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ASX/Media Announcement

ECE Strategic Partnership Update – Subscription Price Revised to A\$0.405

Highlights

- ECE subscription price for 51% interest in Globe increased to A\$0.405 from A\$0.345 per share
- Total funds to be raised now A\$47.85 million
- Expected date of Globe EGM to consider transaction 8 April 2011
- Investor Update, including Globe and ECE's strategy post-completion, to be released Monday, 7 March 2011

Summary

Globe Metals & Mining Limited (“**Globe**” or “**the Company**”; ASX: GBE) is pleased to advise that the proposed strategic partnership between Globe and East China Mineral Exploration and Development Bureau (“ECE”) has been modified; the parties have agreed to increase the share subscription price to A\$0.405 per share, from A\$0.345 per share. The total funds raised as a result of this transaction will now be A\$47.85 million. The proposed transaction advised to the market on 15 November 2010 otherwise remains the same.

Globe's Executive Chairman, Mr. Mark Sumich, said “We are pleased that we have been able to re-negotiate an increase to the subscription price with our new partner. It is important to re-iterate the benefits to Globe that will arise from this strategic partnership and investment by ECE:

- **Immediate capital** for completion of the bankable feasibility study into the Kanyika Niobium Project, as well as funding for Globe's exploration projects and potential additional acquisitions
- **Access to the Chinese capital markets**, in particular relevant Chinese banks and funds, which will be critical in securing project finance for the Kanyika Niobium Project (capex. ~\$150m).
- **Access to the Chinese steel mills**, the consumers of FeNb, the major product to be produced from Kanyika.
- **Access to ECE's mining, metallurgical and exploration expertise.”**

Timing

Experts' reports are now being finalised by Coffey Mining and BDO Corporate Finance. The Notice of General Meeting, including the experts' reports, is planned for despatch to shareholders on Friday, 11 March 2011, and the Extraordinary General Meeting of Shareholders is planned for Friday, 8 April 2011. These dates are subject to confirmation.



About Globe Metals & Mining

Globe 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 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-HREO Project in Mozambique. Initial drill programs on both projects were undertaken in 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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