

Globe Metals and Mining Limited

ABN 33 114 400 609

Half Year Financial Report - 31 December 2023

GLOBE METALS AND MINING LIMITED
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FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

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GLOBE METALS AND MINING LIMITED
DIRECTORS' REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

The directors of Globe Metals and Mining Limited ('Globe' or 'the Company') submit the financial report of the Company and its controlled entities for the half year ended 31 December 2023.

DIRECTORS

The names of Directors who held office during or since the end of the half year:

Alice Wong	Non-Executive Chairperson
Bo Tan	Non-Executive Director
Ricky Lau	Non-Executive Director
Michael Barrett	Non-Executive Director
Michael Choi	Non-Executive Director

Directors have held office for the entire period up to the date of this report unless otherwise stated.

COMPANY SECRETARY

Paul Hardie

KEY MANAGEMENT PERSONNEL

Grant Hudson	Chief Executive Officer
Rex Zietsman	Chief Technical Officer
Charles Altshuler	Chief Financial Officer
Paul Smith	Chief Operating Officer (appointed 10 January 2024)

RESULTS

The result for the half year ended 31 December 2023 attributable to members of Globe was a net loss after tax of \$1,661K (31 December 2022: \$984K).

REVIEW OF OPERATIONS

During the half year ended 31 December 2023, Globe's main operational focus was on the advancement of its Kanyika Niobium Project in Malawi (Africa) and the refinement of the processing technical studies in Malawi. Given the signing of the Mining Development Agreement ('MDA') between Globe and the Malawi Government on 29 March 2023, the project's foundation in Malawi, Africa has been solidified and is fully permitted, with all necessary approvals in place for immediate construction to commence.

Kanyika Project Update

During the half year ended 31 December 2023, Globe made significant strides in the Kanyika Niobium Project. Optimisation efforts relative to the 2021 Definitive Feasibility Study (DFS) were undertaken. The project transitioned to using a chlorination process for refining, enhancing environmental sustainability and cost-effectiveness while producing high-purity products. Operational optimisations included redesigning the milling and concentration circuits, implementing dry tailings disposal, and co-deposition strategies. These changes aimed to improve production efficiency and profitability, with a focus on high-purity niobium oxide products for premium market pricing.

Globe has commenced metallurgical test-work, with a focus on refining the extraction and recovery processes for high-purity niobium and tantalum oxides. This phase also involves confirming product specifications and setting the groundwork for future production milestones.

Looking ahead

Globe's focus is currently on the advancement of metallurgical test work. After the excavation of the bulk sample from the Kanyika site in 2023, the following test work will be undertaken: Ore crushing and milling, desliming and magnetic separation, and floatation test work. The production of a large sample of Kanyika Niobium concentrate will then be used as feed material for the Chlorination refinery pilot plant. Globe will over the next few quarters design, build, and operate the chlorination refinery pilot plant. The pilot plant will be used to produce Niobium oxide and Tantalum oxide refined high-purity products, which will be used as a basis for the negotiation of key product off-take agreements.

The operation of the refinery pilot plant will also provide key engineering data, for the design and development and front-end engineering (FEED) work required for the Phase 1 mine, concentrator, and refinery development.

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DIRECTORS' REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

Globe will also be raising sufficient funds for the financing of the development and feasibility work currently planned and underway, inclusive of sufficient funding for the update of its feasibility study (including the refinery) to get the Kanyika Project to the point where a project execution decision can be made by the Company.

Post the operation of the refinery pilot plant, and the production of refined products for off-take agreement negotiations, Globe will be finalising an updated feasibility study, in anticipation of the project approval and execution. This process is expected to be undertaken during the balance of 2024.

Globe plans to initiate the Kanyika Niobium project in a phased approach – limiting the initial capital expenditure and hence reducing the project risk. Phase 1 development is expected to have a capital cost of between US\$30m to US\$40m. The phased approach will also allow Globe to enter the market in a phased and structured manner. Globe has recently announced its intention to develop its chlorination refinery in Malawi, which has several practical and strategic benefits for both Globe and Malawi.

Looking ahead, the Company anticipates a c. US\$250m capital raise for Phase Two to commence in 2027, signalling a strategic roadmap for future growth and expansion.

