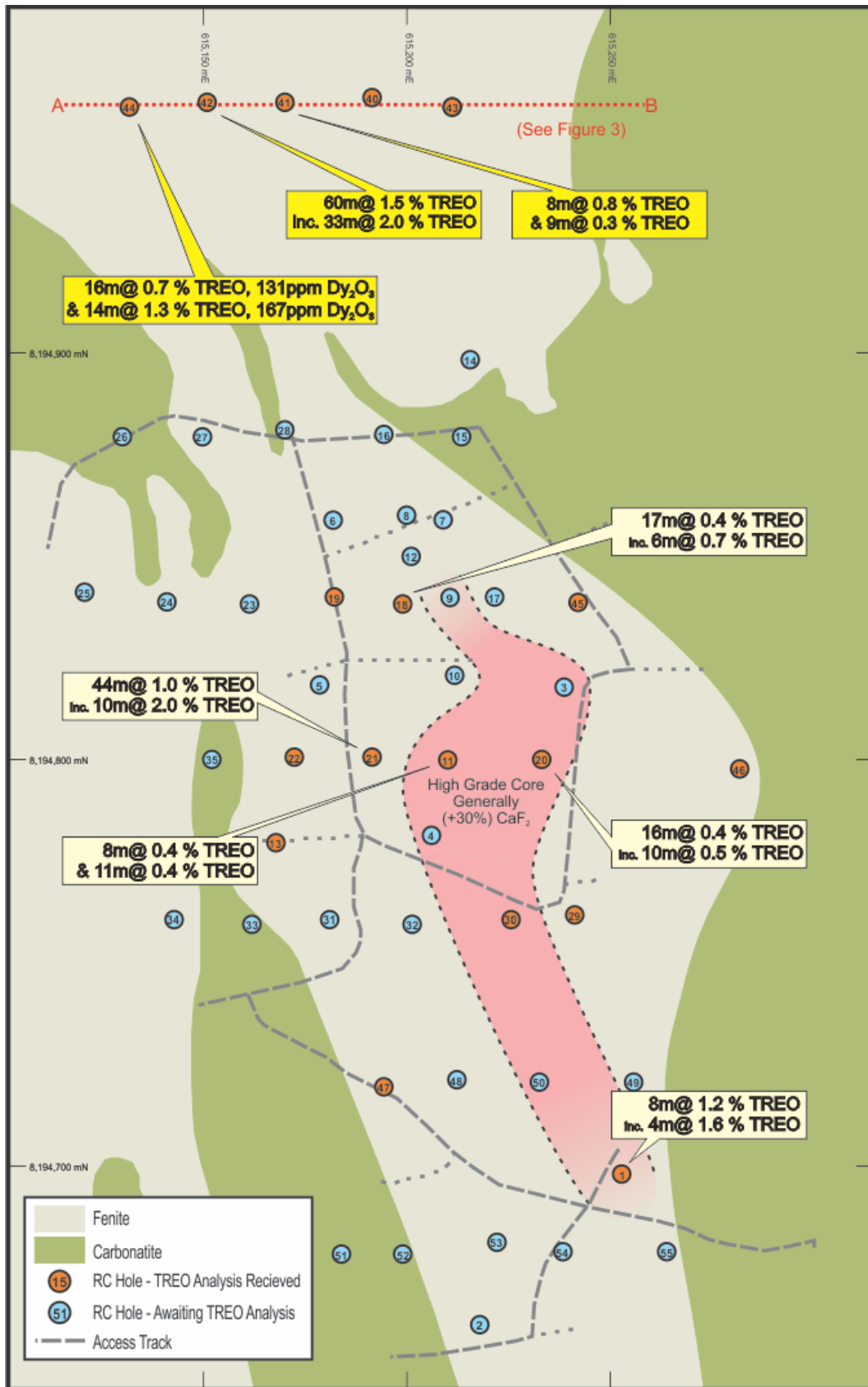


Fig 2: Main Fluorite/REE Zone drillhole location plan.

1.3. Significant REE results returned from Main Fluorite Zone

During the quarter, significant REE mineralisation was intersected beneath the Main Fluorite Zone, substantially enhancing the prospectivity of the crater.

Globe's Regional Exploration Manager, Michael Schultz, commented, "There are four points of significance about these results: firstly, we are reporting significant total rare earth oxides (TREO's) over widths in excess of 30m; secondly, the previous (provisional) geological model has now been thrown wide open, and the prospective mineralised zone now hugely expanded to include the underlying carbonatite; thirdly, the HREO ratios are significant; and lastly, in these reported results, we were primarily targeting fluorite, and based upon previous surface and reconnaissance work, we believe the most prospective REE targets are in other parts of the crater, not the Main Fluorite Zone. We have much work to do."

Complete REE and fluorite results were returned from a further five RC holes at the Main Fluorite Zone (Figures 1 & 2). The five holes are located on a single cross section approximately 160m to the north of the high-grade fluorite core.

