INTERIM REPORT

SIX MONTHS ENDED JUNE 30, 2012
(UNAUDITED)

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STATEMENT CONCERNING THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Management has compiled the unaudited interim condensed consolidated financial report as of June 30, 2012 and 2011. The statements have not been audited or reviewed by the Company's auditors or any other firm of chartered accountants.

Table of Contents

Management Discussion and Analysis

For the three month period and six month period ended June 30, 2012

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Globex Mining Enterprises Inc's. ("Globex", the "Company" and "we") results of operations, financial performance and current business environment. The MD&A, which has been prepared as of July 26, 2012 should be read in conjunction with Globex's unaudited interim condensed consolidated financial statements for the three month period and six month period ended June 30, 2012. This discussion should be read in conjunction with the audited annual consolidated financial statements and the related notes, for the two years ended December 31, 2011 and December 31, 2010.

Table of contents

Overview

Globex Mining Enterprises Inc. ("Globex") is a North American focused exploration, royalty and development company with a North American mineral portfolio in excess of 120 early to mid-stage exploration and development properties containing: **Base Metals** (copper, nickel, zinc, lead), **Precious Metals** (gold, silver, platinum, palladium, osmium and iridium), **Specialty Metals and Minerals** (manganese, iron, molybdenum, uranium, lithium as well as rare earths and associated elements) and **Industrial Minerals** (mica, apatite as well as talc and magnesite). The Company currently generates royalty and option income from properties which contain gold, silver, copper, and zinc. We are in the early stages of monetizing a precious metals recovery technology that may potentially generate fees and royalty income.

Corporate focus

The Company seeks to create shareholder value by acquiring properties, enhancing and developing them for our own account or for optioning, joint venturing or vending, with the ultimate aim of bringing projects into commercial production.

Currently, the Company is focused on:

- Advancing the Timmins Talc-Magnesite project, to pre-feasibility;
- Exploring and developing the Chibougamau Group of properties in Quebec;
- Other ongoing business activities include:
    - Sales and options of properties;
    - Targeted exploration programs;
    - Acquisition opportunities; and
    - Exploiting hydrometallurgical technology applications (see Other Business Opportunities below).

Optioning exploration properties is one of the strategies Globex employs to manage its extensive mineral property portfolio. This strategy not only enables the Company to, conserve cash, but it also generates current income and ensures that properties are being explored while securing an interest in any future production. The term option as it relates to Globex properties should be understood as follows: In exchange for a number of annual cash and/or share payments and an annual work commitment on the property, Globex grants the Optionee the right to acquire an interest in the optioned property.

Generally, all conditions of the agreement must be satisfied before any interest in the property accrues to the Optionee. The option contract will terminate if annual payments and/or work commitments are not met. Assuming all conditions of the option agreement are satisfied, Globex may retain a Gross Metal Royalty (GMR) or other carried interest in the property. Outright property sales may also include cash and/or shares and a form of royalty interest payable when projects achieve commercial production or another negotiated milestone.

Globex Mining Enterprises Inc. trades on the Toronto Stock Exchange under the symbol GMX, in Europe on the Frankfurt, Munich, Stuttgart, Berlin and Xetra exchanges under the symbol G1M and on the OTCQX International in the USA with the symbol GLBXF.

Highlights for the current period

- In a press release dated May 24, 2012, Globex announced a private placement financing of up to $3,150,000 with Industrial Alliance Securities Inc., acting as lead agent. Despite the difficult market conditions for the junior mining sector, on June 8, 2012, Globex issued 998,538 flow-through common shares at a price of $1.30 per share for total proceeds of $1,298,099. Subsequently on July 4, the Company completed a second closing of the previously announced private placement and issued 348,599 flow-through shares at a price of $1.30 per share, for gross proceeds of $453,179. On July 23, 2012, the private placement and agency agreement, with Industrial Alliance Securities Inc., were terminated.

- Exploration expenditures for the second quarter of 2012, totalled $638,251 (2011 - $785,649) and for the six months, totalled $1,058,522) (2011 - $1,144,383. At June 30, the Company had Restricted Cash of $1,419,125 available to fund eligible flow-through exploration expenditures.

- In the three month period ended June 30, 2012, the Company reported a loss and comprehensive loss of $713,403 as compared to income of $692,918 the comparable period in 2011. During the six month period ended June 30, 2012, the Company reported a loss and comprehensive loss of $1,337,594 compared to income of $486,141 in the same period in 2012. The loss in both the three month period and the six month period as compared to income in 2011 is a result of lower option income and a decline in the fair value of the equity investments.

- During the three month period ended June 30, 2012, net option income of $304,038 (2011 - $2,405,157) was generated. During the six month period ended June 30, 2012, Net Option Income of $473,290 (2011 - $2,504,918) was generated. The lower option revenue in the three month and six month periods reflect the challenges that potential junior mining option partners faces in the current markets. The net option income consisted of cash of $462,500 and shares with an initial fair value on receipt of $55,000 with $44,210 being reflected as a recovery of property and exploration costs. Further details of the sales and options are outlined on pages 9.

- During the three month period ended June 30, 2012, received Metal Royalty Income of $57,218 (2011 - $156,917). During the six month period ended June 30, 2012, the Metal Royalty Income totalled $222,227 (2011 - $362,850). During the three month period ended June 30, 2012, the Metal royalty income was lower than in 2011 as a result of reduced zinc prices. The Net Metal Royalty income in 2012 is lower than 2011 as a result of reduced Zinc prices and the 2012 receipts includes downward final adjustments of $36,897 for fourth quarter 2011 production.

Forward-looking statements

Certain information in this Management Discussion and Analysis, including any information as to the Company's future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute "forward-looking statements." The words "expect", "will", "intend", "estimate", and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

This document may contain forward-looking statements reflecting the management's expectations with respect to future events. Actual results may differ from those expected. The Company's management does not assume any obligation to update or revise these forward-looking statements as a result of new information or future events except as required by law.

Exploration activities and mining properties

The Company conducts exploration activities in compliance with "Exploration Best Practices Guidelines" established by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards with exploration programs planned and managed by "Qualified Persons" who ensure that QA/QC practices are consistent with National Instrument (NI) 43-101 standards. On all projects, diamond drill core is marked by a geologist and subsequently split, with one-half of the core analyzed, in the case of gold, by standard fire assay with atomic absorption or gravimetric finish at an independent, registered commercial assay laboratory. The second-half of the core is retained for future reference. Other elements are determined in an industry acceptable manner, for either geochemical trace signatures or high grade metal content.

According to National Instrument 43-101, the loss of a material property would cause at least a 10% drop in the share price of the Company. At this time, management believes that the loss of any single Globex property, <u>not</u> covered by a NI 43-101 compliant report, would have little or no effect on the Company's share price.

When discussing historical resource calculations available in the public domain regarding our properties, we will include source, author and date, and if appropriate, cautionary language stating that:

- A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or reserves;
- The issuer is not treating the historical estimate as current mineral resources or mineral reserves; and
- The historical estimate should not be relied upon. In addition, the source and date of the historical estimate will be provided.

Exploration expenditures for the first six months of 2012 totalled $1,058,522 (2011 - $1,144,383) which includes eligible flow-through expenditures of $789,947 and non-flow through expenditures of $268,575. The expenditures are composed of: consulting costs of $286,590 (2011 - $262,320); environment of $28,196 (2011 – $95,072); geophysical survey costs of $132,229 (2011 - $72,609); labour and geologist fees of $436,686 (2011 - $348,984); laboratory analysis and sampling of $22,902 (2011 - $116,879); linecutting of $73,679 (2011 - $80,896); Mining property tax and permits of $20,469 (2011 – $41,296), transport and road access of $39,511 (2011 - $60,502) as well as other deferred exploration expenditures of $18,260 (2011 - $65,825).

During the first six months of 2012, exploration expenditures were incurred on the major projects as outlined below:

Region/Property/Township	Exploration expenditures[1]	Percentage of total expenditures
Ontario		
• Timmins Talc-Magnesite, Deloro	$ 470,873	44.5%
• Other projects	2,745	0.2%
	473,618	**44.7%**
Quebec		
• Chibougamau Lake (Lemoine, McKenzie, Roy & Obalski)	160,932	15.2%
• Lyndhurst property (Destor, Poularies)	26,514	2.5%
• Tavernier (Tavernier)	67,320	6.3%
• Tonnancour (Tonnancour)	5,754	0.5%
• Turner Falls Rare Earth Property (Villedieu)	107,718	10.2%
• Wood-Pandora Project (Cadillac)	31,843	3.0%
• Other projects	79,714	7.5%
• Quebec general exploration	86,571	8.3%
	566,366	**53.5%**
Other regions		
• Nova Scotia	13,771	1.3%
• Other	4,767	0.5%
Total exploration expenditures	**$ 1,058,522**	**100.0%**

Note:

1. The exploration expenditures represent the most significant project expenditures. The regional and other project amounts have been also included for ease of reference when comparing to the reported amounts as shown in note 11 to the June 30, 2012 Interim Condensed Consolidated Financial Statements.

A summary of the activities on the major projects follows.

Timmins Talc-Magnesite project

The Timmins Talc-Magnesite (“TTM”) project is held under an agreement with Drinkard Metalox Inc.(“Drinkard”), owned 90% Globex and 10% Drinkard. The project is located 13 km south of Timmins, Ontario, Canada

As reported in 2011, Globex has committed significant resources to a team composed of Jacobs Engineering Group Inc. and our group of specialized consultants to evaluate processing options and develop preliminary costing estimates. In addition, the team also spent significant efforts testing and evaluating processing alternatives. Prior to December 31, 2011, a 9 tonne bulk sample was sent for crushing and grinding to facilitate large scale testing of these technologies. The results of this work are currently being evaluated.

To date, Globex has completed extensive laboratory metallurgical tests, a mini pilot plant study, an internal Scoping Study, diamond drilling and assaying, and mineralogical studies were undertaken which outlined a large body of talc-magnesite mineralization. Environmental baseline studies are ongoing including water testing from a series of drill holes done for this express purpose. Consultation with stakeholder groups has been initiated. Globex has received, and continues to receive, enquiries from strategic buyers interested in magnesium and talc supplies of the type of products we intend to produce. Test work by potential buyers is ongoing and/or planned for both of our magnesium and talc products.

During the first six months of 2012, Globex spent $470,873 (44.5%) of its total exploration expenditures on completing a preliminary economic assessment and undertaking additional process test work.

Preliminary economic assessment

On March 2, 2012, Globex announced in a National Instrument ("NI") 43-101 Preliminary Economic Assessment ("PEA") of the TTM project. The full report was filed on SEDAR on April 17, 2012.

The press release commented that the PEA reflects the inputs of Globex's team of consultants in collaboration with Jacobs Minerals Canada ("Jacobs") and Micon International Limited ("Micon"). It also noted on March 2, 2010, Globex received Micon's NI 43-101 Technical Report providing the Initial Mineral Resource Estimates of the Timmins Talc-Magnesite Deposit. Based on this mineral resource estimate and the mining rate used in the PEA of 500,000 tonnes per annum, the proposed mine has an identified 60-year mine life within the previously drilled area, subject to the NI 43-101 resource report. Planned infill drilling will update the resource calculation.

The following resource tonnages and grades from the Micon NI 43-101 report:

Mineral Resource Estimate

Category	Tonnes	Sol MgO (%)	Magnesite (%)	Talc (%)
A Zone Core				
Indicated	12,728,000	20.0	52.1	35.4
Inferred	18,778,000	20.9	53.1	31.7
A Zone Fringe				
Inferred	5,003,000	17.6	34.2	33.4
Sol MgO = Soluble magnesium oxide				

Table 1

The March 2, 2012 press release provides a detailed listing of the key operating assumptions as well as a summary of the projected revenues, operating and capital costs for a 20-Year mining period covered by the PEA. The financial results indicate a positive after-tax NPV of $258.0 million at a discount rate of 8%, an after-tax internal rate of return (IRR) of approximately 20% and a payback period of 5.8 years on the discounted cash flow. The cash operating margin averages 61% over the initial 20-year period.

