

29 October 2015

QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B FOR THE PERIOD ENDING 30 SEPTEMBER 2015

Conversion of convertible notes

On 8 September 2015, the Company announced the conversion of \$720,000 convertible notes ("Notes") and \$46,389 of interest accrued ("Interest") on the Notes as at the conversion date into fully paid ordinary shares ("Shares") at the request of Notes holders under the terms of Convertible Notes Deed Polls. A total of 957,987,500 Shares and 447,339,375 unlisted options (1 for 2 free attaching options) exercisable at \$0.03 each on or before 31 December 2016 were issued in full conversion of the Notes and Interest altogether.

Exploration

Capital restraints prohibited the commencement of new exploration programs this quarter. The Board predominantly focussed on corporate matters and the reduction of debt via the conversion of convertible notes to enable the Company to evaluate potential investment opportunities.

In the next quarter, the Company intends to proceed with an equity raising to ensure it has sufficient funds to commence exploration activities.

Summary of Tenements and Changes

Project	Tenement reference	Interest held by GXN on 30 June 2015	Interest acquired/disposed during quarter	Interest held by GXN on 30 September 2015
Jutson Rocks	E38/1540, E38/1541	70%	-	70%
Leonora*	E37/0893, M37/1202	100%	-	100%

*Held through subsidiary Messina Resources Limited

For and on behalf of the Board



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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Global Metals Exploration NL

ABN

23 124 140 889

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(105)	(105)
(b) development	-	-
(c) production	-	-
(d) administration	(225)	(225)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(329)	(329)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(329)	(329)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(329)	(329)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(329)	(329)
	Net increase (decrease) in cash held	(329)	(329)
1.20	Cash at beginning of quarter/year to date	422	422
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	93	93

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	23
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions Directors' fees payments are on normal commercial terms.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 8 September 2015, 957,987,500 fully paid ordinary shares and 447,339,375 unlisted options exercisable at \$0.03 on or before 31 December 2016 were issued for the conversion of \$720,000 of convertible notes and \$46,389 of accrued interest to noteholders.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	25
4.2 Development	-
4.3 Production	-
4.4 Administration	50
Total	75

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	93	422
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	93	422

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed		No changes during the period – please refer to the activity report for the quarter		
6.2 Interests in mining tenements and petroleum tenements acquired or increased		No changes during the period – please refer to the activity report for the quarter		

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	(i) 2,354,878,835 (ii) 11,590,184	2,354,878,835 11,590,184	- \$0.075	- \$0.825
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(i) 957,987,500	957,987,500		
7.5 *Convertible debt securities (description)	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	72 (converted)	72	\$0.0008	
7.7 Options (description and conversion factor)	34,401,959 483,999,488 1,218,000,000	34,401,959 - -	Exercise price \$0.20 \$0.03 \$0.002	Expiry date 1 November 2015 31 December 2016 30 April 2020
7.8 Issued during quarter	447,339,375	-	\$0.03	31 December 2016
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
Company Secretary

Date: 29 October 2015

Print name: Keith Bowker

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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