



ASX RELEASE

4 November 2013

Dispatch of Rights Issue Offer Document

Globe Metals & Mining (“**Globe**” or “**the Company**”; ASX:GBE) advises that the Rights Issue Offer document has been posted to all shareholders today, 4 November 2013.

**THIS RIGHTS ISSUE OPENS ON 4 NOVEMBER 2013
AND CLOSSES AT 5.00PM PERTH TIME ON 29 NOVEMBER 2013
(UNLESS EXTENDED BY NOTICE TO THE ASX)**

Eligible Shareholders are able to acquire additional Shares via a non-renounceable pro-rata Rights Issue on the basis of one (1) New Share for every one (1) Share held at the Record Date of 5.00pm WST on 29 October 2013.

All New Shares under the Rights Issue will be issued at \$0.045 per New Share.

Applications for New Shares by Eligible Shareholders should be made on an original Entitlement and Acceptance Form as sent with this Offer Document and returned to the appointed share registry.

ENDS

Contact:

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About Globe Metals & Mining

Globe is an African-focused resources company, with a strategy to become a niobium and tantalum producer in Africa, and to grow the company’s investment opportunities in the minerals industry.

Globe’s current focus is the Kanyika Niobium Project in Malawi, which will produce niobium and tantalum products; key additives in steels and electronics. The Mineral Resource statement substantiates that Kanyika could support a 20 year mine life.

Globe’s corporate head office in Perth, Australia is supported by regional operational offices in Lilongwe and Maputo. The Company has been listed on the ASX since December 2005 (ASX:GBE) and is 54% owned by a Chinese State Owned Enterprise, East China Exploration and Development Bureau.



OFFER DOCUMENT

FULLY UNDERWRITTEN NON-RENOUNCEABLE PRO-RATA RIGHTS ISSUE

Offer Document for a non-renounceable, pro rata Rights Issue Offer to Eligible Shareholders of New Shares at an issue price of \$0.045 per New Share on the basis of one (1) New Share for every one (1) Share held at the Record Date to raise approximately \$9.9 million (before costs of the fundraising).

Important Notice

This Offer Document is not a prospectus and it does not contain all of the information an investor would find in a prospectus, or which may be required to make an informed decision regarding or about the rights attaching to, the New Shares offered by this Offer Document.

This Offer Document is important and should be read in its entirety. If you do not understand the contents of this Offer Document you should obtain professional investment advice before deciding whether to apply for New Shares.

Any investment in the Company should be considered as speculative.

THIS RIGHTS ISSUE OPENS ON 4 NOVEMBER 2013 AND CLOSSES AT 5.00PM PERTH TIME ON 29 NOVEMBER 2013 (UNLESS EXTENDED BY NOTICE TO THE ASX)

Important Information

No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act that relates to rights issues by certain entities that do not require the provision of a prospectus or product disclosure document.

Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to the ASX and consult their professional advisers before deciding whether to apply for New Shares. Announcements made by the Company to the ASX are available from the ASX website www.asx.com.au (ASX:GBE).

The information in this Offer Document does not constitute a securities recommendation or financial product advice.

This Offer Document is dated 18 October 2013. Capitalised terms in this Offer Document are defined in section 5.

Eligibility

Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's entitlement to participate in the Offer.

Overseas shareholders

No action has been taken to permit the offer of New Shares under this Offer Document in any jurisdiction other than Australia, New Zealand and the British Virgin Islands. The distribution of this Offer Document in jurisdictions outside Australia, New Zealand and the British Virgin Islands may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

This Offer Document does not constitute an offer of New Shares in any jurisdiction other than Australia, New Zealand and the British Virgin Islands.

Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Directors' Letter to Shareholders

18 October 2013

Dear Shareholder

Non-Renounceable Rights Issue

The Board of Globe Metals & Mining Limited is pleased to offer all Eligible Shareholders an opportunity to acquire additional shares in the Company by participating in the Rights Issue. Details of the Rights Issue are set out in the accompanying materials and you should read these in their entirety before deciding whether to participate.

The key points of the Rights Issue are as follows:

- Eligible Shareholders are able to acquire additional Shares via a non-renounceable Rights Issue on the basis of one (1) New Share for every one (1) Share held at the Record Date of 5.00pm WST on 29 October 2013.
- All New Shares under the Rights Issue will be issued at \$0.045 per New Share.

New Shares allotted under the Rights Issue will rank equally with existing fully paid ordinary shares.

All shortfall shares remaining after Shareholders have been allocated and issued shares under the Rights Issue will be fully underwritten by Apollo Metals Investment Co., Limited. If all Eligible Shareholders were not to take up their rights, the Underwriter may hold approximately 50% of the Company after subscribing for the shortfall (see section 3 for further information).