The results of the PEA support completing a feasibility study including an infill drilling program in order raise the resource classification to reserve as required for completion of a Prefeasibility Study.

Community engagement

During the first six months of 2012, the Company has continued to engage in discussions with Provincial and Municipal authorities, and First Nations and the Métis Nation of Ontario, working cooperatively as the project's scope, impacts and benefits become better understood in the stages leading to production.

As previously announced Globex is pleased with the conclusions provided by the PEA and during the first six months of this year has continued to further evaluate options which will lead to the selection of the how to best proceed toward production while generating the best possible benefit for shareholders.

Quebec projects

In 2011, drilling programs were undertaken on a number of Globex's Quebec properties. The more significant results were announced in various press releases, as identified below. On May 30, 2012, Globex issued a press release which provided Shareholders with an update related to these properties as well as other corporate activities.

During the first six months of 2012, the Company incurred expenditures interpreting the prior year's results and planning targeted activities for 2012. On June 29, 2012, Globex announced that drilling was scheduled to commence on priority targets on its 100% owned Turner Falls rare earths property. Subsequently, on July 10, 2012, Globex announced that we were commencing an eight-hole 5,200 metre diamond drill program on the 50%-50%, Wood-Pandora Joint Venture property near Cadillac, Quebec.

Chibougamau group

The Chibougamau group of properties now includes 5 former copper/gold mines, one unmined historical copper/gold deposit, one historical zinc/gold/silver deposit upon which a NI 43-101 Technical Report was completed and filed, a new historical iron-titanium deposit and a large package of partially outlined gold/copper zones and isolated gold intersections as well as massive sulphide targets.

Globex's web-site (www.globexmining.com) provides further details related to the following properties:

- Bateman Bay Mine, (Gold, Copper), McKenzie & Roy Twps, Quebec, CA,
- Copper Cliff Mine, (Gold, Copper), McKenzie & Roy Twps, Quebec, CA,
- Grandroy Mine, (Gold, Copper), Roy Twp, Quebec, Ca,
- Kokko Creek Mine, (Gold, Copper), McKenzie Twp, Quebec, CA,
- Lake Berrigan, (Taché), (Gold, Silver, Zinc) McKenzie Twp, Quebec, CA,
- Lake Chibougamau, S-3 & Tommy Zones, (Gold Copper), Lemoine, McKenzie, Roy & Obalski Twps, Quebec, CA,
- Magnetite Bay/Sulphur Converting (Iron, Gold, Zinc, Copper), Roy Twp, Quebec, CA,
- Quebec Chibougamau Goldfields Mine, (Gold, Silver, Zinc), McKenzie Twp, Quebec, CA,

A Berrigan deposit NI 43-101 report was posted on the Company's web site in January 2012 and on www.Sedar.com on February 7, 2012.

During the winter, Globex undertook a series of deep penetration induced polarization test surveys over the known mineralization and inferred potential lateral and vertical extensions of the Bateman Bay, S-3 and K Zones. The survey method was shown to be effective in outlining the known test targets and indicated that the mineralization may extend to depth. We anticipate launching more extensive surveys next winter using this method as one of the guides in laying out drill campaigns. These exploration costs are included in the $160,932 as outlined above. The expenses also include the expenses related to the preparation of a new NI 43-101 Technical Report covering the entire land package.

As previously reported, Globex is in the process of transferring these properties to our 100% owned subsidiary, Chibougamau Independent Mines Inc. and "spinning-out" the value to Globex shareholders. Work is progressing to obtain the necessary tax, regulatory, financing and shareholder approvals.

Globex anticipates undertaking further exploration work on these properties during the second half of 2012.

- **Lyndhurst property**

  During the first six months of 2012, a property scale volcano-stratigraphic correlation and geophysical data integration exercise lead to the identification of a one-hole stratigraphic drill testing proposal to search for VMS mineralization at specific stratigraphic locations down dip from surface well below the depth of geophysical penetration in rhyolite hosting sphalerite stringer mineralization (Beattie Zinc showing) at surface in the western segment of the property. This exploration proposal could be undertaken by Globex or alternatively, funded by a potential interested optionee.

- **Tavernier property**

  During the first six months of 2012, exploration expenditures of $67,320 were incurred. During this period, a comprehensive technical review of the now significantly expanded Tavernier property was completed, along with additional geophysical, ground magnetic and electromagnetic surveys, leading to the identification of a number priority VMS drill targets distributed over a strike length of 10km of the total 18km strike length of the property extending along the Tavernier Felsic Volcanic Belt. Selected targets include combined ground/airborne geophysical anomalies yet untested by drilling located in proximity to or at some distance along strike from, known gold bearing VMS occurrences with copper, zinc and silver mineralization. The potential for outlining significant granite hosted epigenetic lode gold deposits in the western portion of the property with its several historic gold zones, is also regarded as attractive and worthy of further investigation.

- **Tonnancour property** (August 8 and August 10, 2011)

  In 2011, 27 diamond drill holes totalling 3,100 metres ("m") were completed by Globex. The program tested numerous airborne geophysical conductors identified along a 10 km strike length of favourable volcano-sedimentary stratigraphy. Selected drill targets were interpreted to offer the potential for base and precious metal volcanogenic massive sulphide (VMS) mineralization. Drilling in the vicinity of the historic Josselin zone, returned shallow VMS intercepts of 4.5 m grading 5.2% Cu, and 13.1% Zn and 20 m down dip, 3.0 m grading 7.3% Cu, 7.3% Zn, 1.1 g/t Au and 51.8 g/t Ag. Despite the limited size potential of this VMS zone (based on the historic drilling data), the exceptional grade of this VMS mineralization, positioned immediately adjacent to Globex's expanded Tonnancour land position along the stratigraphic extensions west and north of Josselin zone, strongly suggest the latter defines a priority exploration sector with the potential for identifying other similar high grade mineralized volcanic centers worthy of investigation.

  During the first half of 2012, exploration expenditures of $5,754 were incurred. These costs were incurred to develop plans for ground follow up including prospecting, geophysics and mapping which is expected to take place later this year.

- **Turner Falls property** (December 6, 2011, January 17, 2012 and June 29, 2012)

  During 2011, Globex completed mapping, geophysics, sampling and analysis of samples from the property which has led to the identification of at least 6 large areas of high grade rare earth mineralization as well as yttrium, zirconium, hafnium and niobium (see press release January 17, 2012).

  During the first six months of 2012, Globex incurred exploration expenditures of $107,718 on this project which represented consulting, geology, labour, analysis, drill target selection and field logistics in preparation for a heli-supported selective drill program planned in early July, 2012, as announced on June 29, 2012. With this drill program completed on July 14, drill core is being logged, cut and sampled for analysis.

- **Wood-Pandora property** (October 11, 2011, July 10, 2012)

  In a press release, shareholders were provided with the results of a the 2011 five hole, 2,405 m drill program undertaken on the 50%-50% Wood-Pandora joint venture (joint venture with Queenston Mining Inc.), located near Cadillac, Quebec. The best intersection of 28.86 g/t Au over 4.9 metres was encountered within the mineralized Cadillac Fault structure at a previously untested vertical depth of 330 metres.

  During the first six months of 2012, $31,843 of exploration expenditures were incurred including the construction of a property wide geophysical base grid prior to a planned 8 hole, 5,200 m drill program scheduled for early July, 2012. This program is designed to test (to a local vertical depth of 500 m) for the inferred lateral and down plunge projection of the high grade 2011 drill intercepts.

New Brunswick projects

Woodstock Manganese project: Drilling of two holes in 2011 succeeded in intersecting four manganese-iron horizons as indicated in the press release issued on October 12, 2011. A combined width of 116.54 metres grading 13.26% Fe and 9.40% Mn was intersected substantiating the existence of an important zone of manganese-iron mineralization. In the first six months of 2012, the property was expanded with the acquisition of additional claims.

Qualified person

All scientific and technical information contained in this management's discussion and analysis was prepared by the Company's geological staff under the supervision of Jack Stoch, President and CEO, who is a qualified Person under NI 43-101.

Optioned properties

During the first six months of 2012, a number of Globex partners working on optioned properties, have issued press releases outlining their results. The most significant results are as follows:

- January 17, 2012, Xmet Inc. reported significant assay results from their 2011 drilling program at the Shaft Zone. The announcement also noted that more drilling is planned in 2012. In a press release dated April 12, 2012, Xmet reported the intersection of 12.41 g/t Au over 4.5 metres.

- On March 12, 2012, NSGold Corporation announced the results of the final six drill holes from the 2011 drill program on the Mooseland property, including 1 metre of 22.9 g/t Au. The results are typical of the distribution of erratic free gold in Meguma quartz vein systems. (See NSGold press releases dated October 18 and November 22, 2011 for additional 2011 drill results)

  The results of the 2011 drill program will be incorporated into a new resource estimate to be completed by MineTech International Limited which in June 2011 estimated an inferred gold resource of 2.5 million tonnes grading 4.9 g/t Au for 390,000 troy ounces of gold. (NSGold press release June 15, 2011)

Work by these and other partners is ongoing and the results of their work have been announced.

Other business opportunities - Eco Refractory Solutions Inc. ("ERS")

As previously reported, Globex has established an arrangement with Drinkard Metalox Inc. ("DMI") through a separate joint venture (75% Globex - 25% DMI) to commercialize, on a worldwide basis, DMI's trade secret and patented hydrometallurgical technologies for the efficient and environmentally friendly recovery of gold, silver and other metals from arsenical and/or refractory ores. The joint venture expects to profit through technology contracts which may generate fees and royalties based upon, among possible other things, savings in capital and operating costs as well as a percentage of improved precious metal recoveries from gold deposits.

Globex has put significant effort into this new technology including test work for a number of companies on refractory gold ores. In all cases, laboratory test work was successful with gold recoveries as high as 98% being achieved. We continue to seek the appropriate property or partner to take the technology to the next stage with an advanced project and/or projects.

Property acquisitions, sales and options

Property acquisitions

During the first six months of 2012, the Company spent $38,159 (2011 - $50,182) on mineral property acquisitions mainly in the province of Quebec. Globex is also actively pursuing the potential acquisition of exploration assets outside of North America.

Sales and options

In the current period, the Company generated net option income of $473,290 (2011 - $2,504,918). The net option income consisted of cash of $462,500 and shares with an initial fair value on receipt of $55,000 with $44,210 being reflected as a recovery of property and exploration costs.

Net option income
June 30, 2012

Property, Agreements Summary	Net Option Income	Recovery of Property Acquisition	Recovery of Exploration Expenditures
Sales			
Massicotte property – Adventure Gold Inc. • February 22, 2012, • Lump sum cash payment, • GMR of 2.5% on the claims, • Adventure transferred 100% of Realore property (11 claims) to Globex, • Provision to purchase of 1.5% of GMR for $1.5 M.	**$ 23,492**	**$ 1,508**	**$ -**
Options			
Farquharson property[3] - Integra Gold Corp. • January 12, 2012, • Option payments - $20,000 in 2012 and total of $175,000 over 3 year period, • Issue 50,000 common shares in 2012[4] and 250,000 over 3 year period, • GMR of 3%, • Purchaser may purchase 1% of the GMR for $750,000.	**-**	**-**	**40,000**
Option and sale payments under Agreements from prior years			
• NQ Explorations Inc., Shortt Lake, Gand Township, Quebec,	**20,000**	**-**	**-**
• Richmont Mines Inc., Beauchastel, Quebec,	**19,510**	**490**	**-**
• Xmet Inc., Duquesne West property, Quebec,	**162,500**	**-**	**-**
• Sementiou Inc., Duverny Township, Quebec,	**5,000**	**-**	**-**
• Tres-Or Resources Ltd., Duvay and Fontana, Duverny Township, Quebec**,**	**67,829**	**2,171**	**-**
• Mag Copper Inc., Magusi River, Hébécourt Township, Quebec,	**124,959**	**-**	**41**
• Laurion Mineral Exploration Inc.[5], Bell Mountain property, Nevada.	**50,000**	**-**	**-**
	$ 473,290	**$ 4,169**	**$ 40,041**
Q1 – 2012	**$ 169,252**	**$ 1,998**	**$ 40,000**
Q2 – 2012	**304,038**	**2,171**	**41**
Total	**$ 473,290**	**$ 4,169**	**$ 40,041**

Notes:

1. GMR represents a Gross Metal Royalty with no deductions.
2. NPR represents a Net Profit Royalty.
3. Property was renamed by Integra Gold Corp. to the Donald Property.
4. On January 30, 2012, 50,000 shares were received and reflected at fair value in option income at $0.40 per share.
5. On June 28, 2012, 1,000,000 shares were received and reflected at fair value in option income at $0.05 per share.

