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ASX/Media Announcement

Acquisition of High Grade Fluorite Project – Mozambique

Highlights

- **Globe to acquire up to 90% interest in high grade Mount Muambe Fluorite Project, Tete Province, Mozambique**
- **Historical trench results compare extremely favourably to grades of producing fluorite mines and include:**
 - **MMA: 16m @ 71% CaF₂**
 - **MMB: 21m @ 61% CaF₂**
 - **MMC: 17m @ 70% CaF₂**
 - **MMD: 19m @ 63% CaF₂**
- **Area serviced by major power, road and rail infrastructure**
- **Historical metallurgical work demonstrates that concentrates of >97% CaF₂ can be produced**
- **Project area also prospective for REE, Nb and Ta**
- **Project can be easily managed and serviced in initial stages from Globe's nearby regional headquarters in Lilongwe, Malawi**

Summary

Globe Metals & Mining is pleased to announce that it has entered into a joint venture agreement to acquire up to a 90% interest in the high grade Mount Muambe Fluorite Project in Tete Province, Mozambique.

Globe's Executive Chairman, Mr Mark Sumich, said "we have been working towards this exciting acquisition for some time, and are happy now that we have signed the joint venture agreement."

"This is a good transaction for Globe; the Project has very positive existing exploration and metallurgical results, our initial expenditure obligations are very reasonable and we can manage the Project from our existing base in Lilongwe, Malawi."

"Most importantly, the historical trench results suggest Mount Muambe could become a very high grade deposit. We intend to commence our exploration efforts very soon, to assess the real potential of this Project."



