



### December Quarter 2012 Activities Report

Globe Metals & Mining ("**Globe**" or "**the Company**"; ASX:GBE) is pleased to report on the Company's activities during the Quarter ended 31 December 2012:

#### Highlights

##### • Corporate

- The AGM was successfully conducted on 29<sup>th</sup> November 2012, with all resolutions passed.
- At the AGM the Chairman, Mr Shao, stated the Company's strategic direction, which is to become the principal niobium and tantalum producer in southern and eastern Africa
- Recommencement of on-market share buyback
- Globe's cash position remains strong with A\$19.6 million at hand at 31 December 2012.

##### • Kanyika Niobium Project (KNP)

- The in-fill drilling program was completed with wide zones of moderate to high grade mineralisation intersected at depth and along strike from known mineralisation
- Best results included:
  - KARC239 25m @ 4,289ppm Nb<sub>2</sub>O<sub>5</sub>, 99ppm Ta<sub>2</sub>O<sub>5</sub>, 122ppm U<sub>3</sub>O<sub>8</sub> (from 136m)  
incl. 11m @ 6,632ppm Nb<sub>2</sub>O<sub>5</sub>, 138ppm Ta<sub>2</sub>O<sub>5</sub>, 182ppm U<sub>3</sub>O<sub>8</sub> (from 136m)
  - KARC244 58m @ 4,386ppm Nb<sub>2</sub>O<sub>5</sub>, 200ppm Ta<sub>2</sub>O<sub>5</sub>, 110ppm U<sub>3</sub>O<sub>8</sub> (from 95m)
  - KARC276 12m @ 5,173ppm Nb<sub>2</sub>O<sub>5</sub>, 216ppm Ta<sub>2</sub>O<sub>5</sub>, 131ppm U<sub>3</sub>O<sub>8</sub> (from surface)
  - KARC284 44m @ 13,210ppm Nb<sub>2</sub>O<sub>5</sub>, 330ppm Ta<sub>2</sub>O<sub>5</sub>, 408ppm U<sub>3</sub>O<sub>8</sub> (from 57m)  
incl. 13m @ 25,938ppm Nb<sub>2</sub>O<sub>5</sub>, 597ppm Ta<sub>2</sub>O<sub>5</sub>, 842ppm U<sub>3</sub>O<sub>8</sub> (from 69m)
- Post-31 December 2012, Globe announced an updated Mineral Resource Estimate (see ASX announcement 7 January 2013)
- Definitive Feasibility Study for the (KNP) scheduled for completion in the March Quarter of 2013

##### • Kanyika Regional Exploration

- Over 550 stream sediment, rock chip and soil samples collected pursuing multiple regional targets over the Kanyika EPL

##### • Salambidwe Exploration

- Geological mapping and radiometric surveys were completed during the quarter. Analysis from the 108 rock chips returned a number of encouraging results.



## 1 Corporate

### 1.1 Globe Annual General Meeting (AGM)

The Globe AGM was successfully completed on 29 November 2012 with all resolutions carried. The Chairman, Mr Shao, in his address stated the Company's strategic objective, which is that Globe is working to become the principal niobium and tantalum miner and producer in southern and eastern Africa. The complete Chairman's address is available on Globe's website and was lodged with the ASX on the 29 November 2012.

### 1.2 Share Buyback

Globe continued its on market share buy-back program during the quarter. 830,674 shares were purchased at a total cost of \$58,885. The highest price paid was 7.5 cents on 20 December 2012 and the lowest price paid was 6.5 cents on 6 December 2012. The average price paid was 7.089 cents.

The company has approval to buy back 10,080,674 shares between 14 June 2012 and 23 May 2013. The buy-back of shares on any given day is at the discretion of the company. To 24 January 2013 the Company had purchased 5,080,674 shares or 50.4% of the facility.

### 1.3 Globe Financial Position

- During the Quarter, Globe's expenditure on exploration and development totalled A\$4.58 million. This included A\$4.02 million on activity to progress the KNP DFS and \$0.56M on exploration activity in its broader Project portfolio.
- Cash in bank at 31 December 2012: \$19.86M
- Shares on issue at 31 December 2012: 221,319,131

## 2 Kanyika Niobium Project (KNP) Progress

During the December Quarter, Globe successfully completed a 15,000m reverse circulation (RC) and diamond drilling programme at the KNP incorporating resource, geotechnical and metallurgical drilling (Figure 1).