Xmet Inc. share option agreement

On March 5, 2012, Globex and Jack Stoch Geoconsultant Services Limited (company owned by Jack Stoch, President & CEO and Director of Globex) announced that they had entered into a Share Option Agreement dated March 2, 2012, which would allow Xmet Inc. to purchase 100% of the preferred and common shares of Duparquet Assets Ltd. ("DAL"). DAL, the owner of the Duquesne West and Ottoman Fault properties in the Abitibi region of Quebec, is owned 50% by Globex and 50% by Jack Stoch Geoconsultant Services Limited.

The share option agreement sets out two scenarios for Xmet to acquire 100% of DAL:

a) A cash payment of $9 million payable within six months of signing of the Share Option Agreement, or

b) A cash payment of $6.5 million payable within six months of signing of the agreement to immediately acquire a 75% interest plus the additional option to acquire the final 25%, good for a period of 4 years, at a price of $2.5M in the first year, $2.6M in the second year, $2.7M in the third year and $2.8M in the fourth year.

In both cases, Globex and Jack Stoch Geoconsultant Services Limited will retain the existing sliding scale Gross Metal Royalty from all production from the properties varying from 2% to 3% depending upon the price of gold at the time of production. Should Xmet Inc. not complete either of the above scenarios, then the existing mining option agreement, dated February 18, 2010, will remain in place.

Royalties

Page 30 of the Company's 2011 Annual Information Form, provides Property Descriptions, Royalty Interests, as well as the Optionees of the sixteen interests which are currently in place.

Summary of quarterly results

The following table shows selected results by quarter for the last eight quarters:

	2012		2011					2010
	Q2	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3
Total revenues	$ 361,256	$ 334,261	$ 436,692	$ 448,685	$ 2,562,074	$ 305,694	$ (193,789)	$ 412,833
Total expenses	1,079,023	1,013,936	846,154	540,405	1,059,456	586,641	1,899,853	(7,661)
Income (loss) [1]	(713,403)	(624,191)	(346,571)	219,198	692,918	(206,777)	(1,702,527)	269,410
Income (loss) per common share								
- Basic & diluted	(0.03)	(0.03)	(0.01)	0.01	0.03	(0.01)	(0.08)	0.01

Note:
1. Attributable to common shareholders of the Company.

The loss in the second quarter ended June 30, 2012 of $713,403 compares to the loss of $624,191 in the first quarter ended March 31, 2012, which is mainly due to the decrease in the fair value of financial assets of $520,253 as compared to a decrease of $370,247 in the first quarter of 2011.

During the quarter ended March 31, 2012, the net loss of $624,191 compares to the net loss of $346,571 in the quarter ended December 31, 2011. The variation is mainly due to the decrease in the fair value of financial assets of $370,247 in the current quarter as compared to a decrease of $38,206 in the fourth quarter of 2011. This impairment provision is included in the total expenses of $1,013,936. During this quarter, the impairment of mineral properties and deferred exploration was $115,317 lower than the fourth quarter of 2011 which is also included in the total expenses.

The $346,571 loss in the quarter ended December 31, 2011, compares to income of $219,198 in the quarter ended September 30, 2011. The 2011 fourth quarter loss as compared to income in the previous quarter is mainly a result of increased expenses of $305,749 representing additional impairment provisions for mineral properties and deferred exploration expenses of $191,651, other expenses of $71,924 including changes in the carrying value of other assets; $42,174 in other operating expenses. In the 2011 fourth quarter, the Company recorded a tax recovery of $62,891 compared to a recovery of $310,918 in the previous quarter.

The income in the quarter ended September 30, 2011 of $219,198 compares to the income of $692,918 in the quarter ended June 30, 2011. The lower income in the third quarter of 2011 as compared to second quarter is mainly a result of a reduction in net option income (Q3 - Net Option income - $318,428; Q2 - Net Option Income - $2,405,157) as well as changes in the income and mining tax provisions reflecting management's latest tax planning strategies.

The income in the quarter ended June 30, 2011 of $692,918 compares to the loss of $206,777 in the quarter ended March 31, 2011, which is mainly a result of the increased option income of $2,405,157 as compared to $99,761 in the previous quarter.

The loss of $206,777 in the quarter ended March 31, 2011 compares to the loss of $1,702,527 in the quarter ended December 31, 2010. The change in the results is mainly related to a reduction in the write-down of mineral properties and deferred exploration expenses of $61,140 in the current quarter as compared to $1,244,437 in the fourth quarter of 2010. The revenues in the first quarter of 2011 of $305,694 were higher than the previous quarter by $499,483 as a result of reflecting Option Income and Metal Royalties income in the current quarter whereas in the previous quarter a significant portion was offset against mineral properties and deferred exploration expenses.

The loss of $1,702,527 in the quarter ended December 31, 2010 compares to earnings of $269,410 in the quarter ended September 30, 2010. The change in the results is mainly a result of the write-down of mineral properties and deferred exploration expenses of $1,244,437 following management's review of the carrying values. The revenues in the fourth quarter of 2010 were lower than the previous quarter by $606,622 as significant option payments have been offset against mineral properties and deferred exploration expenses.

The total expenses of $1,899,853 in the fourth quarter of 2010 compare to a net recovery of $7,661 in the quarter-ended September 30, 2010. The net recovery represents total administrative expense of $362,222 and offsetting other income including the increase in fair value of financial instruments of $369,883. After adjusting the total expenses of $1,899,853 for the deferred exploration impairment provisions of $1,244,437, the total expenses were $655,416 which was $293,194 higher than the previous quarter. The change reflects increased outside consulting resources and stock based payments of $89,818.

The income of $269,410 in the quarter ended September 30, 2010 as compared to the loss of $183,236 in the quarter ended June 30, 2010 is as a result of higher option income earned on Globex's properties and other revenues of $109,464 as well as lower expenses of $166,489 (stock-based compensation and payments lower by $92,476; impairment provision on mineral properties and exploration expenditures lower by $37,276 and lower other expenses of $36,737).

Results of operations for the quarter ended June 30, 2012

Revenues (June 30, 2012 - $695,517; June 30, 2011 - $2,867,768)

During the three month period ended June 30, 2012, revenues of $361,256 were $2,200,818 lower than the $2,562,074 reported in the three month period ended June 30, 2011. The Company received option income of $304,038 as compared to $2,405,157 in the comparative period. Metal royalty income of $57,218 compares to $156,917 in the second quarter of 2011.

During the six month period ended June 30, 2012, revenues of $695,517 were $2,172,251 lower than the $2,867,768 reported in the same period of 2011. The Company recognized option income of $473,290 as compared to $2,504,918 in the comparative period as well as metal royalty income of $222,227 as compared to $362,850 in the first half of 2011.

Option income

Option income was received from Mag Copper Inc., Laurion Mineral Exploration Inc., Tres-Or Resources Ltd., Richmont Mines Inc., NQ Exploration Inc., Sementiou Inc., Adventure Gold Inc., Integra Gold Corp. and Xmet Inc.

In the three month period, the Company generated net option income of $304,038 (June 30, 2011 - $2,405,157). The net option income consisted of cash of $271,250 and shares of $35,000 with $2,212 being reflected as recovery of mineral property costs and deferred exploration expenses. In the same period of 2011, the Company generated net option income of $2,405,157 which was generated from total option proceeds of $1,165,000 cash and shares of $1,752,500 with $512,343 reflected as recovery of property costs and deferred exploration expenditures.

During the six month period, the Company generated net option income of $473,290 (June 30, 2011 - $2,504,918). The net option income consisted of cash of $462,500 and shares of $55,000 with $44,210 being reflected as recovery of mineral property costs and deferred exploration expenses. The Company recognized a net option income of $2,504,918 during the same period of 2011, which was generated from option proceeds of $1,290,000 cash and shares of $1,752,500 with $537,582 reflected as recovery of property costs and deferred exploration expenditures.

Metal royalty income

The Company is entitled to a gross metal royalty based on the gross value of metal from Nyrstar's Mid Tennessee zinc operations if the price of zinc is greater than U.S. $0.90 per pound on the shipment date. During the current three month period, Globex received metal royalty income of CDN $57,218 as compared to CDN $156,917 received in the same period of 2011.

During the six month period of 2012, the Company received metal royalty income of CA $222,227 as compared to CA $362,850 received in 2011. The 2012 revenue includes a final downward adjustment of US $36,898 against 2011 provisional payments. During the first half of 2012, Nyrstar produced 46.4 M lbs of Zinc and the LME price averaged US $0.89 per pound (2011 – 30.6 M lbs of Zinc; LME average US $1.04 per pound).

Total expenses (June 30, 2012 - $1,220,036; June 30, 2011 - $1,489,375)

In the three month period ended June 30, 2012, the total expenses were $566,702 compared to $874,789 in 2011. The decrease of $308,087 mainly reflects share based compensation and payments, no costs were incurred during the current period as opposed to $255,951 in the same period of 2011 and a gain on foreign exchange of $10,441 compares to a loss of $4,197 in 2011.

In the first half of 2012, the total expenses were $1,220,036 compared to $1,489,375 in the first half of 2011. The decrease of $269,339 mainly reflects the combined impact of decreased share-based compensation and payments of $179,833, a reduction in administrative costs and professional fees of $96,536 as well as other changes of $7,030 related to salary costs, depreciation, impairment provisions and gain on foreign exchange.

Salary

- In the three month period ended June 30, 2012, salary costs of $209,798 compares to $218,971 in the same period of 2011.

- During the first half of 2012, the increase in salaries of $13,241 from $408,818 in the period ended June 30, 2011 to $422,059 in the period ended June 30, 2012 represents a combination of normal salary increases and additional staff.

Administration

- In the three month period ended June 30, 2012, administration expenses totalled $142,324 compared to $159,974 in the same period of 2011.

- In the six month period ended June 30, 2012, administration expenses totalled $289,477 as compared to $329,065 in the comparable period in 2011. The decrease of $39,588 reflects the combined impact of lower interest charges for Part XII.6 tax related to eligible flow expenditures of $49,852, a decrease in advertising and shareholder information of $30,405 and an increase in conventions and travelling of $39,907.

Professional fees and outside services

- In the three month period ended June 30, 2012, professional fees and outside services totalled $155,760 compared to $160,944 in the same period of 2011.

- In the six month period ended June 30, 2012, the professional fees and outside services totalled $277,759 as compared to $334,707 in the comparable period last year. The variance of $56,948 mainly represents a decrease in investor relations costs.

Amortization

- Amortization relates to the Company's Properties, plant and equipment. In the three month period ended June 30, 2012, amortization totalled $11,978 as compared to $10,563 in the comparable period of 2011.

- During the six month period of 2012, amortization totalled $24,180 as compared to $20,263. The increase reflects acquisitions during the subsequent periods of 2011.

Share-based compensation and payments

- For the three month period ended June 30, 2012, there was no share-based compensation and payments compared to $255,951 during the same period of 2011.

- For the six month period ended June 30, 2012, the total share-based compensation and payments amounted to $76,118 (June 30, 2011 - Nil). During the current period, 50,000 options (weighted average fair value of granted options $0.77 per share) were granted and vested immediately. The increase also reflects the last vesting period of the 90,000 options granted April 4, 2011, which vested over a twelve month period.

