

# Quarterly Report

For the quarter ended  
30 June 2023

[globemm.com](http://globemm.com)



An ASX-listed resources company, Globe's Kanyika Niobium Project in Malawi will produce niobium and tantalum products for fast-charging lithium batteries and strengthening steel.

## Highlights

- Globe continues to meet timelines and budget for progress on critical path goals towards development of the Kanyika Niobium Project.
- Both the United States and the European Union have placed niobium on their list of critical minerals supporting climate change.
- Next steps and critical vendor selection for the Kanyika Niobium Project announced.
- Appointment of Malawi businessman Mr Macleod G. Nyirongo as a Non-Executive Director.
- 10-tonne sample extracted from the Kanyika Niobium Project for Phase 1 Plant Feasibility Study.
- \$800 000 in short-term funding received from Director Bo Tan.

# Kanyika Niobium Project

Ownership 100% | Malawi

The Kanyika Niobium Project is located in central Malawi. It is the first new niobium project globally in 50 years and will help meet the growing new demand for Niobium. Niobium is at the forefront of numerous new-age technologies including gas and wind turbines, medical imaging, particle accelerators, space travel, and in the manufacture of high-performance and ultra-safe, ultra-rapid rechargeable batteries for electric vehicles.

Both the United States and the European Union have placed niobium on their list of critical minerals supporting climate change.

During the quarter the Company made significant progress with the Kanyika Niobium Project (**Project**). Key highlights include:

## Critical Vendors Selected

The Company also announced 6 highly experienced vendors selected to advance the Project.

**Solo** has been selected to design and construct the mineral processing plant. Based in Johannesburg, Solo has a wealth of experience in the design, build and commissioning of mineral plants in South Africa, and have supplied such installations all over the Continent.

**TCM** has been selected to design the refinery process for the Kanyika concentrate and to determine the design parameters of the refinery. In the past TCM has worked with more than 10 different ore concentrates that contain niobium and tantalum. In addition, they have processed concentrates containing platinum group metals, rare earths, gold, tin, vanadium and iron, tungsten, zircon and hafnium, nickel, and copper sulphides as well as low levels of radioactive materials such as uranium, thorium, and other fission daughter products. They have also done work for Vanadium Resources (ASX: VR8) and Orion Minerals (ASX: ORN). The advantage of the chlorination process is the ability to convert the bulk of these metals into chlorides that can be separated and purified to high grades. The chlorides are then oxidized to oxides and the chlorine is recycled to the reactor.

The **Resonant Group** will complete the engineering drawings for the refinery using these design parameters. Resonant is a multi-disciplinary engineering business active in the metals, minerals, chemicals, oil and gas, and infrastructure sectors. Whilst based in South Africa, Resonant is also active in the Americas, Europe, Asia, and the Middle East.

Globe has selected **Geolabs Global** as the laboratory to process the Kanyika ore to concentrate. Geolabs Global is a leading provider of mineral processing solutions for the mining and minerals industry based in South Africa.

For Phase 1 of the Project, Globe has selected Malawi-based construction company, **S.R. Nicholas Ltd**, to provide the preliminary design and civil engineering of the plant.

Since 2016, **EDS** has been developing a horizontal, multi-shaft mill that has a significantly lowered power consumption when compared to the equivalent SAG ball mill. The EDS mill produces -1mm crushed ore that is ideal for gravity spiral separation and is expected to allow some gangue to be discarded prior to reaching the ball mill, which enhances plant efficiency. In the revised flowsheet, Globe expects both capex and opex to be reduced by about 10%. The final cost savings will be published in the revised feasibility study (refer below).

## Refinery Design

The final refinery design is dependent on the current test work results which will determine the bespoke process design criteria to be used in the final engineering drawing. Areas of focus are:

- the discard rate of gangue from the proposed gravity spiral plant;
- determining the size and operating parameters of each of the steps in the refinery by processing the concentrate through the chlorination pilot plant; and
- achieving target product quality by TCM to meet marketing purity requirements.