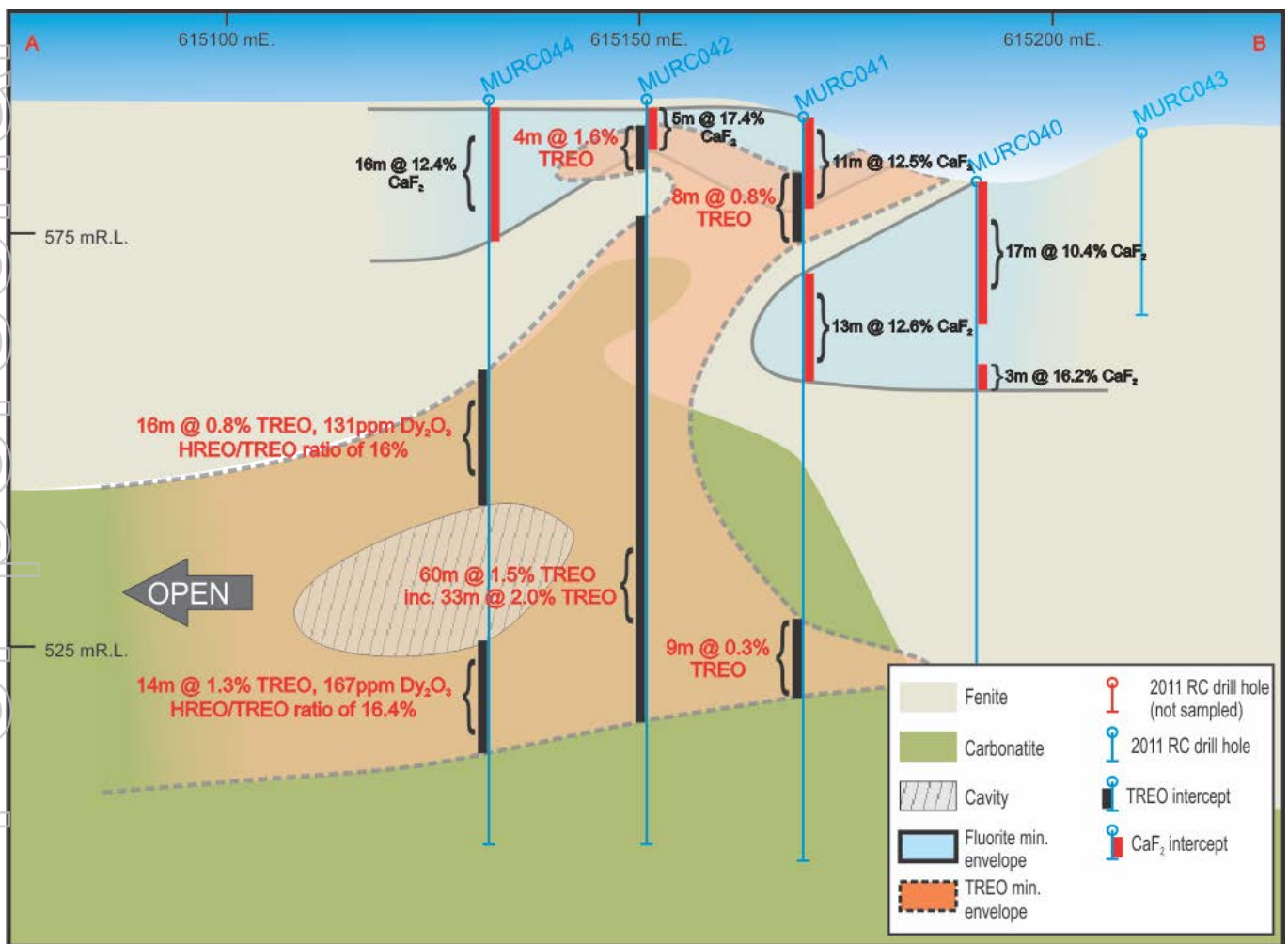


Fig 3: Cross section 8194960mN showing the zone of REE mineralisation beneath the Main Fluorite Zone.

Figure 3 shows a zone of lower grade fluorite with minor associated REE mineralisation hosted in near surface fenite. However, at depth below the fluorite envelope, drill holes have penetrated a thick zone of REE mineralisation. Results include:

MURC042: 60m @ 1.5% TREO (from 15m)
 Inc: 33m @ 2.0% TREO (from 42m)
 MURC044: 14m @ 1.3% TREO with 167ppm Dy₂O₃ (from 65m)
 HREO/TREO ratio of 16.4%

It is likely that the two intercepts in hole MURC044 represent a collectively thicker zone approximating around 50m true thickness. However, a cavernous and heavily fractured area was intersected between 48m and 65m depth, with very little sample returned to surface.

Of particular note is that this wide, apparently flat-dipping zone of REE mineralisation becomes enriched in HREOs toward the west of the drill section. HREO/TREO ratios average around 16% in the intercepts in hole MURC044. This zone is open to the west at relatively shallow depths and represents a significant HREO target.

Globe's geologists are very excited about the discovery of substantial REE mineralisation with HREO enrichment at Mount Muambe. Whilst this part of the drilling program was essentially focused on a fluorite target, it has produced an exciting and significant new discovery of REE. A large number of other highly prospective REE targets remain to be tested.

1.4. New REE discovery at Zone DD

On 8 December 2011, the Company announced the intersection of significant REE mineralisation in regional target Zone DD. Of particular note, regional exploration targets identified during the 2010 reconnaissance work are reporting considerable grades of the highly sought after HREO - dysprosium.