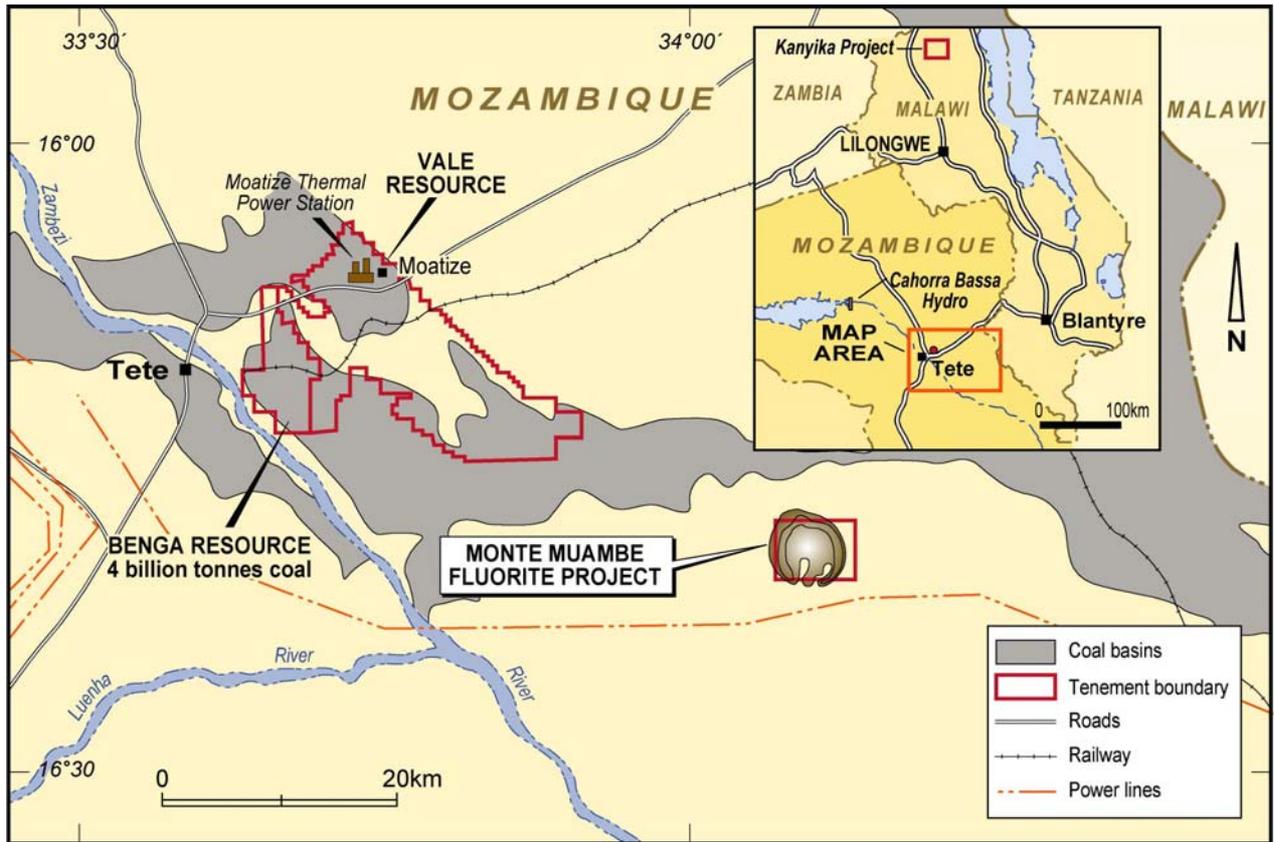


Figure 1: Location map showing Mount Muambe Fluorite Project in Tete Province, Mozambique.

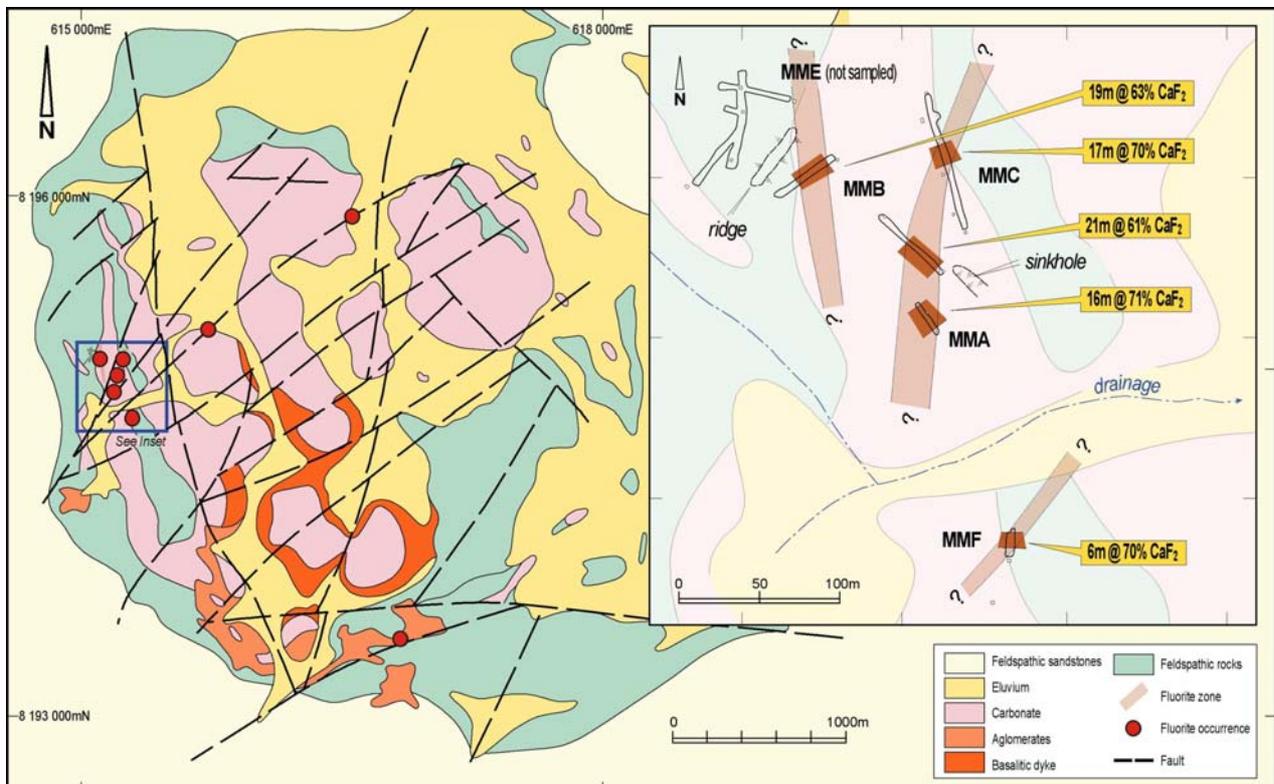


Figure 2: Geology and fluorite mineralisation at the Mount Muambe Fluorite Project

About the Mount Muambe Fluorite Project

Geology

Mount Muambe is a circular, carbonatite body approximately 6km in diameter that was emplaced into Karoo sedimentary rocks and basalts.