The Rights Issue will raise approximately \$9.9 million (before costs of the fundraising). The Company intends to use the funds for additional working capital, to complete the optimisation of the engineering study at the Company's Kanyika project, to progress exploration on the Company's tenements and to consider future investment or acquisition opportunities in the market.

The timetable for the Rights Issue is set out under Section 1.3 of the Offer Document.

To participate in the Rights Issue you must either:

- submit your payment using BPAY® so that it is received by the Company by 5.00 pm WST on 29 November 2013; or
- complete and return your personalised Entitlement and Acceptance Form attaching either a cheque or bank draft and mail it in the reply paid envelope so that it is received by our Share Registry before 5.00 pm WST on 29 November 2013.

The Directors encourage you to consider the Offer carefully. If you are unsure about any aspects of the Offer you should consult your financial adviser.

Thank you for your continuing support as a shareholder of Globe Metals & Mining Limited.

Yours faithfully

On behalf of all Directors

Alistair Stephens
Managing Director and CEO

1 Details of the Offer

1.1. The Offer

The Company is making a non-renounceable pro rata offer of New Shares at an issue price of \$0.045 each on the basis of one (1) New Share for every one (1) Share held on the Record Date with any fractional entitlements rounded up.

The Offer is fully underwritten by Apollo Metals Investment Co., Limited (company number 1787009), a company incorporated in the British Virgin Islands. The sole shareholder of Apollo Metals Investment Co., Limited is a company named Apollo Metals Investment Holdings Limited, which is incorporated in Hong Kong. The sole shareholder of Apollo Metals Investment Holdings Limited is Ms Alice Wong, a UK citizen and a permanent resident of Hong Kong. The underwriting of the Offer is conditional on Shareholders approving the issue of the Shortfall Shares to the Underwriter as underwriter of the Rights Issue before the Closing Date.

As at the date of this Offer Document, the Company has 220,339,131 Fully Paid Ordinary Shares on issue. The number of New Shares to be issued under the Offer, if fully subscribed, will be 220,339,131 (assuming that none of the Options are exercised prior to the Record Date). The Company also has on issue:

- 11,750,000 unquoted Options (which carry no entitlement to participate in the Offer unless exercised prior to the Record Date);
- 3,000,000 Class B performance shares (which carry no entitlement to participate in the Offer); and
- 29,050,800 convertible notes (which carry no entitlement to participate in the Offer).

The Class B performance shares may convert into Shares upon certain conditions, that will not be satisfied before the Record Date.

Further information on the capital structure of the Company, including the capital structure of the Company following completion of the Rights Issue is set out under section 1.19.

1.2. Use of Funds

The Offer will raise \$9,915,260 (before costs of the fundraising) and the Company intends to use the funds raised from the Offer to:

- complete the optimisation of the engineering study at the Company's Kanyika project;
- progress exploration on the Company's tenements;
- consider future investment or acquisition opportunities in the market; and
- increase working capital.

1.3. Timetable

The following are key dates relating to the Offer.

| Activity | Date** |
|--|--------------------------|
| Rights Issue announced via ASX | 5 September |
| Shares trade 'ex' entitlements | 23 October |
| Record date (date for determining entitlements of Eligible Shareholders to participate in the Offer) | 5.00pm WST on 29 October |

| Activity | Date** |
|--|-------------|
| Offer Document and Entitlement & Acceptance Form sent to Eligible Shareholders | 4 November |
| Acceptances close* | 29 November |
| New Shares quoted on a Deferred Settlement basis | 2 December |
| Company to notify ASX of under-subscriptions (if any) | 4 December |
| Allotment and issue of New Shares | 9 December |
| Deferred Settlement trading ends | 9 December |
| Normal trading (T+3) commences on ASX | 10 December |

*Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

**All dates are indicative only and subject to change.

1.4. Minimum subscription

There is no minimum subscription for the Company to raise under the Offer.

1.5. New Shares

The New Shares will be fully paid ordinary shares and will rank equally in all respects from the date of allotment with the Shares already on issue in the Company.

The issue price of \$0.045 per New Share is payable in full by Eligible Shareholders on acceptance of the Offer. All payments must be rounded up to the nearest whole cent.

1.6. Entitlement and Acceptance

The entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document. There is no obligation on Eligible Shareholders to participate in the Offer. Eligible Shareholders may accept their entitlement in full or in part or not at all. Eligible Shareholders should refer to Section 2 and the Entitlement and Acceptance Form for further instructions.

1.7. Underwriting and Shortfall

Apollo will fully underwrite the Offer on the terms of the Underwriting Agreement by subscribing for all Shortfall Shares that remain after shareholders have been allocated and issued New Shares under the Rights Issue. As noted above at Section 1.1, the underwriting of the Offer is conditional on Shareholders approving the issue of the Shortfall to the Underwriter as underwriter of the Rights Issue under the Underwriting Agreement before the Closing Date.