Results for the first five holes drilled over the Zone DD anomaly, a 560m wide zone of 1.14% TREO with individual rock-chips grading 4.16% and 3.64% TREO respectively identified during the 2010 soil and rock-chip sampling program, were received.

The section (Figure 4) shows significant intercepts of REE mineralisation from surface, increasing in grade and thickness down slope and remaining open to the east. The majority of REE mineralisation is hosted in fenite (altered Karoo sandstone), that occurs as a relatively flat-dipping unit above the carbonatite.

Best results from Zone DD include:

MURC081: 36m @ 2.5% TREO with 169ppm Dy₂O₃ (from surface)
 Inc: 16m @ 4.1% TREO with 210ppm Dy₂O₃ (from surface)
 MURC080: 36m @ 1.0% TREO with 75ppm Dy₂O₃ (from 4m)
 Inc: 8m @ 1.8% TREO with 131ppm Dy₂O₃ (from 8m)

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The new REE discovery at Zone DD validates the Company's exploration model and proves the presence of relatively high-grade mineralisation at Mount Muambe. Given the REE mineralisation at Zone DD remains open to the north, east and south, this zone has now been prioritised in Globe's 2012 drilling program.

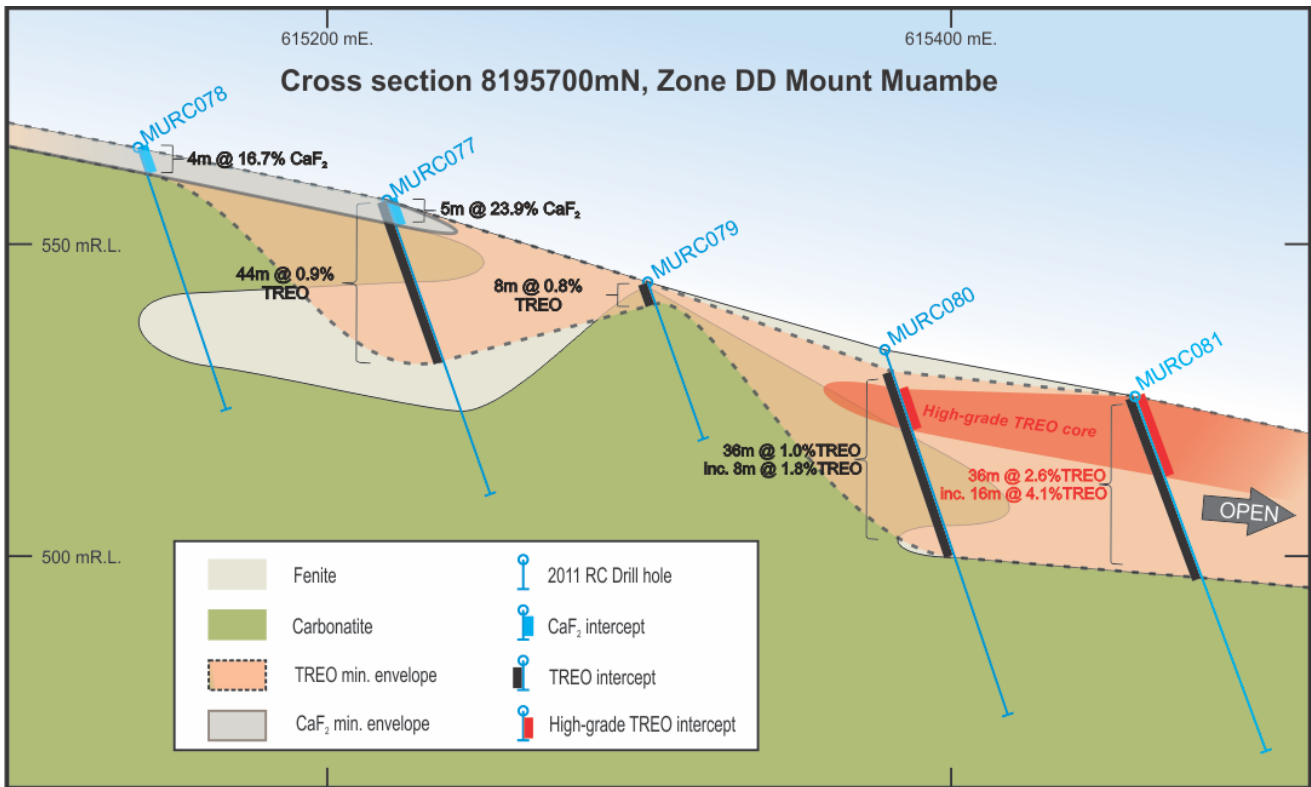


Fig 4: Cross section 8195700mN showing REE mineralisation zone with high-grade TREO core.

2. Memba Titanium-Iron Project

On 11 November 2011, Globe advised it had entered into a new joint venture in a high-grade titanium - iron project at Memba in Nampula Province, Mozambique.

As part of the Company's strict internal quality assurance and quality control guidelines, and in light of the spectacular results reported from the Project's initial rock-chip sampling program, additional verification of results was sought from Genalysis Laboratory Services (Genalysis).

Following reanalysis of separate assay splits from the pulps using the XRF total fusion method, Globe reaffirmed the veracity of the results on 14 November 2011.