The objective of the in-fill drilling program was to improve geological and mineralogical confidence in the project that will lead to an estimated ore reserve of 50Mt with a projected mining rate of 1.5 Mtpa (Years 1-5) and 3.0 Mtpa (Years 6-20).

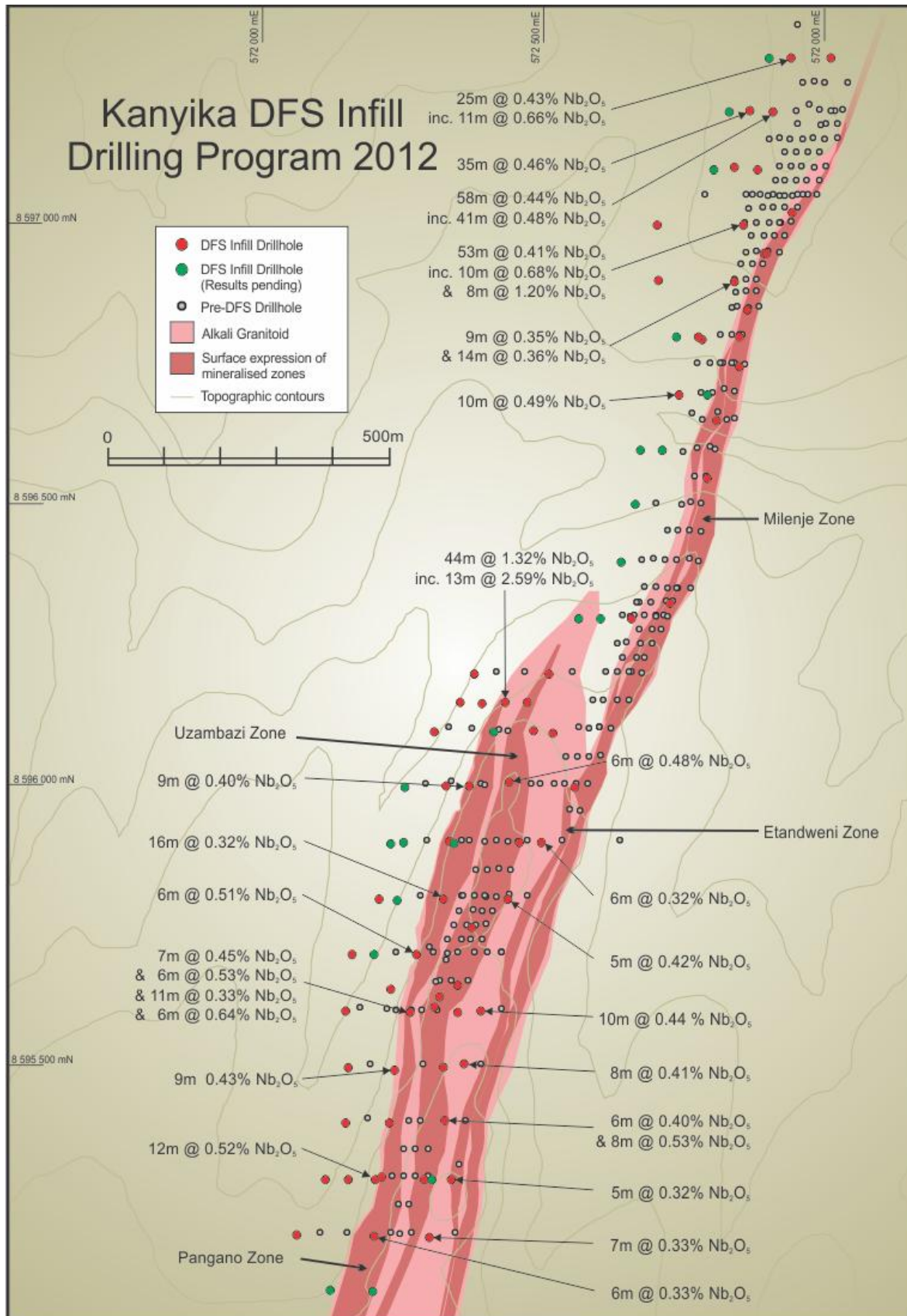


Figure 1: KNP Infill Drilling Program location plan.

Subsequent to the Quarter, Globe completed an updated Mineral Resource Estimate (Table 1 & Table 2), outlined in the ASX release dated 7 January 2013.