An underwriting fee of 6% of the total subscription amount of the Shortfall Shares (inclusive of GST) will be payable to Apollo by the Company for underwriting the Rights Issue. If the underwriting does not proceed for any reason, thereby resulting in the Shortfall Shares not being subscribed for by the Underwriter, then the Company and its Directors reserve the right to place those Shortfall Shares, other than to related parties of the Company, at the discretion of the Directors. In accordance with the ASX Listing Rule 7.2 Exception 3, the Company must place those Shortfall Shares within three (3) months after the Closing Date.

Details in relation to the Underwriting Agreement, the potential effect of the Underwriting Agreement on the control of the Company are set out in section 3.

1.8. No rights trading

The Offer is made on a non-renounceable basis. Therefore Eligible Shareholders may not renounce, sell, transfer or deal with all or any part of their entitlement to New Shares under the Offer that they do not wish to accept.

If you do not take up your entitlement to New Shares under the Offer by the Closing Date, the Offer will lapse, your shareholding in the Company will be diluted and any Shortfall will be dealt with pursuant to the Underwriting Agreement (or placed by the Company).

1.9. Opening Date and Closing Date

The Rights Issue will open for receipt of acceptances on 4 November 2013.

The Company will accept Applications until 5.00 pm WST on the Closing Date (29 November 2013) or such later date as the Directors in their absolute discretion shall determine, subject to the Listing Rules. Please note that payment made by BPAY® must be received no later than 5.00 pm WST on the Closing Date and you should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment. It is your responsibility to ensure that funds submitted through BPAY® are received by the Company by no later than 5.00 pm WST on the Closing Date.

1.10. Withdrawal of Rights Issue

The Company reserves the right to not proceed with the Rights Issue at any time before the issue of the New Shares to Eligible Shareholders. If the Rights Issue does not proceed, the Company will return all application monies as soon as practicable after giving notice of its withdrawal, without interest.

1.11. Issue and Dispatch

The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the timetable set out in Section 1.3. It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

1.12. ASX Listing

Application will be made to the ASX for the official quotation of the New Shares. If the ASX does not grant quotation to the New Shares, the Company will repay all application monies received pursuant to the Offer, without interest, as soon as practicable after the Closing Date.

1.13. CHESS

The Company participates in the Clearing House Electronic Subregister System (CHESS) operated through ASX. Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are registered in the Issuer Sponsored subregister, your statement will be dispatched by the Company's Share Registry and will contain the number of New Shares issued to you under this Offer Document and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. Shareholders may request a statement at any other time, however there may be a charge associated with the provision of this service.

1.14. Ineligible Shareholders

This Offer is not being extended (and accordingly, Entitlement and Acceptance Forms will not be sent) to Shareholders with registered addresses outside Australia, New Zealand or the British Virgin Islands. The Company has decided that it is unreasonable to make the Offer to Shareholders outside Australia, New Zealand and the British Virgin Islands having regard to:

- the small number of Shareholders with addresses outside these countries;

- the small number and value of the Shares they hold;
- the cost of complying with the legal requirements and the requirements of the regulatory authorities in each of the countries concerned

No action has been taken to register or qualify the Offer Document and Entitlement and Acceptance Form, the Rights Issue, or the New Shares or to otherwise permit a public offering of the New Shares in any jurisdiction outside of Australia, New Zealand or the British Virgin Islands.

The Offer Document and accompanying Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

1.15. Appointment of Foreign Holder Nominee

Pursuant to Section 615 of the Corporations Act, the Company has appointed Blue Ocean Equities Pty Ltd (ACN 151 186 935, Australian Financial Services Licence number 412 765) as a nominee (**Nominee**) to subscribe for the New Shares that Ineligible Shareholders would be entitled to if they were eligible to participate in the Offer (**Nominee Shares**). The Nominee will then sell the Nominee Shares with the net proceeds from the sale of the Nominee Shares (if any) being remitted to the Ineligible Shareholders in their respective proportions in accordance with this section 1.15.

The Company will forward the proceeds of the sale of the Nominee Shares (if any) as soon as reasonably practicable to the Ineligible Shareholders in proportion to their respective Share holdings (after deducting the subscription price, brokerage commission and other expenses).

If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. Notwithstanding that the Nominee may sell Nominee Shares, Ineligible Shareholders may nevertheless receive no net proceeds if the subscription price plus costs of the sale are greater than the sale proceeds.

The Company has agreed to pay to the Nominee a fixed fee of \$15,000 (inclusive of GST) to perform the role of Nominee in relation to the Rights Issue. The Company has applied to ASIC for ASIC's approval of the Nominee for the purposes of Section 615 of the Corporations Act.

1.16. Taxation Implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its officers and its advisers do not accept any responsibility or liability for any such taxation consequences to Shareholders. Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

1.17. Risk Factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in quoted securities, there are specific risks associated with an investment in the Company that are described in section 4.

