



China Development Bank – Financing Letter of Intent for Kanyika Niobium Project

Globe Metals & Mining (“**Globe**” or the “**Company**”; ASX: GBE) is pleased to announce that it has received a Letter of Intent (LOI) from the China Development Bank (CDB), one of China’s largest government-owned banks, to provide a credit facility to Globe to finance its Kanyika Niobium Project in central Malawi.

Project Financials Summary: capital cost US\$220 million (incl. contingency); NPV US\$300 million; IRR 23%; annual revenues US\$180 million p.a.; 20 year mine life; annual production of 3,000tpa niobium metal (principally as ferro-niobium) with tantalum and uranium credits; first production 2015.

Globe is pleased to receive this LOI, as it marks an important step towards eventually bringing Kanyika into production. The LOI is non-binding, and subject to a number of conditions including technical and financial due diligence, concluding terms for the provision of finance, relevant approvals from the Governments of Malawi and China and approval from the CDB credit committee.

CDB stated, “We are delighted to be involved in this Project, and look forward to working with Globe to put final and binding financing arrangements in place, once the Definitive Feasibility Study for the Project is completed.”

“Ferro-niobium is a critical additive in the production of sophisticated steels by Chinese steel mills, and the expected growth in the consumption of both niobium and steel in China is significant, so the participation of the CDB in this Project makes sense. The involvement of ECE as Globe’s largest shareholder satisfied a vital pre-requisite, as our bank typically requires a Chinese partner for financing arrangements of this nature.”

Globe’s Managing Director, Mr Mark Sumich, stated, “One of the key rationales for the Globe-ECE strategic partnership and co-operation was to demonstrate to our shareholders our ability to bring Kanyika into production. Our association with CDB is a major step towards delivering on this objective, and came about primarily as a result of our strategic partnership with ECE.”



About China Development Bank

CDB was established in 1994. CDB is a leader in the implementation of the Chinese State's macroeconomic policies and has assumed an active role in raising and channelling funds to alleviate the bottlenecks of financing restraints and strengthen the weak links in the State's economy, for the purpose of rational development of the economy and society.

CDB is an integrated financial enterprise devoted to medium to long-term financing and investment. As of year-end 2010, the Bank's total assets were 5112.3 billion RMB, an increase of 12.58% from the previous year. This has allowed CDB to have a net profit of 37.1 billion RMB, an annual increase of 16%.

CDB has formed a working network distributed in 194 countries worldwide, and there are currently more than 500 overseas staffs. CDB is the largest foreign investment and financing bank in China, and has successfully supported a number of important international cooperation projects, such as Sino-Russian Financing Cooperation of US\$25 billion Oil Loan Project, Sino-Brazil Oil Financing Cooperation Loan Project, Central Asian Natural Gas Pipeline Project, Sino-African Malawi Cotton Project, etc. At the end of 2010, the foreign currency loans of CDB was US\$134.6 billion.

About Globe Metals & Mining

Globe is an African-focused resource company, specialising in rare metals such as niobium, tantalum and rare earths, as well as other commodities including fluorite, uranium and zircon. Our main focus is the multi-commodity Kanyika Niobium Project in Malawi, which will produce ferro-niobium, a key additive in sophisticated steels.

Globe also has a number of other projects at an earlier stage of development: it owns 100% of the Machinga Rare Earth Project in southern Malawi, and the Company can earn up to a 90% interest in the Mount Muambe REE – Fluorite Project and the Memba Titanium – Iron Project, both in Mozambique.

Globe's corporate head office in Perth, Australia is supported by African offices in Lilongwe, Maputo, Tete and Nacala. The Company has been listed on the ASX since December 2005 (Code: GBE).

In April 2011, the Company entered into a strategic partnership with East China Mineral Exploration and Development Bureau (ECE), a Chinese State Owned Enterprise with extensive mining operations in China and overseas. ECE is now the largest shareholder in Globe, and a key partner for Globe's growth ambitions in Africa.

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