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ASX/Media Announcement

Feasibility Study and Niobium Market Update

Globe Metals & Mining Limited is pleased to provide the following update in relation to the Kanyika Niobium Project feasibility study and the niobium market.

Summary

In the latter half of 2010, Globe has made significant progress in a number of key areas of the Kanyika Niobium Project feasibility study, after resuming 100% ownership of the Project in June 2010.

The Company looks forward to full ramp-up of the feasibility study, once completion of the strategic partnership and A\$41 million fund raising with East China Mineral Exploration and Development Bureau (ECE) takes place, which is scheduled for January 2011.

Development Agreement with the Government of Malawi

The first draft of the Development Agreement to be entered into between Globe's wholly-owned Malawian subsidiary and the sole purpose vehicle for the Kanyika Niobium Project, Globe Metals and Mining (Africa) Limited (Globe Africa), and the Government of Malawi (GoM), was presented to three GoM Ministries on 1 November 2010; Treasury, Justice and Natural Resources, Energy & Environment.

The Development Agreement will be an all encompassing agreement between the GoM and Globe Africa dedicated to the future Kanyika Niobium Mine, and dealing with matters ranging from mining, legal, fiscal/revenue, operating, social and environmental. Other points of note:

- Timing – the Agreement is expected to be finalised in the 3rd quarter of 2011.
- Mining Licence – finalisation of the Agreement will precede an application for a mining licence, and will not presume or influence the outcome of that application.
- Precedent – the GoM has indicated to Globe Africa that the Development Agreement it entered into with Paladin Energy in relation to the Kayelekera Uranium Mine will be used as a precedent, and subject to the unique aspects of different projects, parity and equality as between differing projects is an objective of the GoM.

Metallurgical Work

Hydrometallurgical work is currently underway in South Africa on the 46kg of niobium/tantalum/uranium oxide concentrate produced at SGS Lakefield in Canada during 2009 from Kanyika.

In addition to producing samples of final products, the hydrometallurgical work will provide more detailed product specifications and also assist in establishing parameters for the pilot study and other metallurgical work to be undertaken as part of the feasibility study during 2011. This work is expected to be completed by December 2010.

China Refinery Study

In October 2010, Globe's Kanyika Niobium Project Project Manager, Mick Ryan, visited a number of Chinese niobium and tantalum downstream refineries. The objectives of the study were many: understand current developments in relevant technologies; ascertain the potential interest in



collaboration in relation to production of final products from Kanyika concentrates; quantify the existing under-utilised ferro-niobium (FeNb) production capacity due to the lack of reliable raw material supply; commence inquiries into potential capital and operating cost savings arising from utilising Chinese sourced equipment and/or services, as well as locating the downstream refinery in China.

Environmental Baseline Studies

Environmental baseline monitoring is ongoing in Malawi as part of the Environmental Impact Assessment (EIA) required to be undertaken pursuant to the applicable environmental legislation in Malawi.

Results received to date do not indicate any notable areas of concern, as expected. Public participation meetings were held in September 2010 in villages, schools and district centres surrounding Kanyika to explain the EIA process, and the Project in general, to the local communities. Attendances were high with between 50 to 150 people attending each of the 12 public meetings. The presentations were well received and input from these meetings will be included in future studies as part of the EIA.

The Company plans to regularly meet with local communities, non-government organisations and the GoM to provide information about the Kanyika Niobium Project, its progress and the substantial benefits to the local communities, the GoM and Malawi, as part of the EIA and the feasibility study.

Ferro-Niobium Price

Asian Metal's current reported spot price for Chinese "60-B" FeNb is 270,000-275,000 RMB/tonne (US\$50-52/kg, Nb metal contained), an increase from the 230,000-235,000 RMB/tonne (US\$44-45/kg, Nb metal contained) reported by *Globe* from the same source to the market on 20 July 2010.

China accounts for approximately 35% of all FeNb consumption, more than 50% of the consumption growth yet produces less than 3% of all FeNb.

Kanyika Niobium Project – Financial Summary

- US\$187 million NPV (@10% discount rate).
- IRR 27%.
- Capex. US\$155m (ex. contingency)
- Capital payback period 3 years (including ramp up to nameplate production).
- Annual revenue US\$170 million.

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 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 Project in southern Malawi from Resource Star Limited (ASX: RSL), and the Company can earn up to a 90% interest in the Mount Muambe Project in Mozambique. Maiden drill programs on both projects were undertaken in the second half of 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.

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