**Table 1: Mineral Resource Estimate for Kanyika (1,500 ppm Nb<sub>2</sub>O<sub>5</sub> lower cut).**

Category	Million Tonnes	Nb <sub>2</sub> O <sub>5</sub> ppm	Ta <sub>2</sub> O <sub>5</sub> ppm	U <sub>3</sub> O <sub>8</sub> ppm
Measured	5.3	3,790	180	110
Indicated	47.0	2,860	135	80
Inferred	16.0	2,430	120	70
<b>Total</b>	<b>68.3</b>	<b>2,830</b>	<b>135</b>	<b>80</b>

**Table 2: Mineral Resource Estimate for Kanyika (3,000 ppm Nb<sub>2</sub>O<sub>5</sub> lower cut).**

Category	Million Tonnes	Nb <sub>2</sub> O <sub>5</sub> ppm	Ta <sub>2</sub> O <sub>5</sub> ppm	U <sub>3</sub> O <sub>8</sub> ppm
Measured	3.4	4,790	220	135
Indicated	16.6	4,120	190	105
Inferred	2.8	4,110	190	105
<b>Total</b>	<b>22.8</b>	<b>4,220</b>	<b>190</b>	<b>110</b>

## Outlook for KNP

The Definitive Feasibility Study (DFS) remains on track to be completed within the 2013 March Quarter within the previously stated budget. Globe will be focussed on finalising the following elements of the DFS to achieve completion:

- Finalisation of the project marketing plan and product off-take agreements. Discussions relating to product marketing have commenced and the outcome of these will be included in the DFS report.
- Negotiations on the Development Agreement (DA) with the Government of Malawi are well advanced and Globe expects confirmation of the relevant economic inputs in the current Quarter.
- Globe has continued discussions with the China Development Bank (CDB) following the initial Letter of Intent (see ASX announcement 10 July 2012) with respect to Project funding.

## 3 Kanyika Regional Exploration

During the quarter, Globe conducted a regional scale exploration program to ascertain the mineral potential of the remainder of the Kanyika EPL outside the immediate KNP area (Figure 2). A total of 551 samples were collected (soils, stream sediments and rock chips) of which:

- 297 soil samples were collected from 4 soil lines (KNSS100, KNSS101, KNSS102 and KNSS103).



- Stream sediment sampling was completed for 189 samples pursuing potential gold and rare metal anomalies in the southern and eastern areas of the Kanyika EPL.
- Scintillometer reconnaissance surveying over the thorium anomaly is in progress. The objective of the study is to determine the source of the radiometric anomalism. Rock chip sampling will commence at the conclusion of the study, however soil line KNSS103 was completed and awaiting results.
- A large portion of the SE corner of the license is underlain by calc-silicate rocks with areas of marble; these areas have been further highlighted as potential targets. Five marble zones were identified and sampled for 46 samples. High purity marble may be a beneficial component of the KNP flow sheet as a source of lime.
- The first of two mafic areas was rock chip sampled. The objective was to identify the type of mafic rock and whether there is economic mineral potential.
- Evidence of skarn mineralisation to the SW of the EPL is being explored where syenite has intruded the calc-silicate gneiss. Sulphides are a likely skarn product and gossans will be closely investigated. Rock chip sampling is continuing.
- The nepheline syenite which makes up the Kanyika orebody is part of a much larger syenite complex which folds to the east and then strikes E and NE out of the EPL area. Soil sampling has been completed targeting the eastern limb of the fold.
- Although occurrences of graphite within sedimentary precursor rocks have been identified from historical activities; no graphite was observed in the targeted area.

**Table 3: Summary of activities carried out during the Kanyika regional exploration program, 2012**

Sample Area	No. of samples (Planned)	No. of samples (Collected)	Sample Type	Comment
KNSS100	41	41	soil	Completed
KNSS101	41	41	soil	Completed
KNSS102	181	144	soil	To be completed in 2013
KNSS103	71	71	soil	Thorium anomaly
Dwangwa drainage	194	189	stream sed	Completed, 5 sample sites inaccessible
Mafic zone 1	30	2	rock chip	Limited outcrop
Marble zone 1	30	25	rock chip	Completed
Marble zone 2	30	13	rock chip	Completed, limited outcrop
Marble zone 3	30	6	rock chip	Limited outcrop

