



ASX RELEASE

16 April 2019

About Globe

- Globe Metals & Mining Limited is a Perth based company listed on Australian Stock Exchange (ASX Code: GBE)

Investment Summary

- 100% interest held in Kanyika Niobium Project in Malawi (Africa)

Directors and Management

Ms Alice Wong - Non-Executive Chairperson

Mr Alistair Stephens - Managing Director

Mr William Hayden - Non-executive Director

Mr Bo Tan - Non-executive Director

Mr Alex Ko - Non-executive Director

Capital Structure

Shares on Issue: 465,922,373

Options on Issue: 2,000,000 (various)

Total No. of Holders: 531

Top 20 Hold: 89.24%

Substantial Shareholders

Apollo Metals : 52.79%

Ao-Zhong International Minerals: 25.36%

Contact

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Managing Director

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March Quarter 2019 Review of Operations

Summary

Kanyika Niobium Project

- Finalisation of the Kanyika Development Agreement gained momentum during the quarter with the document being circulated amongst Malawi Government departments for final comment.
- All work activities relating to the Kanyika Niobium Project are complete pending execution of the Kanyika Development Agreement.
- During the quarter, the Company provided an update on the Definitive Feasibility Study - confirming that all engineering studies had now been finalised. In addition, the Company advised that the Project's financial model had been updated to incorporate revised capital costs, revenues and operating costs and was pending release, subject to execution of the Development Agreement.

Corporate & Finance

- Cash at bank and in term deposits at 31 March 2019 of \$7.774 million.
- The Company's half year accounts were released on the ASX platform on 15 March 2019.

Globe Metals & Mining Limited (ASX Code: GBE) (“Globe” or “the Company”) provides its activities report for the quarter ended 31 March 2019.

1. Kanyika Niobium Project

1.1 Mining Development Process

Negotiations with various regulators, stakeholders and other parties are ongoing in regard to developing the Kanyika Niobium Project. Advancement of the Kanyika Niobium Project is dependent on finalisation and execution of the Development Agreement (refer status at 1.4 below) which rests with the Government of Malawi.

1.2 Exploration Activities

No exploration activities were undertaken this quarter.

1.3 Mineral Resource Estimate

A Mineral Resource Estimate for the Kanyika Niobium Project under the 2012 JORC guidelines was reported to ASX on 11 July 2018, as follows:

Table 1: Mineral Resource Estimate for Kanyika using a 1,500 ppm Nb₂O₅ lower cut

Category	Million Tonnes	Nb ₂ O ₅ ppm	Ta ₂ O ₅ ppm
Measured	5.3	3,790	180
Indicated	47.0	2,860	135
Inferred	16.0	2,430	120
Total	68.3	2,830	135

Table 2: Mineral Resource Estimate for Kanyika using a 3,000 ppm Nb₂O₅ lower cut

Category	Million Tonnes	Nb ₂ O ₅ ppm	Ta ₂ O ₅ ppm
Measured	3.4	4,790	220
Indicated	16.6	4,120	190
Inferred	2.8	4,110	190
Total	22.8	4,220	190

1.4 Feasibility Study

During the quarter, Globe provided an update with respect to its progress on the Kanyika Feasibility Study.

Globe advised that it had:

1. finalised the revision of all studies and plans, such that the technical programs associated with the mineral resource, mining, metallurgical studies, processing, engineering design and infrastructural support are all done to a technical detail that is satisfactory to engineering classification standards; and
2. obtained updated capital and operating cost estimates through a tender process that was undertaken independent of Globe,

and has updated its financial model for revised capital costs, revenues and operating costs in order to determine key metrics including but not limited to project revenue, profitability and payback.

In addition, the announcement of 25 January 2019 provided information with respect to the optimised site layout, mine operations, mine scheduling, and processing.

Globe noted that it was not yet in a position to finalise the financial model and release the key outcomes due to:

- (a) the current status of the mining law in Malawi; and
- (b) the status of negotiations between the Company and the Government on the Development Agreement.

Mining Act

On 14 December 2018, the National Parliament of Malawi passed a new bill – Mines and Minerals Bill 2018 (New Act) with the new legislation to replace the previous Mines and Minerals Act (Cap. 61:01) which had been in place since 1981, subject to presidential assent and gazettal.

On 14 February 2019, the Malawi parliament confirmed that Malawi's President, Mr Peter Mutharika, had assented to the new Act.

President Mutharika is on record telling the Malawi Parliament that government hopes to enhance the development of the mining sector and increase its benefits to the people. President Mutharika said: "In recognition of the huge potential the mining sector has on the country's economic growth and development, government is implementing a number of activities aimed at increasing investments in the sector."

The administrative process of gazettal of the New Act is the last step to be completed to bring the New Act into force, and is considered a formality. No official copy of the new Mining and Minerals Act is available until the gazettal has transpired. As at the date of this report, gazettal is yet to occur.

Development Agreement

The Company appears to be making significant progress in negotiating a Development Agreement for the KNP with the Government of Malawi. The Company is aware that the Kanyika Development Agreement has been recently circulated amongst Malawi Government departments for final comment. It currently rests with the Director of Mines for finalisation.

Finalisation of the Development Agreement also requires a shareholder's agreement to be drafted prior to the Development Agreement becoming operative, amongst other conditions.

The Company is not in a position to finalise the Feasibility Study or its financial modelling of the Feasibility Study until the New Act is gazetted and the Kanyika Development Agreement is executed.

2. Corporate

2.1 Cash at Bank

Cash at bank for the Company remains robust with A\$7.774 million at bank on call or in term deposit.

2.2 Options

As at 31 March 2019, share options remaining on issue are as follows:

Grant Date	Expiry Date	Number	Exercise Price
2 July 2013	30 June 2019	1,000,000	\$0.20
2 July 2013	30 June 2020	1,000,000	\$0.25
		2,000,000	

2.3 Half Year Accounts

The Company's half year financial report for the six months to 31 December 2018 was released on the ASX platform on 15 March 2019. The independent auditor's review report contained the following statement:

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- a) Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance for the half-year ended on that date; and
- b) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

3. Schedule of Mineral Tenements as at 31 March 2019

	Project	Status	Tenement	Interest held by Globe
Malawi	Kanyika	Under application	AML00026	100%
Malawi	Kanyika	Granted	EPL0421/15R	100%

AML- Application for Mining Lease. A renewal application was lodged for this tenement and the Company awaits formal feedback on its renewal.

EPL – Exclusive Prospecting Licence (Malawi)