The target for completion of all design work is Q4 2023.

## Feasibility Study

Once the refinery design is finalised, all vendors will have their cost estimates verified and finalised for execution of their respective portions of the overall plant and refinery. Globe expects this to be completed by Q1 2024 when the revised feasibility study will be published.

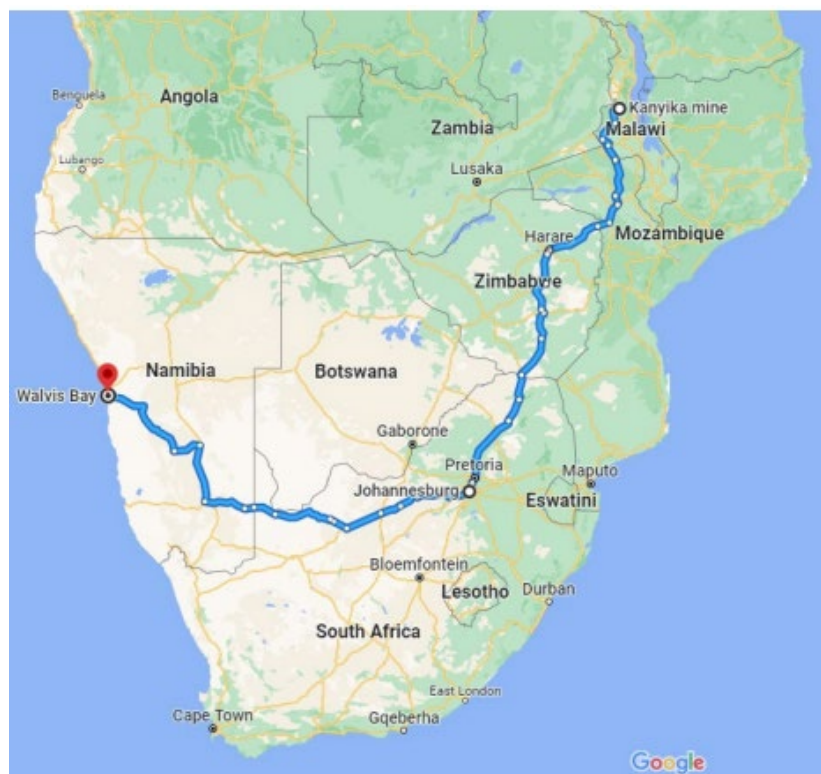
## Safe Transportation of Class 7 Material

In June 2023, the Company finalised initial discussions with C. Steinweg Group to safely handle the transportation of concentrate from the Project.

Concentrate from the Project is classified as Class 7 material and is labelled as hazardous. As such, certain strict protocols need to be followed in the management and handling of the product. Ensuring that Globe has a compliant transport operator that can carry concentrate from the Project to the refinery in Namibia is a critical step in the de-risking of the Project.

C. Steinweg Group is a globally operating independent, worldwide logistics service provider. They operate in the fields of storage, handling, forwarding, chartering and other commodity related logistics services. C. Steinweg Group has over 5,000 employees located across 100 locations in 52 countries. They are well-known in the region and are the largest logistics company in Malawi with 5 sites and an additional office in Namibia.

Globe has now received and accepted an indicative quotation from C. Steinweg Group to transport concentrate from the Project to the refinery in Namibia. The route chosen by Globe in consultation with C. Steinweg Group is Kanyika to Johannesburg and onward to Walvis Bay in Namibia (Figure 1). These are regular and established logistics routes and are more cost effective as they allow for back hauling along the line.



**Figure 1.** Route chosen by Globe in consultation with C. Steinweg Group is Kanyika to Johannesburg and onward to Walvis Bay in Namibia

### Continued Strong Support from Malawi Government

The Company received strong support from the Malawi Government during the quarter with a letter confirming agreement on amended timing for commencement of substantial mine development and mineral production at the Project.

