



ASX Announcement

29 October 2024

Quarterly Activities Report – September 2024 Quarter

The September quarter marked promising progress in Kanyika's development plan, particularly in regulatory and ESG-related initiatives. Notably, we successfully signed our first Letter of Intent for a binding offtake agreement for Kanyika Phase 1 production.

Highlights

- A letter of intent was signed to finalise a binding offtake agreement with Affilips N.V., a leading global supplier of master alloys
- Globe's subsidiary, First Metals Refinery Africa Limited, received an Investment Certificate from the Malawi Investment and Trade Centre, allowing our refinery to receive priority support from Malawi government and various tax exemptions
- We entered into a Community Development Agreement with local representatives surrounding the Kanyika Project, reinforcing our commitment to community engagement
- We secured a 12-month extension for the commencement of mine activities at Kanyika Niobium Project, allowing us to better prepare for operations
- Cash and working capital supported with a A\$2.3 million short-term loan facility provided by Globe Director, Bo Tan
- Cash at bank at the end of the September 2024 quarter was \$0.72 million (30 June 2024: \$1.15 million)

Globe Metals & Mining Limited (ASX: GBE) ("Globe" or "Company") is pleased to announce its Appendix 5B cashflow report for the quarter ended 30 September 2024 (Q1 FY25) along with the following operational update.

In Q1 FY25, Globe has successfully finalised several key regulatory and ESG-related components of the development plan for Kanyika Project, which is now advancing significantly.

During this period, our initiatives not only strengthened the Company's current financial position, but also enhanced the long-term viability of Globe as a niobium

miner and refiner. This positions us well to meet the robust demand for niobium from a variety of specialised industries.

Globe's Chief Executive Officer, Paul Smith, commented: *"We are well-pleased with our achievements over the September 2024 quarter. Three announcements made over this period confirmed the strong relationship we have with both Malawi authorities and the communities they service. The first saw our Kanyika project receive an Investment Certificate, opening the way for it to benefit from various tax exemptions as well as Export Processing Zone status. The second saw the Company secure an extension for the commencement of mining activities at Kanyika, which dovetails nicely with the detailed Mine Development Agreement between Globe and the Government of Malawi. The third was the signing of a Community Development Agreement with local communities surrounding Kanyika, which demonstrated the spirit of cooperation between both parties.*

I am also proud to say that Globe further validated the economic potential of the Kanyika Project over the September quarter. It saw us sign the first Letter of Intent with Affilips N.V, a leading global supplier of master alloys, to negotiate a binding offtake agreement for approximately one-third of Kanyika Phase 1 production. This partnership could provide Globe with access to the European market. Other off-take agreements are now in the pipeline that would, if delivered, reinforce Kanyika's economic case. This comes at a time when global demand for niobium shows no signs of faltering due to its continuous pipeline of new uses, together with a lack of substitutes.

Expected deliverables over the coming months are expected to add to Kanyika's viability. Chief amongst these will be the updated Bankable Feasibility Study, which will incorporate any off-take agreements secured."

MITC Investment certificate received for Globe's Malawi-based refinery

In early September 2024, Globe's newly incorporated subsidiary, First Metals Refinery Africa Limited, which will operate the refinery in Malawi, received an Investment Certificate from the Malawi Investment and Trade Centre (see ASX announcement dated 2 September 2024). This certificate allows Globe to receive priority support under the One-Stop Investment Centre, facilitating the application process for the refinery to be designated as an Export Processing Zone. It also opens the way for Globe's Malawi-based refinery to benefit from various tax exemptions.

Community Development Agreement for Kanyika Project is signed

In mid-Q1 FY25, the Company announced the signing of a Community Development Agreement (**CDA**) with local communities surrounding its Kanyika Niobium Project in Malawi (see ASX announcement dated 19 August 2024). This agreement mandates the establishment of the Kanyika Development Trust, which will manage 0.45% of the Company's turnover for community development initiatives. The signing ceremony included Paramount Chief Inkosi ya Makhosi M'mbelwa V, members of the Ministry of Mines, and other senior dignitaries.



Figure 1: Leaders of the qualified community signing the CDA

The CDA aims to foster cooperation between Globe and the local communities, allowing them to have a direct influence on how the allocated funds are used. The agreement aligns with Globe’s commitment to environmental, social, and governance practices, ensuring the Project respects local culture and prioritises community needs.

Globe Africa’s Chairman, Macleod Nyirongo, emphasised the importance of inclusive partnerships, while Globe CEO Paul Smith highlighted the important role the CDA as a crucial step towards advancing the Kanyika Project’s development. The Project, which includes mining, concentration, and refining operations will, when developed, produce high-purity niobium and tantalum oxides for export.

Letter of Intent for offtake agreement signed with Affilips N.V.

In early September 2024, the Company announced the signing of a Letter of Intent (**LOI**) with Affilips N.V. (**Affilips**) for up to 100 tonnes of high-purity Niobium Pentoxide (see ASX announcement dated 2 September 2024). Affilips is a leading global supplier of master alloys, with facilities in Belgium and the Netherlands. It exports around 50,000 tonnes of master alloys annually to 80 countries, serving various metal industries, including those producing specialty steels and superalloys for high-demand applications like aircraft engines and nuclear reactors.