Sample Area	No. of samples (Planned)	No. of samples (Collected)	Sample Type	Comment
Marble zone 4	30	1	rock chip	Limited outcrop
Marble zone 5	30	1	rock chip	Only calcite vein clean marble highly weathered
Calc-silicate skarn	30	17	rock chip	To be continued
Graphite	30	0	rock chip	Completed, no graphite
<b>Total</b>	<b>768</b>	<b>551</b>		

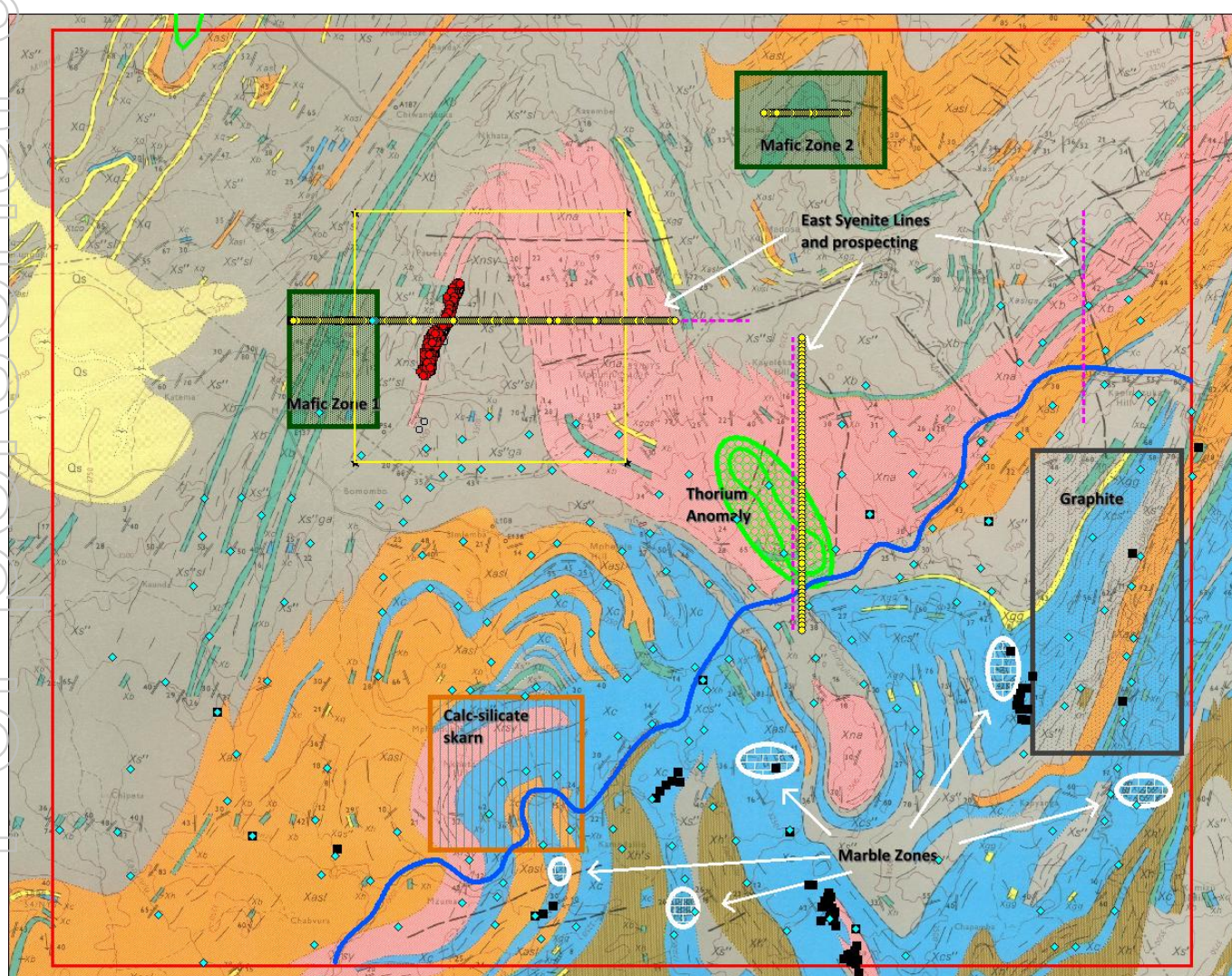


Figure 2: Kanyika Project regional exploration targets, 2012



## 4 Salambidwe Rare Earth Project

### 4.1 Exploration work completed

Geological mapping and radiometric surveys were completed during the quarter. Analysis from the 108 rock chips returned a number of encouraging results, including:

