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## ASX/Media Announcement

### Ferro-Niobium Market Update – Prices, Volumes and Growth Remain Strong

#### Highlights

- **Ferro-niobium (FeNb) price stable at US\$44-45/kg (Nb metal contained)**
- **Globe's existing financial forecasts based upon a FeNb price of US\$39/kg**
- **Market leader forecasts pre-crisis volumes to return by early 2011; 80% recovery already achieved**
- **Growth in FeNb consumption forecast @ 15%p.a. post-crisis, substantially higher in China**

Globe Metals & Mining is very pleased to provide this update on the niobium market.

#### Prices

The current spot price for Chinese "60-B" FeNb is 230,000-235,000 RMB/tonne, which equates to US\$44-45/kg Nb metal contained (*Asian Metal*, 19 July 2010; incl. 17% VAT; RMB:USD 6.84; 65% Nb metal contained/tonne).

60-B is the volume Chinese FeNb product produced from a relatively high purity niobium oxide prior to final alloying, and consequently has fewer impurities, and hence a higher price, than the standard grade Brazilian FeNb (alloyed directly from concentrates). By way of comparison, the current equivalent price for Brazilian FeNb is US\$40-41/kg.

Globe's flow sheet will include the production of niobium oxide as an intermediate step in the production of FeNb, as the Kanyika Deposit is fortunately endowed with significant amounts of tantalum and uranium, which are important to separate to realise the full economic benefits from the Deposit.

Globe's Executive Chairman, Mr. Mark Sumich, said "we had previously used the standard grade Brazilian FeNb price in our forecasts to be conservative, but we are now comfortable using this premium pricing for the Kanyika FeNb, based upon the product specifications in Globe's key market, being China, and the progress we have made in developing our flow sheet. Ultimately, the steel mills would prefer a cleaner product, which is reflected in the differential pricing, and Kanyika will supply that beginning in 2013."

The Company will be releasing an updated financial forecast as part of its presentation to the *Africa Down Under* Conference to be held in Perth from 1-3 September 2010.

#### Volumes and Growth

Global production of FeNb was estimated at 60,000 tonnes (Nb metal contained) prior to the financial crisis. Recent reports attributed to the leading producer, the privately-owned Brazilian company CBMM, are that volumes have recovered to 80% of pre-crisis levels, and that the market will be fully recovered by early 2011 (*Asian Metal*, April 2010; *Steel Business Briefing*, July 2010).



Growth forecasts for the FeNb market post-crisis are 15% p.a. globally (IAMGOLD, June 2009), and considerably higher for China, which is similar to the growth experienced from 2002-2008.

Based on these market size and growth figures, Globe's production from Kanyika of 3,000tpa (Nb metal contained) will represent 4-5 months of one year's growth in the FeNb market.

### **Uses of Ferro-Niobium**

Readers are referred to Globe's website ([globemetalsandmining.com.au/featured\\_items.php](http://globemetalsandmining.com.au/featured_items.php)) for an interesting summary titled CBMM CEO Emphasises Advantages of Ferroniobium Usage.

### **About Globe Metals & Mining Limited**

Globe Metals & Mining 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 Bankable 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 Project in Mozambique. Initial drill programs on both projects will be undertaken in mid-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.

### **For further information please contact:**

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