Phase One

To mitigate risks and accelerate production, Globe has proposed a phase-based approach, beginning with a Phase One study to reduce upfront capital costs and de-risk operations. This study includes adjustments to the initial tonnage projections and explores alternative refining routes, particularly focusing on gas-phase chlorination for niobium ores, which offers economic and environmental benefits over conventional methods.

Malawi has been identified as the preferred location for the Phase One refinery, leveraging its logistical advantages and expertise in dealing with radioactive materials. Plans for the refinery's location involve obtaining provisional rights to land, acquiring necessary approvals and government incentives, and initiating environmental assessments and applications for power and water access.

Offtake and Distribution

In addition to discussions with potential customers in the electric vehicle industry, specialty metals and defence industries, Globe has engaged in early-stage discussions with various parties experienced in acting as agents for niobium products, with a focus on markets in Asia, Europe, and the Americas.

Corporate update

- On 31 July 2023, the Company announced an update to tranche two of the Placement announced to the market on 18 November 2022. The Company advised that tranche two of its placement to sophisticated and professional investors to raise a further of \$500,000 (before costs) at \$0.0635 per share was cancelled as the Company terminated its engagement with Viriathus Capital Pty Ltd as advisor and lead manager of the placement.
- On 27 July 2023 the Company issued 14,190,000 options to executives and senior management under the Company's employee incentive scheme. The options were granted in July 2023 with an exercise price of \$0.13. One third of the options vest on the earlier of 12 months from the executive/employee start date or the date on which the 90-day VWAP exceeds \$0.20, one third of the options vest on the earlier of 24 months from the executive/employee start date or the date on which the 90-day VWAP exceeds \$0.40 and one third of the options vest on the earlier of 36 months from the executive/employee start date or the date on which the 90-day VWAP exceeds \$0.60.
- On 4 August 2023 the Company announced it was conducting a 3 for 7 pro rata non-renounceable entitlement offer of new fully paid ordinary shares in the Company at a price of A\$0.037 per share to raise approximately A\$8.000 million (before costs).
- On 31 August 2023 the Company announced it was appointing Mr. Rogerio Magalhães Pastore as a consultant to facilitate marketing of niobium oxide and metals products, negotiate offtakes, and explore strategic business ventures. With over 11 years at CBMM, including as Head of Market Development for Energy Materials Technology, Pastore brings extensive experience in implementing go-to-market strategies globally. Prior roles at Gerdau, coupled with his educational background from Northwestern University, equipped him for the role.
- On 4 September 2023, the Company announced it had completed its pro-rata non-renounceable offer of three new fully paid ordinary shares for every seven shares held by eligible shareholders. The Company received valid applications from eligible shareholders for 165,469,839 new shares, being approximately 76% of the new shares available for issue under the entitlements offer and raising \$6.122 million in proceeds. This included 34,455,972 new additional shares to Triple Talent under the Top-Up Facility which was approved by shareholders at a general meeting on 26 October 2023. 131,013,867 ordinary shares were issued on Thursday, 7 September 2023 and a further 34,455,972 shares were issued after shareholder approval on 26 October 2023. Funds

GLOBE METALS AND MINING LIMITED
DIRECTORS' REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

raised are expected be used for technical feasibility work, metallurgical test work and pilot plant work, and mine and refinery preparation and planning costs for the Kanyika Project together with director loan repayments, corporate, operating and marketing costs, and costs associated with the Entitlement Offer.

- On 23 October 2023, the Company announced the signing of a non-binding term sheet with TCM Research Ltd ('TCM') which detail the key commercial terms of the agreement for TCM to carry out metallurgical test work at TCM's South African laboratory, together with worldwide exclusivity and licencing agreements for the use of TCM Principal Technology at the proposed Namibia refinery site. TCM's role will be to design the refinery process for the Kayinka Niobium Project concentrate after carrying out metallurgical test work on a representative sample of concentrate, and to then construct a pilot plant to demonstrate the extraction and refining of high-grade niobium, tantalum and other metals from the concentrate using TCM Principal Technology. The licence agreement for the use of the TCM Principal Technology is expected to commence within 90 days from signing and will continue for up to 20 years or until expiry of the TCM licenced patents. During the term the Company will pay TCM a 1% royalty on a quarterly basis in respect of all sales that result from the use of the TCM Principal Technology ('TCM Royalty'). An exclusivity fee of USD\$15,000 will be paid per quarter commencing from 1 July 2024 until the Company commences with the TCM Royalty payment. TCM will be paid A\$430,000 for its services under the metallurgical test work agreement.
- On 24 October 2023 the Company announced it had received positive metallurgical test work results on the concentrate material from the Kayinka Niobium Project, with extraction of both Niobium and Tantalum above 99%.
- On 8 November 2023 the Company issued 3,629,054 ordinary shares at \$0.037 per share.
- On 20 November 2023 the Company announced the appointment of Mr Louis Schoeman as Project Manager to assist the Company with the development of the Kayinka Niobium Project in Malawi. With over 6 years at Kumba Iron Ore and extensive experience in construction and engineering, Schoeman brought valuable expertise to the role. He holds a N. Dip in Mechanical Engineering and has completed a Programme in Project Management from the University of Pretoria, South Africa.

