

18 October 2013

Dear Shareholder

Non – Renounceable Entitlements Offer

Globe Metals & Mining Ltd ACN 114 400 609 (the “**Company**”) announces a non-renounceable entitlements offer (the “**Offer**”) to eligible shareholders. The Offer is fully underwritten by Apollo Metals Investment Company Limited (company number 1787009) and will raise a total of \$9.9 million (before costs of the fundraising).

The Offer is open to all eligible shareholders who have the right to subscribe for fully paid ordinary shares (“**New Share**”) at an issue price of \$0.045. Eligible shareholders will receive an entitlement to apply for 1 New Share for every 1 existing ordinary share (“**Share**”) held as at the record date of 29 October 2013. Shares purchased on market on or after the “Ex Date” of 23 October 2013 are not entitled to participate in the Offer. Investors should seek independent financial advice with investment strategies that suite their individual circumstances.

Entitlements to New Shares pursuant to the Offer are non-renounceable and accordingly, there will be no trading of rights.

Details of the Offer are contained in an ASX Appendix 3B which was released by the Company to the Australian Securities Exchange on 5 September 2013. Enclosed with this letter is a copy of that ASX Appendix 3B.

Further details of the Offer are contained in a Rights Issue Offer Document which will be released to the Australian Securities Exchange on or about 21 October 2013. The Rights Issue Offer Document will be available on ASX’s website and the Company’s website at www.globemetalsandmining.com.au.

Details of the Offer

The Offer is described in detail in the Rights Issue Offer Document that will be mailed to all shareholders on or about 4 November 2013. The expected timetable is shown below.

Announcement of Rights Issue	5 September 2013
Notice of Rights Issue sent to Shareholders, together with ASX Appendix 3B regarding the Rights Issue	18 October 2013
Rights Issue Record Date to determine Entitlements	29 October 2013
Rights Issue Offer Document with Entitlement and Acceptance Form despatched to Shareholders	4 November 2013 4 November 2013

Acceptances Open	
Annual General Meeting	18 November 2013
Closing Date for acceptances	29 November 2013
New Shares are quoted for ASX trading on a deferred settlement basis	2 December 2013
Issue of New Shares and despatch of holding statements for New Shares	4 December 2013

The Company reserves the right to extend the Closing Date, in accordance with the requirements of the ASX Listing Rules. If the dates in the above timetable change, the Company will make an announcement to the ASX.

Application for New Shares under the Offer may only be made by completing the Entitlement and Acceptance Form which accompanies the Rights Issue Offer Document. Shareholders eligible to participate in the Offer should read the Rights Issue Offer Document carefully. For further information on the Offer you could contact your professional advisor.

Ineligible Foreign Shareholders

In accordance with ASX Listing Rule 7.7 and Section 9A of the Corporations Act, the Company advises that it has decided that it is unreasonable to make the rights issue offer to registered shareholders on the Record Date with a registered address outside of Australia, New Zealand or the British Virgin Islands (the “**Ineligible Foreign Shareholders**”), having regard to:

- (1) the number of shareholders in the place where the offer would otherwise be made;
- (2) the number and value of shares which the holders would otherwise be offered; and
- (3) the cost of complying with the legal requirements, and requirements of regulatory authorities, in each place.

The Company advises that it will not offer rights issue shares to the Ineligible Foreign Shareholders. Instead the Company will appoint an ASIC-approved nominee (the “**Nominee**”) in accordance with section 615 of the Corporations Act, to subscribe for the rights issue shares that Ineligible Foreign Shareholders would be entitled to if they were otherwise eligible to participate in the Offer (“**Nominee Shares**”). The Nominee will then sell the Nominee Shares and remit the net proceeds from the sale of the Nominee Shares to the Ineligible Foreign Shareholders in their respective proportions.

Any interest earned on the proceeds of the sale of the Nominee Shares will first be applied against expenses of the sale, including brokerage, and any balance will form part of the proceeds payable to the Ineligible Foreign Shareholders (if any) as described below.

