

# Investor Update

Globe Metals & Mining:  
*An Emerging African Resource Company*

Dr. Julian Stephens, Exploration Manager



Africa Down Under Conference  
Perth, 4-5 September 2008



# Disclaimer & Notice



*The views expressed in this presentation contain information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. Any forward looking statements in this presentation have been prepared on the basis of a number of assumptions which may prove incorrect and the current intentions, plans, expectations and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside Globe Metal & Mining Limited's control. Important factors that could cause actual results to differ materially from the assumptions or expectations expressed or implied in this presentation include known and unknown risks. Because actual results could differ materially to the assumptions made and Globe Metal & Mining Limited's current intentions, plans, expectations and beliefs about the future, you are urged to view all forward looking statements contained in this presentation with caution. This presentation should not be relied upon as a recommendation or forecast by Globe Metals & Mining Limited. Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.*

**Competent Persons:** *The contents of this report relating to geology and exploration results are based on information compiled by Dr. Julian Stephens, Member of the Australian Institute of Geoscientists and Exploration Manager for Globe Metals & Mining Limited. Dr. Stephens has sufficient experience related to the activity being undertaken to qualify as a "Competent Person", as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources & Ore Reserves, and consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.*

# Investor Highlights



## 1. Kanyika Niobium Project:

- Pre-Feasibility Study recently commenced
- Scoping Study demonstrated 20+ yr profitable mine life potential
- 56Mt Inferred JORC resource, large potential to expand resources

## 2. Competent exploration team, with focus and success:

- Kanyika a grassroots discovery: A\$3m over two years
- 26,000m+ drilling over 2007 and 2008
- Regional exploration office in Lilongwe, Malawi

## 3. Malawi focus:

- Politically stable, pro-mining, pro-uranium
- Discovering its mineral endowment

## 4. A\$7.7m cash-at-bank as at 30 June 2008

## 5. Recent change of name (formerly “Globe Uranium”) to reflect exploration success at Kanyika and broader scope of commodities

# Corporate Overview



## Issued Capital (30/6/08)

ASX Code:	GBE (listed Dec 05)
Shares (GBE):	67.6M
Director Options:	4M (30c: Oct 08; \$1: June 2010)
Employee Options:	1.8M
<b>Total Issued Securities:</b>	<b>73.4M</b>

## Price & Capitalisation (1/9/08)

Share Price:	25c
Mkt. Cap (incl. cash)	A\$17.5M

**Cash Position (30/6/08):** ~A\$7.7M

## Share Register

Mark Sumich:	9.3%
TPG-Axon:	8.9%
Top 20:	~55%
# Shareholders:	1,280

## Board of Directors

David Sumich:	Chairman
Mark Sumich:	Managing Director
Peter van der Borgh:	Technical Director
Bruce Franzen:	Co. Sec/CFO

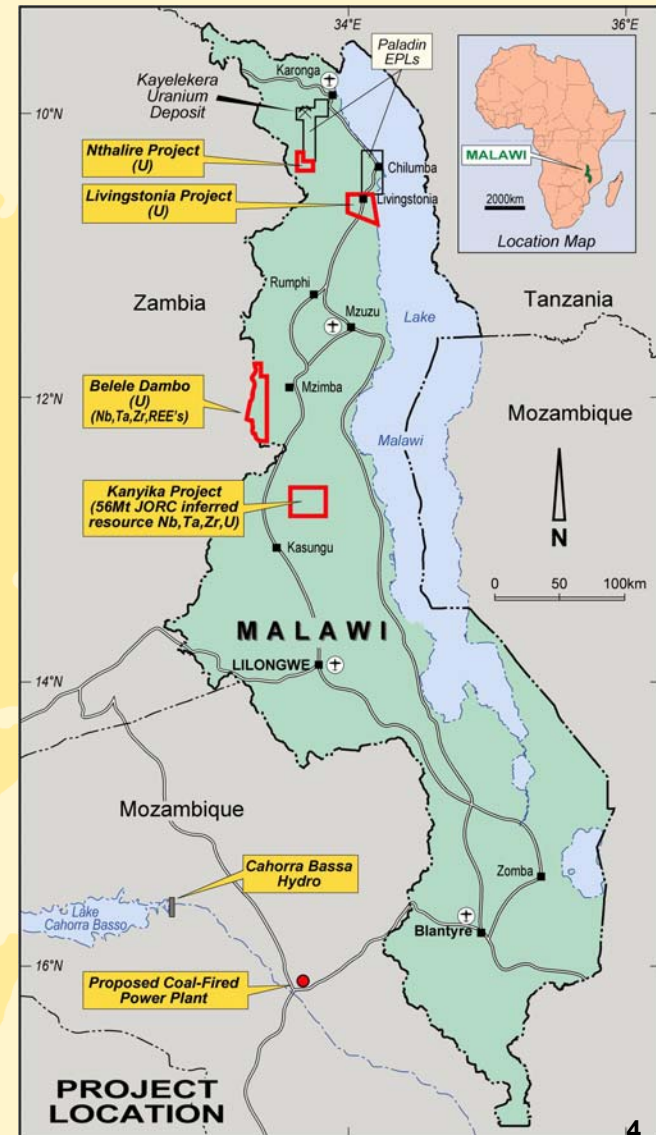
## Senior Management

Dr. Julian Stephens:	Exploration Manager
Ian Cowden:	Consulting Geologist
Andries Kruger:	Projects Manager – Africa
David Tullberg:	GIS/Database Manager

