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30 July 2009

ASX/Media Announcement

June Quarter 2009 Activities Report

Globe Metals & Mining is pleased to present its June Quarter 2009 Activities Report.

Highlights

- **Outlook for the Kanyika Niobium Project remains very attractive:**
  - **Pre-Feasibility Study to be completed by December 2009**
  - **Second customer supply deal for 1,000tpa FeNb**
  - **Successful China trip to advance off-take discussions**
  - **Metallurgical program on-track**
  - **FeNb price stable @ ~US$37-38/kg**
  - **Malawi Government elections *"free and fair and conducted in a peaceful and tranquil manner"***
- **Updated financial forecast – project economics remain very positive:**
  - **Project NPV (post-tax): ~US$200m**
  - **Capital cost: US$152m**
  - **Annual revenue: US$152m, operating margin 49%**
  - **Capital payback period: 2.1 years**
  - **Mine life: 20+ years**
  - **Revenue split: niobium (77%), tantalum (15%), uranium (8%)**
- **$2.84m cash at bank**

Summary & Outlook

Globe's Managing Director, Mr. Mark Sumich, said "my trip to China during the June Quarter made it abundantly clear that the steel industry's demand for niobium remains as rapacious as ever, and the outlook in relation to likely future demand even more attractive".

"Globe is successfully positioning itself as a long-term, reliable, alternative producer of ferro-niobium. We're confident we are on the right track to achieving this goal".

1. Kanyika Niobium Project

1.1. Summary

The Pre-Feasibility Study is planned for completion by December 2009.

The most significant outstanding item remaining to be completed is the mini-pilot metallurgical program (details below), resulting in the production of samples of steel-grade ferro-niobium (FeNb).

During the June Quarter, the Company made progress in moving towards completion of the Pre-Feasibility Study, as well as progressing the Project in other areas (such as entering into further product supply arrangements).

1.2. Second Customer Supply MOU

Globe has entered into a second Memorandum of Understanding for the supply of niobium from the Company's Kanyika Niobium Project in Malawi, being "*an in-principle desire to purchase from Globe Metals & Mining on a long-term contract basis 1,000t/year FeNb*".

The 1,000t of FeNb equates to 700t of niobium metal, which represents approximately 23% of Globe's planned annual production of 3,000t niobium metal from Kanyika. The new MOU also increases the total annual production from the Project that is subject to a Customer Supply MOU to 35%. The Company expects to conclude further supply arrangements as it progresses the development of the Kanyika Niobium Project. First production is planned for 2012.

MOU #	**MOU Summary**	**Nb Metal Content**
1 (January 2009)	500tpa Nb_2O_5	350t
2 (June 2009)	1000tpa FeNb	700t
Total		**1050t**

Globe considers the identity of the customers to be highly commercially sensitive, and therefore to be treated as confidential.

1.3. China Visit

Globe's Managing Director, Mark Sumich, conducted a 10 day trip to China during June 2009, which encompassed five cities, where he met with potential off-take partners. During the trip, the Company commenced discussions with a number of Chinese parties regarding off-take arrangements for the sale of FeNb.

There was a high level of interest in the Kanyika Niobium Project, and Globe expects that in due course, off-take contracts will be entered into with Chinese steel mills, metal trading houses and/or Chinese mining groups.

The Investor Presentation (in Mandarin and English) which was used on the China trip has been released to ASX – investors can click here to view the Investor Presentation which is available on the Company's website.

Demand for ferro-niobium in China is very strong, and the outlook even more positive. It will be an important market for Globe's FeNb. Salient data on the niobium market includes the following:

- China currently represents ~20% of FeNb consumption and at least 50% of the growth in this market.
- Global niobium consumption increased 7.9% per annum over the period 1990-2008, while steel consumption increased by 4.1% per annum over the same period (over 90% of niobium is consumed by the steel industry).
- Global ferro-niobium consumption increased by 21% per annum over the period 2002-2007.

- Over the course of the first eleven months of 2008, Chinese imports of Brazilian FeNb, being 95% of the total imports (and over 90% of total Chinese consumption), grew by 69% over the corresponding period in 2007 (notwithstanding imports reducing by 24% in November 2008 from the previous month).

- "Unit consumption" of niobium in China (total niobium consumption divided by total steel consumption) is currently ~40 grams/tonne, compared to more than 100 grams/tonne for parts of Western Europe and North America. This gap is expected to close significantly over the next 20 years as the modernisation and increasing sophistication of Chinese steel production continues. Moreover, over the same period, the unit consumption of niobium in developed markets will increase, as the percentage of steel products using niobium increases from 10-12% presently to over 20%.

- Chinese steel production is forecast to be 480Mt in 2009, being 42% (and rising) of global production (Macquarie Research Equities, 17 March 2009).

- Chinese production of FeNb in 2008 was no more than 1,000 tonnes, out of total global FeNb production of 90,000 tonnes (~60,000 tonnes niobium metal).