Since the quarter ended, Globe announced it has the option to earn up to an 80% interest in five additional licences through staged expenditure on exploration programs, with an option to purchase an additional 10% after five years from Mozambican company Siexpo Lda (Siexpo).

2.1. Overview

Rock-chip sampling to date has shown that the mineralised horizon is very high-grade, being almost pure ilmenite. Additionally, a number of very high-grade, near-pure magnetite samples with Fe values averaging 66.8% were returned and highlight additional potential for iron mineralisation in the area.

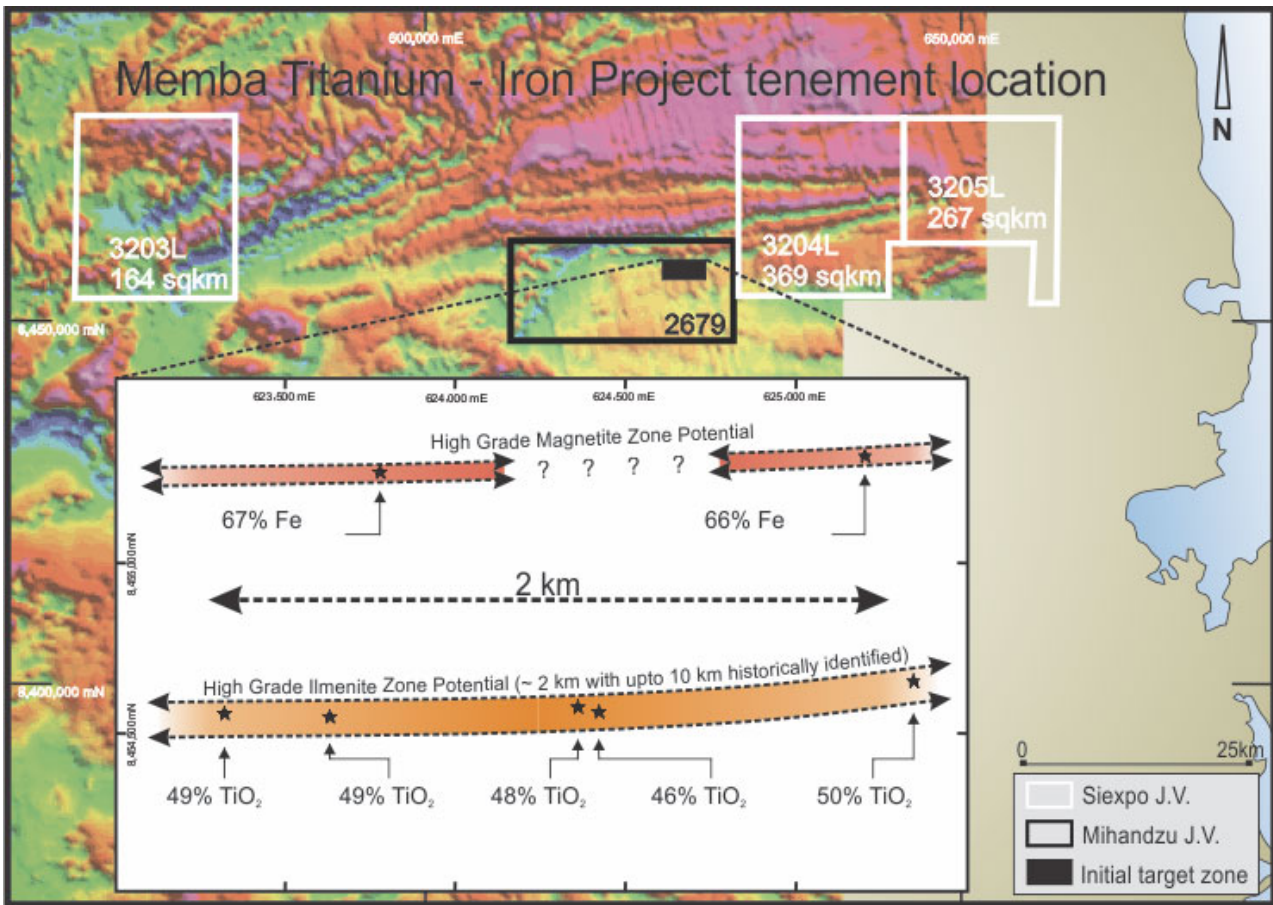


Figure 5: Due diligence rock-chip results indicating high-grade ilmenite and magnetite zones.

2.2. Geology and mineralisation

The Memba licence area is dominated by Proterozoic gneissic rocks of various compositions that have an overall E-W strike and moderate northerly dip. A historical report by a Serbian geological team documented an outcropping ilmenite (FeTiO₃) unit over a 10km strike length with widths ranging between 6m-20m.

Further due diligence field work conducted by Globe's geological team located the mineralised layer at numerous points within a central 2km portion of the 10km long unit. In outcrop, the mineralised layer appeared to contain >90% ilmenite with some minor quartz and iron oxides. This was supported by the assays for all five of the rock-chip samples taken from this layer showing an average titanium grade of 47% TiO₂, which indicates an average ilmenite content of 92% (Appendix 1, Table 4).