1.18. Enquiries

Enquiries concerning the Entitlement and Acceptance Form can be directed to the Company's Share Registry, by telephone on +61 8 9315 2333.

Enquiries relating to this Offer Document should be directed to Alistair Stephens, the Managing Director, by telephone on + 61 8 9327 0700.

1.19. Company Structure

Set out below is the pro-forma capital structure of the Company assuming the Rights Issue is fully subscribed and no Options are exercised before the Record Date. It is noted that the Rights Issue is fully underwritten by Apollo.

In addition to the Rights Issue, the Company announced on 5 September 2013 that it had agreed to issue 29,050,800 convertible notes at an issue price of \$0.055 per convertible note to Apollo, under the Company's 15% placement capacity under the Listing Rules. The 29,050,800 convertible notes were issued to Apollo on 12 September 2013 and will automatically convert into Shares upon Shareholders approving the issue of the shares to the Underwriter of the Rights Issue.

The issue of Shares to Apollo as underwriter of the Rights Issue will be subject to Shareholder approval at a meeting of Shareholders to be held in November 2013. If Shareholder approval is received, the convertible notes will automatically convert into 29,050,800 Shares on the tenth business day after the rights issue closes and the shortfall shares are issued to Apollo as underwriter. The Shareholder approval sought will seek permission to allow Apollo to convert all of the 29,050,800 convertible notes into Shares even if Apollo's interest in the Company's shares, after completion of the underwriting, is 20% or higher as a result of subscribing for the Shortfall Shares as underwriter under the Rights Issue. For the avoidance of doubt, Shareholder approval is not required under the law for Apollo to convert the 29,050,800 convertible notes into Shares if Apollo's total interest in the Company's shares, after completing the underwriting of the Rights Issue and after completing the conversion of the convertible notes, is less than 20%.

The Company will send Shareholders a notice of meeting, explanatory memorandum and other related documents in relation to the proposed Shareholder approval in due course.

Pro-forma Capital Structure for the fully underwritten Rights Issue

| Issued Shares | Number of Shares |
|--|-------------------------|
| Total issued shares at the date of the Offer Document prior to the Rights Issue | 220,339,131 |
| Options on issue | 11,750,000 |
| Class B performance shares on issue | 3,000,000* |
| Maximum number of New Shares issued under the Rights Issue (1:1 basis) | 220,339,131** |
| Maximum number of New Shares issued upon conversion of the convertible notes | 29,050,800 |
| Maximum total issued Shares following the Rights Issue and conversion of the convertible notes | 469,729,062** |

*These shares will convert into Shares upon the happening of certain vesting conditions, which will not be satisfied before the Record Date.

** This assumes that none of the Options will be exercised prior to the Record Date. As at the date of this document, 1,850,000 Options can be exercised and if all of these Options were in fact exercised before the Rights Issue Record Date, then a total of 222,189,131 New Shares would be offered under the Rights issue instead of 220,339,131 New Shares.

The Options on issue carry no right to participate in the Rights Issue unless exercised prior to the Record Date. A full list of the Options on issue is set out below.

| Issued Options | Number of Options |
|--|--------------------------|
| Unquoted Options exercisable at 15 cents and expiring 29 November 2014 | 600,000 |
| Unquoted Options exercisable at 26 cents and expiring 29 November 2014 | 500,000 |
| Unquoted Options exercisable at 30 cents and expiring 1 September 2014 | 350,000 |
| Unquoted Options exercisable at 25 cents and expiring 26 October 2013 | 200,000 |
| Unquoted Options exercisable at 25 cents and expiring 26 October 2014 | 200,000 |
| Unquoted Options exercisable at 15 cents and expiring 29 November 2016 | 600,000 |
| Unquoted Options exercisable at 26 cents and expiring 29 November 2016 | 500,000 |
| Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014 | 250,000 |
| Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014 | 250,000 |
| Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014 | 250,000 |
| Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014 | 250,000 |
| Unquoted Options exercisable at 0.1 cents and expiring 31 January 2015 | 3,000,000 |

| | |
|--|-------------------|
| Unquoted Options exercisable at 0.1 cents and expiring 31 January 2015 | 800,000 |
| Unquoted Options exercisable at 10 cents and expiring 30 June 2017 | 1,000,000 |
| Unquoted Options exercisable at 15 cents and expiring 30 June 2018 | 1,000,000 |
| Unquoted Options exercisable at 20 cents and expiring 30 June 2019 | 1,000,000 |
| Unquoted Options exercisable at 25 cents and expiring 30 June 2020 | 1,000,000 |
| Total Issued Options | 11,750,000 |

The Company has 3,000,000 Class B performance shares on issue that carry no entitlement to participate in the Offer as the vesting conditions for those securities will not be satisfied before the Record Date.