# Malawi Projects



- 100% of 4 EPLs with a total area of 1,757km<sup>2</sup>
- Kanyika: Pre-Feasibility Study underway
- Livingstonia: sandstone “roll-front” uranium mineralisation:
  - Total 11,000m drilled in 2007 and 2008
  - ~35 holes to be reported in 2008
- Nthalire and Belele Dambo: grassroots
- Ongoing review of other in-country opportunities
- Developments in Mozambique may result in supply of reliable grid power for mining projects in Malawi/SADC



# Kanyika Summary



- ✓ **Grant of EPL (March 2006):**
  - Grassroots; airborne radiometric anomaly
- ✓ **Discovery (2006-2007):**
  - Multi-commodity (niobium, uranium, tantalum, zircon)
  - A\$3m; 80 holes; ~9,000m
- ✓ **56Mt Inferred JORC Resource (March 2008):**
  - Niobium the primary commodity
  - 2.1.km outcropping strike length: open at depth, south and north
- ✓ **Scoping Study (June 2008):**
  - *“The Kanyika Project has the potential to become a very profitable operation with at least a 20 year mine life.” (Coffey Mining)*
- ✓ **Pre-Feasibility Study Commences (September 2008):**
  - Drilling: resource upgrade
  - Metallurgy: validate process flow sheet
  - Marketing: offtake partner and strategic alliance