SUBSEQUENT EVENTS

On 10 January 2024 the Group announced the appointment of Mr Paul Smith as Chief Operating Officer, bringing over 30 years of senior mining industry experience. Smith's previous expertise spanned exploration, project development, and operations management globally, with a focus on start-up and turnaround strategies.

On 5 February 2024 the group announced the optimisation study results for the Kanyika Project, supporting its advancement towards financing and development. Key outcomes included a pre-tax NPV of US\$1.004B, a 15% reduction in total unit cost of niobium pentoxide, and a shift to the more environmentally sustainable chlorination process for refining. The study aimed to establish Kanyika as a globally significant niobium mine with high-purity products.

On 1 March 2024 the Company announced the CEO, Grant Hudson, has informed the Board of his intention to retire effective from 31 May 2024. The Company plans to appoint Mr Paul Smith as CEO effective from 1 June 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

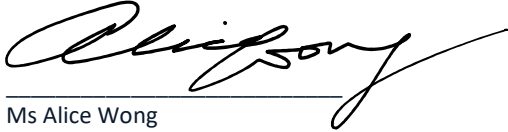
ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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DIRECTORS' REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Alice Wong', written over a horizontal line.

Ms Alice Wong
Non - Executive Chairperson

14 March 2024
Perth, Western Australia

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF GLOBE METALS & MINING LIMITED

As lead auditor for the review of Globe Metals & Mining Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Globe Metals & Mining Limited and the entities it controlled during the period.



Dean Just
Director

BDO Audit Pty Ltd

Perth

14 March 2024

GLOBE METALS AND MINING LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Consolidated 31 Dec 2023 \$'000	31 Dec 2022 \$'000
Expenses			
Administrative expenses		(508)	(323)
Compliance and regulatory expenses		(263)	(140)
Depreciation expenses		(8)	(3)
Directors fees		(172)	(159)
Employee benefits expenses		(267)	(179)
Interest expense		(49)	(54)
Occupancy expenses		(35)	(38)
Travel expenses		(90)	(32)
Foreign exchange gain/(loss)		82	20
Employee share-based payments		(303)	-
Other expenses		(48)	(76)
		<hr/>	<hr/>
Loss before income tax expense		(1,661)	(984)
Income tax expense		-	-
		<hr/>	<hr/>
Loss after income tax expense for the half-year		(1,661)	(984)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Changes in the fair value of investments at fair value through other comprehensive income		4	-
		<hr/>	<hr/>
Other comprehensive gain after tax		4	-
		<hr/>	<hr/>
Total comprehensive loss for the half-year		(1,657)	(984)
		<hr/>	<hr/>
Loss Per Share attributable to ordinary equity holders of the Company		Cents	Cents
Basic loss per share	5	(0.28)	(0.20)
Diluted loss per share	5	(0.28)	(0.20)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

GLOBE METALS AND MINING LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	Consolidated 31 Dec 2023 \$'000	30 Jun 2023 \$'000
Assets			
Current assets			
Cash and cash equivalents		3,365	244
Other receivables		112	108
Other assets		17	50
Total current assets		3,494	402
Non-current assets			
Exploration and evaluation expenditure	3	31,109	30,370
Investments at fair value through other comprehensive income		16	12
Plant and equipment		95	102
Total non-current assets		31,220	30,484
Total assets		34,714	30,886
Liabilities			
Current liabilities			
Trade and other payables		244	131
Loan	4	-	825
Provisions for employee benefits		21	11
Total current liabilities		265	967
Total liabilities		265	967
Net assets		34,449	29,919
Equity			
Contributed equity	6	89,585	83,700
Reserves		435	129
Accumulated losses		(55,571)	(53,910)
Total equity		34,449	29,919