The letter from the Department of Mines of the Malawi Government endorsed the ongoing efforts of Globe to acquire and mobilise resources for the Project and assured the continued security of tenure for mining licence LML0216/21.

Commenting on Globe's efforts to progress the Project, the Malawian Commissioner of Mines and Minerals stated:

*"I would like, therefore, to assure your Company, in view of Section 174(6) of the Mines and Minerals Act (No. 8 of 2019), of the continued security of tenure for the aforementioned Mining Licence since there is a reasonable expectation that following the signing of the Mining Development Agreement (MDA) between Government and your Company on 29th March, 2023, over the Kanyika Niobium Project:*

- (i) Mine development shall commence within eighteen (18) months from date of the signing of the MDA; and*
- (ii) Substantial commercial mineral production at your Project site shall commence within sixty (60) months from the date of the signing of the MDA."*

### Government Ministers Visit Kanyika Mine Site

Globe received further endorsement for the Project with a site visit from the Honourable Monica Chang'anamuno (Minister of Mining) and the Honourable Ibrahim Matola (Minister of Energy) on 8 June 2023 to inspect the progress of the Project.

The Project is located between the areas of Senior Chief Inkosi Mabulabo of Mzimba District and Traditional Authority (TA) Simlemba of Kasungu District, and both Government Ministers were pleased with the Company's operations to date and advancements made.

During the visit The Honourable Monica Chang'anamuno (Minister of Mining) commented on the cordial working relationship with the Ministry of Energy in respect of the Project, with the Honourable Ibrahim Matola (Minister of Energy) pledging to expedite the connection of electricity at the Kanyika mine site.



**Figure 2.** Hon. Monica Chang'anamuno (Minister of Mining) and Dr Joseph Mkandawire (Principal Secretary, Ministry of Mining) at the Kanyika mine site

### Appointment of Leading Malawian Businessman as Non-Executive Director

The Company strengthened the development team for the Project with the appointment of leading Malawian businessman Mr Macleod G. Nyirongo as a Non-Executive Director of Globe Africa.

Mr. Nyirongo began his career as Principal Economist in Malawi's Office of the President and Cabinet, responsible for economic analysis and formulation of economic and social policies to stimulate Malawi's growth. Thereafter he had more than 25 years within the United Nations (UN) organisation, where his official postings as UN Country Director included the People's Republic of China, Eritrea, and Zambia, and he was also the UN's Resident Director in Sierra Leone and Kenya.



### 10-Tonne Sample Extracted for Phase 1 Plant Feasibility Study

One month after the Malawi Government approved the Mining Development Agreement (**MDA**) for the Project in March 2023, Globe announced it had successfully completed its 10-tonne sampling program from an outcropping at surface at the Project.

The 10-tonne sampling result is a significant next step after concluding the MDA and satisfies the first of the short-term value drivers proposed for Q2, 2023.

The sample will accelerate important metallurgical testing and will enable the Company to:

- determine the operating parameters for the implementation of chlorine gas-vapour technology for the extraction and refining of Kanyika concentrate materials;
- confirm the process to recover metals at a rate of >95% and to produce oxides with a grade of >99.5%;
- confirm the potential suite of finished products viz.  $\text{Nb}_2\text{O}_5$ ,  $\text{Ta}_2\text{O}_5$ ,  $\text{ZrO}$ ,  $\text{FeO}$ ; and
- produce the engineering parameters for the design, construction and operation of the pilot plant used for the Phase One plant in support of the Scoping and Feasibility Study work.

The sample will also produce +/- 30 x 1kg commercial-grade samples to provide to interested parties and allow the Company to expedite discussions with potential offtake partners (battery producers and Nb and Ta metal refiners).