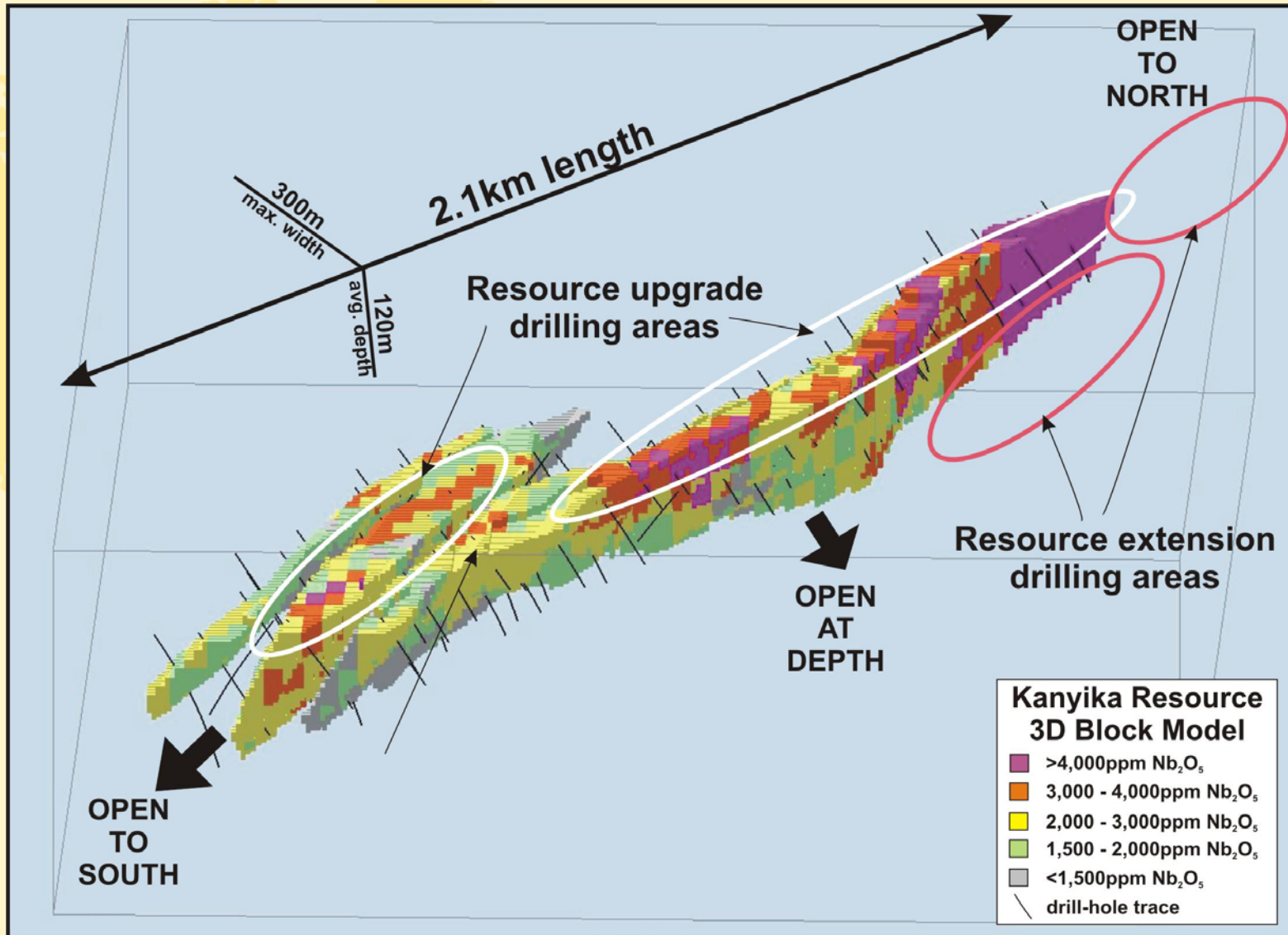
# Kanyika Resource



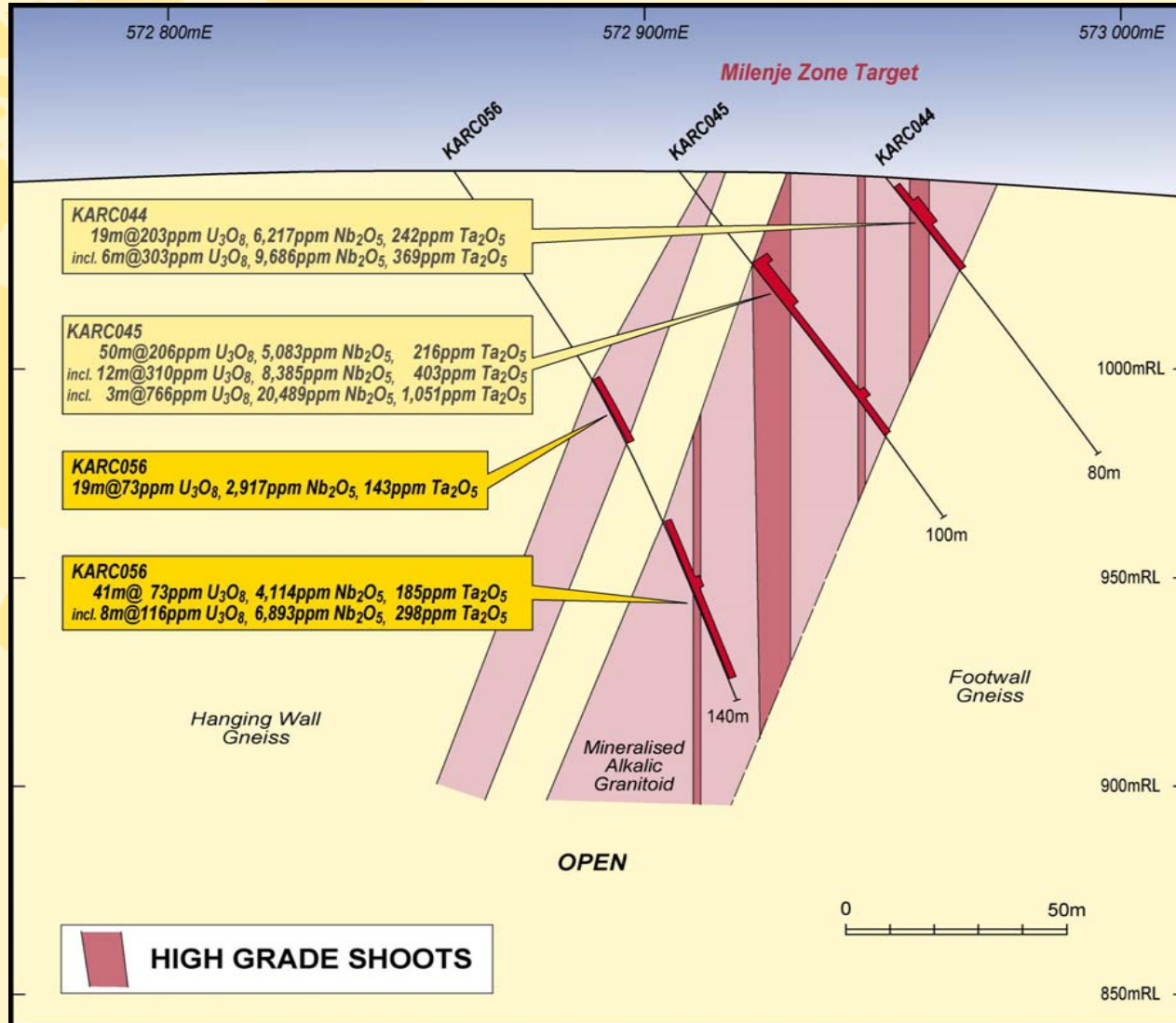
	56.4Mt Inferred Resource <i>(1,500ppm Nb<sub>2</sub>O<sub>5</sub> cut-off)</i>			Incl. 14.1Mt High-Grade Resource <i>(3,000ppm Nb<sub>2</sub>O<sub>5</sub> cut-off)</i>		
	Metal <i>(Mlbs)</i>	<b>Metal</b> <b><i>(tonnes)</i></b>	Grade <i>(ppm)</i>	Metal <i>(Mlbs)</i>	<b>Metal</b> <b><i>(tonnes)</i></b>	Grade <i>(ppm)</i>
<b>Nb<sub>2</sub>O<sub>5</sub></b>	320.7	<b>145,500</b>	2,600	115.7	<b>52,500</b>	3,700
<b>U<sub>3</sub>O<sub>8</sub></b>	8.9	<b>4,000</b>	70	3.0	<b>1,400</b>	100
<b>Ta<sub>2</sub>O<sub>5</sub></b>	14.5	<b>6,600</b>	120	5.1	<b>1,300</b>	160
<b>ZrSiO<sub>4</sub></b>	600.5	<b>272,400</b>	4,800	177.6	<b>80,600</b>	5,700

- High grade component of resource: majority at or near surface
- Mineralised from surface: open cut with low strip ratio (0.5 – 0.9)
- Resource drilled to average depth of ~120m and extends over 2,050m; open at depth, to south and to north (higher grade Milenje Zone)
- 2008 drilling program:
  - Upgrade JORC classification of near surface, high grade area
  - Explore extension to north of Milenje Zone
  - Explore depth potential to ~250m

# Kanyika Resource



# Kanyika Drill Section



KANYIKA CROSS SECTION 8 597 050mN - Milenje Zone

# Scoping Study



*“The Kanyika Project has the potential to become a very profitable operation with at least a 20 year mine life”*