Impairment of mineral properties and deferred exploration expenses

- The impairment provision is made against properties for which claims have lapsed or no immediate future expenditures are planned. The write-down of mineral properties and deferred exploration expenses in the three month period ended June 30, 2012 totalled $57,283 compared to $64,189 in the comparable period in 2011.

- The write-down of mineral properties and deferred exploration expenses in the first half of 2012 totalled $133,819 compared to $125,329 in the same period of 2011. The increased expense reflects the activities on many of Globex's properties.

Other income (expenses)

- Other income (expenses) reflects the gains on sale of investments, interest income, the increase (decrease) in fair value of financial assets as well as other miscellaneous income. In the three month period ended June 30, 2012, the Company reported other expenses of $512,321 as compared to $184,667 in the comparable period of 2011. The variance is mainly due to the decrease in the fair value of investments of $520,253 in the second quarter (2nd quarter 2011 - $215,898).

- In the first half of 2012, the Company reported other expenses of $872,923 as compared to $156,722 in the first half of 2011. The difference is mainly a result of the decrease in the fair value of investments of $890,500 at June 30, 2012 (June 30, 2011 - $254,104). Under the option agreement with Mag Copper Inc., in 2011, Globex received 13,500,000 common shares. At December 31, 2011, these share had a fair value of $1,687,500. At June 30, 2012, the fair value of these shares had declined by $810,000 to $877,500, which reflects the majority of the decline in the fair value of financial assets.

Income and mining taxes provision (recovery)

- In the three month period ended June 30, 2012, an income and mining tax recovery of $4,364 (2nd quarter 2011 – provision of $809,700) was recorded. The provision consists of current tax expenses of $19,897 (2nd quarter 2011 – nil), a deferred income and mining tax provision of $98,797 (2nd quarter 2011 - $1,037,394) and a recovery in the income and mining taxes of $123,058 (2nd quarter 2011 - $227,694).

- During the first half of 2012, an income and mining tax recovery of $59,848 (June 30, 2011 – provision of $735,530) has been recorded for the current six month period. The provision consists of a current tax expense of $31,456 (June 30, 2011 - nil), a deferred income and mining tax provision of $103,262 (June 30, 2011 - $963,224) representing the increase in temporary timing differences and a recovery in the income and mining taxes of $194,566 (June 30, 2011 – $227,694) as a result of the sale of tax benefits to subscribers (qualified exploration expenditures have been incurred and renounced).

Balance sheet review (June 30, 2012)

Total assets

Total assets were $21,163,718, which represented a decrease of $327,425 from December 31, 2011. The decrease mainly represents a decrease in cash and cash equivalents and investments and an increase in restricted cash.

Cash and cash equivalents as well as investments totalled $2,915,859 (December 31, 2011 - $4,276,967) representing 13.7% of the total assets. Restricted cash totalled $1,419,125 representing unspent exploration funds, of which $118,484 remains unspent from the September 5, 2011 private placement of flow-through shares, $132,500 from the October 3, 2011 flow-through shares private placement and $1,168,141 from the June 8, 2012 flow-through shares private placement.

At the period end, deferred exploration expenses totalled $12,836,010 (December 31, 2011 - $11,907,484) an increase of $928,526.

Total liabilities

At June 30, 2012, the current liabilities were $815,894 as compared to $1,010,848 at December 31, 2011. The decrease reflects a reduction in year-end balances as well as the impact of a decrease in current exploration expenditures payable.

The other liabilities which represent the excess of the fair value of proceeds received from the issuance of flow-through shares was $264,798 at June 30, 2012 (December 31, 2011 - $234,693). The increase reflects the impact of eligible exploration expenditures of $789,947 and new flow-through financing of $1,298,099 incurred during the first half of 2012.

Deferred tax liabilities

The Company reported deferred tax liabilities of $3,600,059 as compared to $3,519,727 at December 31, 2011. The liability represents management's best estimate of future taxes that will be payable if income is earned, based on substantially enacted legislation as well as current operating plans and tax strategies. The majority of the liability arises as a result of Canadian Eligible Exploration Expenditures which have been renounced to shareholders under flow-through arrangements and therefore not available as a reduction in taxable income.

Owners' equity

Owners' equity, consisting of Share Capital, Deficit, and Contributed Surplus – Equity settled reserve totalled $16,482,967 (December 31, 2011 - $16,725,875). The change mainly reflects the loss attributable to shareholders. Details of the change are provided in the Condensed Consolidated Statement of Equity.

Share capital

At June 30, 2012, the share capital of the Company totalled $51,312,971 (December 31, 2011 - $50,288,153) representing 23,749,779 (December 31, 2011 - 22,726,241) common shares outstanding. The increase in the share capital reflects the exercise of 25,000 stock options, on March 8, 2012, at an average exercise price of $0.25 per share (Globex's shares closed at $1.38 per share on that date), and on June 8, 2012, 998,538 flow-through shares at $1.30 per share were issued.

Liquidity, working capital and cash flow

At June 30, 2012, the Company had cash and cash equivalents of $1,549,293 (December 31, 2010 - $2,074,901). In addition, the Company had restricted cash of $1,419,125 (December 31, 2011 - $910,972) which has been reflected as a long-term item as these funds are not available for current operating purposes. Investments of $1,366,566 (December 31, 2011 - $2,202,066) mainly reflect shares, recorded at fair value, in optionee companies received as consideration under mining option agreements.

At the period end, the Company's working capital (based on current assets minus current liabilities) was $2,422,787 (December 31, 2011 - $3,964,976). The Company believes that based on the current cash and working capital position, it has sufficient resources readily available to meet its current exploration spending commitments and corporate and administrative requirements for the next twelve months.

Globex does not have any long-term debt or similar contractual commitments.

During the six month period ended June 30, 2012, the operating activities used $178,814 (June 30, 2011 – generated $492,128). Financing activities totalled $1,220,752 (June 30, 2011 - $276,180) reflecting the issuance of shares under the company's share option plan and flow-through shares.

In the first half of 2012, the investing activities used $1,567,546 (June 30, 2011 - generated $485,566). Within the investing activities, the Company generated total proceeds of $44,210 on mineral properties optioned as compared to proceeds of $972,968 in the first half of 2011. Investments included the acquisition of deferred exploration expenses of $1,058,522, mineral properties of $38,159 and properties, plant and equipment of $6,922.

The operating, financing, and investing activities for the period ended June 30, 2012 resulted in a net decrease in cash and cash equivalents of $525,608 (June 30, 2011 - net increase of $1,253,874).

Financial instruments and risk management

Capital risk management

The Company manages its common shares, stock options and retained earnings (deficit) as well as contributed surplus - Equity settled reserve as capital.

The Company's business is subject over the next several years to the availability of equity capital to finance the acquisition, exploration and development of major projects. The availability of equity capital to resource companies is affected by commodity prices as well as global economic conditions. Currently the equity market for junior exploration companies is negative. These conditions are beyond the control of Management and may have a direct effect on the Company's ability to raise equity capital.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern while it pursues its objectives of enhancing projects, properties or the development of properties to the benefit of all shareholders.

As a Canadian exploration company, its principal sources of funds consist of; (a) Options income on properties; (b) Metal royalty income; (c) Investment income; (d) proceeds from the issuance of common and flow-through shares and (e) other working capital items.

The Company manages the capital structure and makes adjustments to it in light of operating results, changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements or dispose of properties.

The Company's investment policy is to invest its cash in low risk highly liquid short-term interest-bearing investments, selected with a duration which is expected to align with the Company's planned expenditures.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary. The annual and updated budgets are approved by the Board of Directors. For capital management purposes, the Company has developed two objectives which are as follows:

- Retain cash and cash equivalents, cash restricted for flow-through expenditures and accounts receivable which are equal to or greater than the committed exploration expenditures;

- Retain equity investments and debt instruments with a combined fair market value which are greater than twelve months of projected operating and administrative expenditures.

The Company may need additional capital resources to complete or carry out is exploration and development plans for the next twelve months.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from 2011.

Financial risk management objectives

The Company's financial instruments are exposed to certain financial risk including credit risk, liquidity risk, foreign exchange risk, and interest rate risk.

(a) Credit risk

The Company had cash and cash equivalents as well as restricted cash which totalled $2,968,418 at June 30, 2012 (December 31, 2011 - $2,985,873). These funds are subject to a combination of the $100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation ("CDIC"): CDIC, a federal Crown Corporation as well as a guarantee of $1,000,000 provided by the Canadian Investors Protection Fund ("CIPF").

The Company does not believe that it is subject to any significant concentration of credit risk. Cash and cash equivalents are in place with major financial institutions and their related corporations.

The maximum exposure to credit risk was:

		June 30, 2012		December 31, 2011
Cash and cash equivalents	**$**	**1,549,293**	$	2,074,901
Investments		**1,366,566**		2,202,066
Accounts receivable [(i)]		**241,532**		486,805
Refundable tax credit and mining duties		**11,521**		81,794
Restricted cash		**1,419,125**		910,972
	$	**4,588,037**	$	5,756,538

(i) Accounts receivable are made up of taxes receivable from government authorities of $193,553 (December 31, 2011 - $405,318) and customer receivables of $47,979 (December 31, 2011 - $81,487). Trade receivables are secured by optioned properties.

(b) Liquidity risk

Liquidity risk represents the risk that the Company will not be able to meet its financial obligations as they fall due. The Company mitigates liquidity risk through its capital structure and by continuously monitoring actual and projected cash flows. The Company finances its exploration activities through flow-through shares, operating cash flows and the utilization of its liquidity reserves.

The Board of Directors reviews and approves the Company's operating and capital budgets, as well as any material transactions outside of the ordinary course of business.

Contractual maturities of financial liabilities are all under one year.

(c) Equity market risk

Equity market risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors the general trends in the stock markets and individual equity movements, and determines the appropriate course of action to be taken by the Company.

The Company currently holds investments in a number of Optionee companies as well as a Canadian financial institution which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets and currently these amount to $1,366,566 (December 31, 2011 - $2,202,066). Based on the balances at June 30, 2012, a 10% increase or decrease would impact Income and Loss by approximately $136,000 (December 31, 2011 - $220,000).

(d) Fair value measurements recognized in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2 -fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3 -fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable data (unobservable inputs).

	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Cash and cash equivalents	$ 1,549,293	$ -	$ -	$ 1,549,293
Restricted cash	1,419,125	-	-	1,419,125
Equity investments	188,379	1,178,187	-	1,366,566
Reclamation bonds	-	121,851	-	121,851
Total financial assets	$ 3,156,797	$ 1,300,038	$ -	$ 4,456,835

There were no transfers between level 1 and level 2 in the period. The fair value of the level 2 equity investments represents Globex's 13.5 million common shares of Mag Copper Inc. received in 2011. The fair value reflects recent market prices as well as trading volumes within the principal market in which the shares trade.

Outstanding share data

At June 30, 2012, the Company had 23,749,779 common shares issued and outstanding (December 31, 2011 - 22,726,241) and 2,137,900 stock options remain outstanding for a fully diluted common share capital of 25,887,679. On July 4, 2012, 348,599 flow-through shares were issued through private placement at $1.30 per share and on July 10, 2012, 90,000 stock options were granted to the Directors at $1.03 per share. On July 26, 2012 the Company had 24,098,378 common shares issued and outstanding and 2,227,900 stock options outstanding for a fully diluted common share capital of 26,326,278.

At December 31, 2011, 319,600 options were available to be granted. On February 1, 2012, 50,000 options were granted to a consultant and 40,000 options were cancelled which resulted in 229,600 options being available for future grant under the Company's option plans.

In April 2012, the Board of Directors amended the 2006 Stock Option Plan so as to increase the number of shares that can be issued thereunder from 1,500,000 to 2,500,000. The amendment to the Plan was approved by shareholders on June 1, 2012 and on June 19, 2012 the TSX confirmed the receipt of the necessary documentation to approve the transaction. The amendments resulted in 1,229,600 options being available for future grants.