1.4. FeNb Metallurgical Program

Mini-Pilot Plant

The Company is pleased to report good progress of the mini-pilot plant test work which comprises four main components:

1. Gravity and magnetic separation and concentration at Nagrom Laboratories, Perth (complete)
2. Flotation of gravity concentrate and tail at SGS Lakefield, Canada (almost complete)
3. Acid leach and solvent extraction to produce metal oxides
4. Smelting to produce FeNb (ferro-niobium) at Keech Furnace Technologies, South Africa

The Company expects the mini-pilot program to be complete in Q4 2009. At this point, it will provide product samples to its potential off take partners for their evaluation.

1. Gravity and Magnetic Separation

A 6 tonne sample of near surface fresh rock mainly from the Milenje Zone mineralisation has undergone physical processing at Nagrom Laboratories in Perth, Australia. Calculated head grades averaged 0.49% Nb_2O_5 and 0.40% ZrO_2.

The processing included:

- crushing to -1mm
- feeding crushed sample over primary and secondary spirals, with primary scavenger tails
- regrind to -500µm
- magnetic separation of spiral concentrates
- primary and secondary zircon float to enhance Nb_2O_5 grade of concentrate

Results from the gravity separation (spirals) for the bulk 6 tonne sample showed improvements on the previous spiral test conducted on a smaller 120kg sample. Mass pull for the concentrate was improved to 5% (from 8%), containing 29.4% of the Nb_2O_5 (27.2%), 34.7% of the Ta_2O_5 (31.0%), 30.1% of the U_3O_8 (26.3%) and 87.3% of the ZrO_2 (86.2%).

The spiral concentrate was then significantly upgraded by removal of a further 16% of its mass by magnetic separation, having an Fe_2O_3 grade of up to 95% and averaging 81%. Ongoing testwork will evaluate the potential to upgrade this magnetite product by regrind of the +500µm fraction and further magnetic separation, to produce a saleable iron product. This regrind may also liberate much of the 1% pyrochlore contained within the magnetic product, further adding to niobium and tantalum recoveries.

Simple screening at 500µm of the non-magnetic fraction of the concentrate showed that a significant amount of the zircon could be removed (31%) in the coarse fraction, with only a minor loss of niobium (0.9%). The niobium grade of the fine screened concentrate was increased markedly as a result.

2. Flotation

Globe's consulting metallurgist, Mr John MacIntyre, of MacIntyre and Associates, was at SGS Lakefield, Canada overseeing the flotation program, which is targeting production of 50-70kg of pyrochlore concentrate grading ~22% Nb_2O_5 . Both products from Nagrom gravity/magnetic testwork, being the non-magnetic spiral concentrate (150kg), and the spiral tail (4,800kg) are included in this program.

Preliminary results show that further upgrading of the non-magnetic spiral concentrate (150kg) produced by Nagrom has been achieved by removal of zircon by flotation. Results should be available in early August 2009.

3. Acid Leach and Solvent Extraction

Approximately 25kg or half of the pyrochlore float concentrate will be leached with strong acids to produce relatively pure metal oxides using solvent extraction technology. Approximately 3-6kg of Nb_2O_5 will be produced from this phase of the program, in addition to smaller amounts of Ta_2O_5 and U_3O_8.

4. Smelting

The remaining 30kg of pyrochlore float concentrate will be directly smelted in a DC arc furnace at Keech Furnace Technologies in Johannesburg, South Africa. The aim is to establish whether a commercially acceptable ferro-niobium can be produced through direct smelting of the concentrate.

The 3-6kg of high purity Nb_2O_5 produced by acid leach/solvent extraction will also be smelted at Keech Furnace Technologies to produce high-purity ferro-niobium.

This final part of the pilot-program should be completed by Q4 2009.

Concentrate Upgrade

A small lab-scale program designed to upgrade the gravity concentrate and remove unwanted impurities such as phosphorous, using hydrochloric acid, caustic soda and nitric acid has been highly successful. This was conducted at AMMTEC Laboratories in Perth.

Overall, the gravity concentrate treated had a grade of ~22% Nb_2O_5. After treatment with 5M HCl and caustic soda bake, the mass of the concentrate was reduced by 27% and the grade was increased to ~30% Nb_2O_5. Approximately 98% of the phosphorous was also leached out of the sample with negligible loss of niobium, tantalum and uranium. This has resulted in a much purer and higher grade sample.

Further weak acid leach tests to optimise acid consumption and impurity removal are ongoing.

1.5. Niobium Price Update

The below price data comes from Metal Pages' May 2009 Newsletter (www.metal-pages.com), and serves to highlight the strong underlying price conditions for FeNb.

Commenting on the FeNb price, Metal Pages said: "*After three weeks of standing still between $35-37/kg, ferro-niobium prices firmed to end the month between $38-40/kg in Europe. Traders said they were struggling to get their hands on material, with agents of the dominant Brazilian producers preferring to sell material that may have previously found its way onto the free market to China and elsewhere outside of Europe where there is greater demand.*"

Globe adopted a price of US$39/kg niobium metal content in its recently released updated financial forecast for the Kanyika Niobium Project, which is a forecast future price the Company continues to remain comfortable with.

