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ASX / Media Announcement

Shareholder Newsletter

Globe Metals & Mining Limited ("Globe" or "the Company"; ASX: GBE) is pleased to release its inaugural quarterly newsletter, designed to keep shareholders abreast of the Company's latest news and progress.

The August 2011 edition examines:

- Our strategic partnership with East China Mineral Exploration & Development Bureau (ECE)
- Recent project developments
- Highlights from our environmental and community initiatives
- Industry events that Globe is participating in

The attached *Shareholder Update* will be released by mail on Thursday 18 August.

About Globe Metals & Mining

Globe is an African-focused resource company, specialising in rare metals such as niobium, tantalum and rare earths, as well as other commodities including fluorite, uranium and zircon. Its main focus is the multi-commodity Kanyika Niobium Project in Malawi, Africa, which will commence production of ferro-niobium in 2014, a key additive in sophisticated steels.

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, and the Company can earn up to a 90% interest in the Mount Muambe REE - Fluorite Project in Mozambique. Initial drill programs on both projects were undertaken in 2010.

Globe has regional offices in Lilongwe, Malawi, and Tete, Mozambique and has its corporate head office in Perth, Australia. The Company has been listed on the ASX since December 2005 (Code: GBE).

In April 2011, the Company entered into a strategic partnership with East China Minerals Exploration and Development Bureau (ECE), a Chinese State Owned Enterprise with extensive mining operations in China and overseas. ECE is now the largest shareholder in Globe, and a key partner for Globe's growth ambitions in Africa.

For further information please contact:

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GLOBE METALS & MINING

Shareholder Update

ISSUE ONE | AUGUST 2011

INSIDE

- + Our partnership with ECE
- + Strong cash backing accelerates exploration activity
- + Environment and sustainability
- + In the community
- + New arrivals
- + Events

From the Managing Director

Dear Shareholder,

I am pleased to present our inaugural quarterly newsletter, designed to keep you up to date with the Company's latest news and progress.

With the formation of our strategic partnership with East China Mineral Exploration and Development Bureau (ECE), Globe is now in a very strong position to transform into a mid-tier explorer and producer – with significant cash backing to advance existing projects and assess new acquisition opportunities in Africa. This includes immediate capital for completion of the definitive feasibility study (DFS) into the Kanyika Niobium Project that remains on track to commence production in 2014.

The ECE transaction was approved by an overwhelming shareholder vote in April this year; effectively providing a vehicle for expansion and access to Chinese capital markets. We have a renewed focus on drilling programs that target additional resources in Malawi and Mozambique, and I am confident that this partnership will enable faster completion of projects, creating an attractive value proposition for shareholders.

Finally, I would like to welcome ECE's Director General, Yi Shao, as Globe's new Chairman, and fellow ECE representatives to the Board. I look forward to bringing you more good news as we reach our operational and corporate milestones.

I trust you will enjoy this update.



Mark Sumich

Managing Director
Globe Metals & Mining Limited



Our partnership with ECE

In April 2011, ECE joined Globe as a major shareholder and strategic partner, investing AU\$47.85m in return for 118,143,062 shares in the Company at \$0.405 per share. 90.5% of participating shareholders (by number of shares) voted in favour of the transaction by proxy.



Yi Shao and Mark Sumich seal the relationship

A State Owned Enterprise, ECE was formed in 1955 and is a major Chinese mineral exploration, development and mining group based in Nanjing. It is one of the few organisations authorised by the Chinese Government to carry out geological exploration and scientific research in major State classified projects.

ECE has discovered more than 160 ore deposits in China with a potential value in excess of US\$10b. In addition, ECE has several mines and refining operations including Youxi Jindong lead-zinc mine and refining operations, Fujian Taiyangshan gold mine, Yunan Boka gold mine, and Anhui Matou copper-molybdenum mine. ECE also holds a significant interest in Australian rare earths company, Arafura Resources (ASX: ARU).

Globe will leverage ECE's experience in bringing projects into production as we build our resource base and move towards development on a number of projects. In addition, ECE provides a gateway to external blue-chip off-take partners not readily available to other junior miners.

Profile

Mr. Yi Shao, Chairman - Globe Metals & Mining

Appointed as Chairman of Globe's Board in April 2011, Mr. Yi Shao is also the Director General of ECE. A senior economist, he has significant experience in the resources, transportation and industrial sectors.

Prior to his Directorship at ECE, Mr. Yi Shao held the position of General Manager at Jiangsu Aviation Industry Ltd Company and Jiangsu Transportation Industry Ltd Company.

Mr. Yi Shao is Chairman of a number of corporations including East China Non-Ferrous Investment Holding Corporation, Australia ECE Nolans Investment Ltd and AO-Zhong.

Mr. Yi Shao holds MA degrees from Nanjing University, China.

Environment and sustainability

Progression of Environmental Impact Assessment (EIA) at Kanyika

This quarter Globe submitted an Environmental Scoping Report and an EIA Terms of Reference to the Malawian Environmental Affairs Department. The submission of these documents completes all preliminary legal requirements under the Malawian environmental legislation, enabling commencement of the formal EIA for the Kanyika Niobium Project. To view these reports, please visit our website.