Risks and uncertainties

Risks beyond the control of the Company come from multiple sources.

Metal prices: World-wide supply and demand for metals determines metal prices. Lower metal prices reduce exploration activity and thus the terms at which Globex can option its properties. The ability of the Company to market and/or develop its properties and the future profitability of the Company are directly related to the market price of metals. Metal prices also directly affect the revenue stream that Globex anticipates from mines in production. Lower metal prices equal lower or no revenue. Higher metal prices equal higher revenue.

Currency exchange fluctuations: Metal prices are quoted in US dollars. A strong US dollar exchange rate versus the Canadian dollar enhances metal revenues when translated to Canadian dollars, causing an equivalent increase in net incomes. Since the majority of Globex's mining properties are located in Canada, a strong Canadian dollar can have a detrimental effect upon the potential cash flow from one of our Canadian projects and a project's profitability.

Staff recruitment and retention: As a result of the cyclical nature of the business and the lack of job security, it is difficult to find and retain experienced, competent individuals required to build a company: Salaries, benefits, working conditions and challenge must be competitive.

Option revenue: Option contracts taken to term can appear extremely lucrative. However, if exploration results are poor in year 1, the property may be returned after only a single payment. These negative results may further, mean share payments received by the Company lose value. If the main target of a particular property is drilled with negative results, then the property may cease to have exploration potential and thus the ability to generate future option revenue.

Success of partners: The outcome of efforts by joint venture, option and royalty partners has a significant effect on the Company's profitability. If they are successful in achieving their goals in a timely and cost-efficient manner, then the Company will benefit. Should they fail financially, technically or for other reasons, we will be negatively impacted.

Government legislation and taxation: Flow-through financing, combined with provincial tax credits for exploring in Quebec, are important sources of risk capital for financing exploration programs. Any material changes in these programs could adversely affect the Company's operations.

In 2011, the Quebec Government introduced Bill 14 which seeks to amend Quebec's *Mining Act*. Globex holds many of its properties under this Act. The amendments were initially proposed in December 2009 (Bill 79), subsequently subjected to public consultation in the fall of 2010. However, Bill 79 had not yet been adopted when the National Assembly was prorogued earlier last year. Bill 14 proposes several significant amendments to the Mining Act, related to;

- Access (surface rights owners and municipalities will now have absolute control over access to mineral rights and can prevent access and any and all work with no compensation to mineral right holders).
- Ownership of Surface Minerals Substances (*surface mineral substances found in land granted by the State for purposes other than mining will belong to the owner of the soil*),
- Credit for Exploration Work on Claims (*it will continue to possible to make a payment in lieu of carrying on mining exploration on claims. However, the payment will be double the cost of the work requirement*),
- Areas within Urbanization Perimeter and Areas Dedicated to Recreation (*were designated as special areas where exploration and mining operations require the consent of the municipality, and/or surface rights owners as well as provincial government agencies involved in regulating such activities),*
- Mine Rehabilitation (*Mining leases will be granted by the Minister only if a rehabilitation and restoration plan is approved. The proposed amendments include deposits to cover 100% of the anticipated costs to cover rehabilitation and site restoration*),
- Bulk Sampling (*Sampling of over 50 metric tonnes by a claim holder will continue to be possible with the authorization of the Minister, for the purposes of determining the characteristics of the ore*) and,
- Plan of Work (*notice of staking or the map designation of a claim will have to be accompanied by a plan of work to be performed in the coming year*).

Globex has completed a preliminary analysis of the proposed changes. Management believes that a number of measures being adopted by the Quebec Government will have a direct effect on a number of Globex's Quebec assets. In particular, Bill 14, the proposed new Mining Act, has a number of sections which are detrimental to the exploration industry and it will require additional administrative expenditures. Firstly, companies will no longer have the right to enter upon land where the surface rights are privately owned. Previously, mineral rights, which are real property rights, put us on an even footing with surface rights owners so accommodations were always made and settlements reached. This will no longer be the case. Access may be delayed or refused completely. Despite the possible inability to access our mineral rights to do work, the Government of Quebec will still require that we pay taxes and submit assessment work, although we may not be able to do the assessment work. The Government has decided to penalize the industry further by doubling the amount to be paid in cash in lieu of work in order to maintain the claims. Further, the Quebec Government has refused to set up any type of arbitration system which could mitigate these problems.

Secondly, the Quebec Government previously designated urbanized areas as requiring municipal approval before exploration or mining could be undertaken. The industry generally supported this move as sensible, as it would assume that no conflicts arose over proposed work. Unfortunately, the Quebec Government, without consultation, has designated large lightly populated areas of the province "villégiature" loosely translated as "rural population". In these areas, all exploration will be suspended and exploration or mining may not proceed without the prior approval of surface rights owners, municipalities and the appropriate provincial government agencies. In addition, under the proposed rules, municipal approval as well as Government approval must be obtained prior to acquiring mineral rights. Unfortunately, this makes the acquisition of mineral rights in these areas subject to local politics and the potential for a lack of objectivity and fairness whereas the previous system was an unbiased first come first served system. Oversight will now be by parties unwilling and/or technically unable to effectively manage their new mandate.

In addition to the new mining laws, the Quebec Government announced a "Plan Nord", an ambitious plan that envisions removing 50% of the large area covered by the plan from any type of industrial activity. At this time, Management does not know what this will mean to companies working in the area nor how the Quebec Government will decide upon which areas will be withdrawn from development.

These measures and many others in the new law and Plan Nord have become important risks when doing business in Quebec and Globex is reassessing its expenditures in the province as well as other possible courses of action.

Finding and developing economic reserves: The recoverability of amounts capitalized for mineral properties and deferred exploration expenses is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposal thereof.

Other risks the Company faces are: Renegotiation of contracts, permitting, reserve estimating, environmental factors, governments not enforcing access laws and various other regulatory risks.

Related party transactions

Outlined below is a summary of the total compensation paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Company (Management personnel includes President and CEO, Executive Vice-President and Chief Financial Officer, Treasurer and Corporate Secretary:

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	**2012**	2011
Salary cost				
Salaries and other benefits	**$ 117,378**	$ 117,207	**$ 234,757**	$ 229,707

Related party transactions which have been incurred and eliminated in these consolidated financial statements are not significant and are in the normal course of operations and are measured at the exchange value, that is, the amount of consideration established and agreed to by the related parties which approximates the arm's length equivalent value and do not include any mark-up.

Disclosure controls and procedures

Management is responsible for the information disclosed in this document and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have evaluated the design and effectiveness of the Company's disclosure controls and procedures as defined in the rules of the Canadian Securities Administrators as at June 30, 2012. Based on that evaluation, they have concluded that the Company's disclosure controls and procedures were as of and for the period ending June 30, 2012 appropriately designed and operating effectively.

Internal control over financial reporting (ICFR)

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with GAAP.

The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitation, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may change.

During the period ended June 30, 2012, and as at the period end, the CEO and CFO have participated in the evaluation of the design of internal controls over financial reporting based on criteria established in Internal Control over Financial Reporting - Guidance for Smaller Public Companies issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). They have concluded that the internal controls over financial reporting are appropriately designed and operating effectively to ensure that the preparation of financial statements for external reporting purposes are in accordance with the Company's application of IFRS standards. There have been no material changes in the Company's ICFR or are reasonably likely to materially affect, the internal controls over financial reporting.

Outlook

With the publication of a positive Preliminary Economic Assessment on our Timmins Talc-Magnesite project announced in 2012-Q1, we are actively seeking first-phase project funding of approximately $50 million in a nervous financial market in order to build a 100,000 tonnes per year Talc processing plant. Completion of a pre-feasibility study, which will include definition drilling, is expected in late 2012, and is subject to a minimum $1.5 million Ontario flow-through financing.

In late June, early July, Management raised $1.7 million in Quebec flow-through financing which will be spent on Quebec-based projects including, exploring and upgrading our understanding of the Chibougamau group of properties in order to facilitate spin-out of these assets, drilling on our Turner Falls rare earths property situated in the Kipawa area and an 8-hole, 5,200m drill program on the Wood-Pandora as well as other projects.

We continue to search for an appropriate property/partner to exploit our patented technology for the recovery of gold from refractory gold ores and tailings.

Although challenged by the scarcity of financing funds, Globex believes it is well positioned with a combination of first class assets as well as the human and corporate resources necessary to achieve the strategic objectives outlined in our Corporate Focus.

Additional information

This analysis should be read in conjunction with the comparative financial statements for the quarter ended June 30, 2011 and the year ended December 31, 2011 and additional information about the Company, including the Annual Information Form (AIF), which is available on SEDAR at www.sedar.com. Further, the Company posts all publicly filed documents, including the AIF and the Management Discussion and Analysis, on its website www.globexmining.com in a timely manner.

If you would like to obtain, at no cost to you, a copy of the 2011 and/or 2010 Management Discussion and Analysis, please send your request to:

Globex Mining Enterprises Inc.
86, 14th Street, Rouyn-Noranda, Quebec J9X 2J1
Telephone: 819.797.5242 Fax: 819.797.1470
Email: info@globexmining.com

Authorization

The contents and the dissemination of this Management's Discussion and Analysis have been approved by the Board of Directors of the Company.

July 26, 2012

GLOBEX MINING ENTERPRISES INC.

Interim Condensed Consolidated Statements of Income (loss) and Comprehensive Income (loss)

(Unaudited - In Canadian dollars)

	Notes	Three months ended June 30, 2012	Three months ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Continuing operations					
Revenues	15	**$ 361,256**	$ 2,562,074	**$ 695,517**	$ 2,867,768
Expenses					
Salary		**209,798**	218,971	**422,059**	408,818
Administration	16	**142,324**	159,974	**289,477**	329,065
Professional fees and outside services	16	**155,760**	160,944	**277,759**	334,707
Depreciation and amortization		**11,978**	10,563	**24,180**	20,263
Share-based compensation and payments		**-**	255,951	**76,118**	255,951
Impairment of mineral properties and deferred exploration expenses	10, 11	**57,283**	64,189	**133,819**	125,329
Loss (gain) on foreign exchange		**(10,441)**	4,197	**(3,376)**	15,242
		566,702	874,789	**1,220,036**	1,489,375
Income (loss) from operations		**(205,446)**	1,687,285	**(524,519)**	1,378,393
Other income (expenses)					
Gain on sale of investments		**-**	-	**-**	27,217
Interest income		**4,368**	5,458	**8,531**	13,348
Decrease in fair value of financial assets		**(520,253)**	(215,898)	**(890,500)**	(254,104)
Other		**3,564**	25,773	**9,046**	56,817
		(512,321)	(184,667)	**(872,923)**	(156,722)
Income (loss) before taxes		**(717,767)**	**1,502,618**	**(1,397,442)**	1,221,671
Income and mining taxes	14	**(4,364)**	809,700	**(59,848)**	735,530
Income (loss) and comprehensive income (loss) for the period		**$ (713,403)**	$ 692,918	**$ (1,337,594)**	$ 486,141
Income (loss) per common share					
Basic and diluted	17	**$ (0.03)**	$ 0.03	**$ (0.06)**	$ 0.02
Weighted average number of common shares outstanding		**22,992,646**	22,033,477	**22,862,602**	21,601,117
Shares outstanding at end of period		**23,749,779**	22,035,675	**23,749,779**	22,035,675

The accompanying notes are an integral part of these financial statements

GLOBEX MINING ENTERPRISES INC.