2. Action Required by Shareholders

2.1. To Accept Your Entitlement

Shareholders who wish to accept all of their entitlement under this Offer Document may pay by either BPAY®, cheque or bank draft. Each payment method is described in turn below.

Payment by BPAY®

If you wish to pay using BPAY®, there is no requirement for the Entitlement and Acceptance Form to be returned. You can simply make a payment for the number of New Shares you wish to apply for using the Globe Metals & Mining Ltd Biller Code and your' personalised Reference Number which can be found on both sides of your Entitlement and Acceptance Form. All payments must be rounded up to the nearest whole cent.

Instructions regarding making a payment by BPAY® are also set out on the Entitlement and Acceptance Form. Please note that payment made by BPAY® must be received no later than 5.00 pm WST on the Closing Date and you should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment. It is your responsibility to ensure that funds submitted through BPAY® are received by the Company by no later than 5.00 pm WST on the Closing Date.

Payment by cheque/bank draft

If you do not wish to pay using BPAY®, your completed Entitlement and Acceptance Form must be accompanied by a cheque or bank draft in Australian dollars for the application monies, crossed "Not Negotiable" and made payable to "Globe Metals & Mining Ltd" and lodged at any time after the Opening Date and on or before 5.00pm WST on the Closing Date at the Company's Share Registry, Security Transfers Registrars Pty Ltd (by delivery or by post).

All payments must be rounded up to the nearest whole cent.

By post:

Security Transfers Registrars Pty Ltd
770 Canning Highway PERTH WA 6153

By delivery:

Security Transfers Registrars Pty Ltd
770 Canning Highway PERTH WA 6153

2.2. To Accept Part of Your Entitlement

To accept your entitlement you must complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the application monies (calculated at \$0.045 per New Share accepted), and attach a cheque for the

appropriate application monies. Send the Entitlement and Acceptance Form and cheque to the Share Registry by the Closing Date per section 2.1 above.

If payment is made using BPAY®, Shareholders must pay the appropriate application monies (calculated at \$0.045 per New Share accepted) as set out in section 2.1 above. There is no requirement for the Entitlement and Acceptance Form to be returned.

All payments must be rounded up to the nearest whole cent.

2.3. Entitlement Not Taken Up

If you do not wish to accept any of your entitlement you are not obliged to do anything. The number of Shares you currently hold and the rights attaching to those Shares will not be affected. However, your shareholding in the Company will be diluted with the subsequent issue of the New Shares. All entitlements not accepted will form part of the Shortfall which will be dealt with at the discretion of the Directors and may ultimately be acquired by the Underwriter.

3. Underwriting Agreement and potential effect on control

3.1. Underwriting

The Underwriter has agreed to fully underwrite the Offer pursuant to the Underwriting Agreement.

As at the date of this document, the Underwriter does not hold any Shares in the Company but holds 29,050,800 convertible notes that will automatically convert into Shares once Shareholder approval of the issue of the shares to the Underwriter under the Rights Issue has been obtained. Conversion occurs on the tenth business day after the rights issue closes and the shortfall shares are issued to Apollo as underwriter.

3.2. Potential Effect on Control

If Eligible Shareholders take up all of their entitlements under the Rights Issue, then the Rights Issue will have no effect on the control of the Company. If some Eligible Shareholders do not take up all of their entitlement under the Rights Issue, then the interests of those Eligible Shareholders will be diluted. The proportional interests of Shareholders not entitled to participate in the Rights Issue will be diluted because such Shareholders are not entitled to participate in the Rights Issue.

An analysis of the effect of the Rights Issue on the Underwriter's interest in the Company is set out in the table below. The information in the table below assumes: (a) that no Options will be exercised before the Record Date; (b) that Shareholder approval is obtained for the issue of New Shares to Apollo as underwriter of the Rights Issue, (c) conversion of the 29,050,800 notes to 29,050,800 Shares.

| Scenario | Underwriter's % |
|--|-----------------|
| Holding prior to the Rights Issue | 0% |
| 100% of Shareholders take up their entitlement | 6.2% |
| 50% of Shareholders take up their entitlement | 29.6% |
| 25% of Shareholders take up their entitlement | 41.3% |
| 0% of Shareholders take up their entitlement. | 53.1% |

Note: As at the date of this document, 1,850,000 Options can be exercised and if all of these Options were in fact exercised before the Rights Issue Record Date, then a total of 222,189,131 New Shares would be offered under the Rights Issue instead of 220,339,131 New Shares. However if this occurs, the above percentage figures will not change by more than 0.1%.

If Shareholders do not approve the issue of New Shares to Apollo as underwriter of the Rights Issue, the Underwriter will not be entitled to be issued Shortfall Shares as underwriter of the Rights Issue.

