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ASX/Media Announcement

US Government to Grant Malawi US\$350m for Power Sector Reform

Highlights

- **US Government's Millenium Challenge Corporation to grant Malawi US\$350m over five years to overhaul its energy sector**
- **Designed to improve the availability, reliability and quality of Malawi's power supply by rehabilitating key power generation, transmission and distribution assets**
- **Malawi's current installed electricity capacity is 282.5 MW, compared to estimated demand of 344 MW**
- **Current planning for power for Globe's Kanyika Niobium Project is a blended diesel/hydro solution**

Globe Metals & Mining Limited ("Globe" or "the Company"; ASX: GBE) is pleased to announce the recent decision by the US Government's Millenium Challenge Corporation to approve a US\$350.7m compact with Malawi to support power sector reform in the country.

Globe's Executive Chairman, Mr. Mark Sumich, said "this is a significant development for Malawi, as only seven percent of the population currently have access to electricity, and the economic cost to the country by not being able to meet demand is substantial."

"It remains to be seen what the extent of the reforms will be, and whether or not grid-sourced power will be available to the Kanyika Niobium Project. Should it be available, the reductions to operating costs for the Project are likely to be significant. In addition to metal prices and metal recoveries, power is one of the most critical drivers of profitability for the Project."

"The Company shall take an active interest in these power sector reforms, and ensure that the Government of Malawi is aware of the benefits of grid-sourced power to the Kanyika Niobium Project,"

About Globe Metals & Mining

Globe 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-HREO Project in Mozambique. Initial drill programs on both projects were undertaken in 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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