Interim Condensed Consolidated Statements of Cash Flows

(Unaudited - In Canadian dollars)

	Notes	Six months ended June 30, 2012	2011
Operating activities			
Income (loss) and comprehensive income (loss) for the period		**$ (1,337,594)**	486,141
Adjustments for:			
Disposal of mineral properties for shares		**(55,000)**	(1,752,500)
Recovery of Property acquisition costs		**-**	500,000
Decrease in fair value of financial assets		**890,500**	254,104
Depreciation and amortization		**24,180**	20,263
Foreign exchange rate variation on reclamation bond		**(171)**	3,359
Gain on sale of investments		**-**	(27,217)
Impairment of mineral properties and deferred exploration expenses		**133,819**	125,329
Amortization of bonds premium		**-**	597
Current tax expense		**31,899**	-
Deferred income and mining taxes		**(91,747)**	735,530
Income and mining taxes paid		**(863)**	-
Share-based compensation and payments		**76,118**	255,951
		1,008,735	115,416
Changes in non-cash operating working capital items	20	**150,045**	(109,429)
		(178,814)	492,128
Financing activities			
Issuance of share capital		**1,304,349**	276,180
Share capital issue costs		**(83,597)**	-
		1,220,752	276,180
Investing activities			
Acquisition of properties, plant and equipment		**(6,922)**	(12,832)
Deferred exploration expenses		**(1,058,522)**	(1,144,383)
Mineral properties acquisitions		**(38,159)**	(50,182)
Proceeds on mineral properties optioned		**44,210**	37,582
Proceeds on sale of investments		**-**	935,386
Acquisition of investments		**-**	(3,818)
Change in restricted cash		**(508,153)**	723,814
		(1,567,546)	485,566
Net increase (decrease) in cash and cash equivalents		**(525,608)**	1,253,874
Cash and cash equivalents, beginning of period		**2,074,901**	352,863
Cash and cash equivalents, end of period		**$ 1,549,293**	$ 1,606,737

Supplementary cash flow information (note 20)

The accompanying notes are an integral part of these financial statements

GLOBEX MINING ENTERPRISES INC.

Interim Condensed Consolidated Statement of Financial Position

(Unaudited - In Canadian dollars)

	Notes		**June 30, 2012**		December 31, 2011
Assets					
Current assets					
Cash and cash equivalents	4	**$**	**1,549,293**	$	2,074,901
Investments	5		**1,366,566**		2,202,066
Accounts receivable	6		**241,532**		486,805
Refundable tax credit and mining duties	14		**11,521**		81,794
Prepaid expenses and deposits			**69,769**		130,258
			3,238,681		4,975,824
Restricted cash	7		**1,419,125**		910,972
Reclamation bonds	8		**121,851**		121,680
Properties, plant and equipment	9		**508,410**		525,668
Mineral properties	10		**3,039,641**		3,049,515
Deferred exploration expenses	11		**12,836,010**		11,907,484
		$	**21,163,718**	$	21,491,143
Liabilities					
Current liabilities					
Payables and accruals	12	**$**	**472,710**	$	698,700
Current income tax			**343,184**		312,148
			815,894		1,010,848
Other liabilities	13		**264,798**		234,693
Deferred tax liabilities	14		**3,600,059**		3,519,727
Owners' equity					
Share capital	18		**51,312,971**		50,288,153
Deficit			**(38,515,086)**		(37,177,492)
Contributed surplus - Equity settled reserve			**3,685,082**		3,615,214
			16,482,967		16,725,875
		$	**21,163,718**	$	21,491,143

The accompanying notes are an integral part of these financial statements

Approved by the board

"Jack Stoch
Jack Stoch, Director

"Dianne Stoch"
Dianne Stoch, Director

GLOBEX MINING ENTERPRISES INC.

Interim Condensed Consolidated Statements of Equity

(Unaudited - In Canadian dollars)

		Six months ended June 30,	Year ended December 31,
	2012	2011	2011
Common shares			
Beginning of period	**$ 50,288,153**	$ 48,003,298	$ 48,019,236
Issued on exercise of options	**12,500**	352,116	352,116
Fair value of shares issued under private placements	**1,073,428**	-	1,439,245
Shares issued in connection with a property acquisition	**-**	500,000	500,000
Share issuance costs, net of taxes of $22,487 (December 31, 2011 - $8,259)	**(61,110)**	-	(22,444)
End of period	**$ 51,312,971**	$ 48,855,414	$ 50,288,153
Contributed surplus - Equity settled reserve			
Beginning of period	**$ 3,615,214**	$ 3,335,456	$ 3,335,456
Share-based compensation	**37,468**	255,951	355,694
Share-based payments	**38,650**	-	-
Fair value of stock options exercised	**(6,250)**	(75,936)	(75,936)
End of period	**$ 3,685,082**	**$ 3,515,471**	$ 3,615,214
Deficit			
Beginning of period	**$ (37,177,492)**	$ (37,613,494)	$ (37,536,260)
Income (loss) attributable to shareholders	**(1,337,594)**	486,141	358,768
End of period	**$ (38,515,086)**	**$ (37,127,353)**	$ (37,177,492)
Total Equity	**$ 16,482,967**	**$ 15,243,532**	$ 16,725,875

The accompanying notes are an integral part of these financial statements

Notes to the Interim Condensed Consolidated Financial Statements

Periods ending June 30, 2012 and 2011

1. General business description

Globex Mining Enterprises Inc. (the "Company") is a Canadian focused exploration, royalty and development company with a North American mineral portfolio of in excess of 100 early to mid-stage exploration and development properties containing; Base Metals (copper, nickel, zinc, lead), Precious Metals (gold, silver, platinum, palladium), Specialty Metals (manganese, iron, uranium, lithium and rare earths) and Industrial Minerals (mica, as well as talc and magnesium). The Company currently generates royalty and option income from properties which contain gold, silver and zinc.

Globex was incorporated in the province of Quebec and its head office and principal business offices are located at 86, 14th Street, Rouyn-Noranda, Quebec, J9X 2J1, Canada.

The Company's commons shares are listed on the Toronto Stock Exchange under the symbol GMX, in Europe on the Frankfurt, Munich, Stuggart, Berlin and Xetra changes under the symbol G1M and GLBXF on the OTCQX International, USA.

The Company seeks to create shareholder value by acquiring mineral properties, enhancing them and either optioning, selling or joint venturing them or developing them to production.

2. Basis of presentation

The interim condensed consolidated financial statements of the Company, are prepared in accordance with IAS 34, "Interim Financial Reporting" (IAS 34), as issued by the International Accounting Standards Board (IAsB). Accordingly, certain information and footnote disclosure normally included in the annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the IAsB, have been omitted or condensed. These financial statements include the financial results of the Company's interest in its subsidiaries and its joint venture.

These interim condensed consolidated financial statements were prepared on a going concern basis, under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through the statement of income (loss). All financial information is presented in Canadian dollars.

These interim condensed consolidated financial statements have been prepared on a going-concern basis which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. This assumption is based on the current net assets of the Company and management's current operating plans.

The Company's Board of Directors approved these interim condensed consolidated financial statements for the periods ended June 30, 2012 and June 30, 2011 on July 26, 2012

3. Summary of significant accounting policies

(a) These interim condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Company for the year ended December 31, 2011. The disclosure contained in these interim condensed consolidated financial statements does not include all the requirements in IAS 1, "Presentation of Financial Statements" (IAS 1). Accordingly, the interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2011.

(b) New and amended standards not yet adopted:

Certain new standards, interpretations, amendments and improvements to existing standards are not yet effective, and have not been applied in preparing these interim condensed consolidated financial statements.

- Amendments to IAS 1, Presentation of Items of Other Comprehensive Income, introduce changes to the presentation of items of other comprehensive income that may be reclassified to income or loss in the future and are presented separately from items that would never be reclassified;

- Amendments to IAS 19, Employee Benefits, deal with the recognition of actuarial gains and losses recognized in other comprehensive income as well as the expected measurement and recording of the expected return on plan assets;

- IFRS 9, Financial Instruments, simplifies the measurement and classification for financial assets by reducing the number of measurement categories and removing complex rule-driven embedded derivative guidance in IAS 39, Financial Instruments: Recognition and Measurement. The new standard also provides for a fair value option in the designation of a non-derivative financial instruments and its related classification and measurement. IFRS 9 is effective from periods beginning January 1, 2015 with early adoption permitted;

- IFRS 10, Consolidated Financial Statements, builds on existing principles and standards and identifies the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company;

- IFRS 11, Joint Arrangements, establishes the principles for financial reporting by entities when they have an interest in arrangements that are jointly controlled;

- IFRS 12, Disclosure of Interest in Other Entities, outlines the disclosure requirements for interests held in other entities including joint arrangements, associates, special purpose entities and other off balance sheet entities;

- IFRS 13, Fair Value Measurement, defines fair value, requires disclosures regarding fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards.

All of these standards are applicable to Globex with the exception of the Amendments to IAS 19 as the Company does not have a pension plan in place. None of these standards are expected to have a significant effect on the interim condensed consolidated financial statements of the Company. All of these standards are effective January 1, 2013 with the exception of IAS 1, which has a July 1, 2012 effective date and IFRS 9 which has a January 1, 2015 effective date. Early adoption is permitted. The Company did not early adopt.

4. Cash and cash equivalents

		June 30, 2012		December 31, 2011
Bank balances	**$**	**381,451**	$	974,902
Short-term deposits		**1,167,842**		1,099,999
	$	**1,549,293**	$	2,074,901

5. Investments

		June 30, 2012		December 31, 2011
Equity investments	**$**	**1,366,566**	$	2,202,066

6. Accounts receivable

		June 30, 2012		December 31, 2011
Trade receivables	**$**	**47,979**	$	81,487
Government taxes receivable		**193,553**		405,318
	$	**241,532**	$	486,805

7. Restricted cash

		June 30, 2012		December 31, 2011
Bank balances	**$**	**1,419,125**	$	910,972

The Company raises flow-through funds for exploration under a subscription agreement which requires the Company to incur prescribed resource expenditures which are not available for current operating purposes and therefore are reported as restricted cash. If the Company does not incur the resource expenditures, then it will be required to indemnify these shareholders for any tax and other costs payable by them as a result of the Company not making the required resource expenditures.

8. Reclamation bonds

		June 30, 2012		December 31, 2011
Nova Scotia bond - Department of Natural Resources	**$**	**57,974**	$	57,974
Option reimbursement		**(50,000)**		(50,000)
Net Nova Scotia bond		**7,974**		7,974
Washington State bond - Department of Natural Resources		**113,877**		113,706
	$	**121,851**	$	121,680

9. Properties, plant and equipment

	Land and buildings		Mining equipment		Office equipment		Vehicles		Computer Systems		Total
Cost											
Balance - beginning of period	$ 415,112	$	33,390	$	145,419	$	23,462	$	197,789	$	815,172
Additions	-		47,920		855		32,715		16,091		97,581
Disposals	-		-		-		-		-		-
December 31, 2011	415,112		81,310		146,274		56,177		213,880		912,753
Additions	**-**		**-**		**-**		**-**		**6,922**		**6,922**
Disposals	**-**		**-**		**-**		**-**		**-**		**-**
June 30, 2012	**$ 415,112**	**$**	**81,310**	**$**	**146,274**	**$**	**56,177**	**$**	**220,802**	**$**	**919,675**
Accumulated depreciation											
Balance - beginning of period	$ (34,801)	$	(29,636)	$	(84,145)	$	(18,597)	$	(171,079)	$	(338,258)
Additions	(13,179)		(5,544)		(12,269)		(3,154)		(14,681)		(48,827)
December 31, 2011	(47,980)		(35,180)		(96,414)		(21,751)		(185,760)		(387,085)
Additions	**(6,260)**		**(4,614)**		**(4,986)**		**(3,442)**		**(4,878)**		**(24,180)**
June 30, 2012	**$ (54,240)**	**$**	**(39,794)**	**$**	**(101,400)**	**$**	**(25,193)**	**$**	**(190,638)**	**$**	**(411,265)**
Carrying value											
December 31, 2011	$ 367,132	$	46,130	$	49,860	$	34,426	$	28,120	$	525,668
June 30, 2012	**$ 360,872**	**$**	**41,516**	**$**	**44,874**	**$**	**30,984**	**$**	**30,164**	**$**	**508,410**