The Company's major Shareholder, AO-Zhong International Mineral Resources Pty Ltd holds 118,143,625 Shares equaling an interest of approximately 53.24% in the Company as at the date of this document.

If AO-Zhong International Minerals Resources Pty Ltd takes up its full entitlement of 118,143,625 Shares and no other Eligible Shareholder participates in the Rights Issue, the Underwriter will acquire approximately 27.9% of the Company following completion of the Rights Issue if Shareholder approval of the issue of Shares to the Underwriter on conversion of the convertible notes is obtained. The 27.9% figure includes the 29,050,800 Shares that would result from the automatic conversion of the notes.

In the event that the Underwriter acquired an interest above 25% it would give the Underwriter the ability to block a special resolution of Shareholders and if the Underwriter acquired an interest above

50%, it could alone pass an ordinary resolution of Shareholders which may impact on the control of the Company (in the manner contemplated by section 50AA of the Corporations Act).

The terms of the convertible notes also allow Apollo to appoint one director to the board of directors of the Company. This right to appoint a director ceases if the convertible notes are not converted into Shares before the note maturity date of 30 June 2014 or if the notes are redeemed prior to the maturity date of 30 June 2014. On 11 October 2013, the Board appointed Ms Alice Wong as a director of the Company at the request of Apollo.

3.3 Underwriting Agreement

The Underwriter has agreed to fully underwrite the Rights Issue on the terms and conditions set out in the Underwriting Agreement.

The Underwriter may at any time appoint a sub-underwriter or sub-underwriters.

The Underwriting Agreement applies to ordinary shares that the Company offers under the Rights Issue (**Rights Issue Shares**) where valid applications have not been received by the Company by 5.00pm WST on the Closing Date (**Underwritten Securities**). Provided that the Company has complied with its obligations under the Underwriting Agreement and the Underwriter is not relieved of its obligations, the Underwriter must cause applications for the Underwritten Securities to be lodged with the Company together with the application money.

The Underwriter has the absolute discretion to terminate the Underwriting Agreement if any of the following events occur:

- (a) the Company ceases to be admitted to the official list of ASX;
- (b) ASX makes any official statement to any person or indicates to the Company or the Underwriter that official quotation of the Rights Issue Shares will not be granted;
- (c) ASIC makes a determination under section 708AA(3) of the Corporations Act with respect to the Company;
- (d) a Court makes an order under sections 1324A or 1324B of the Corporations Act in relation to the Rights Issue;
- (e) the Company withdraws the Rights Issue;
- (f) a general moratorium on commercial banking activities in Australia, the United States of America or the United Kingdom is declared by the relevant central banking authority in any of those countries or trading in all securities quoted or listed on ASX, the London Stock Exchange and/or the New York Stock Exchange is suspended in a material respect for 2 or more consecutive trading days, the effect of which is such as to make it, in the reasonable judgment of the Underwriter materially more difficult to promote the Rights Issue or to enforce contracts to issue and allot the Rights Issue Shares;
- (g) any director of the Company is charged with an indictable offence, or is disqualified from managing a corporation, or commits an act of fraud in connection with any aspect of the Rights Issue or the Company;
- (h) the Company fails to give the Underwriter a closing certificate or if the closing certificate contains a statement that is not true.

The Underwriter may terminate the Underwriting Agreement if any of the following events, in the opinion of the Underwriter, has, or is likely to have, a material adverse effect on the marketing or success of the Rights Issue, or renders it impracticable to effect acceptances under the Rights Issue, or leads, or is likely to lead, to a liability for the Underwriter under any law:

- (a) public and other media statements made by or on behalf of the Company in relation to the affairs of the Company or the Rights Issue contains a statement that is misleading or deceptive or likely to mislead or deceive, omits material required to be contained in them, or constitutes conduct by any person which is misleading or deceptive or likely to mislead or deceive;
- (b) hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, Japan, Indonesia, North Korea, South Korea or the People's Republic of China or the declaration by any of these countries of a national emergency or war or a major terrorist act is perpetrated involving any of those countries or any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world;
- (c) there is introduced or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or is likely to prohibit or regulate the Rights Issue, capital issues or security markets;
- (d) a default by the Company in the performance of any of its obligations under the Underwriting Agreement occurs;
- (e) a representation or warranty contained in the Underwriting Agreement on the part of the Company is not true or correct; or
- (d) any material adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company.

The Company must pay the Underwriter an underwriting fee calculable from 6% of the total subscription amount for the Shortfall Shares multiplied by the issue price of \$0.045 (inclusive of GST). The Company must reimburse all expenses incurred by the Underwriter in connection with the Rights Issue to a maximum of A\$10,000, with the Underwriter being required to obtain the Company's prior approval for expenses above that maximum.