Globe also located a poorly exposed, high-grade magnetite layer approximately 1.5km to the north of the ilmenite unit. The thickness and continuity of the magnetite unit(s) were not able to be determined due to poor exposure and time constraints. However, two rock-chip samples taken approximately 2km apart both returned high-grade iron, averaging 66.8% Fe, as well as anomalous vanadium, averaging 0.19% V₂O₅.

Overall, the project appears to have remarkable and unique mineralisation. Initial results indicate consistent high-grades and the potential for a 10km strike length of the main ilmenite layer.

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Additional potential for magnetite mineralisation warrants further investigation, whilst the potential for vanadium is also significant.

2.3. About the Agreement

Timing	Requirement	Globe's ownership
Year 1	Spend US\$200,000 on exploration	20%
Year 2	Spend an additional US\$500,000 on exploration	51%
Year 3	Define and report JORC compliant mineral resource	75%
Year 5	Issue a Feasibility Study within 24 months of the end of Year 3	80%
Any time after Year 5	Option to purchase a further 10% interest in the Tenement for a mutually agreed amount	90%

3. Machinga REE Project

During the quarter, Globe announced the commencement of the 2011 drilling campaign which will involve more than 4,000m of RC drilling: 3,000m targeting the Machinga Main Zone and 1,000m targeting Lingoni anomalies.

3.1. 3,000m RC Drilling – Machinga Main Zone

The drilling program will focus on confirming and extending HREO mineralisation in Zone 10 through Zone 70.

Intercepts from the 2010 drilling program identified the presence of very high HREO/TREO ratios and high grades of the much sought after element dysprosium.

According to G P Hatch, author of *Critical Rare Earths*¹, the projected global supply of newly produced Dy₂O₃ is in deficit until 2015 at the earliest. A permanent transition from deficit to surplus is not likely to occur before 2017.

Planned drilling will also test Zone 40, where previous intersections showed slightly higher Nb + Ta grades and ratios to TREO, and somewhat lower TREO grades.

3.2. 1,000m RC Drilling – Lingoni

Detailed analysis of follow-up soil and auger results for the Lingoni target revealed several anomalous zones of REE mineralisation, correlating with the multiple radiometric signatures identified during earlier ground scintillometer surveys and soil sampling.

A 1,000m drill plan has subsequently been designed to test two REE targets and one Nb – HREO target at Lingoni.

¹ *Critical Rare Earths, Technology Metals Research LLC, 2011, G P Hatch*

4. Salambidwe REE Project

On 2 November 2011, Globe announced the commencement of the 2011 exploration program at the Salambidwe REE Project in southern Malawi.

Following on from the 2010 maiden exploration program, results of which included a rock-chip recording 2.05% TREO including 214ppm Dy₂O₃, Globe commenced a crater-wide 393 soil-pit and 59 auger sample program in conjunction with rock-chip sampling, ground radiometric surveying and regional geological mapping.

The primary focus of the new exploration campaign is to:

- Confirm the results from the 2010 rock-chip and soil sampling program
- Determine the relationship between the mineralisation and the distribution of geological units
- Locate and quantify further REE enriched zones

4.1. Overview

The Salambidwe Project is a virgin rare earth prospect acquired through staking by Globe in 2010. The Project represents a low-cost, high upside potential exploration opportunity for the Company. The Salambidwe ring complex is part of the Chilwa Alkaline Suite of southern Malawi – a region renowned for REE deposits - including Lynas' Kangankunde Project (2.5Mt @ 4.2% TREO) and Globe's REE joint venture project at Machinga (Globe earning 80%).

The Salambidwe ring complex is located in southern Malawi straddling the Mozambique border. Approximately 85% of the ring complex occurs within Globe's exploration licence in Malawi. The complex is approximately six kilometres in diameter and dominated by syenite and nepheline syenite with a core of agglomeratic rocks.

These alkaline rock suites are known hosts to a variety of different economic commodities including: copper, iron, titanium, niobium, thorium, uranium, REEs, barium, fluorine, phosphorous and other rare or incompatible elements.

4.2. Soil-pit and auger program

A broad 100mx100m soil-pit and auger program (Figure 6) covering the entire crater will examine Salambidwe's potential. This strategy will ensure a significant density of sampling is undertaken to determine mineralised potential and geological control.

4.3. Rock-chip sampling, ground radiometric survey and geological mapping

To strengthen existing knowledge and preliminary geological groundwork of the Project area, Globe plans to survey the entire crater with ground radiometrics. This method should prove effective in identifying areas with potential for REE mineralisation.

4.4. Exploration timetable and results

The 2011 exploration program was completed in November, with analytical results expected in early 2012. Subject to the receipt of positive results, Globe will deploy existing teams in Malawi to commence drilling in mid-2012.

