

27 July 2016

QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B FOR THE PERIOD ENDED 30 JUNE 2016

Update on Acquisition of Zinc Mines of Ireland NL

On 20 May 2016, Global Metals Exploration NL ("Global Metals" or "the Company") provided an update on the acquisition of 100% of the issued capital of Zinc Mines of Ireland Limited ("ZMI") ("Acquisition"). The Company and ZMI reached an agreement to waive 2 particular conditions precedent forming the agreement between ZMI and the Company, subject to and conditional on ZMI procuring firm commitments from investors to a placement at an issue price of \$0.008 per share to raise not less than \$500,000 with each investor also being issued one (1) listed option and one (1) unlisted option for every two (2) shares subscribed ("Placement").

The Company and ZMI further agreed to extend the timeframe for satisfying the remaining conditions precedent to the Acquisition from 30 June 2016 to 31 July 2016.

The Company despatched a notice of general meeting (together with an independent technical report) to shareholders seeking approval for the Acquisition.

Subsequent to the end of the quarter (22 July 2016), the Company announced the completion of the Acquisition together with the completion of a capital raise of \$1,369,000 with over-subscriptions to be accepted up to a total of \$2.2 million (subject to shareholder approval being obtained).

Converting Loan Agreements

During the quarter ended 30 June 2016, the Company entered into converting loan agreements for \$60,000 with the loan monies being used by the Company to pay creditors and to meet its working capital requirements.

Summary of Tenements and Changes

Project	Tenement reference	Interest held by GXN on 31 March 2016	Interest acquired/disposed during quarter	Interest held by GXN on 30 June 2016
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 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(3)	(143)
(b) development	-	-
(c) production	-	-
(d) administration	-	(403)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	2
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	(2)	(544)
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)	(2)	(544)

+ 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)	(2)	(544)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	134
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	60	60
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	60	194
	Net increase (decrease) in cash held	58	(350)
1.20	Cash at beginning of quarter/year to date	14	422
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter¹	72	72

¹ Subsequent to the end of the quarter, the Company completed a placement in two (2) tranches to sophisticated investors via the issue of 170,875,000 fully paid ordinary shares at an issue price of \$0.008 per share to raise 1,367,000 (before costs) with each investor also being issued one (1) listed option and one (1) unlisted option for every two (2) shares subscribed.

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	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	N/A	

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

N/A

+ See chapter 19 for defined terms.

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Mining exploration entity and oil and gas exploration entity quarterly report

- 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

N/A

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	250
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	350

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	72	14
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	72	14

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report****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	E38/1540 E38/1541 Lapsed	70%	-
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		

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) 2,690,110,660 (ii) 11,590,184 (Pre-consolidation)	2,690,110,660 11,590,184 (Pre-consolidation)	- \$0.075 (Pre-consolidation)
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			- \$0.825 (Pre-consolidation)
7.5	*Convertible debt securities (description)	60,000	-	\$1.00

+ See chapter 19 for defined terms.

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Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	60,000		\$1.00	\$1.00
7.7	Options (description and conversion factor)	483,999,488 1,218,000,000 (Pre-consolidation)	- -	Exercise price \$0.030 \$0.002 (Pre-consolidation)	Expiry date 31 December 2016 30 April 2020
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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: 27 July 2016

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

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Mining exploration entity and oil and gas exploration entity quarterly report

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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