The Company was assisted in this exercise by S.R. Nicholas and Crushing for Africa, and the final -40mm sample will be packed into 1-tonne bulk bags and despatched to Johannesburg using C.Steinweg Bridge, a well-known regional logistics company based in Lilongwe. In Johannesburg the sample will be further milled to effectively <1mm by EDS (Energy and Densification Systems). Thereafter, Geolabs Global will prepare a concentrate sample using milling, desliming, magnetic separation, flotation, dewatering and drying. The dried sample will then go to TCM Research who will conduct an extensive program of metallurgical test work that will generate full-scale design parameters for the refinery while producing marketing samples for customer evaluation.



**Figure 3.** Sample collection at Kanyika mine site: 28 April 2023

## Niobium Market updates during the quarter

13 Jun 2023: “The 35kWh battery pack gives the Elise-based Nybolt a range of up to 250km on one charge — a relatively short range, but rather more useful if its ultra-rapid recharge time can be replicated in the real world. Nybolt claims that constant fast-charging doesn’t wear out the battery, either. According to the company: “The battery has been tested for over 2,000 fast charging cycles without significant performance loss.”

“With our unique technology we have achieved a six-minute charge car, and developed smaller battery packs that can deliver more power and charge in less time. Our partnership with Callum shows how adoption of system-level technology innovations can transform the future of electric vehicles and increase accessibility of EVs, including to the 40 per cent of UK households who can’t charge their vehicle at home overnight.”



**Figure 4.** The 35kWh battery pack gives the Elise-based Nybolt a range of up to 250km on one charge

### Niobium’s Ranking on the USA List of Critical Minerals<sup>1</sup>

The Energy Act of 2020, Section 7002(c)(4)(A) 2, defined critical minerals as those which:

- (i) are essential to the economic or national security of the United States;
- (ii) the supply chain of which is vulnerable to disruption (including restrictions associated with foreign political risk, abrupt demand growth, military conflict, violent unrest, anti-competitive or protectionist behaviors, and other risks through-out the supply chain); and

<sup>1</sup> <https://www.federalregister.gov/documents/2021/11/09/2021-24488/2021-draft-list-of-critical-minerals>

- (iii) serve an essential function in the manufacturing of a product (including energy, technology, defence, currency, agriculture, consumer electronics, and healthcare-related applications), the absence of which would have significant consequences for the economic or national security of the United States.

The 2021 quantitative evaluation uses: (a) a net import reliance indicator of the dependence of the U.S. manufacturing sector on foreign supplies; (b) an enhanced production concentration indicator which focuses on production concentration outside of the United States; and (c) weights for each producing country's production contribution by its ability or willingness to continue to supply the United States.

Niobium ranks second on the list ie, the second highest supply chain risk based on quantitative evaluation out of 54 critical minerals.

## Corporate

### Cash at Bank

Cash at bank and term deposits at 30 June 2023 was \$0.245 million (31 March 2023: \$0.543 million).

The Company has initiated steps to raise further cash to fund its operations. The Company regularly evaluates market appetite for equity investment and manages its capital and operations accordingly. The Company anticipates it will be able to continue to access funding as required and, to this end, it is considering further fund raising from internal and external parties. The Company will update the market of any steps it decides to take with respect to funding at the appropriate time.

### Loan Facilities with Director Bo Tan

During the quarter, the Company announced a further short-term loan facility of \$600,000 from Director Bo Tan (refer to ASX announcement made on 26 April 2023).

The key terms of the new loan facility are as follows:

- Facility Limit: A\$600,000
- Drawdowns: 3 x A\$200,000
- First drawdown: on or after 1 May 2023
- Interest Rate: 8.3% per annum
- Default Interest Rate: 20% per annum
- Maturity Date: 6 months after first drawdown (ie, 4 November 2023)
- Security: the loan is unsecured
- Repayment: At the lender's election – repayable in cash or, subject to shareholder approval, by the issue of fully paid ordinary shares at the lesser of:
  - a 15% discount to the 5-day VWAP immediately prior to the issue date; or
  - the issue price per share of the next debt or equity financing after the first drawdown date.