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

GLOBE METALS AND MINING LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Contributed Equity \$'000	Accumulated Losses \$'000	Financial Asset Reserve \$'000	Total \$'000
Balance at 1 July 2022	80,753	(51,248)	(10)	29,495
Shares issued net of capital raising costs	2,526	-	-	2,526
Balance at 1 July 2022	83,279	(51,248)	(10)	32,021
Loss after income tax expense for the half-year	-	(984)	-	(984)
Other comprehensive loss	-	-	-	-
Total comprehensive loss for the half-year	-	(984)	-	(984)
Balance at 31 December 2022	83,279	(52,232)	(10)	31,037
	Contributed Equity \$'000	Accumulated Losses \$'000	Financial Asset Reserve \$'000	Total \$'000
Balance at 1 July 2023	83,700	(53,910)	129	29,919
Loss after income tax expense for the half-year	-	(1,661)	-	(1,661)
Other comprehensive loss	-	-	4	4
Total comprehensive income for the half-year	-	(1,661)	4	(1,657)
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued net of capital raising costs	4,610	-	-	4,610
Conversion of loan into share capital	1,275	-	-	1,275
Options issued	-	-	302	302
Balance at 31 December 2023	89,585	(55,571)	435	34,449

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

GLOBE METALS AND MINING LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Consolidated 31 Dec 2023 \$'000	31 Dec 2022 \$'000
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of value added taxes)		(1,148)	(901)
Net cash used in operating activities		(1,148)	(901)
Cash flows from investing activities			
Payments for exploration and evaluation		(739)	(576)
Research and development rebate		-	326
Purchase of plant & equipment		-	(7)
Net cash used in investing activities		(739)	(257)
Cash flows from financing activities			
Proceeds from issue of shares		4,982	1,039
Payment of capital raising cost		(374)	(83)
Proceeds from borrowings	4	400	900
Net cash provided by financing activities		5,008	1,856
Net increase in cash and cash equivalents		3,121	698
Cash and cash equivalents at the beginning of the half-year		244	431
Effects of exchange rate on cash and cash equivalents		-	(17)
Cash and cash equivalents at the end of the financial half-year		3,365	1,112

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

GLOBE METALS AND MINING LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

1. BASIS OF PREPARATION OF HALF-YEAR REPORT AND CHANGES TO GROUP'S ACCOUNTING POLICIES

1.1 Basis of Preparation

This consolidated interim financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Globe Metals & Mining Limited (the "Company") during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

1.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2023 except for the adoption of new standards and interpretations effective as of 1 July 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2023 affected any of the amounts recognised in the current period or any prior period.

1.3 Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

As at 31 December 2023, the Group had cash and cash equivalents of \$3,365K and had net working capital of \$3,229K. The Group incurred a loss for the half year ended 31 December 2023 of \$1,661K (31 December 2022: \$984K loss) and net cash outflows used in operating activities and investing activities totalling \$1,887K (31 December 2022: \$1,158K). The Group's cashflow forecasts reflect that the Group will be required to raise additional working capital within the next 12 month period to enable it to continue to progress the financing and development of the Kanyika Project.

The ability of the Group to continue as a going concern is dependent on the Group securing additional debt and/or equity funding to meet its working capital requirements in the next 12 months. These conditions indicate the existence of a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern.

At the date of this report, the directors are satisfied there are reasonable grounds to believe that the Group will be able to continue its planned operations and the Group will be able to meet its obligations as and when they fall due, for the following reasons:

- The Company has been issued with a Large-Scale Mining Licence for the Kanyika Project which provides it with tenure of twenty-five (25) years from grant date subject to ongoing compliance with the licence terms and conditions. This underscores the project's value.
- The Company has demonstrated in the past its capability to raise equity and or obtain debt funding as and when required as evident with the raise of \$4.9 million during the period.
- The Company has received a letter from the Department of Mines of the Malawi Government in May 2023, confirming the Mine development on the Kanyila Niobium Project shall commence within eighteen (18) months from date of the signing of the MDA, which is currently scheduled for 29 September 2024.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern and meet its debts as and when they become due and payable.