- US\$3B revenue and US\$1.1B free cash flow over 20 year period\*
- High operating margins: US\$93M in yr 1, averaging US\$77M for the life of mine
- Modest upfront capex.: US\$177M
- Short capital payback period < 2 years
- Niobium the primary commodity: 20% p.a. consumption growth last 5 yrs
- Financial returns have the potential to improve significantly:
  - Metallurgy/improved recoveries
  - Possible uranium revenue stream
  - Further exploration success
  - Access to grid power

# Scoping Study



- Scoping Study undertaken by Coffey Mining
- Ferro-niobium (FeNb) for sale to two markets – steel and processor (into high-purity oxides)
- Two throughput scenarios – 3,000t and 4,000t niobium (Nb) metal/year
- Open-pit mining; on-site processing
- 20 year mine life modelled; further exploration success assumed
- Accuracy +/- 30% for mining costs; 50% other

# Financial Summary



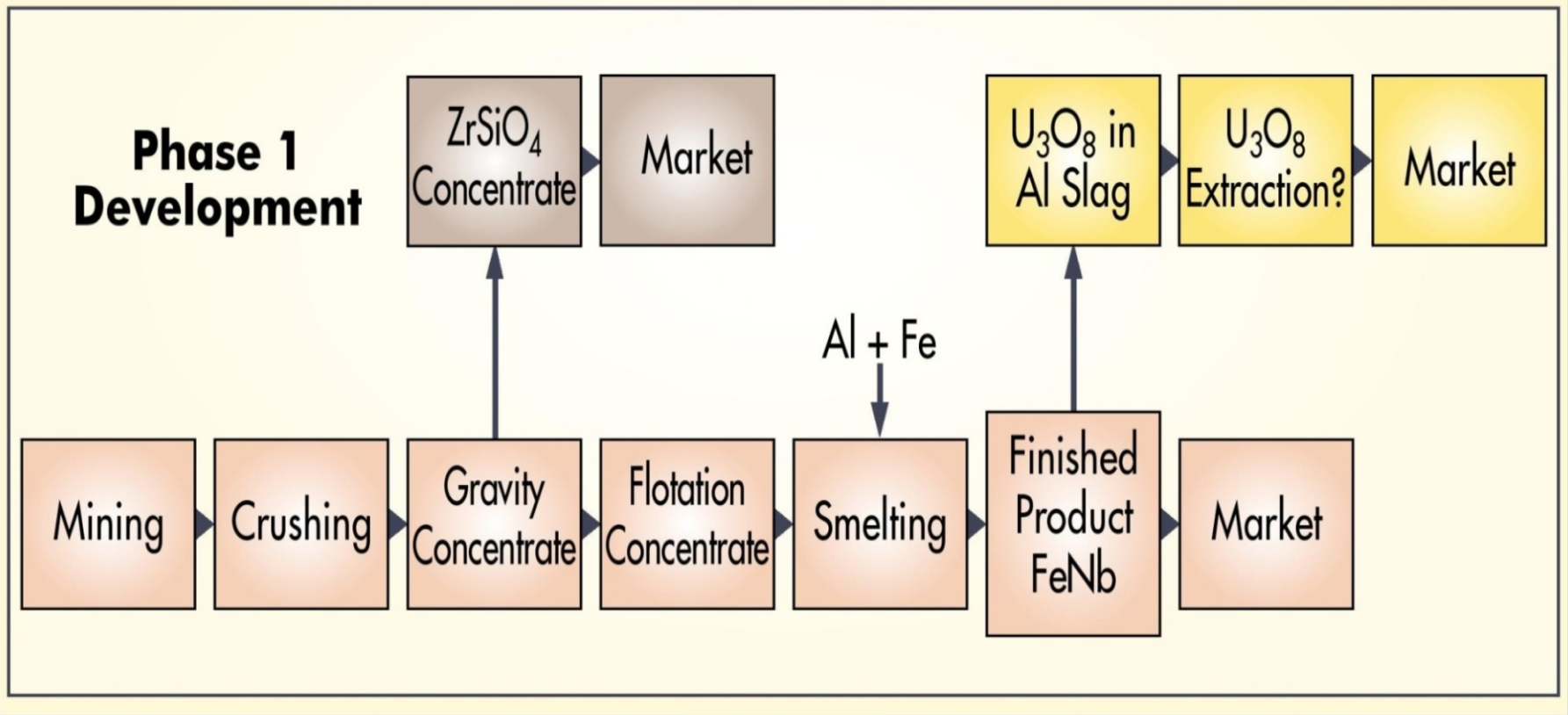
Production	3,000t/year Nb		4,000t/year Nb	
Initial Capex.	US\$156M		US\$177M	
	<u>Year 1</u>	<u>Year 20</u>	<u>Year 1</u>	<u>Year 20</u>
Mill Feed	1.7Mt	2.6Mt	2.2Mt	3.5Mt
Strip Ratio (waste:ore)	0.5	0.9	0.5	0.9
Revenue	US\$112M	US\$114M	US\$150M	US\$152M
Operating Expense	US\$41M	US\$63M	US\$52M	US\$80M
Operating Margin*	US\$71M	US\$50M	US\$98M	US\$72M
Capital Payback	< 2.5yrs		< 2yrs	