Carbonatites are rare, carbonate-rich igneous rocks with only ~300 known occurrences world-wide. Carbonatites are often associated with rifting or other extensional stress regimes. For this reason, south-east African countries situated near the East African Rift are particularly well endowed with carbonatites. They most commonly occur as extrusions such as volcanoes, often forming typical ring or crater structures.

These unique rocks can be enriched with a host of different economic commodities ranging from copper to iron, titanium, niobium, thorium, uranium, rare earth elements (REE), barium, fluorine, phosphorous and other rare or incompatible elements. One carbonatite commodity type is fluorite. Two of the largest producers of fluorite from carbonatite-related deposits are located at Okorusu (Namibia) and Amba Dongar (India).

The Mount Muambe intrusion itself has built a prominent ring-like structure where it has uplifted the resistant Karoo rocks, which now form steep hills. Inside the ring structure, within the carbonatite itself, the topography flattens considerably.

There are two main types of carbonatite present at Mount Muambe, in addition to altered country rocks called fenite:

- A fine grained, massive, banded calcium carbonatite which forms the bulk of the complex
- An agglomeritic carbonatite is found mainly in the southern parts of the crater and contains clasts of fine and coarse grained carbonatite, quartzite, basalt and fenite.

Fenite occurs at the margins of the intrusion where former country rock has been completely altered by fluids associated with the carbonatite. The fenite consists nearly entirely of alkali feldspar. The majority of fluorite mineralization occurs within fenite.

Mineralisation

Two previous historical work programs identified significant fluorite mineralisation which was trenched and sampled. The bulk of the mineralisation occurs as fine grained, disseminated to massive, blue fluorite. A coarser yellow fluorite occurs as aggregates and is associated with shears and veins within the fenite.

Best fluorite grades appear to be associated with a system of NE-striking faults that cut the carbonatite and fenite. Overall fluorite grades within these mineralised zones consistently average 60-70% CaF₂ over trench intercept widths generally between 10 and 20m. Discrete, fault-related zones of fluorite mineralisation have been identified in the six trenches over a broad area of approximately 300m x 200m.

Additional fluorite mineralisation has been mapped in at least four other locations within the Mount Muambe carbonatite complex. Some of these occurrences appear to be hosted along the same NE-trending faults that host mineralisation that occurs in the trenches.

Globe therefore believes there is significant potential to extend the known zones of fluorite mineralisation, and for the discovery of new zones of mineralisation.

Anomalous rare earth (REE), niobium and tantalum grades have also been noted in the historical geochemical sampling results. These results warrant further follow-up; however, the rights to these minerals are not covered by the current licence, and there is no certainty that if applied for they would be granted by the Mozambican Government.

It should also be noted that Globe's geological team has not yet conducted a field visit to Mount Muambe. However, the fact that the geochemical results from the two historical field programs, by different operators, largely concur with each other gives the Company significant confidence in the project.

Metallurgy

Historical basic grinding and metallurgical flotation test-work showed that;

- 60% of fluorite reported to premium concentrate grading 97.2% CaF₂
- 20% of fluorite reported to low grade concentrate grading 80.2% CaF₂
- 10% of fluorite reported to slimes fraction
- 10% of fluorite reported to waste

The overall recovery of potentially saleable product was therefore 80%.

About the Fluorite Market

Raw Material/Concentrate

Fluorite (also known as fluorspar) is a mineral composed of calcium fluoride, CaF₂. Fluorite accounts for over 90% of the world's consumption of fluorine.

Acid grade fluorite is >97% CaF₂ purity (acidspar) and metallurgical grade <97% CaF₂ purity (metspar). Acidspar currently accounts for 65-70% of world production, although this varies considerably from country to country, with South Africa, for example, producing 95% acidspar from its mined fluorite.