As announced on 19 April 2023, the terms of Mr Tan's previous loan facility of \$500,000 were varied to extend the due date for repayment, by a further 6 months, to 18 October 2023. The facility limit was also reduced to A\$400,000. All other terms of the previous loan facility remain the same.

During the quarter, the Company also announced an additional short-term loan advance of \$200,000 from Director Bo Tan (refer to ASX announcement made on 28 June 2023).

The key terms of the new loan are as follows:

- Loan Amount: A\$200,000
- Interest Rate: 8.3% per annum
- Default Interest Rate: 20% per annum
- Maturity Date: 4 November 2023
- Security: the loan is unsecured
- Repayment: At the lender's election – repayable in cash or, subject to shareholder approval, by the issue of fully paid ordinary shares at the lesser of:
  - a 15% discount to the 5-day VWAP immediately prior to the issue date; or
  - the issue price per share of the next debt or equity financing after the first drawdown date.

The new loan brings the total amount of all outstanding loan facilities provided to the Company by Mr Tan to A\$1.2 million. The Board wishes to acknowledge the continued strong support shown by Mr Tan and is appreciative of his ongoing commitment to the Company.

### Ratification of Tranche One Placement

During the quarter, at a General Meeting of Globe's shareholders held on 19 April 2023, shareholders ratified the issue of 16,365,439 fully paid ordinary Globe shares and 3,273,078 options to subscribe for Globe shares pursuant to tranche one of the \$1.55 million placement to sophisticated and professional investors announced on 18 November 2022 (**Placement**).

Ratification of tranche one of the Placement has the effect of 'refreshing' the Company's 15% capacity to issue further equity securities under ASX Listing Rule 7.1 without obtaining shareholder approval, thus providing the Company with as much flexibility as possible to raise additional capital.

After the end of the quarter, the Company announced that it had terminated its engagement of Viriathus Capital Pty Ltd as Globe's advisor and lead manager of the Placement. Consequently, the Company will not be proceeding with tranche two of the Placement (refer to ASX announcement made on 31 July 2023).

### ASX Additional Information

ASX Listing Rule 5.3.1: There were no substantive mining exploration activities during the quarter. Work was confined to evaluation, however no funds were expended on evaluation activities (refer section 2.1(d) of Appendix 5B).

ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5: A total of \$81,000 was paid to related parties during the quarter comprising Non-Executive Directors' fees (including superannuation).

## ASX Announcements during the Quarter

The following announcements were lodged on the ASX Market Announcements Platform during the quarter:

Date	Description
19-Apr-23	Variation of Loan Facility with Director Bo Tan
19-Apr-23	Results of Meeting
27-Apr-23	Globe secures further funding with additional \$600,000 loan
28-Apr-23	Quarterly Activities/Appendix 5B Cash Flow Report
1 May-23	Proposed issue of securities – GBE
3-May-23	Globe extracts 10-tonne sample from Kanyika Niobium Project
9-May-23	Globe strengthens team with key appointment in Africa
14-Jun-23	Kanyika Niobium Project Update
16-Jun-23	Kanyika Niobium Project – Further Update
27-Jun-23	Kanyika Niobium Project Next Steps and Vendor Selection
28-Jun-23	Globe secures further funding with additional \$200,000 loan

These announcements are available for viewing on the Company's website [www.globemm.com](http://www.globemm.com).

## Shareholding Information

At 30 June 2023, shares on issue totalled: 506,768,695. The number and distribution of holders at 30 June 2023 was:

Units	Number	Total Units	%
1 - 1,000	64	3,198	0.00%
1,001 – 5,000	46	158,143	0.03%
5,001 – 10,000	78	635,389	0.13%
10,001 – 100,00	317	14,420,457	2.85%
100,001 and above	149	491,551,508	97.00%
<b>Total</b>	<b>654</b>	<b>506,768,695</b>	<b>100.00%</b>