\* Excludes royalties and maintenance capital expenditure

# Process Flow Chart



## Kanyika Project Proposed Process Flow Chart



# Capital Expenditure



<b>Initial Capital Expenditure</b>	<b><u>4,000t/year Nb</u></b>
Processing Plant	US\$104m
Downstream (smelter)	US\$20m
Mining	US\$12m
General Infrastructure	US\$26m
Working Capital & Other	US\$15m
<b>Total</b>	<b>US\$177m</b>

Ongoing capital expenditure, including processing plant upgrades, total US\$201M over the life-of-mine

# Pre-Feasibility Study



Study commenced September 2008, with three initial areas of focus:

## 1. Drilling:

- Upgrade JORC classification of near surface, high grade area
- Explore extension to north of Milenje Zone
- Explore depth potential to ~250m

## 2. Metallurgy:

- Validate process flow sheet
- Generate initial product samples for prospective customers

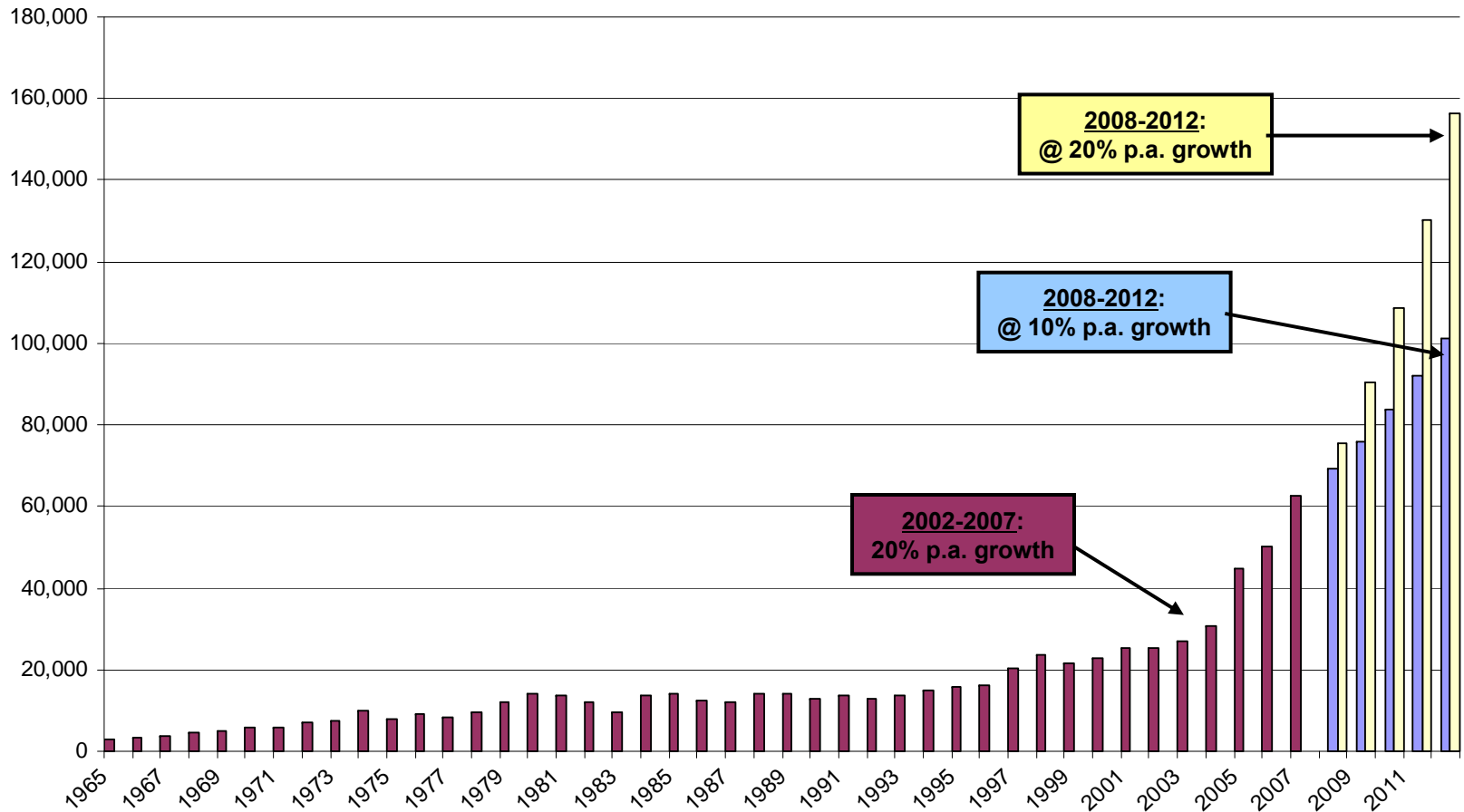
## 3. Marketing

- Identification of potential customers underway
- Strategic alliance incorporating off-take agreement with customer and investment in Kanyika Project is preferred outcome