GLOBE METALS AND MINING LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

2. SEGMENT INFORMATION

The Group is organised into one operating segment being the Kanyika Niobium Project in Malawi. The operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

3. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
<i>Non-current assets</i>		
Costs carried forward in respect of areas of interest in:		
Exploration and evaluation phases – at cost	31,109	30,370

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

Consolidated	\$'000
Balance at 1 July 2022	29,950
Exploration expenditure capitalised during half year	746
Research and development rebate	(326)
	<hr/>
Balance at 30 June 2023	30,370
Exploration expenditure capitalised during half year	739
	<hr/>
Balance at 31 December 2023	31,109

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the consolidated entity's rights to tenure of the areas of interest;
- the results of future exploration;
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale; and
- no significant changes in laws and regulations that greatly impact the Group's ability to maintain tenure.

The Group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to indigenous people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

4. LOAN

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$'000	\$'000
Opening balance	825	1,023
Loan advancement	400	1,300
Issue of shares as loan repayment	(1,275)	(1,553)
Interest accrual	50	55
	<hr/>	<hr/>
Balance at the end of reporting period	-	825

Details of the loans are as follows:

GLOBE METALS AND MINING LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

4. LOAN (continued)

September 2022 Loan Facility

In September 2022, Director Bo Tan provided a further short-term loan facility, in the amount of A\$500,000 to assist the Company with its short-term working capital requirements (the 'September 2022 Loan Facility').

The key terms of the September 2022 Facility Loan were as follows:

Loan Amount:	A\$500,000 (adjusted in April 2023 down to A\$400,000)
Drawdown:	In lots of \$100,000
Interest Rate:	8% per annum
Default Interest Rate:	20% per annum
Term:	6 months
Repayment:	Repayable in cash or by the issue of fully paid ordinary shares at a price of 6.35 cents per share, subject to shareholder approval. At any time on or before the Maturity Date, the Group may, by notice (Conversion Notice) to the Lender, elect to convert some or all of the Money Owed (Conversion Amount) into Shares in the Borrower by way of the Borrower issuing Shares to the Lender, provided that the Borrower shall have prior to issuing the Conversion Notice obtained all shareholder, regulatory and other approvals necessary to enable the conversion of the Money Owed into Shares as contemplated under such Conversion Notice.

On 19 April 2023, the Company announced it had reached an agreement with Mr Tan to reduce the facility limit under the September 2022 Loan Facility to \$400,000 (previously \$500,000) and extend the repayment date to 18 October 2023 (previously 21 April 2023).

During the half-year ended 31 December 2023, the September 2022 Loan Facility was fully drawn down at \$400,000.

The September 2022 Loan Facility was fully repaid (\$400,000 plus interest) on 26 October 2023 via the issue of shares. Refer to note 6.

April 2023 Loan Facility

In April 2023, Director Bo Tan provided a further short-term loan facility, in the amount of A\$600,000 to assist the Company with its short-term working capital requirements (the 'April 2023 Loan Facility').

The key terms of the April 2023 Facility Loan were as follows:

Loan Amount:	A\$600,000
Drawdown:	In 3 lots of \$200,000 with first drawdown on or after 1 May 2023
Interest Rate:	8.3% per annum
Default Interest Rate:	20% per annum
Term:	6 months after first drawdown
Repayment:	At the lenders 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 undertaken by the Company after the first drawdown date.

During the half-year ended 31 December 2023, a further \$200,000 was drawn down from under the April 2023 Loan Facility, with the total drawn down at \$600,000. The maturity date of the April 2023 Facility Loan is 6 months after the first drawdown on 30 October 2023.

The April 2023 Loan Facility was fully repaid (\$600,000 plus interest) on 26 October 2023 via the issue of shares. Refer to note 6.

GLOBE METALS AND MINING LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

4. LOAN (continued)

June 2023 Loan Facility

In June 2023, Director Bo Tan provided a further short-term loan facility, in the amount of A\$200,000 to assist the Company with its short-term working capital requirements (the 'June 2023 Loan Facility').

The key terms of the June 2023 Facility Loan were as follows:

Loan Amount:	A\$200,000
Interest Rate:	8.3% per annum
Default Interest Rate:	20% per annum
Maturity date:	4 November 2023
Repayment:	At the lenders election – repayable in cash or, subject to shareholder approval, by the issue of fully paid ordinary shares at the lessor 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 undertaken by the Company after the first drawdown date.

