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ASX/Media Announcement

Globe Commences Discussions with Potential Chinese Off-take Partners

Globe Metals & Mining (ASX: GBE) is pleased to announce that it has commenced discussions with a number of Chinese parties regarding off-take arrangements for the sale of ferro-niobium (FeNb) from its Kanyika Niobium Project, in central Malawi, Africa.

Globe's Managing Director, Mark Sumich, has recently returned from a 10 day trip to China, which encompassed five cities, where he met with potential off-take partners.

The Company is delighted with the level of interest in the Kanyika Niobium Project and the response from interested parties in China. Globe expects that in due course, off-take contracts will be entered into with Chinese steel mills, metal trading houses and/or Chinese mining groups.

Globe has already entered into existing supply arrangements, representing 35% of Globe's planned niobium production of 3,000tpa from Kanyika, which are due to commence in 2012, as follows:

MOU #	MOU Summary	Nb Metal Content
1 (January 2009)	500tpa Nb ₂ O ₅	350t
2 (June 2009)	1000tpa FeNb	700t
Total		1050t

The Investor Presentation (in Mandarin and English) which was used on the China trip has been released to ASX in conjunction with this announcement; investors can also [click here](#) to view the Investor Presentation which is available on the Company's website.

Demand for ferro-niobium in China is very strong, and the outlook even more positive. Salient data on the niobium market includes the following:

- China currently represents ~20% of FeNb consumption and at least 50% of the growth in this market.
- Global niobium consumption increased 7.9% per annum over the period 1990-2008, while steel consumption increased by 4.1% per annum over the same period (over 90% of niobium is consumed by the steel industry).
- Global ferro-niobium consumption increased by 21% per annum over the period 2002-2007.
- Over the course of the first eleven months of 2008, Chinese imports of Brazilian FeNb, being 95% of the total imports (and over 90% of total Chinese consumption), grew by 69% over the corresponding period in 2007 (notwithstanding imports reducing by 24% in November 2008 from the previous month).
- "Unit consumption" of niobium in China (total niobium consumption divided by total steel consumption) is currently ~40 grams/tonne, compared to more than 100 grams/tonne for parts of Western Europe and North America. This gap is expected to close significantly over the next 20 years as the modernisation and increasing sophistication of Chinese steel production continues. Moreover, over the same period, the unit consumption of niobium in developed markets will increase, as the percentage of steel products using niobium increases from 10-12% presently to over 20%.



- Chinese steel production is forecast to be 480Mt in 2009, being 42% (and rising) of global production (Macquarie Research Equities, 17 March 2009).
- Chinese production of FeNb in 2008 was no more than 1,000 tonnes, out of total global FeNb production of 90,000 tonnes (~60,000 tonnes niobium metal).

Sources for the above data (where not given) can be found in the Investor Presentation, or previous Company ASX releases.

About Globe Metals & Mining

Globe Metals & Mining is an African-focused uranium and specialty metals resource company. Its main focus is the multi-commodity (niobium, uranium, tantalum and zircon) Kanyika Niobium Project in central Malawi. A Pre-Feasibility Study was commissioned in September 2008 and production is planned to commence in 2012 at a rate of 3,000tpa niobium metal, principally in the form of ferro-niobium.

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

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