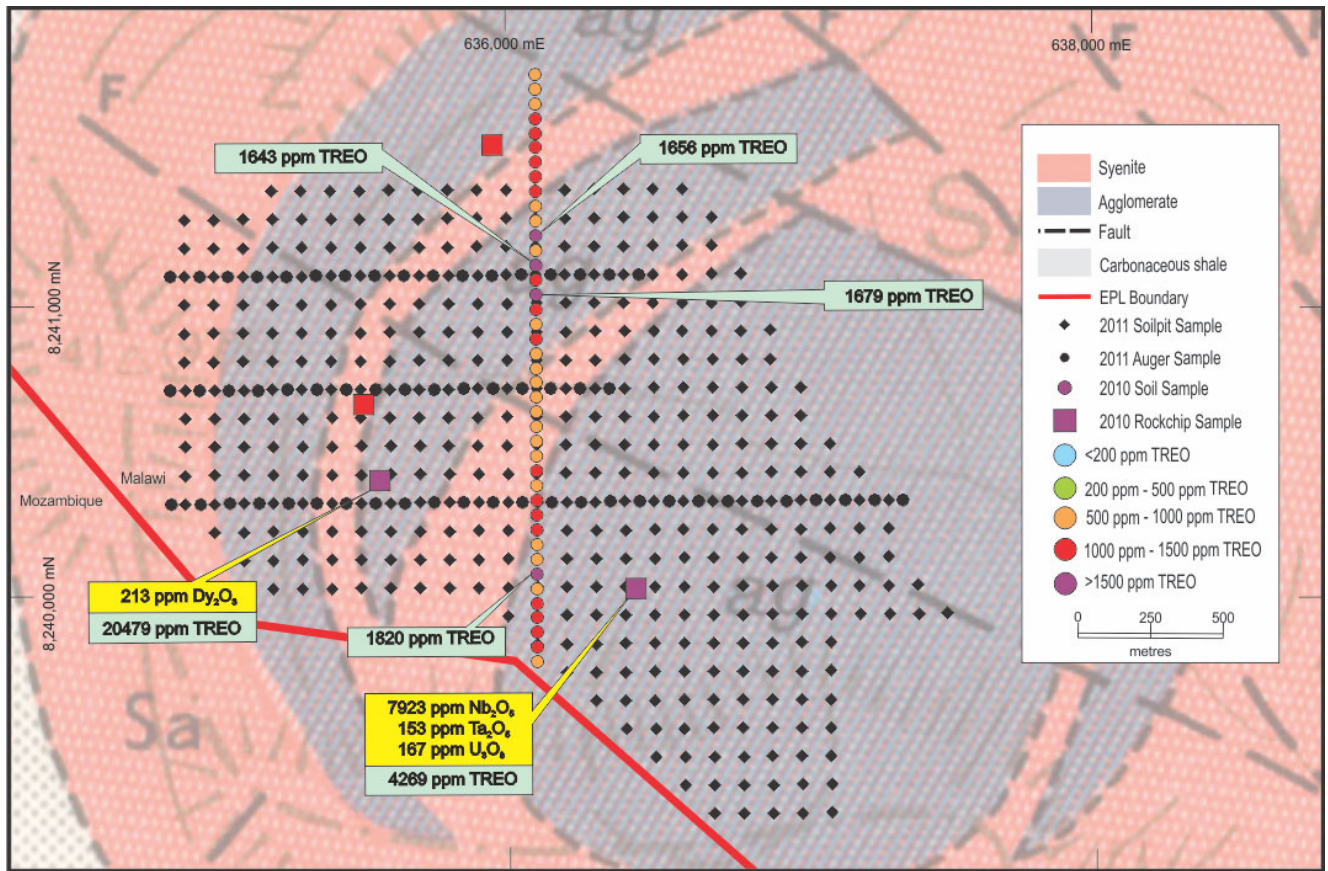


Figure 6: Exploration coverage within the Salambidwe Crater.

*A total of 4 rock-chip samples were taken in the 2010 program. Rock-chip results are summarised in the figure above and full results are given for samples with a TREO exceeding 4,000ppm. 2010 soil sample results are summarised in the figure above. Those samples exceeding 1500ppm TREO are labelled.

5. AGM

The Annual General Meeting of shareholders was held on 30 November 2011. All resolutions put to the meeting were passed on a show of hands.

6. Change in registered office

During the quarter Globe changed its corporate and registered office address to Level 1, Suite 2, 16 Ord Street, West Perth WA, 6005. Globe's telephone and fax remain unchanged.