During the half-year ended 31 December 2023, \$200,000 was drawn down from under the April 2023 Loan Facility and \$200,000 was drawn down from under the June 2023 Loan Facility. The June 2023 Loan Facility was fully repaid (\$200,000 plus interest) on 26 October 2023 via the issue of shares. Refer to note 6.

5. LOSS PER SHARE

	Consolidated 31 Dec 2023 \$'000	31 Dec 2022 \$'000
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax	(1,661)	(984)
	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	602,840,085	487,941,799
Weighted average number of ordinary shares used in calculating diluted loss per share	602,840,085	487,941,799
	Cents	Cents
Basic loss per share	(0.28)	(0.20)
Diluted loss per share	(0.28)	(0.20)

There is no impact of dilutive shares as the Group made a loss for the year and therefore the performance rights and options on issue at 31 Dec 2023 have no impact. The diluted earnings per share is therefore the same as basic loss per share.

6. ISSUED CAPITAL

	31 Dec 2023 \$'000	Consolidated 31 Dec 2023 Number	30 Jun 2023 \$'000	30 Jun 2023 Number
Fully paid ordinary shares	89,585	675,867,588	83,700	506,768,695

Movements in fully paid ordinary shares on issue are as follows:

GLOBE METALS AND MINING LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

6. ISSUED CAPITAL (continued)

	31 Dec 2023 \$'000	31 Dec 2023 Number	30 Jun 2023 \$'000	30 Jun 2023 Number
Balance at 1 July	83,700	506,768,695	80,753	465,922,373
Proceeds from share issue	-	-	1,039	16,365,439
Proceeds from share issue (1)	4,848	131,013,867	-	-
Proceeds from share issue (2)	134	3,629,054	-	-
Conversion of loan into share capital (3)	1,275	34,455,972	1,985	24,480,883
Share issue expenses	(372)	-	(77)	-
Balance at the end of reporting period	89,585	675,867,588	83,700	506,768,695

- (1) On 7 September 2023 the Company issued 131,013,867 ordinary shares at \$0.037 per share to raise \$4,847,513.
(2) On 8 November 2023 the Company issued 3,629,054 ordinary shares at \$0.037 per share to raise \$3,629,054
(3) On 26 October 2023 Shareholders approved the issue of 34,455,972 ordinary shares at \$0.037 per share to raise \$1,274,871. The funds raised were netted off against loans owing to Mr Bo Tan for \$1,274,871.

7. RESERVES

	Consolidated	
	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Financial asset revaluation reserve	(18)	(22)
Share-based payments reserve	453	151
	435	129

Nature and purpose of reserves:

Share-based payments reserve

The share-based payment reserve is used to recognise the grant date fair value of securities issued to directors and employees.

Financial asset revaluation reserve

The financial asset revaluation reserve is used to recognise changes in the fair value of financial assets.

During the period, the movement in the share-based payment reserve consisted of the following:

	31 December 2023 No.	31 December 2023 \$'000	30 June 2023 No.	30 June 2023 \$'000
Unlisted Options				
Balance at 1 July	8,273,078	151	3,273,078	-
Options issued to non-executive directors	-	76	5,000,000	151
Options issued to executives and employees ¹	14,190,000	226	-	-
	22,463,078	453	8,273,078	151

GLOBE METALS AND MINING LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

7. RESERVES (continued)

¹On 27 July 2023 the Company issued 14,190,000 options to executives and senior management under the Company's employee incentive scheme. The options were granted in July 2023 with an exercise price of \$0.13. One third of the options vest on the earlier of 12 months from the executive/employee start date or the date on which the 90-day VWAP exceeds \$0.20, one third of the options vest on the earlier of 24 months from the executive/employee start date or the date on which the 90-day VWAP exceeds \$0.40 and one third of the options vest on the earlier of 36 months from the executive/employee start date or the date on which the 90-day VWAP exceeds \$0.60.