## Top 20 Holders at 30 June 2023

Position	Holder Name	Holding	% IC
1	APOLLO METALS INVESTMENT COMPANY LIMITED	245,983,611	48.54%
2	AO-ZHONG INTERNATIONAL MINERALRE SOURCES PTY LTD	118,143,062	23.31%
3	TRIPLE TALENT ENTERPRISES LTD	24,480,883	4.83%
4	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	13,619,239	2.69%
5	CITICORP NOMINEES PTY LIMITED	8,165,464	1.61%
6	MR COLIN ROBERT SEARL & MRS CYNDA SEARL	7,145,467	1.41%
7	BNP PARIBAS NOMS PTY LTD <DRP>	4,940,016	0.97%
8	MR RICHARD ULRICK & MRS WENDY ULRICK <ULRICK SUPER FUND A/C>	3,769,607	0.74%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	2,547,891	0.50%

10	M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>	2,478,000	0.49%
11	GOENG INVESTMENTS PTY LTD <GOENG PENSION FUND A/C>	2,358,697	0.47%
12	MR NOEL MALCOLM SCAMMELL	2,009,900	0.40%
13	MR DRITAN MEHMETI	2,000,000	0.39%
14	C & CR SUPERCO PTY LTD <C & CR SEARL SUPERFUND A/C>	1,980,078	0.39%
15	MR KELLY PETER BODMAN	1,980,022	0.39%
16	MR MARK LEONARD SWANSON	1,725,000	0.34%
17	GOTHA STREET CAPITAL PTY LTD <BLUE SKY NO 2 A/C>	1,711,000	0.34%
18	FIRST INVESTMENT PARTNERS PTY LTD	1,600,000	0.32%
18	PRIMARY SECURITIES LTD <ANADARA ASX SP OPP FUND A/C>	1,600,000	0.32%
19	BENRET PTY LTD <COLIN SEARL FAMILY A/C>	1,469,182	0.29%
20	TEBIL PTY LTD <BODMAN SUPER FUND A/C>	1,310,414	0.26%
<b>Total</b>		<b>451,017,533</b>	<b>89.00%</b>
<b>Total Issued Capital</b>		<b>506,765,695</b>	<b>100.00%</b>

### Schedule of Mineral Tenements at 30 June 2023

Country	Project	Type	Status	Tenement	Interest held by Globe	
					30 Jun 2023	31 Mar 2023
Malawi	Kanyika	Mining Licence	Granted	LML0216/21*	100%	100%

There were no tenements acquired or disposed during the quarter.

\* Pursuant to the Mines and Minerals Act, the Malawi Government is entitled to a 10% free equity interest in LML0216/21.

### Authorisation for Release

This report has been authorised for release by the Company's Chief Executive Officer, Grant Hudson.

For further information, please contact:

Grant Hudson  
Chief Executive Officer  
gh@globemm.com

# Qualifying Statements

## Mineral Resources Estimates

The information in this report that relates to Mineral Resources is extracted from the report titled “Kanyika Niobium Project – Updated JORC Resource Estimate” released to the Australian Securities Exchange (**ASX**) on 11 July 2018 and available to view at [www.globemm.com](http://www.globemm.com) and for which Competent Persons’ consents were obtained. Each Competent Person’s consent remains in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that is not aware of any new information or data that materially affects the information included in the original ASX announcement released on 11 July 2018 and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons’ findings are presented have not been materially modified from the original ASX announcement.

Full details are contained in the ASX announcement released on 11 July 2018 titled “Kanyika Niobium Project – Updated JORC Resource Estimate” available to view at [www.globemm.com](http://www.globemm.com).

The information in this report that relates to Ore Reserves is extracted from the report titled “Kanyika Niobium Project – Project Feasibility and Economics” released to ASX on 19 August 2021 and available to view at [www.globemm.com](http://www.globemm.com) and for which Competent Persons’ consents were obtained. Each Competent Person’s consent remains in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that is not aware of any new information or data that materially affects the information included in the original ASX announcement released on 19 August 2021 and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons’ findings are presented have not been materially modified from the original ASX announcement.