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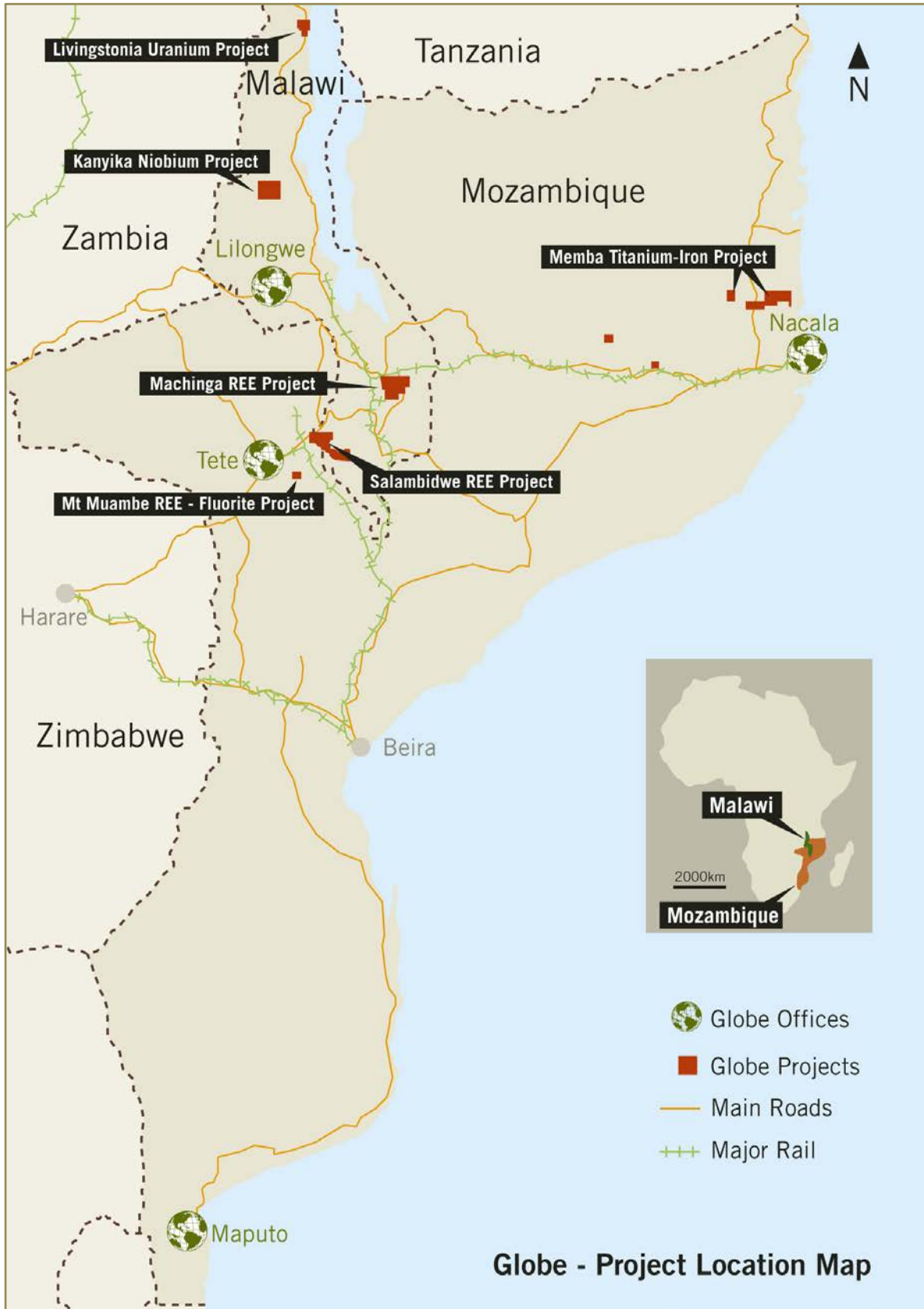


Figure 7: Project location map.

About Globe Metals & Mining

Globe is an African-focused resource company, specialising in rare metals such as niobium, tantalum and rare earths, as well as other commodities including fluorite, uranium and zircon. Its main focus is the multi-commodity Kanyika Niobium Project in Malawi, Africa, which will commence production of ferro-niobium in 2014, a key additive in sophisticated steels.

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, and the Company can earn up to a 90% interest in the Mount Muambe REE - Fluorite Project in Mozambique. Initial drill programs on both projects were undertaken in 2010.

Globe's corporate head office in Perth, Australia is supported by regional offices in Lilongwe, Malawi, as well as Maputo and Tete, Mozambique. The Company has been listed on the ASX since December 2005 (Code: GBE).

In April 2011, the Company entered into a strategic partnership with East China Minerals Exploration and Development Bureau (ECE), a Chinese State Owned Enterprise with extensive mining operations in China and overseas. ECE is now the largest shareholder in Globe, and a key partner for Globe's growth ambitions in Africa.

Competent Person: The contents of this report relating to geology and exploration results are based on information reviewed by Dr. Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director of 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 reviewed by him in the form and context in which they appear.

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Appendix – Tables

Table 1: Significant fluorite drill intercepts – Mount Muambe.

Hole ID	From (m)	To (m)	Width (m)	CaF ₂	Zone
MURC024	1	12	11	15.4%	Main
MURC025	0	8	8	31.4%	Main
MURC026	51	54	3	33.7%	Main
MURC027	34	37	3	14.8%	Main
MURC028	0	9	9	23.6%	Main
MURC029	31	37	6	22.6%	Main
	49	55	6	41.6%	Main
MURC030	0	27	27	19.6%	Main
inc.	9	15	6	41.9%	Main
MURC031	0	18	18	20.6%	Main
MURC032	0	8	8	24.5%	Main
	25	28	3	34.2%	Main
	38	44	6	37.5%	Main
MURC033	10	18	8	21.5%	Main
	24	29	5	39.1%	Main
MURC034	0	9	9	18.1%	Main
	31	36	5	14.7%	Main
MURC035	No significant result				
MURC036	0	13	13	13.9%	Main
MURC037	12	22	10	12.9%	Main
MURC038	1	7	6	12.0%	Main
	14	20	6	10.7%	Main
MURC039	No significant result				
MURC077	0	5	5	23.9%	DD
MURC078	0	4	4	16.7%	DD

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Table 2: Significant REE drill intercepts – Mount Muambe.

