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ASX/Media Announcement

Kanyika Niobium Project Update

Globe Metals & Mining (“**Globe**” or “**the Company**”; ASX: GBE) is pleased to update the market on progress in relation to the Kanyika Niobium Project.

With the strategic partnership with East China Mineral Exploration and Development Bureau (“ECE”) now completed, a renewed focus on core operations has resumed.

Project Timing

Completion of the final (bankable/definitive) feasibility is scheduled for Q3 2012.

Commencement of production is scheduled for Q1 2014.

Project Manager

As advised to the market on 2 May 2011, Mr. Les Middleditch is the new Project Manager.

Les is a chartered chemical engineer with 30 years of experience in the mining and chemical industries as well as an MBA. His experience includes the development and delivery of a number of mining projects and studies and comes to Globe from the position of Study Manager with Bateman Engineering for the giant 48 Mtpa Udokan copper project in Siberia, Russia. Globe welcomes Les to the Company.

Environmental Assessment

Globe has submitted the Environmental Scoping Report and the Environmental Impact Assessment Terms of Reference to the Malawian Environmental Affairs Department. The submission of these documents completes all preliminary legal requirements under the Malawian environmental legislation, and Globe has now commenced the formal Environmental Impact Assessment (EIA) for the Project.

South African environmental specialists Synergistics and Malawian consultants Mlambe have been engaged to assist in completion of the EIA, and are scheduled to submit the first draft document to the Government of Malawi in Q3 2012.

Community and Stakeholder Relations

Globe has invested significant time and resources in maintaining and extending the Company’s relationship with the local community surrounding the Kanyika Niobium Project (Mzimba District) since its first exploration and discovery in 2006. This has included periodic meetings with the local community (always with the attendance of the Government of Malawi), as well as consultations with the Mabulabo Traditional Authority and the Paramount Chief.

A formal Stakeholder Participation Program has now been initiated, which will facilitate community consultation and education in relation to the Project; this will incorporate a Social Management Plan to document and mitigate the social and cultural impacts associated with the Project



To reflect the increasing importance of community and stakeholder relations to the Project, Malawian National geologist Mr Chris Ngwena has been appointed on a permanent basis as the in-country Manager for the definitive feasibility study (“DFS”). Chris has previously worked with Globe for a number of years as an exploration geologist, including at Kanyika, and has formed many contacts within the local population.

Metallurgy and Process Engineering

A number of developments have and are taking place in relation to this aspect of the Project. The Company will update the market separately in due course.

Infrastructure and Project Site Works

A preliminary site arrangement plan and Project layout has been completed.

A South African company, Jones & Wagener (J&W), has been retained to provide geotechnical, hydrogeological and hydrological engineering input for the Project. Key investigative programs have commenced including the hydrogeological drilling and evaluation program and baseline hydrology studies. J&W have also commenced work on a tailings storage facility (TSF) location options study to ensure the optimum location and design for the TSF.

Globe has commenced survey work on the Chataloma–Kanyika access road, and will consider including the road upgrade in a Project early works program.

Mota-Engil has commenced an electrical power options study (further to the MOU between the two companies) and have initially reported favourable economics to provide a build-own-operate hydro power supply solution to the Kanyika project.

Malawian Parliamentary Delegation to Perth

A delegation of Malawian Parliamentarians visited Australia in early May for discussions with a number of Australian resource companies. Globe Directors and the Project team met with the delegates in Perth on May 6th to discuss a number of the issues around Globe’s exploration projects and the more developed Kanyika Niobium Project. Topics included the ongoing discussions in relation to the Kanyika Niobium Project Development Agreement to be concluded between the Government of Malawi and Globe, potential changes to the Malawian Mines Act and the general acceptance of mining in Malawi.

The Malawian delegation comprised the following members: Right Honourable Henry F. Chimunthu Banda, MP - Speaker of the Malawi National Assembly; Hon Dr T G Chaponda MP - Minister for Justice and Constitutional Affairs; Hon. Dr. Clement Chiwaya, MP - UDF Chief Whip; Hon. Lingson Belekanyama, MP - MCP Deputy Chief Whip; Mr. Victor Sibale - Personal Assistant to Rt. Hon. Speaker; Mr. Joseph Manzi - Principal Committee Clerk and Head of Table Office.

Globe/ECE Delegation to Malawi

In June 2011, a delegation from Globe and ECE will travel to Malawi and South Africa. The purpose of this trip is primarily to meet with the Government of Malawi and to inform and update it on Globe’s strategic partnership with ECE, including the benefits this partnership will bring to Malawi and the Kanyika Niobium Project. In addition, during the trip, ECE will be introduced to Globe’s in-country personnel and representatives, and be familiarised with Globe’s projects and activities in Malawi.

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 Fluorite-heavy rare earth 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.

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