Running water improves camp life

After ten months of hauling water from 14km away, we are close to having running water at Mount Muambe. With plans in place to pump water 4km up the mountain, construction of new camp facilities have been able to progress. This includes eight tent platforms, accommodation for local labour and technical staff, offices, stores and the construction of a bitumen road.

Strong cash backing accelerates exploration

With the new cash backing of ECE, exploration continues to ramp up across our entire project portfolio.

Notably, we have had very encouraging results from the Mount Muambe Fluorite - REE Project which is of increasing focus for the Company. Globe also continues to support its Joint Venture partner, Resource Star Limited (ASX: RSL), as ongoing exploration programs continue to deliver encouraging results at the Livingstonia Uranium Project and Machinga Heavy Rare Earth Project in Malawi.

Kanyika Niobium Project, Malawi

Activity has accelerated at our flagship Kanyika Niobium Project, with Mr. Les Middleditch, newly appointed Project Manager, committed to delivering the DFS required as the first step to securing development funding by Q3 2012.

In June 2011, a joint Globe and ECE delegation visited Malawi with the purpose of introducing ECE to key Malawian Ministries. Discussions were very positive with all parties re-affirming their commitment to bring the Kanyika Niobium Project into production.

On a metallurgical front, Globe has commissioned a series of optimisation programs that will focus on improving the niobium recoveries and potential economics of the resource base.

Mount Muambe REE - Fluorite Project, Mozambique

Located in the heart of Mozambique, a well-established coal mining hub, Mount Muambe continues to deliver exciting results. Recent exploration has confirmed the presence of rare earth elements (REEs) stimulating an extensive drilling program to better define the nature of the resource.

A 12,000m extensive drilling program is already underway with 5,000m of RC drilling planned to target rare earth oxide (REO) mineralisation in the recently identified REE zones. We are confident that these results will add to the value of the potential resource base at the project.

Machinga REE Project, Malawi

Following a successful exploration program in 2010, Globe is set to commence a drilling program at the Machinga North prospect. A planned 2,000m drilling campaign will test the six known zones and focus on extending the established area of heavy rare earth mineralisation. In October 2011, Globe will commence a 3,000m drilling program following the identification of targets through soil sampling. Results should be announced in December.



RC Drilling - Kanyika Niobium Project, Malawi



Mount Muambe REE - Fluorite Project, Mozambique



In the community

Facilitating open communication

Globe has invested significant time and resources in strengthening the relationship with the local Kanyika community. Regular meetings provide a forum for open communication, and have ensured both the community and the Mzimba area tribal hierarchy are exceptionally supportive of our Project. On 10 May 2011, Globe's community meeting was attended by dignitaries including Chief Mabulabo, the Paramount Chief (Inkosi ya Makosi Mbelwa IV) and the District Commissioner.

Globe funds critical healthcare clinic

Globe recently pledged funding towards the establishment of Ethandweni Hospital in Malawi. Our investment will fund the building materials required to establish a much needed healthcare clinic for the local population. Globe is committed to the prosperity of the communities in which we operate, and will continue to provide updates as construction progresses.



New arrivals

Two new recruits have strengthened Globe's corporate management team in Perth, Western Australia.



Les Middleditch
Project Manager
Kanyika Niobium Project

Les is a chemical engineer with more than 30 years' experience in the mining and chemical industries. Joining Globe from the position of Study Manager at Bateman Engineering, Les previously managed the evaluation of the giant 48 Mtpa Udokan Copper Project in Siberia. Highly regarded for his experience in the development and delivery of mining projects and studies, Les is well qualified to drive the Kanyika DFS through to completion.



Skye Gilligan
Marketing Manager

An experienced marketing professional, Skye joins us from Ernst & Young, where she was the Oceania Marketing Leader for Resources. Joining us at an important time of growth, Skye will play a critical role in developing and driving awareness of Globe's brand and market reputation.

Skye has worked in London and Japan and holds a Bachelor of Commerce and a Bachelor of Arts.

Events

Investor roadshows strengthen market support

On the 28th July 2011, Globe completed a comprehensive nationwide investor roadshow targeting a range of Australia's leading stockbrokers, fund managers and institutions.

The Company update was well received and discussions around our project portfolio in Malawi and Mozambique, the introduction of ECE and strong cash backing provided a compelling investment story with long-term growth.

Visit us at Africa Down Under

Globe is a major sponsor of the upcoming Africa Down Under Conference to be held in Perth, Western Australia on 31 August – 2 September. Managing Director, Mark Sumich, will provide a company update during session six on Thursday 1 September at 11.05am.

Attendees at Africa Down Under include the investment community, media, and executives from other African focused commodities exploration and development companies. Please drop in and see us at booth number 25.

Register your email

To keep up to date with investment news from Globe Metals & Mining, register or update your details on our website.



Globe is now on twitter, follow us @GlobeMetals

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