Sample ID	Easting	Northing	TREO (ppm)	HREO (ppm)	Nb <sub>2</sub> O <sub>5</sub> (ppm)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
<b>SARX0018</b>	635701	8240840	11,415	2,410	5,994	210
<b>SARX0019</b>	635674	8240782	12,462	2,742	4,934	153
<b>SARX0045</b>	636714	8240422	8,707	760	8,825	742
<b>SARX0064</b>	635490	8240085	9,445	2,214	3,273	120
<b>SARX0097</b>	635603	8240018	7,766	1,644	3,040	111

Note: A total of 108 rock chips were taken in the program, of which the 5 reported represent samples with a cut-off of 7500ppm TREO.

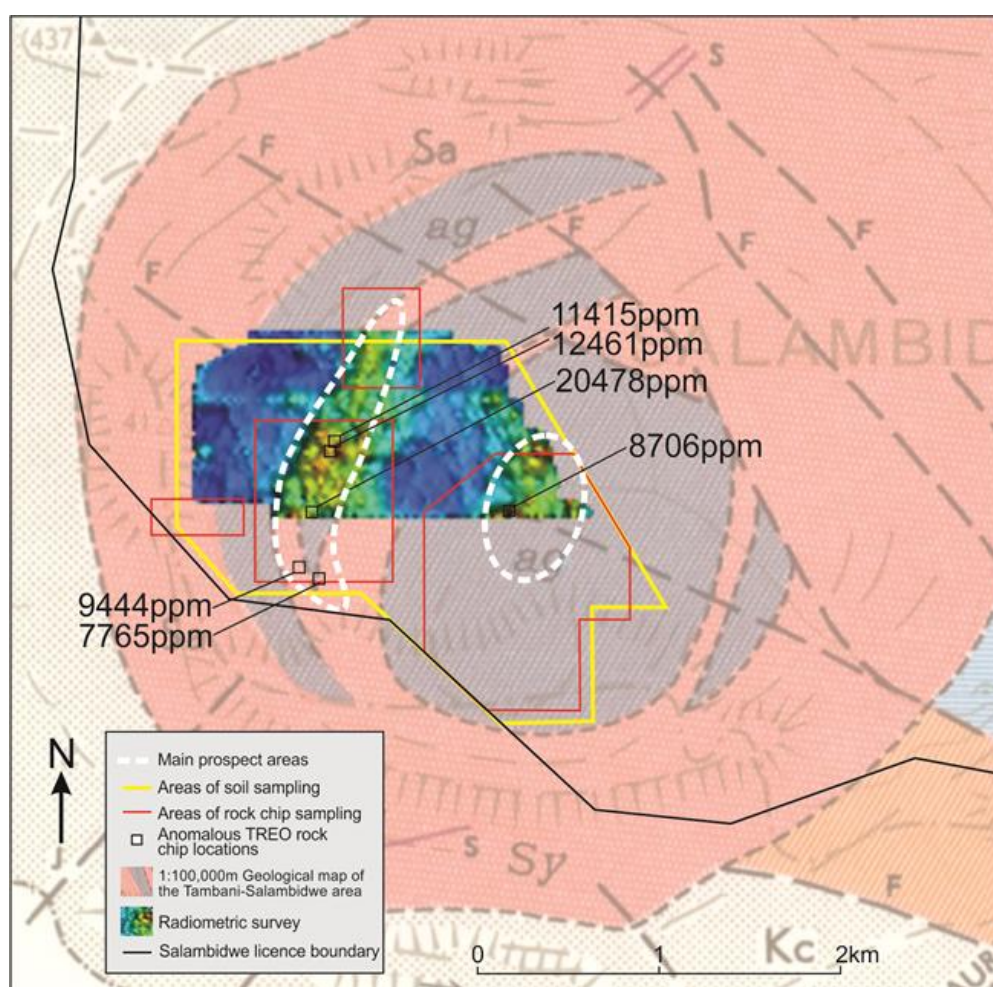


Figure 3: Kanyika Regional Exploration targets at Salimbidwe.