# Niobium Production

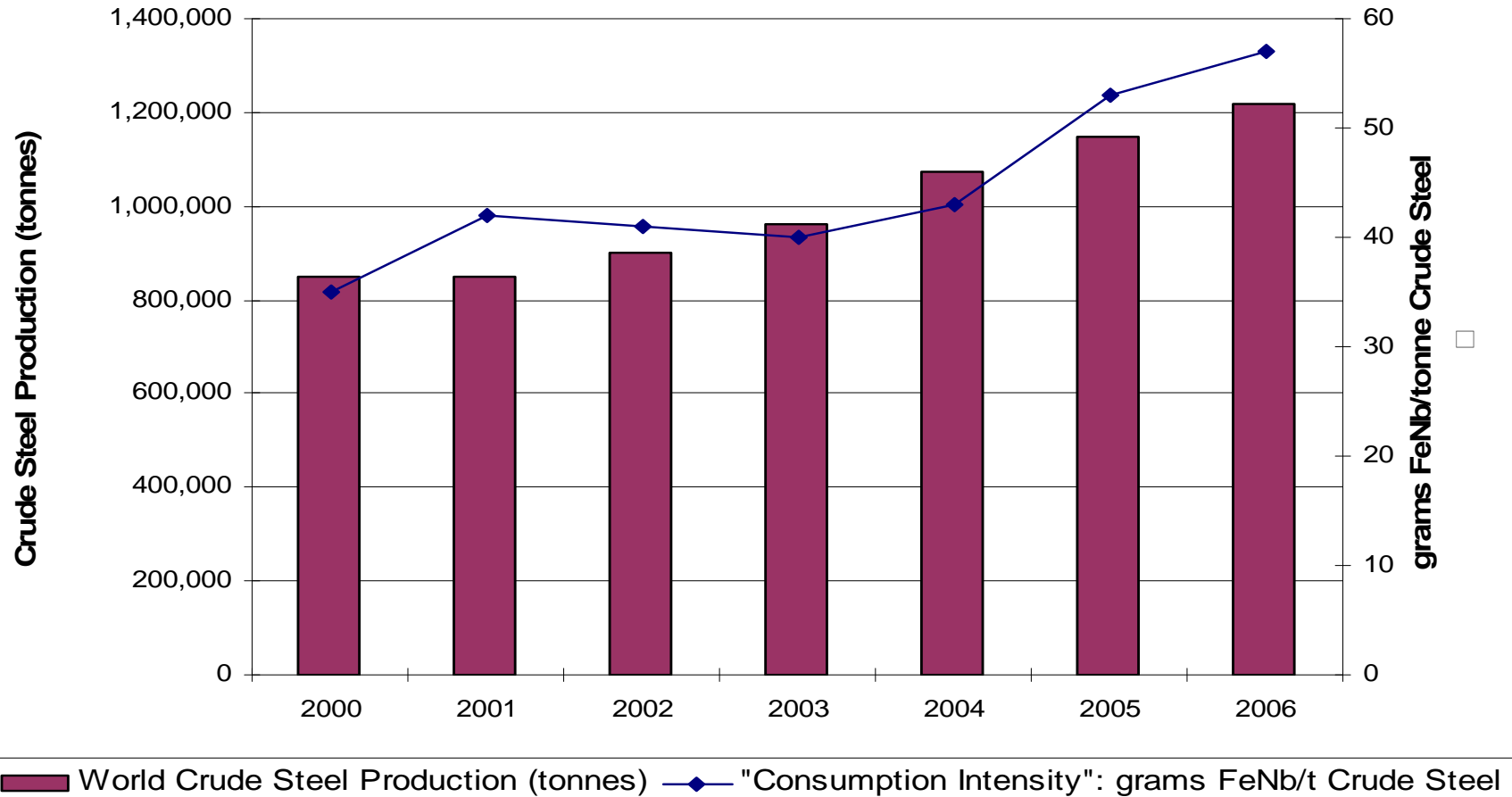


## World Nb Production (tonnes)



Source: Globe Metals & Mining, CBMM (historical)