10. Mineral properties

		Nova Scotia		Ontario		Quebec		Other		Total
Balance - beginning of period	$	42,356	$	40,671	$	2,824,009	$	-	$	2,907,036
Additions		10,689		21,500		696,258		-		728,447
Recoveries		(22,631)		-		(563,337)		-		(585,968)
December 31, 2011	$	30,414	$	62,171	$	2,956,930	$	-	$	3,049,515
Additions		**-**		**-**		**38,159**		**-**		**38,159**
Impairment provisions		**(868)**		**(14,400)**		**(28,596)**		**-**		**(43,864)**
Recoveries		**-**		**-**		**(4,169)**		**-**		**(4,169)**
June 30, 2012	**$**	**29,546**	**$**	**47,771**	**$**	**2,962,324**	**$**	**-**	**$**	**3,039,641**

11. Deferred exploration expenses

	New Brunswick	Nova Scotia	Ontario	Quebec	Other	Total
Balance - beginning of period	$ 17,541	$ 160,825	$ 2,784,904	$ 5,418,957	$ -	$ 8,382,227
Additions	112,634	132,138	1,237,151	2,505,298	17,044	4,004,265
Impairment provisions	-	(6,322)	(7,900)	(344,226)	(17,044)	(375,492)
Recoveries	-	(27,628)	-	(75,888)	-	(103,516)
December 31, 2011	130,175	259,013	4,014,155	7,504,141	-	11,907,484
Additions	**1,550**	**13,771**	**473,618**	**566,366**	**3,217**	**1,058,522**
Impairment provisions	**-**	**-**	**(168)**	**(86,570)**	**(3,217)**	**(89,955)**
Recoveries	**-**	**-**	**-**	**(40,041)**	**-**	**(40,041)**
June 30, 2012	**$ 131,725**	**$ 272,784**	**$ 4,487,605**	**$ 7,943,896**	**$ -**	**$ 12,836,010**

Deferred Exploration Expenses

	June 30, 2012	December 31, 2011
Balance - beginning of period	**$ 11,907,484**	$ 8,382,227
Current exploration expenses		
Consulting	**286,590**	789,965
Core shack, storage and equipment rental	**9,918**	80,257
Drilling	**1,850**	862,280
Environment	**28,196**	181,972
Geology	**289,184**	405,324
Geophysics	**132,229**	511,483
Laboratory analysis and sampling	**22,902**	244,046
Labour	**147,502**	359,202
Line cutting	**73,679**	163,433
Mining property tax and permits	**20,469**	79,275
Prospecting and surveying	**-**	131,601
Reports, maps and supplies	**6,492**	70,239
Transport and road access	**39,511**	125,188
Total current exploration expenses	**1,058,522**	4,004,265
Impairment provisions	**(89,955)**	(375,492)
Option revenue offset	**(40,041)**	(103,516)
	(129,996)	(479,008)
Current net deferred exploration expenses	**928,526**	3,525,257
Balance - end of period	**$ 12,836,010**	$ 11,907,484

12. Payables and accruals

		June 30, 2012		December 31, 2011
Trade payable and accrued liabilities	**$**	**381,004**	$	609,808
Sundry liabilities		**91,706**		88,892
	$	**472,710**	$	698,700

13. Other liabilities

		June 30, 2012		December 31, 2011
Balance, beginning of period	**$**	**234,693**	$	468,934
Additions during the periods [(i)]		**224,671**		390,755
Reduction related to the incurrence of qualified exploration expenditures		**(194,566)**		(624,996)
Balance, end of period	**$**	**264,798**	$	234,693

(i) The 2012 increase represents the excess of the proceeds received from flow-through shares issued over the fair market value of the shares issued of $224,671 (December 31, 2011 - $390,755). On June 6, 2012, the Company entered into subscriber agreements to issue flow-though shares. On June 8, 2012, 998,538 flow-through common shares were issued at a price of $1.30 per share for total proceeds of $1,298,099 (fair market value - $1,073,428).

14. Income taxes

Income and mining tax expense (recovery)

	Three months ended June 30,				Six months ended June 30,			
		2012		2011		**2012**		2011
Current tax expense (recovery)								
Tax expenses for the current period	**$**	**19,897**	$	-	**$**	**31,456**	$	-
Deferred tax provision (recovery) for income tax and mining duties		**98,797**		1,037,394		**103,262**		963,224
Recovery of income and mining taxes as a result of the sale of tax benefits (flow-through shares)		**(123,058)**		(227,694)		**(194,566)**		(227,694)
		(24,261)		809,700		**(91,304)**		735,530
	$	**(4,364)**	$	809,700	**$**	**(59,848)**	$	735,530

Refundable tax credit and mining duties

		June 30, 2012		December 31, 2011
Quebec refundable tax credit	**$**	**-**	$	59,617
Mining tax recoverable		**11,521**		22,177
	$	**11,521**	$	81,794

The Company applied for certain refundable tax credits in respect of qualifying mining exploration expenses incurred in the province of Quebec.

Deferred tax balances

	December 31, 2011	Recognized in income or loss	Recognized directly in equity	Other	**June 30, 2012**
Temporary differences					
Deferred tax assets					
Non-capital losses carry forward	$ 480,764	$ 126,565	$ -	$ -	**$ 607,329**
Share issue expenses	32,539	-	22,487	(11,515)	**43,511**
Properties, plant & equipment	24,680	6,505	-	-	**31,185**
Financial assets at FVTPL	402,883	118,676	-	-	**521,559**
	940,866	251,746	22,487	(11,515)	**1,203,584**
Less valuation allowance	(329,820)	-	-	-	**(329,820)**
	611,046	251,746	22,487	(11,515)	**873,764**
Deferred tax liabilities					
Mining properties and deferred exploration expenses	(4,130,773)	(343,050)	-	-	**(4,473,823)**
Deferred tax liabilities	$ (3,519,727)	$ (91,304)	$ 22,487	$ (11,515)	**$ (3,600,059)**

15. Revenues

	Three months ended June 30, 2012	Three months ended June 30, 2011	**Six months ended June 30, 2012**	Six months ended June 30, 2011
Option income	**$ 304,038**	$ 2,405,157	**$ 473,290**	$ 2,504,918
Metal royalty income	**57,218**	156,917	**222,227**	362,850
	$ 361,256	$ 2,562,074	**$ 695,517**	$ 2,867,768

16. Expenses by nature

The following is a breakdown of the nature of expenses included in administration expenses and professional fees and outside services:

	Three months ended June 30, 2012	Three months ended June 30, 2011	**Six months ended June 30, 2012**	Six months ended June 30, 2011
Administration				
Office expenses	**$ 61,803**	$ 64,911	**$ 126,966**	$ 117,614
Conventions and meetings	**39,077**	25,759	**102,148**	62,241
Advertising and shareholder information	**18,007**	47,961	**31,112**	61,517
Other administration expenses	**23,437**	21,343	**29,251**	87,693
	$ 142,324	$ 159,974	**$ 289,477**	$ 329,065
Professional fees and outside services				
Investor relations	**$ 30,332**	$ 26,747	**$ 71,063**	$ 122,514
Legal fees	**60,204**	73,035	**85,322**	89,481
Audit and accounting fees	**50,082**	41,920	**74,889**	67,420
Other professional fees	**15,142**	19,242	**46,485**	55,292
	$ 155,760	$ 160,944	**$ 277,759**	$ 334,707

17. Income (loss) per share

Basic income (loss) per common share is calculated by dividing the net income (loss) by the weighted average number of common shares outstanding during the year. Diluted income (loss) per common share is calculated by dividing the net income (loss) applicable to common shares by the weighted average number of common shares outstanding during the year, plus the effects of dilutive common share equivalents such as stock options. Diluted net income (loss) per share is calculated using the treasury method, where the exercise of options is assumed to be at the beginning of the period and the proceeds from the exercise of options and the amount of compensation expense measured, but not yet recognized in income are assumed to be used to purchase common shares of the Company at the average market price during the period.

Basic and diluted income (loss) per share

The following table sets forth the computation of basic and diluted income (loss) per share:

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	**2012**	2011
Numerator				
Income (loss) for the period	**$ (713,403)**	$ 692,918	**$ (1,337,594)**	$ 486,141
Denominator				
Weighted average number of common shares - basic	**22,992,646**	22,033,477	**22,862,602**	21,601,117
Effect of dilutive shares				
Stock options ("in the money") (i)	**-**	1,014,439	**-**	1,355,843
Weighted average number of common shares - diluted	**22,992,646**	23,047,916	**22,862,602**	22,956,960
Income (loss) per share				
Basic and diluted	**$ (0.03)**	$ 0.03	**$ (0.06)**	$ 0.02

(i) The stock options are not included, for the three and six months ended June 30, 2012, in the computation of diluted loss per share as their inclusion would be anti-dilutive.

18. Share capital

Common shares

Authorized - Unlimited common shares with no par value

Changes in capital stock

	June 30, 2012		December 31, 2011	
Fully paid common shares	**Number of shares**	**Capital Stock**	Number of shares	Capital Stock
Balance, beginning of period	**22,726,241**	**$ 50,288,153**	21,018,008	$ 48,019,236
Stock options exercised	**25,000**	**12,500**	851,000	352,116
Private placement (i)	**998,538**	**1,073,428**	690,566	1,439,245
Shares issued in connection with a property acquisition	**-**	**-**	166,667	500,000
Share issuance costs	**-**	**(61,110)**	-	(22,444)
Balance, end of period	**23,749,779**	**$ 51,312,971**	22,726,241	$ 50,288,153

(i) June 8, 2012, 998,538 flow-through common shares were issued at a price of $1.30 per share for total proceeds of $1,298,099 (fair market value - $1,073,428).

At June 30, 2012, 36,100 (December 31, 2011 - 36,100) common share are held in escrow. These shares were issued as consideration for a property, which has since been abandoned, thus the shares will remain in escrow.

Shareholders rights plan

On May 2, 2011, the shareholders approved a Shareholder Rights Plan. The 2011 Rights Plan replaces the 2008 plan, which expired on March 19, 2011. The new plan will be in effect for three years.

The 2011 Plan is designed to provide shareholders and the Board of Directors with adequate time to consider and evaluate any unsolicited take-over bid made for Globex's common shares; provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives; encourage the fair and equal treatment of shareholders in connection with any take-over bid for Globex's common shares; and generally to prevent any person from acquiring ownership of or the right to vote more than 20% of Globex's common shares while the process undertaken by the Board of Directors is ongoing.

Pursuant to the 2011 Plan, rights were issued and attached to all outstanding common shares. A separate rights certificate will not be issued until the rights become exercisable. If a person acquires common shares in breach of the 2011 Plan, each right held by a shareholder, other than the acquiring person and its affiliates, associates and joint actors, will upon exercise and payment of the exercise price, entitle the holder of the right to purchase common shares from Globex with a total market value equal to twice the exercise price of the rights.

The 2011 Plan provides for permitted bids, which must be made from a take-over bid circular, and in addition to certain other specified conditions, must be for all of the outstanding common shares, other than common shares held by the acquiring person and its affiliates, associates and joint actors, and must remain open for acceptance by shareholders for at least 60 days from the date that the bid is made.

Stock options

Under the Company's stock option plan (the "Plan"), the Board of Directors may, from time to time, grant stock options to directors, officers, employees of and service providers to, the Company and its subsidiaries. Stock options granted under the Plan may have a term of up to ten years, as determined by the Board of Directors at the time of granting the stock options. At June 30, 2012, 1,229,600 options may be granted in addition to the common share purchase options currently outstanding (December 31, 2011 - 319,600).

The following is a summary of option transactions under the Company's stock option plan for the relevant periods:

		June 30, 2012		December 31, 2011
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Balance - beginning of period	**2,112,900**	**$ 1.39**	2,713,500	$ 0.94
Exercised [(i)]	**(25,000)**	**0.25**	(851,000)	0.32
Granted - Directors and employees	**-**	**-**	250,400	2.61
Granted - Service providers	**50,000**	**1.39**	-	-
Balance - end of period	**2,137,900**	**$ 1.40**	2,112,900	$ 1.39
Options exercisable	**2,137,900**	**$ 1.40**	2,022,900	$ 1.33

(i) March 8, 2012, 25,000 options previously issued were exercised at an option price of $0.25 per share. Globex's shares closed at $1.38 per share on that date.