Uses of Fluorite

Acidspar is used in combination with sulphuric acid to produce hydrofluoric acid (which would be used, for example, as a raw material input in operations such as Globe's Kanyika Niobium Project in Malawi), and with sulphuric acid and aluminium hydrate to produce aluminium fluoride.

Metspar is used as a fluxing agent in the manufacture of steel, stainless steel, cement, ceramics and glass.

Market Size

World production of fluorite was 5.45Mt in 2008, and has been growing at 5% p.a since 2003.

Five countries, being China, Mexico, Mongolia, South Africa and Russia, accounted for 85-90% of world production in 2008, with China alone accounting for over 50% of production.

Selected Fluorite Producers and Projects

<u>Project</u>	<u>Production/Comment</u>	<u>Grade CaF₂</u>
Las Cuevas, Mexico	Largest producer in the world – 800,000tpa	84%
Vergenoeg, South Africa	180,000tpa	22.5%
Witkop, South Africa	110,000tpa, struggling with the GFC	8-12%
Moina, Australia	Owned by Minemakers, not producing	18%
Monros, Mongolia	160,000tpa	35-43%
Seepwah, Australia	Owned by NiPlats, not producing	24.5%
Okorusu, Namibia	108,000tpa	50%

Prices

Prices of spot purchased Chinese acidspar rose from \$US130-140/t in January 2003 to US\$530-550/t in December 2008.

South African Fluorine Expansion Initiative

In March 2009, Pelchem, the chemical division of the Nuclear Energy Corporation of South Africa (NECSA), and the South African Ministry of Science and Technology, launched a fluorine expansion initiative to increase the local ratio of consumption of fluorite, by increasing the amount of beneficiation of the mineral. South Africa is the world's third largest producer of fluorite, but consumes only 5% of the production (by way of sale to NECSA).

About the Agreement

The joint venture agreement is subject to a two month due diligence period. At the end of this period and a positive due diligence, Globe is required to pay the vendor US\$25,000.

In addition, a total of 2.3 million ordinary shares in Globe are required to be issued to vendor and advisers in relation to the transaction.

Year 1

Obligations:

- Construct a site access road; and
- 1,000m of drilling

Year 2

Obligations:

- 3,000m of drilling; or
- 1,000-2,000m of drilling and specified metallurgical test-work

Equity Interest: 50%

Year 3

Obligations: JORC resource

Equity Interest: 70%

Payments: US\$50,000 and 1.1m Globe shares (subject to maximum value of US\$750,000)

Year 4

Obligations: feasibility study

Equity Interest: 80%

Payments: US\$50,000 and 1.1m Globe shares (subject to maximum value of US\$750,000)

Year 5+

Equity Interest: Globe has the option to acquire a further 10% (90% total) at agreed price or as determined by independent expert.

Initial Work Program

Globe will conduct a due diligence field visit in October-November 2009. Once geological information has been confirmed, planning for construction of an access road will begin, and all permits/applications, including environmental, will be submitted.

In Q2 2010, the Company expects to begin detailed field evaluation of the main prospect area with a view to designing an initial ~1,000m drilling program, to commence in approximately June 2010.

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 Bankable Feasibility Study was commissioned in August 2009 and production is planned to commence in 2012 at a rate of 3,000tpa niobium metal, principally in the form of ferro-niobium. Mine life will be in excess of 20 years.

In August 2009 Globe announced that Thuthuka Group Limited (Thuthuka), a South African world class multi-disciplinary engineering company, entered into a formal joint venture agreement to invest US\$10.6 million into the Kanyika Niobium Project to earn a 25% interest in the Project (as opposed to equity in the ASX-listed parent company). The US\$10.6 million investment by Thuthuka will fund ~85% of the estimated cost of the bankable feasibility study into the Project.

Globe has a number of uranium and other projects in Malawi and Mozambique, 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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Competent Person: *The contents of this report relating to geology and exploration results are based on information compiled by Dr. Julian Stephens, Member of the Australian Institute of Geoscientists and Executive Director - Exploration for Globe Metals & Mining. Dr Stephens 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.*