# Niobium in Steel

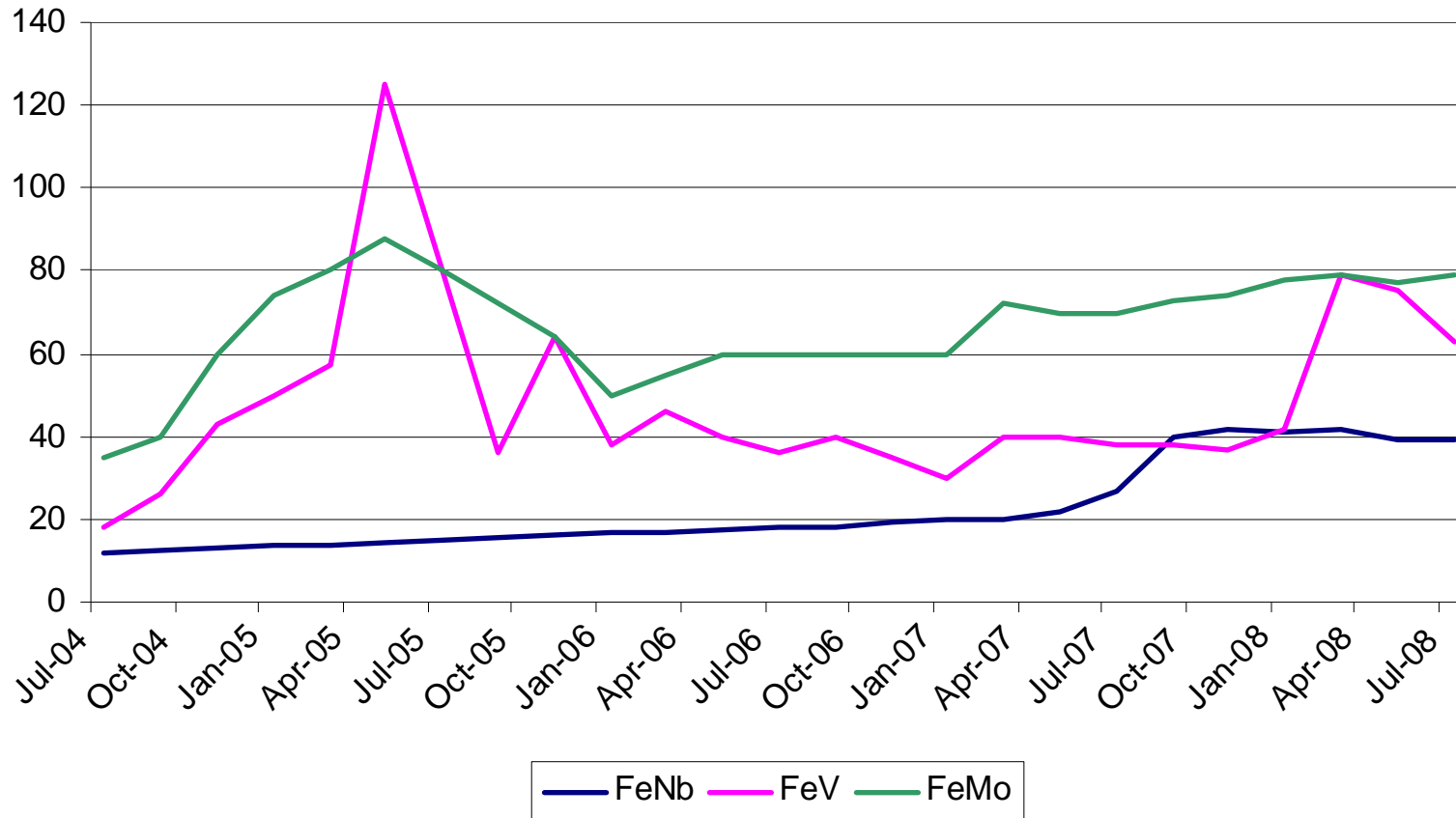


Source: CBMM

# Prices

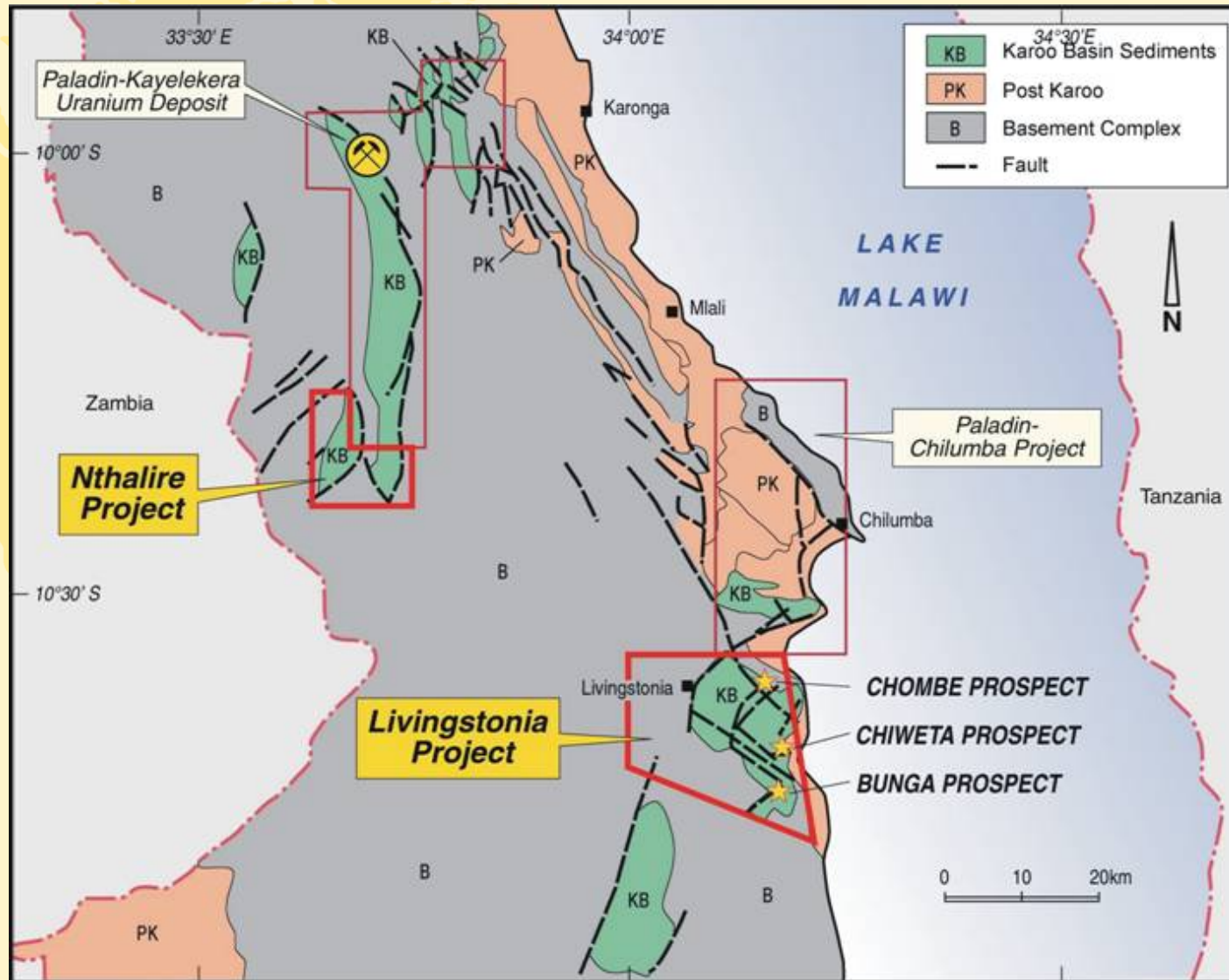


## Selected Ferro-Alloy Price Comparison (US\$/Kg)



Source: CBMM, Metal Pages

# Livingstonia Uranium Project

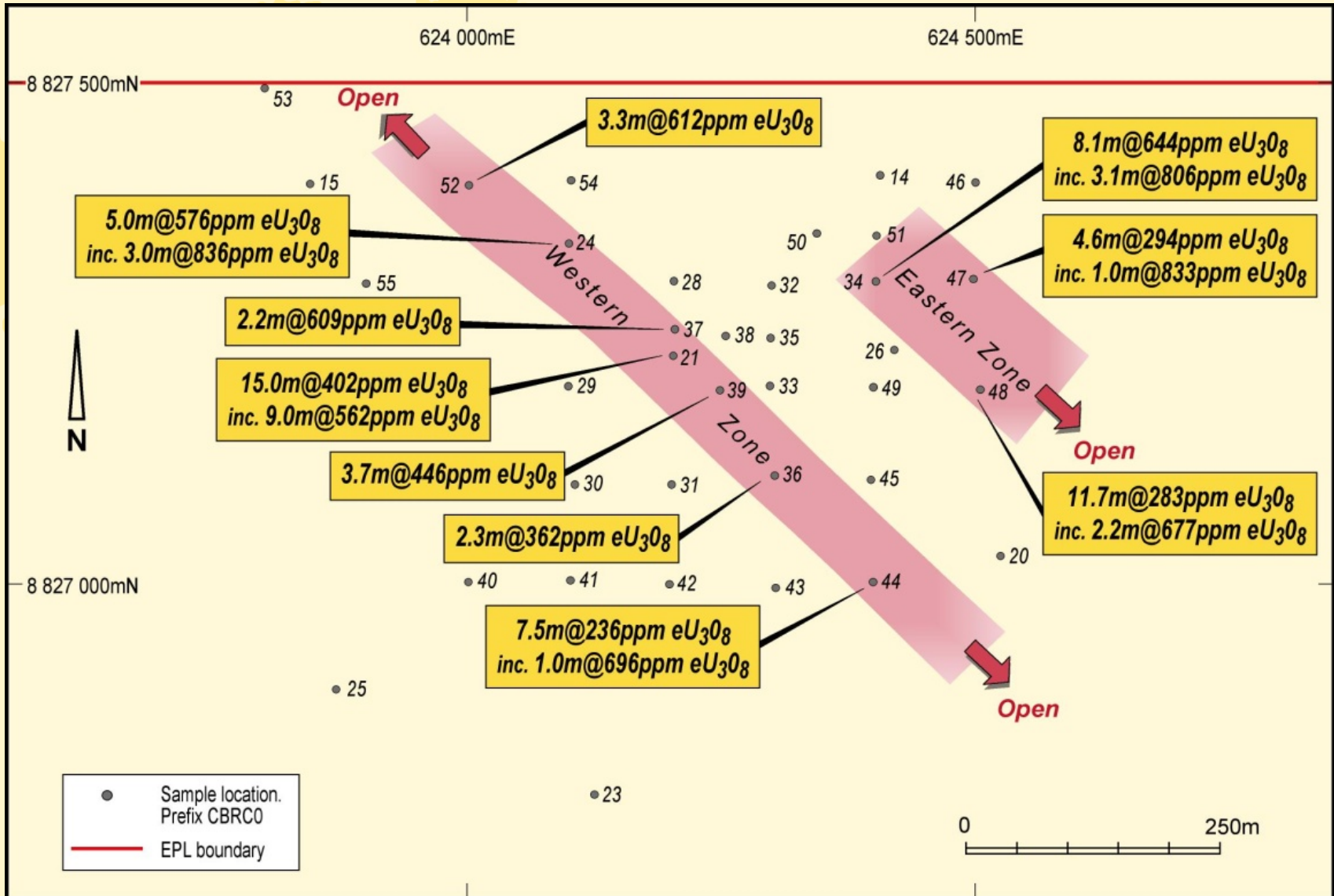


# Drilling Results



- 3 radiometric anomalies drilled in 2007 and 2008: Chombe, Chiweta and Bunga
- Initial drilling results has identified a wide area of uranium mineralisation of at least 600m x 500m at Chombe, open in multiple directions
- Two distinct NW-SE trends of thicker and higher grade uranium have been identified within this broader envelope
- Best results from Chombe include:
  - 8.1m @ 644ppm eU<sub>3</sub>O<sub>8</sub> incl. 3.1m @ 806ppm U<sub>3</sub>O<sub>8</sub>
  - 15.0m @ 402ppm U<sub>3</sub>O<sub>8</sub> incl. 9.0m @ 562ppm U<sub>3</sub>O<sub>8</sub>
  - 11.7m @ 283ppm eU<sub>3</sub>O<sub>8</sub> incl. 2.2m @ 677ppm U<sub>3</sub>O<sub>8</sub>
- 35 additional holes at Chombe, Bunga and Chiweta to be reported soon

# Chombe Drill Plan



# Upcoming News...



## 1. Kanyika:

- Drill results to be reported during 2008
- Upgraded resource due by Q1 2009
- Metallurgical updates periodically

## 2. Livingstonia:

- Final 35 holes to be reported soon

## 3. Other:

- Expansion in Africa if suitable projects become available

[Thank you for your attention.](#)