The options have been valued using the Hoadley's binomial option models using the following assumptions

	Number	Grant date	Expiry date	Exercise price	Value per security	Volatility	Risk free rate
						%	%
Options issued to executives	2,000,000	11/07/2023	10/01/2026	\$0.130	\$0.023	90.00%	4.09%
Options issued to executives	2,000,000	11/07/2023	10/01/2026	\$0.130	\$0.013	90.00%	4.09%
Options issued to executives	2,000,000	11/07/2023	10/01/2026	\$0.130	\$0.009	90.00%	4.09%
Options issued to executives	1,400,000	05/07/2023	10/01/2026	\$0.130	\$0.023	90.00%	4.09%
Options issued to executives	1,400,000	05/07/2023	10/01/2026	\$0.130	\$0.013	90.00%	4.09%
Options issued to executives	1,400,000	05/07/2023	10/01/2026	\$0.130	\$0.009	90.00%	4.09%
Options issued to executives	1,000,000	01/07/2023	01/12/2026	\$0.130	\$0.023	90.00%	3.98%
Options issued to executives	1,000,000	01/07/2023	01/12/2026	\$0.130	\$0.013	90.00%	3.98%
Options issued to executives	1,000,000	01/07/2023	01/12/2026	\$0.130	\$0.009	90.00%	3.98%
Options issued to employees	330,000	26/07/2023	26/07/2027	\$0.130	\$0.033	101.00%	3.80%
Options issued to employees	330,000	26/07/2023	26/07/2027	\$0.130	\$0.032	101.00%	3.80%
Options issued to employees	330,000	26/07/2023	26/07/2027	\$0.130	\$0.029	101.00%	3.80%
	<u>14,190,000</u>						

8. CONTINGENT ASSETS AND LIABILITIES

In the opinion of the directors there were no contingent liabilities as at 31 December 2023 (31 December 2022: nil).

9. COMMITMENTS

a) Exploration commitments

No amounts have been committed to date, however on completion of the feasibility work, which is expected to be completed in or around the first quarter of 2024 and may include updating the Company's Feasibility Study, the Company may decide to:

- (i) raise further funds in 2024 (including entering into potential offtake agreements) to proceed with Phase One of the Kanyika Project
- (ii) conduct further feasibility work, following which the Company may decide to proceed in accordance with (a) above or not proceed with development at the Kanyika Project; or
- (iii) not proceed with development at the Kanyika Project

GLOBE METALS AND MINING LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

9. COMMITMENTS (continued)

The funds referred to in (i) above may relate to movement of project affected people, environment and social related expenditure, mine and refinery capital and operating expenditures as well as administration and operating overhead.

b) Lease expenditure commitments

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$'000	\$'000
Not longer than one year	-	43
Longer than one year, but not longer than 5 years	-	-
	-	43

Lease commitments in the prior period related to the lease for office and staff accommodation in Malawi.

10. RELATED PARTY DISCLOSURES

Parent entity

The ultimate parent entity of the Group is Globe Metals & Mining Limited.

Other key management personnel transactions

On 26 October 2023, Mr Tan's loan facilities were fully repaid (\$1,200,000 plus interest) via the issue of shares by participation in a placement during the period. Refer to note 4 for details.

Transactions with other related parties

There were no transactions with other related parties during the current and previous financial half-year.

11. DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial half-year.

12. EVENTS SUBSEQUENT TO REPORTING DATE

On 10 January 2024 the Group announced the appointment of Mr Paul Smith as Chief Operating Officer, bringing over 30 years of senior mining industry experience. Smith's previous expertise spanned exploration, project development, and operations management globally, with a focus on start-up and turnaround strategies.

On 5 February 2024 the group announced the optimisation study results for the Kanyika Project, supporting its advancement towards financing and development. Key outcomes included a pre-tax NPV of US\$1.004B, a 15% reduction in total unit cost of niobium pentoxide, and a shift to the more environmentally sustainable chlorination process for refining. The study aimed to establish Kanyika as a globally significant niobium mine with high-purity products.

On 1 March 2024 the Company announced the CEO, Grant Hudson, has informed the Board of his intention to retire effective from 31 May 2024. The Company plans to appoint Mr Paul Smith as CEO effective from 1 June 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

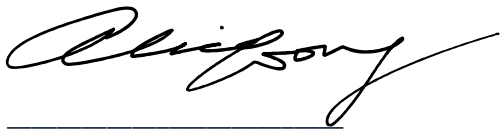
GLOBE METALS AND MINING LIMITED
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Ms Alice Wong
Non - Executive Chairperson

14 March 2024
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Globe Metals & Mining Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Globe Metals & Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Dean Just', is written over a faint, light blue BDO logo.

Dean Just

Director

Perth, 14 March 2024