Full details are contained in the ASX announcement released on 19 August 2021 titled “Kanyika Niobium Project – Project Feasibility and Economics” available to view at [www.globemm.com](http://www.globemm.com).

## Disclaimer

This report has been prepared by Globe Metals & Mining Limited (**Company**). The material contained in this report is for information purposes only. This release is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in the Company and neither this release nor anything contained in it shall form the basis of any contract or commitment.

This report may contain forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company’s business plans, intentions, opportunities, expectations, capabilities, and other statements that are not historical facts. Forward-looking statements include those containing such words as could-plan-target-estimate-forecast-anticipate-indicate-expect-intend-may-potential-should or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and



unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of the Company, and which could cause actual results to differ from those expressed in this report. Because actual results might differ materially to the information in this report, the Company does not make, and this report should not be relied upon as, any representation or warranty as to the accuracy, or reasonableness, of the underlying assumptions and uncertainties. Investors are cautioned to view all forward-looking statements with caution and to not place undue reliance on such statements.

The report has been prepared by the Company based on information available to it, including information from third parties, and has not independently verified. No representation or warranty, express or implied, is made to the fairness, accuracy or completeness of the information or opinions contained in this report.

The Company estimates its reserves and resources in accordance with the Australasian Code for Reporting of Identified Mineral resources and Ore Reserves 2012 Edition (**JORC Code**), which governs such disclosures by companies listed on ASX.

## Appendix A: About the Kanyika Niobium Project

The Kanyika Niobium Project is located in central Malawi, approximately 55km northeast of the regional centre of Kasungu and is secured by Large-Scale Mining Licence No. LML0216/21 which grants the Company security of tenure and the right to mine niobium, tantalum, and deleterious uranium.

Drilling programs totalling 33.8 kilometres of percussion and core drilling have defined the extent of mineralisation. Structured and progressive engineering studies have resulted in the current (JORC 2012) Mineral Resource Estimate (refer below) and given rise to significant improvements and simplifications in the process flowsheet, from that first imagined.

In addition, Globe has undertaken substantial metallurgical optimisation work and commissioned a pilot plant to demonstrate and further optimise metallurgical processes. Metallurgical optimisations studies have improved recoveries from 62% in 2012 to 75% today, through simple novel patented metallurgical processes

The Kanyika operations will produce a pyrochlore mineral concentrate that contains both niobium and tantalum in commercially valuable volumes to be shipped to a refinery for advanced processing into high purity materials.

A Mineral Resource Estimate for the Kanyika Niobium Project under the 2012 JORC guidelines was reported to ASX on 11 July 2018 as follows:

Table 1: MRE for KNP using a 1,500 ppm Nb<sub>2</sub>O<sub>5</sub> lower cut

Category	Resource (Mt)	Nb <sub>2</sub> O <sub>5</sub> (ppm)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
Measured	5.3	3,790	180
Indicated	47	2,860	135
Inferred	16	2,430	120
<b>TOTAL</b>	<b>68.3</b>	<b>2,830</b>	<b>135</b>

Table 2: MRE for KNP using a 3,000 ppm Nb<sub>2</sub>O<sub>5</sub> lower cut

Category	Resource (Mt)	Nb <sub>2</sub> O <sub>5</sub> (ppm)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
Measured	3.4	4,790	220
Indicated	16.6	4,120	160
Inferred	2.8	4,110	190
<b>TOTAL</b>	<b>22.8</b>	<b>4,220</b>	<b>190</b>

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Globe Metals &amp; Mining Limited

ABN

33 114 400 609

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development	(305)	(305)
	(c) production		
	(d) staff costs		
	(e) administration and corporate costs	(393)	(1,637)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	-	331
1.8	Other (provide details if material)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(698)</b>	<b>(1,611)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	-	(7)
	(d) exploration & evaluation	-	(846)
	(e) investments		
	(f) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(853)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,039
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(72)
3.5	Proceeds from borrowings	400	1,300
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>400</b>	<b>2,267</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	543	431
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(698)	(1,611)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(853)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	400	2,267