The following table summarizes information regarding the stock options outstanding and exercisable as at June 30, 2012:

Range of prices	Number of options outstanding	Number of options outstanding and exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
$0.34	300,000	300,000	0.36	$0.34
0.75 - 0.88	510,000	510,000	3.23	0.79
1.00 - 1.51	844,200	844,200	2.34	1.17
1.65 - 1.75	90,000	90,000	0.08	1.73
2.75 - 4.45	393,700	393,700	3.96	3.42
	2,137,900	2,137,900	2.60	$1.40

Stock-based compensation and payments

The Company uses the fair value method for stock options granted to directors, officers, employees and non-employees. Accordingly, the fair value of the options at the date of grant is charged to operations, with an offsetting credit to contributed surplus, over vesting periods (which can vary from immediate vesting to 3 years). If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to capital stock. The Company granted 50,000 stock options to a service provider during the period ending June 30, 2012 (December 31, 2011 - 250,400 options were granted).

In April 2012, the Board of Directors amended the 2006 Stock Option Plan so as to increase the number of shares that can be issued thereunder from 1,500,000 to 2,500,000. The amendment to the Plan was approved by shareholders on June 1, 2012 and on June 19, 2012 the TSX confirmed the receipt of the necessary documentation to approve the transaction. The amendments resulted in 1,229,600 options being available for future grants.

Globex uses the Black-Scholes model to estimate fair value using the following weighted average assumptions:

	Six months ended June 30,	
	2012	2011
Expected dividend yield	**Nil**	Nil
Expected stock price volatility	**66.4%**	70.3%
Risk free interest rate	**1.25%**	2.38%
Expected life	**5 years**	5 years
Weighted average fair value of granted options	**$0.77**	$1.66

During the period ending June 30, 2012, the total expense related to stock-based compensation costs and payments amounting to $76,118 has been recorded and presented separately in the statements of income (loss) and Comprehensive income (loss) (June 30, 2011 - $255,951).

Restricted share unit plan

On April 11, 2012, the Board of Directors adopted a Restricted Share Unit Plan (the “RSU Plan”) for the Company’s executives and key employees, subject to regulatory approval. The RSU Plan is designed to attract and retain qualified individuals, to serve as executives and key employees of the Company and its subsidiaries and to promote the alignment of interests of such executives and key employees, on the one hand, and the shareholders of the Company, on the other hand. A maximum of 600,000 common shares may be issued from treasury under the RSU Plan.

Under the RSU Plan, from time-to-time, the Board of Directors may, in its sole discretion, upon the recommendation of the Compensation Committee after consultation with the Chief Executive Officer of the Company, may grant RSUs to executives and key employees in lieu of a bonus or other similar arrangements.

The RSU Plan was approved by the Shareholders on June 1, 2012 and subsequently on June 19, 2012, the TSX confirmed that it had listed and reserved 600,000 common shares of the Company for issuance under the Plan.

During this period, no shares have been issued under the RSU Plan.

19. Related party information

Related party transactions - Duparquet Assets Ltd. - joint venture

On February 18, 2010, a Mineral Option Agreement was signed between Globex Mining Enterprises Inc. (“Globex”) and Jack Stoch Geoconsultant Services Limited (“GJSL”) (a company owned by Jack Stoch, president, CEO and director of Globex) as vendors, Duparquet Assets Ltd (“DAL”) and Xmet Inc. (“Xmet” and/or “Optionee”). The agreement relates to the Duquesne West Gold Property (20 claims) located in Duparquet and Destor townships, Quebec owned 50% by Globex and 50% by GJSL (acquired prior to listing of Globex in 1987) and GJSL’s 100% owned Ottoman Fault Property (40 claims). On February 16, 2010, DAL entered into a Joint Venture Agreement with GJSL and Globex which results in all proceeds from the Mineral Option Agreement being shared equally between the vendors.

On March 5, 2012, Globex and Jack Stoch Geoconsultant Services Limited (company owned by Jack Stoch, President & CEO and Director of Globex) announced that they had entered into a Share Option Agreement dated March 2, 2012, which would allow Xmet Inc. to purchase 100% of the preferred and common shares of Duparquet Assets Ltd. (“DAL”). DAL, the owner of the Duquesne West and Ottoman Fault properties in the Abitibi region of Quebec, is owned 50% by Globex and 50% by Jack Stoch Geoconsultant Services Limited.

The share option agreement sets out two scenarios for Xmet to acquire 100% of DAL:

(a) A cash payment of $9 million payable within six months of signing of the Share Option Agreement, or

(b) A cash payment of $6.5 million payable within six months of signing of the agreement to immediately acquire a 75% interest plus the additional option to acquire the final 25%, good for a period of 4 years, at a price of $2.5M in the first year, $2.6M in the second year, $2.7M in the third year and $2.8M in the fourth year.

In both cases, Globex and Jack Stoch Geoconsultant Services Limited will retain the existing sliding scale Gross Metal Royalty from all production from the properties varying from 2% to 3% depending upon the price of gold at the time of production. Should Xmet Inc. not exercise and complete either of the above scenarios, then the existing mining option agreement will remain in place.

The following amounts are included in the consolidated financial statements as a result of the proportionate consolidation of Duparquet Assets Ltd.:

		Jan-00		December 31,
		2012		2011
Non-current assets	**$**	**600**	$	600
Current liabilities		**(103,646)**		(140,110)
	$	**-**	$	-

		2012		2011
Income	**$**	**162,500**	$	50,000
Expenses		**(31,044)**		(8,485)

Other related party transactions

All transactions are in the normal course of operations and are measured at the fair value, that is, the amount of consideration established and agreed to by the related parties which approximates the arm's length equivalent value.

During the first half of 2012, the Company received laboratory and test services from Drinkard Metalox Inc. a related party through its ownership interests in Worldwide Magnesium Corporation and its ability to exercise influence through technology license agreements which totaled US$1,474 (December 31, 2011 - US$92,039).

Management compensation

Outlined below is a summary of the total compensation for the respective periods paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Company (Management personnel includes President and CEO, Executive Vice-President and Chief Financial Officer, Treasurer and Corporate Secretary):

		Three months ended June 30,				**Six months ended June 30,**		
		2012		2011		**2012**		2011
Salary cost								
Salaries and other benefits	**$**	**117,378**	$	117,207	**$**	**234,757**	$	229,707

20. Supplemental cash flow information

Changes in non-cash working capital items

		Six months ended June 30,		
		2012		2011
Accounts receivable	**$**	**245,273**	$	67,476
Quebec refundable tax credit and mining tax		**70,273**		183,073
Prepaid expenses		**60,489**		(228,091)
Accounts payable and accrued liabilities		**(225,990)**		(131,887)
	$	**150,045**	$	(109,429)

Non-cash financing and investing activities

		Six months ended June 30, 2012		2011
Disposal of mineral properties for investments	$	**55,000**	$	1,752,500
Transfer of contributed surplus to share capital on exercise of stock option		**6,250**		75,376
Share capital issuance for mineral properties acquisition		**-**		500,000
Current income tax payable		**31,036**		-
Refundable tax credit and mining tax		**9,793**		22,177

21. Financial instruments

Capital risk management

The Company manages its common shares, stock options and retained earnings (deficit) as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern while it pursues its objective of enhancing projects, properties or the development of properties to the benefit of all stakeholders. As a Canadian exploration company, its principal sources of funds consist of; (a) Option income on properties; (b) Metal royalty income; (c) Investment income; (d) proceeds from the issuance of common and flow-through shares and (e) other working capital items.

The Company manages the capital structure and makes adjustments to it in light of operating results in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company issues shares, enters into joint venture property arrangements or disposes of properties.

The Company's investment policy is to invest its cash in low risk highly liquid short-term interest-bearing instruments selected with a duration which is expected to align with the Company's planned expenditures.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary. The annual and updated budgets are approved by the Board of Directors. For capital management purposes, the Company has developed two objectives which are as follows:

- Retain cash and cash equivalents, cash restricted for flow-through expenditures and accounts receivable which are equal to or greater than the committed exploration expenditures,
- Retain equity investments and debt instruments with a combined fair market value which are greater than twelve months of projected operating and administrative expenditures.

The Company may need additional capital resources to complete or carry out its exploration and development plans for the next twelve months.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from 2011.

The fair values of the Company's cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued charges approximate their carrying values due to their short-term nature. The equity investments have been adjusted to reflect the fair market value at the period end based on quoted market rates.

Financial risk management objectives

The Company's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, foreign exchange risk, and interest rate risk.

(a) Credit risk

The Company had cash and cash equivalents as well as restricted cash which totalled $2,968,418 as at June 30, 2012 (December 31, 2011 - $2,985,873). These funds are subject to a combination of the $100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation ("CDIC"): CDIC, a federal Crown Corporation as well as a guarantee of $1,000,000 provided by the Canadian Investors Protection Fund ("CIPF").

The Company does not believe that it is subject to any significant concentration of credit risk. Cash and cash equivalents are in place with major financial institutions.

The maximum exposure to credit risk was:

	June 30, 2012	December 31, 2011
Cash and equivalents	**$ 1,549,293**	$ 2,074,901
Investments	**1,366,566**	2,202,066
Accounts receivable [(i)]	**241,532**	486,805
Refundable tax credit and mining tax	**11,521**	81,794
Restricted cash	**1,419,125**	910,972
	$ 4,588,037	$ 5,756,538

(i) Accounts receivable are made up of taxes receivable from government authorities of $193,553 (December 31, 2011 - $405,318) and customer receivables of $47,979 (December 31, 2011 - $81,487). Trade receivables are secured by optioned properties.

(b) Liquidity risk

Liquidity risk represents the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its capital structure and by continuously monitoring actual and projected cash flows. The Company finances its exploration activities through flow-through shares, operating cash flows and the utilization of its liquidity reserves.

The Board of Directors reviews and approves the Company's operating and capital budgets, as well as any material transactions out of the ordinary course of business.

Contractual maturities of financial liabilities are all under one year.

(c) Equity market risk

Equity market risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors the general trends in the stock markets and individual equity movements, and determines the appropriate course of action to be taken by the Company.

The Company currently holds investments in a number of Optionee companies as well as a Canadian financial institution which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets and currently these amount to $1,366,566 (December 31, 2011 - $2,202,066). Based on the balance outstanding at June 30, 2012, a 10% increase or decrease would impact income and loss by approximately $136,000 (December 31, 2011 - $220,000).

(d) Fair value measurements recognized in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

June 30, 2012	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Cash and cash equivalents	$ 1,549,293	$ -	$ -	$ 1,549,293
Restricted cash	1,419,125	-	-	1,419,125
Equity investments	188,379	1,178,187	-	1,366,566
Reclamation bonds	-	121,851	-	121,851
Total financial assets	$ 3,156,797	$ 1,300,038	$ -	$ 4,456,835

There were no transfers between level 1 and level 2 during the period

December 31, 2011	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Cash and cash equivalents	$ 2,074,901	$ -	$ -	$ 2,074,901
Restricted cash	910,972	-	-	910,972
Equity investments	514,566	1,687,500	-	2,202,066
Reclamation bonds	-	121,680	-	121,680
Total financial assets	$ 3,500,439	$ 1,809,180	$ -	$ 5,309,619

There were no transfers between level 1 and level 2 during the period

22. Commitments and contingencies

At period end, the Company had no outstanding commitments other than in the normal course of business other than its commitment to incur qualified exploration expenditures to meet its flow-through obligations as described in note 7. At this time, Management anticipates meeting that obligation and as a result, no additional provisions are required.

23. Subsequent events

On July 4, Globex announced the second closing of a previously announced private placement by issuing an aggregate of 348,599 flow-through shares at a price of $1.30 per share, for gross proceeds of $453,179.