Hole ID	From (m)	To (m)	Width (m)*	La ₂ O ₃ (ppm)	Ce ₂ O ₃ (ppm)	Nd ₂ O ₃ (ppm)	Eu ₂ O ₃ (ppm)	Dy ₂ O ₃ (ppm)	Er ₂ O ₃ (ppm)	Yb ₂ O ₃ (ppm)	Y ₂ O ₃ (ppm)	TREO (ppm)	HREO (ppm)	HREO: TREO	Nb ₂ O ₅
MURC041	7	15	8	1,694	4,053	1,216	37	80	41	35	496	8,343	830	11.2%	2,311
&	61	70	9	653	1,286	369	14	56	35	22	359	3,033	555	20.8%	1,323
MURC042	15	75	60	3,538	7,504	2,148	37	69	41	36	466	14,880	768	6.3%	841
Inc.	42	75	33	4,864	10,120	2,790	47	93	56	49	635	20,018	1,035	6.2%	1,008
MURC044	32	48	16	1,457	2,702	1,120	63	131	56	43	689	6,980	1,202	16%	3,849
&	65	79	14	3,519	5,669	1,485	51	167	94	75	1,091	13,057	1,700	16.4%	4,647
**MURC077	0	44	44	2965	4074	986	26	51	29	23	349	9044	569	7.1%	1840
**MURC079	0	8	8	2610	3650	975	30	54	28	22	365	8278	598	7.2%	873
**MURC080	4	40	36	2839	4521	1305	41	75	38	30	445	10014	768	8.1%	1081
**Inc.	8	16	8	5211	8341	2331	70	131	66	52	779	18251	1339	7.7%	1255
**MURC081	0	36	36	7658	11501	2950	81	169	102	86	1125	25260	1847	9.2%	2376
**Inc.	0	16	16	13227	19262	4292	97	210	137	122	1508	41133	2417	6.7%	914

**Only selected REEs have been presented in this table due to space constraints, and therefore the TREO column will not be exactly equal with the sum of the individual REO results presented. TREO = (La through Lu + Y); HREO = Oxides (Eu through Lu + Y). True intercept widths are uncertain at this stage.*

***Samples are 4m composites. 1m samples are split twice, the remainder of all 4 samples combined and the composite split to ensure homogeneity.*

Table 3: RC drillhole information – Mount Muambe.

Hole ID	Depth (m)	Easting (m)	Northing (m)	RL (m)	Dip	Azimuth	Zone
MURC024	18	615141	8194839	571	-90°	000°	Main Fluorite Zone
MURC025	88	615121	8194841	569	-90°	000°	Main Fluorite Zone
MURC026	103	615130	8194879	575	-90°	000°	Main Fluorite Zone
MURC027	100	615250	8194879	581	-90°	000°	Main Fluorite Zone
MURC028	54	615170	8194881	577	-90°	000°	Main Fluorite Zone
MURC029	95	615241	8194762	560	-90°	000°	Main Fluorite Zone
MURC030	84	615225	8194761	554	-90°	000°	Main Fluorite Zone
MURC031	100	615181	8194761	563	-90°	000°	Main Fluorite Zone
MURC032	95	615201	8194760	558	-90°	000°	Main Fluorite Zone
MURC033	100	615162	8194760	561	-90°	000°	Main Fluorite Zone
MURC034	100	615143	8194761	559	-90°	000°	Main Fluorite Zone
MURC035	100	615152	8194800	565	-90°	000°	Main Fluorite Zone
MURC036	90	615101	8195001	591	-90°	000°	Main North Extension
MURC037	82	615141	8195000	593	-90°	000°	Main North Extension
MURC038	90	615182	8194999	593	-90°	000°	Main North Extension
MURC039	74	615243	8195002	588	-90°	000°	Main North Extension
MURC040	90	615191	8194962	581	-90°	000°	Main North Extension
MURC041	90	615170	8194961	589	-90°	000°	Main North Extension
MURC042	90	615151	8194961	591	-90°	000°	Main North Extension
MURC043	22	615211	8194960	587	-90°	000°	Main North Extension
MURC044	90	615132	8194960	591	-90°	000°	Main North Extension
MURC077	57	615219	8195699	557	-55°	090°	DD
MURC078	50	615139	8195700	565	-55°	090°	DD
MURC079	30	615302.5	8195700	544	-55°	090°	DD
MURC080	70	615378.6	8195699	533	-55°	090°	DD
MURC081	70	615458.9	8195700	525	-55°	090°	DD

Table 4: Significant titanium-iron rock-chip results, Memba.

Sample ID	Easting	Northing	TiO ₂ %	Fe%	Al ₂ O ₃ %	SiO ₂ %	P%	S%
N004154	625341	8454654	50.0	35.9	0.4	0.9	0.003	X
N004139	623319	8454558	48.8	35.4	0.5	1.6	0.002	X
N004145	624357	8454574	47.7	34.6	0.4	3.2	0.004	X
N004165	624420	8454562	46.0	33.5	0.7	5.0	0.004	X
N004141	623626	8454549	43.9	35.4	0.6	4.4	0.003	X
N004158	623773	8455267	1.4	67.2	1.3	1.1	0.007	X
N004150	625198	8455312	1.1	66.5	1.5	1.7	0.004	0.002

**A total of 25 rock-chip samples were taken in the program, of which the seven reported represent mineralised zones identified in the field. Cut-off grades for reporting for both TiO₂ and Fe are 30%. 'X' denotes below detection limits.*

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