The Company will forward the proceeds of the sale of the Nominee Shares (if any) as soon as reasonably practicable to the Ineligible Foreign Shareholders in proportion to their respective share holdings at the Record Date (after deducting the share subscription price, brokerage commission and other sale expenses).

If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. Notwithstanding that the Nominee may sell Nominee Shares, Ineligible Foreign Shareholders may nevertheless receive no net proceeds if the share subscription price plus costs of the sale are greater than the sale proceeds.

The Company will pay the Nominee a fee for its role in the subscription for and the sale of the Nominee Shares.

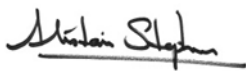
Purpose

The Company will use the funds to advance the optimization of the Kanyika project, assess strategic growth opportunities in the market for acquisitions and working capital. The Kanyika project requires a demonstration plant of an optimized process flow sheet to minimize project development and operational risks, and to be able to justify appropriate risk management that will allow access to debt funding. Without this risk management, there will be no access to debt funding. The Company believes that there are significant acquisition opportunities in the industry now that, with working capital, Globe can acquire and build on the company's assets. As this rights issue is underwritten, the Company has determined it best to raise money now to position the Company well for future development and growth.

Conclusion

The fund raising through a pro-rata rights issue is an equitable treatment of all Shareholders and will provide funds needed for the strategic objectives of the Company.

We look forward to your continuing support of the Company.



Alistair Stephens
Managing Director and CEO
Globe Metals & Mining Ltd

Encl ASX Appendix 3B for the rights issue

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Globe Metals & Mining Limited

ABN

33 114 400 609

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 220,339,131 pursuant to a non-renounceable 1 for 1 rights issue
The precise breakdown of shares to be issued is subject to reconciliation of shareholder entitlements |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	\$0.045 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Pro-rata non-renounceable rights issue on a 1 for 1 basis
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	Nil

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of +securities issued under an exception in rule 7.2	220,339,131	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	27 November 2013	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		440,678,262	Fully paid ordinary

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	600,000	Unquoted Options exercisable at 15 cents and expiring 29 November 2014
	500,000	Unquoted Options exercisable at 26 cents and expiring 29 November 2014
	350,000	Unquoted Options exercisable at 30 cents and expiring 1 September 2014
	200,000	Unquoted Options exercisable at 25 cents and expiring 26 October 2013
	200,000	Unquoted Options exercisable at 25 cents and expiring 26 October 2014
	600,000	Unquoted Options exercisable at 15 cents and expiring 29 November 2016
	500,000	Unquoted Options exercisable at 26 cents and expiring 29 November 2016
	250,000	Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014
	250,000	Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014
	250,000	Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014
	250,000	Unquoted Options exercisable at 0.1 cents and expiring 31 January 2014
	3,000,000	Unquoted Options exercisable at 0.1 cents and expiring 31 January 2015
	800,000	Unquoted Options exercisable at 0.1 cents and expiring 31 January 2015
	1,000,000	Unquoted Options exercisable at 10 cents and expiring 30 June 2017
	1,000,000	Unquoted Options exercisable at 15 cents and expiring 30 June 2018
	1,000,000	Unquoted Options exercisable at 20 cents and expiring 30 June 2019
	1,000,000	Unquoted Options exercisable at 25 cents and expiring 30 June 2020
	3,000,000	Class B Performance Shares
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same as ordinary shares

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the ⁺ securities will be offered	1 for 1
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid ordinary shares
15	⁺ Record date to determine entitlements	16 September 2013
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Rounding up
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries other than Australia, New Zealand and the British Virgin Islands
19	Closing date for receipt of acceptances or renunciations	5.00pm WST on 19 November 2013

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	Apollo Metals Investment Co., Limited
21	Amount of any underwriting fee or commission	6% of the total shortfall shares subscribed for by underwriter, multiplied by the issue price of \$0.045
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	20 September 2013
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	5 September 2013
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	27 November 2013

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)
- (a) ☒ +Securities described in Part 1
- (b) ☐ All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 5 September 2013
Company secretary

Print name: Kerry Angel

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.15] – “C”	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	
“E”	

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.