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	11
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>245</b>	<b>245</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	245	543
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>245</b>	<b>543</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	81
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

The payments made to directors of the entity and their associates reported at 6.1 were comprised as follows:

	<b>A\$'000</b>
Non-executive directors' fees	81
<b>TOTAL</b>	<b>81</b>



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	<b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	1,200	800
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	1,200	800
7.5	<b>Unused financing facilities available at quarter end</b>		400
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	<p>During the quarter, the Company announced a further short-term loan facility of \$600,000 from Director Bo Tan (refer to ASX announcement made on 26 April 2023). The key terms of the new loan facility are as follows:</p> <ul style="list-style-type: none"> <li>• Facility Limit: A\$600,000</li> <li>• Drawdowns: 3 x A\$200,000</li> <li>• First drawdown: on or after 1 May 2023</li> <li>• Interest Rate: 8.3% per annum</li> <li>• Default Interest Rate: 20% per annum</li> <li>• Maturity Date: 6 months after first drawdown (ie, 4 November 2023)</li> <li>• Security: the loan is unsecured</li> <li>• Repayment: At the lender's election – repayable in cash or, subject to shareholder approval, by the issue of fully paid ordinary shares at the lesser of: <ul style="list-style-type: none"> <li>○ a 15% discount to the 5-day VWAP immediately prior to the issue date; or</li> <li>○ the issue price per share of the next debt or equity financing after the first drawdown date.</li> </ul> </li> </ul> <p>As announced on 19 April 2023, the terms of Mr Tan's previous loan facility of \$500,000 were varied to extend the due date for repayment, by a further 6 months, to 18 October 2023. The facility limit was also reduced to A\$400,000. All other terms of the previous loan facility remain the same.</p> <p>During the quarter, the Company also announced an additional short-term loan advance of \$200,000 from Director Bo Tan (refer to ASX announcement made on 28 June 2023). The key terms of the new loan are as follows:</p> <ul style="list-style-type: none"> <li>• Loan Amount: A\$200,000</li> <li>• Interest Rate: 8.3% per annum</li> <li>• Default Interest Rate: 20% per annum</li> <li>• Maturity Date: 4 November 2023</li> <li>• Security: the loan is unsecured</li> <li>• Repayment: At the lender's election – repayable in cash or, subject to shareholder approval, by the issue of fully paid ordinary shares at the lesser of: <ul style="list-style-type: none"> <li>○ a 15% discount to the 5-day VWAP immediately prior to the issue date; or</li> <li>○ the issue price per share of the next debt or equity financing after the first drawdown date.</li> </ul> </li> </ul> <p>The new loan brings the total amount of all outstanding loan facilities provided to the Company by Mr Tan to A\$1.2 million.</p>		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(698)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(698)
8.4	Cash and cash equivalents at quarter end (item 4.6)	245
8.5	Unused finance facilities available at quarter end (item 7.5)	400
8.6	Total available funding (item 8.4 + item 8.5)	645
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.9
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<div style="border: 1px solid black; padding: 5px;"> <p>Answer: Yes.</p> </div>	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<div style="border: 1px solid black; padding: 5px;"> <p>Answer: Yes. The Board regularly evaluates market appetite for equity investment and manages its capital and operations accordingly. The Board anticipates it will be able to continue to access funding as required and, to this end, it is considering further fund raising from internal and external parties. It will update the market of any steps it decides to take at the appropriate time.</p> </div>	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<div style="border: 1px solid black; padding: 5px;"> <p>Answer: Yes, on the basis of 8.8.2 above.</p> </div>	
<p><i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i></p>		

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 JULY 2023

Authorised by: GRANT HUDSON – CHIEF EXECUTIVE OFFICER

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An

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**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

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entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.