The LOI with Affilips sets a framework for negotiating a binding offtake agreement for 32% of the Kanyika Niobium Project’s Phase 1 production. The initial agreement is planned for a 3-year term starting in May 2026, coinciding with the expected production of Phase 1 oxide.

The agreement is anticipated to provide Globe with access to the European market, where niobium is in demand by specialised industries. Globe aims to finalise the offtake agreement by Q2 calendar year 2025, with a full contract targeted by 1 September 2025.

The LOI is integral to the work-in-progress update of the Project's bankable feasibility study (**BFS**), based on the definitive feasibility study completed in 2021. The BFS utilises Hydrofluoric Acid/Solvent Extraction refining technology, which aligns with approved plans and environmental impact assessments in Malawi. This method is expected to streamline project development and ensure product quality tasks. Globe is also exploring a chlorination refining route as an alternative.

Secured an extension of timeline for Kanyika Project development

Also in September 2024, the Company secured an extension for the commencement of mining activities at its Kanyika Niobium Project in Malawi (see ASX announcement dated 18 September 2024). This extension aligns with the Mine Development Agreement between Globe and the Government of Malawi (**MDA**). It also allows Globe to remain compliant with all mining agreements, licenses, and permits.

The need for the extension arose from delays in finalising the MDA which, in turn, necessitated a revised timeline. The Director General of the Mining and Minerals Regulatory Authority, S.N.D. Sakhuta, approved the extension on 17 September 2024 pushing the start date for substantial mine development to 27 September 2025 in accordance with section 169(7) of Malawi's Mines and Minerals Act 2023. This decision reflects ongoing support from Malawi's mining jurisdiction and acknowledges Globe's good faith efforts to advance the Project.

The extension facilitates now allows ample time for detailed planning for community engagement and feasibility assessments, aligning the timeline with the Company's development strategy. The Government of Malawi previously endorsed Globe's efforts to secure resources and maintain the security of its mining license, adjusting the commencement expectation to 18 months from the MDA signing date rather than from the original license grant date.

Further Kanyika Project development milestones are pending

Globe has informed the market about both upcoming and longer-term Kanyika deliverables along with their expected delivery dates in our recently released investor presentation (see ASX announcement dated 18 September 2024):

- Offtake discussions and agreements (Q4 calendar 2024);
- Complete the update of the BFS (Q1 calendar 2025);
- Board's approval to execute the Kanyika Project (Q1 calendar 2025);
- Commencement of mining activities at Kanyika Project (by 27 September 2025)

- Malawi-based Mine, Concentrator and Refinery construction Phase 1 (15 months of construction);
- Phase 1 commission and production (Q1 calendar 2026); and
- Phase 2 commission and production (Q2 calendar 2028).

Cash position

At the end of the September 2024 quarter, the Company had debt of \$0.5 million and held cash of \$0.72 million (30 June 2024: \$1.15 million).

In late Q1 FY25, the Company provided an update on the loan from Director Bo Tan. He has agreed to provide a short-term loan facility of A\$2.3 million to assist Globe with its working capital requirements. The new loan facility will allow the Company to focus its efforts on completing the updated BFS, which will incorporate any off-take agreements secured.

The key terms of the loan facility are as follows:

Facility limit:	A\$2.3 million.
Drawdowns:	Monthly drawdowns as follows: <ul style="list-style-type: none"> ○ A\$500,000 (on or before 25 September 2024); ○ A\$500,000 (during October 2024); ○ A\$500,000 (during November 2024); and ○ A\$800,000 (during December 2024).
Interest rate:	25% per annum accruing and payable daily, with interest to be capitalised daily and added to the aggregate principal amount outstanding, as adjusted for any capitalised interest, prepayments, or repayments (Principal Outstanding). Interest is payable on overdue amounts that are unpaid at the rate of 0.5% per day.
Term:	8 months after the first drawdown.
Early repayment:	The Company may prepay all or part of the Principal Outstanding at any time prior to the Repayment Date, provided that if Globe prepays all of the Principal Outstanding prior to the Repayment Date it must pay to the Lender an amount equivalent to one calendar month's interest on the Principal Outstanding at the same time as it prepays the Principal Outstanding.
Security:	The loan facility is unsecured.

ASX additional information

ASX Listing Rule 5.3.1: There were no substantive mining exploration activities during the quarter. Work was confined to evaluation-related tasks. The Company expended approximately \$514,000 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 \$79,000 was paid to related parties during the quarter comprising Non-Executive Directors' fees (including superannuation).

Shareholding information

At 30 September 2024, shares on issue totalled 691,445,497.