1.6. Malawi Government Elections

Malawi Presidential and Parliamentary Elections were held on 19th May 2009.

According to the Malawi Electoral Commission, the incumbent, His Excellency, Bingu wa Mutharika, received 66% of the vote in the presidential election. In addition, parliamentary candidates of Mutharika's Democratic Progressive Party (DPP) won a majority of seats.

The European Union (EU) Election Observation Mission and the Common Market for Eastern and Southern Africa (COMESA) Election Observer Mission have declared the election as "free and fair...[and] held under a peaceful and tranquil environment." (www.comesa.int)

Formal discussions with the Government of Malawi (GoM) in relation to formalising a Development Agreement for its 100% owned Kanyika Niobium Project will re-commence in July 2009. The discussions will encompass all aspects of the Kanyika Niobium Project relevant to Globe's future application for a Mining Licence. These include mining, engineering, legal, revenue/fiscal, operating, social and environmental issues. The discussions form part of Globe's Pre-Feasibility Study into the Kanyika Niobium Project, which was announced in September 2008, and is ongoing.

1.7. Updated Financial Forecast

An updated financial forecast was released to the market in May 2009, and is summarised in the "Highlights" section of this announcement.

The new financial forecast is based upon the Scoping Study prepared by Coffey Mining, and released to the market on 30 June 2008. The Company has updated the previous forecast 'by exception', utilising a range of new information and results that have been obtained since the release of the Scoping Study, including price, resource, cost and processing flow sheet changes.

2. Other

2.1. Malawi

No work was carried out on the Company's other projects in Malawi during the Quarter.

2.2. Future Issues of Capital

The Board of Globe Metals & Mining has over a period of time implemented measures to preserve its cash position and incentivise its senior employees and contractors by making available to them equity in the Company, in the manner set out below. The Company will continue to do so, especially in light of the current global economic climate.

The Company has adopted the following arrangements in order to pursue these objectives:

- Salary Sacrifice – senior employees sacrifice a portion of their wages, on a periodic basis, in return for the Company issuing shares of an equivalent value based on the prevailing share price (at the time the arrangement is entered into).

- Retention Incentive – senior employees and contractors are issued shares in recognition of their on-going value and contribution to the Company, conditional upon continuity of service to the Company.

- Equity for Services – key contractors are issued shares in lieu of a portion of their fees for services, based on the prevailing share price (at the time the arrangement is entered into).

As at the date of this announcement, the Company has entered into arrangements with several senior employees and contractors, under which the following maximum aggregate number of shares may be issued to them respectively:

Salary Sacrifice	106,250
Retention Incentive	400,000
Equity for Services	195,000
Total	**701,250**

The following terms apply to these arrangements (as applicable):

1. If for any reason the senior employee/contractor (Eligible Person) ceases to be employed or engaged by the Company, the entitlement and obligation to salary sacrifice or exchange equity for service shall cease in the last full month of employment or engagement.

2. The shares will be issued without a disclosure document on the basis that the Eligible Person qualifies as a "senior manager" pursuant to section 708(12) of the Corporations Act 2001.

3. The Company shall endeavour to issue a notice pursuant to section 708A(5) of the Corporations Act 2001, on the date(s) all or any of the above shares are issued, at which point the Eligible Person will be free to immediately trade the shares (if they so choose).

4. In the event of the Company being subject to a takeover bid pursuant to Chapter 6 of the Corporations Act 2001 and a bidder's statement, the entitlement and obligation to salary sacrifice or the entitlement to exchange equity for services shall cease on and from the announcement of the takeover bid, in relation to all subsequent months and all shares to be issued as a retention incentive will vest and be issued on the announcement of the takeover bid.

5. Other than in the circumstances described in 3 and 4 above, an Eligible Person must not offer any of the shares issued to them for sale to any person within 12 months from the date those shares are issued to them, without the Company's prior written consent.

The Company will prepare and lodge with ASX an Appendix 3B announcement as and when any shares are issued in relation to the above arrangements. The Company will also update the above table on a quarterly basis.

About Globe Metals & Mining

Globe Metals & Mining is an African-focused uranium and specialty metals resource company. Its main focus is the multi-commodity (niobium, uranium, tantalum and zircon) Kanyika Niobium Project in central Malawi. A Pre-Feasibility Study was commissioned in September 2008 and production is planned to commence in 2012 at a rate of 3,000tpa niobium metal, principally in the form of ferro-niobium. Mine life will be in excess of 20 years.

Globe has a number of uranium and other projects in Malawi, which it manages from its regional exploration office in Lilongwe, the capital of Malawi. The Company has been listed on the ASX since December 2005 (Code: GBE), and has its corporate head office in Perth, Australia.

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Competent Person: *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 Executive Director - Exploration for Globe Metals & Mining. 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 and 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.*