If the Company announces that it will not proceed with the Rights Issue, then the Company must pay to the Underwriter (to the extent it has not already done so) within five business days after the Rights Issue not proceeding, the Underwriter's thrown away costs and expenses for the Rights Issue (including legal, accounting and adviser expenses) up to a maximum of A\$250,000.

4. Risk Factors

The New Shares offered under this Offer Document are considered speculative. The Directors strongly recommend Eligible Shareholders examine the contents of this Offer Document and ASX releases and consult their professional advisers before deciding whether to apply for the New Shares pursuant to this Offer. Eligible Shareholders should be aware there are risks associated with investment in the Company, many of which are largely beyond the control of the Company and its Directors because of the nature of the business of the Company. The following summary, which is not exhaustive, represents some of the major risk factors that Eligible Shareholders need to be aware of.

4.1. General Risks

The Company's activities are subject to a number of risks that may impact respective future financial performance and the market price at which New Shares trade. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside the Company control and cannot be mitigated. Therefore, investors who acquire New Shares may be exposed to a number of risks. Broadly, these risks can be classified as risks general to investing in the share market and risks specific to an investment in Shares and the Company's underlying business.

This section sets out the identified major risks associated with investing in the New Shares. This list is not exhaustive and investors should read this Offer Document in its entirety before making an investment decision. Investors should also have regard to their own investment objectives and financial circumstances, and should consider seeking appropriate independent investment advice before deciding whether to invest in the New Shares.

4.2 Risks specific to an investment in the Company

The business of minerals exploration, project development and production involves risks by its very nature. It depends on the successful exploration, appraisal and development of commercially viable deposits.

Exploration

The Company is in the exploration phase with the aim of producing in the future. The activities may be affected by a variety of issues, including but not limited to:

- (a) force majeure circumstances, including workforce disputes and accidents;
- (b) adverse geological conditions, including technical difficulties in exploration activities;
- (c) resource estimates are judgements based on industry knowledge, practice and experience. Changes in resource estimates may adversely affect the Company's operations;
- (d) failure of equipment during exploration;
- (e) changes in the price and / or supply of goods and services, capital equipment and labour; and
- (f) weather conditions affecting activities.

Production Risks

- (a) force majeure circumstances, including workforce disputes and accidents;
- (b) failure of equipment during production;
- (c) changes in the price and / or supply of goods and services, capital equipment and labour; and
- (d) weather conditions affecting activities.

Exploration and Appraisal Expenditure

Exploration and appraisal is a process subject to unforeseen contingencies. Exploration programs

must be flexible enough to respond to the results obtained.

Financial failure, or default by any future alliance or joint venture partner of the Company, may require the Company to face unplanned expenditure or risk forfeiting relevant tenements.

Impact of the underwriting by the Underwriter

The Underwriter is Apollo Metals Investment Co., Ltd.

Under the terms of the Underwriting Agreement the Underwriter will take up any Shortfall, and in doing so, will increase the Underwriter's Voting Power in the Company. This increase in Voting Power may give the Underwriter the ability to influence the affairs of the Company. Apollo is entitled to appoint one director to the Board under the terms of the convertible notes that may have an impact on the affairs of the Company. On 14 October 2013 the Company appointed Ms Alice Wong as a director, at the request of Apollo.

Investment and Economic Risk

Economic factors both in Australia and internationally beyond the control of the Company, such as changes in commodity prices, interest rates, inflation, exchange rates, taxation, changes in government policy and legislation, may negatively impact on the operational performance of the Company.

The Company's revenues, expenses and cash flows could be negatively affected by any of these factors, which in turn may affect the price of the New Shares.

No assurances can be made that the Company's performance will not be adversely affected by any such market fluctuations or factors. None of Company or its Directors or any other person guarantees the performance of the Company or the market price at which its shares trade.

The New Shares are to be quoted on ASX where their price may rise or fall.

The New Shares issued under the Rights Issue carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The value of the New Shares will be determined by the share market and will be subject to a range of factors beyond the control of the Company and its Directors including the demand and availability of Shares.

There can be no guarantee that an active market in New Shares will develop or the market price of the shares will not decline. An investment in New Shares should be considered speculative.

Government policy, Sovereign Risk

The Company's capacity to explore and mine, as well as industry profitability generally, can be affected by changes in government policy or by government actions or decisions that may be beyond the control of the Company.

Future capital needs and additional funding

The future capital requirements of the Company will depend on many factors. There can be no guarantee that the Company will be able to raise additional capital to meet future funding requirements.

Any inability to obtain additional finance, if required, would have a material adverse effect on the Company's business and its financial condition and performance.

Taxation risk

Variations in the taxation laws of Australia and other countries where the Company operates could impact the Company's financial performance and interpretation of taxation law could change, leading to a change in taxation treatment of investments or activities.

Changes in regulatory environment

Changes to laws and regulations or accounting standards that apply to the Company from time to time could adversely impact the operating and financial performance and cash flows of the Company.