The number and distribution of holders at 30 September 2024 was:

Holding Ranges	Holders	Holding	% IC
above 0 up to and including 1,000	45	2,225	0.00%
above 1,000 up to and including 5,000	39	129,539	0.02%
above 5,000 up to and including 10,000	63	505,568	0.07%
above 10,000 up to and including 100,000	310	13,900,504	2.01%
above 100,000	151	676,907,661	97.90%
Totals	608	691,445,497	100.00%

Top 20 holders at 30 September 2024

Position	Holder Name	Holding	% IC
1	APOLLO METALS INVESTMENT COMPANY LIMITED	351,405,158	50.82%
2	AO-ZHONG INTERNATIONAL MINERALRE SOURCES PTY LTD	118,143,062	17.09%
3	TRIPLE TALENT ENTERPRISES LTD	69,428,662	10.04%
4	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	15,849,916	2.29%
5	PATRAS CAPITAL PTE LTD	14,000,000	2.02%
6	CITICORP NOMINEES PTY LIMITED	12,489,840	1.81%
7	MR COLIN ROBERT SEARL & MRS CYNDA SEARL	12,349,888	1.79%
8	BNP PARIBAS NOMS PTY LTD	5,546,881	0.80%
9	BENRET PTY LTD <COLIN SEARL FAMILY A/C>	4,461,888	0.65%

10	C & CR SUPERCO PTY LTD <C & CR SEARL SUPERFUND A/C>	4,168,888	0.60%
11	MR RICHARD ULRICK & MRS WENDY ULRICK <ULRICK SUPER FUND A/C>	3,934,439	0.57%
12	GOENG INVESTMENTS PTY LTD <GOENG PENSION FUND A/C>	3,858,697	0.56%
13	M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>	3,805,425	0.55%
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	3,459,844	0.50%
15	GOTHA STREET CAPITAL PTY LTD <BLUE SKY NO 2 A/C>	2,870,100	0.42%
16	MR KELLY PETER BODMAN	2,520,562	0.36%
17	MR BAHRAM REZAEI	2,320,000	0.34%
18	MR DRITAN MEHMETI	2,000,000	0.29%
19	MR MARK LEONARD SWANSON	1,725,000	0.25%
20	MR PHILLIP ADRIAN GLENN	1,501,693	0.22%
	Total	635,839,943	91.96%
	Total issued capital – selected security class(es)	691,445,497	100.00%

Schedule of mineral tenements at 30 September 2024

Country	Project	Type	Status	Tenement	Interest held by Globe Africa	
					30 September 2024	30 June 2024
Malawi	Kanyika	Mining Licence	Granted	LML0216/21*	100%	100%

There were no tenements acquired or disposed of during the quarter.

* Pursuant to the Mines and Minerals Act, the Malawi Government is entitled to a 10% free equity interest in LML0216/21 subject to formally notifying Globe Africa of its desire to take up its entitlement. As at the date of this report, neither the Company nor Globe Africa has received any such notice.

For further information, please contact:

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About the Kanyika Niobium Project

The Kanyika Niobium Project is located in central Malawi, approximately 55km northeast of the regional centre of Kasangu. The Project 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 and given rise to significant improvements and simplifications in the process flowsheet.

Appendix 5B

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

Name of entity

GLOBE METALS & MINING LIMITED

ABN

33 114 400 609

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(201)	(201)
	(e) administration and corporate costs	(208)	(208)
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	-	-
1.8	Other (provide details if material)	-	-
	(a) Exploration and evaluation payments for assets disposed	-	-
	(b) Insurance recoveries	-	-
1.9	Net cash from / (used in) operating activities	(409)	(409)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(514)	(514)
	(e) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets	-	-
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 - funds from joint ventures	-	-
2.6	Net cash from / (used in) investing activities	(514)	(514)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	500	500
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – operating lease payments	-	-
3.10	Net cash from / (used in) financing activities	500	500

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,147	1,147
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(409)	(409)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(514)	(514)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	500	500

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	724	724

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances (includes cash from assets held for sale)	724	1,147
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	724	1,147

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	79
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>		

Appendix 5B

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

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	2,300	500
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	2,300	500
7.5	Unused financing facilities available at quarter end		1,800
7.6	<p>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> <p>Answer:</p> <p>On 26 September 2024, the Company announced to the market that it had entered into a formal agreement with Director Bo Tan for a short-term loan facility in the amount of A\$2,300,000 to assist the Company with its short-term working capital requirements.</p> <p>The key terms of the loan facility are as follows:</p> <p>Loan Amount: A\$2,300,000 Drawdown: \$500,000 on or before 25 September 2024; \$500,000 on a date selected by Globe during October 2024; \$500,000 on a date selected by Globe during November 2024; and \$800,000 on a date selected by Globe during December 2024.</p> <p>Interest Rate: 25% per annum Term: 8 months after the first drawdown (25 May 2025) Security: Unsecured</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(409)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(514)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(923)
8.4	Cash and cash equivalents at quarter end (item 4.6)	724
8.5	Unused finance facilities available at quarter end (item 7.5)	1,800
8.6	Total available funding (item 8.4 + item 8.5)	2,524
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.7
	<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	<p>If item 8.7 is less than 2 quarters, please provide answers to the following questions:</p> <p>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?</p> <p>Answer: N/A</p>	

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

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?

Answer:

N/A

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?

Answer:

N/A

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.

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: 29 October 2024

Authorised by: By the Board
(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 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.