Two broad mineralisation zones were identified during the field mapping (Figure 3). The western summit zone displayed two different mineralised lithologies. The first, a thin band of high grade eudialysed and fenitic syenite, intruding perpendicularly into the common hornblende syenite ridge. These are the source rocks of the high radiometric anomalism.

Secondly, there is a broad mineralised trend confined to the pegmatitic syenites. This mineralisation is not characterised by high tenor radiometric anomalism, but appears to be significant. From the field observations, the mineralisation is about 190 metres across the strike and over 1km along being open at either end. These pegmatitic hornblende syenites form two N–S trending adjoining ridges separated by an E–W younger fault. A 2010 rock chip returned an assay result of ~ 2% TREO from this zone.

## 4.2 Proposed Work

- Ground scintillometer surveys covering the rest of the crater.
- Trenching and pitting over the mineralised targets identified to date.

## 5 Mount Muambe REE-Fluorite Project

The primary work carried out at Mount Muambe was large scale geological mapping and ground reconnaissance including ground-based radiometric surveying. The exploration camp was vacated for the coming rainy season and all equipment secured. Exploration work programmes for the 2013 field season will be planned during the March Quarter.

## 6 Machinga

No exploration was completed at Machinga during the December Quarter.

## 7 Chiziro Graphite Project

Reconnaissance mapping was carried out during the December Quarter.

## 8 Corporate Social Responsibility Updates

Globe continues to progress initiatives to support the local communities surrounding its key project areas with a focus on essential health and education.

### 8.1 Education

Education based initiatives are being carried out across Malawi and Mozambique, including:

- In October 2012 Globe donated stationary items to Machinga School.
- Globe continues to contribute to a privately initiated fundraising campaign which has provided much needed basic learning tools to Kanyika School and Etandweni School. Globe is contributing to the cost of the shipment.



## 8.2 Etandweni Heath Clinic

Medical equipment for Etandweni Health Clinic was purchased and delivered to the clinic in December 2012. The clinic should be operational in the coming months to provide healthcare to the local community and to our own staff at the camp sites.

A representative of the Global Health Alliance Western Australia (GHAWA) visited Malawi and the Etandweni Clinic in 2012, with the aim of sending volunteer nurses to work in the Etandweni and Emfeni health posts. They are currently formalising a proposal for Globe to assess the next steps.

Globe personnel have been engaging the Ministry of Health to get the clinic integrated into the national health system.



## 9 Schedule of Mineral Tenements as at 31 December 2012

	Project	JV Partner	Status	Tenement	Interest held by Globe Metals & Mining Limited
Malawi	Kanyika		Granted	EPL0188-2005R	100%
	Salambidwe		Granted	EPL0289-2010	100%
	Machinga	RSL	Granted	EPL0230/07R	20% (i)
	Chiziro		Granted	EPL0299/10	100%
Moz.	Memba Globe		Granted	4832L	100%
	Mount Muambe	Bala Ussokoti Limitada	Granted	570L	70% (ii)

Note:

- (i) The Company and Resource Star Limited (ASX: RSL) had previously entered into an agreement, whereby the Company relinquished its entire interest in the Livingstonia project in exchange for 100% interest in the Machinga project. This exchange was ratified by the Ministry of Mines during the December Quarter.

EPL: Exclusive Prospecting Licence (Malawi)

L: Exclusive Prospecting Licence (Mozambique)



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## About Globe Metals & Mining

Globe is an African-focused resources company, with a strategy to become the major niobium and tantalum producer in southern and eastern Africa.

Globe's primary focus is the advanced multi-commodity Kanyika Niobium Project in Malawi, which will produce niobium pentoxide and tantalum pentoxide powders. The recently released Mineral Resource indicates Kanyika could support a 20 year mine life.

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

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

*The information in this presentation that relates to Globe Metals & Mining (ASX:GBE) is based on information compiled, reviewed or prepared by Mr. Fergus Jockel, Exploration Manager for Globe Metals & Mining, who is a Member of the Australasian Institute of Mining & Metallurgy and of the Australian Institute of Geoscientists. Mr. Jockel has sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration and to the activities 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" (the JORC Code). Mr. Jockel consents to the inclusion in this presentation of the matters based on this information, in the form and context in which they appear.*

**Competent Person:** *The contents of this report relating to the Mineral Resource Estimate are based on information compiled by Mr Michael Job, Fellow of the Australasian Institute of Mining and Metallurgy, and a consultant employed by Quantitative Group. Mr Job 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.*