Funding

Unless and until the Company develops or acquires income producing assets, it will be dependent upon the funds raised by this Offer, and its ability to obtain future equity or debt funding to support exploration evaluation and development of the properties in which it has an interest. The Company's ability to raise further equity or debt or to divest part of its interest in a project, and the terms of such transactions, will vary according to a number of factors, including the success of exploration results and the future development of the Company's projects, stock market conditions and prices for metals in world markets.

Key Personnel

The ability of the Company to achieve its objectives depends on the retention of a suitably experienced Board and key external contractors who constitute its technical panel and provide technical expertise. If the Company cannot retain suitably qualified and experienced Directors or secure external technical expertise (for example to carry out drilling) or if the services of the present Board or technical panel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and the budget the Company has decided upon.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Directors believe that appropriately skilled and experienced professionals would be available to provide services to the Company at market levels of remuneration in the event that current key Directors or external contractors cease to be available.

Volatility in the market price of Shares

Although the Company is listed on the Official List, there is no assurance that an active trading market for its Shares will be sustained. There is also no assurance that the market price for the Shares will not decline below the issue price. The market price of the Shares could be subject to significant fluctuations due to various external factors and events, including the liquidity of the Shares in the market, any difference between the Company's actual financial or operating results and broader market-wide fluctuations. Furthermore, any stock market volatility and weakness could result in the market price of the Shares decreasing so that they trade at prices significantly below the issue price, without regard to the Company's operating performance.

Negative publicity may adversely affect the Share Price

Any negative publicity or announcement relating to any of our substantial shareholders or key personnel may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of this negative publicity or announcement may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

Insurance Risks

The Company maintains insurance coverage that is substantially consistent with exploration industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

5. Defined Terms

"**Apollo**" or "**Underwriter**" means Apollo Metals Investment Co., Limited (company number 1787009), a company incorporated in the British Virgin Islands;

"**Applicant**" refers to a person who submits an Entitlement and Acceptance Form;

"**Application**" refers to the submission of an Entitlement and Acceptance Form;

"**ASX**" means ASX Limited ACN 008 624 691 or, where the context permits, the Australian Securities' Exchange operated by ASX Limited;

"**Board**" means the Board of Directors of the Company;

"**Closing Date**" means 29 November 2013 (unless extended in accordance with the Listing Rules);

"**Company**" or "**Globe**" means Globe Metals & Mining Ltd, ACN 114 400 609;

"**Corporations Act**" means the *Corporations Act 2001* (Cth);

"**Directors**" mean the directors of the Company;

"**Eligible Shareholder**" means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date with an address in Australia, New Zealand or the British Virgin Islands;

"**Entitlement and Acceptance Form**" means the Entitlement and Acceptance Form accompanying this Offer Document;

"**Listing Rules**" mean the Listing Rules of the ASX;

"**New Share**" means a new Share proposed to be issued pursuant to this Offer;

"**Offer**" or "**Rights Issue**" means the non-renounceable pro rata offer of New Shares at an issue price of \$0.045 each on the basis of one (1) New Share for every one (1) Share held on the Record Date pursuant to this Offer Document;

"**Offer Document**" means this document dated 18 October 2013;

"**Official List**" means the official list of the ASX;

"**Opening Date**" means 4 November 2013;

"**Option**" means an option to subscribe for a Share;

"**Record Date**" means 5.00pm WST on 29 October 2013;

"**Share**" means an ordinary fully paid share in the capital of the Company;

"**Share Registry**" means Security Transfer Registrars Pty Ltd, 770 Canning Highway, Applecross W.A. 6153;

"**Shareholder**" means a holder of Shares;

"**Shortfall**" or "**Shortfall Shares**" means those New Shares for which valid Applications have not been received by the Closing Date under the Offer;

"**Underwriting Agreement**" means the underwriting agreement between the Company and the Underwriter, dated 5 September 2013 as summarised in section 3;

"**VWAP**" means the volume-weighted average price of the Shares traded on ASX;

"**Voting Power**" has the meaning given in the Corporations Act; and

"**WST**" means Western Standard Time.



Directors

Yi Shao (Chairman)
Alistair Stephens (CEO)
Shasha Lu (Executive Director and deputy CEO)
William Hayden (Non Executive Director)
Tian Jingbin (Non Executive Director)
Peter Stephens (Non Executive Director)
Alice Wong (Non Executive Director)
Bo Tan (Non Executive Director)

Company Secretary and Chief Financial Officer

Kerry Angel

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Web: www.globemetalsandmining.com.au

Stock Exchange Listing

Australian Securities Exchange
ASX Code "GBE"

Share Registry

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Applecross WA 6153
Australia
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Solicitors

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167 St Georges Terrace
Perth WA 6000
Australia