



GLOBEX

ANNUAL REPORT 2013

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President's Message to Shareholders

In 2013, Investors continued to be risk averse which resulted in the sharp decline of the share value of many large mining companies while junior mining companies share prices were decimated. These market conditions are reflected in the decline of our share price, the reduced value of our equity investments and the challenges we are facing in generating new option arrangements. In response to these factors, we are also actively seeking different financing sources including private equity funds in order to advance our more significant projects.

On December 10, 2013, a new Quebec Mining Act ("Bill 70") was enacted. This new law will adversely impact the efficiency and costs of our exploration efforts. On December 20, 2013, the Department of Finance and the Economy announced various tax measures, which could have limited our ability to raise "Super-Flow" Funds. On February 28, 2014, the government announced a deferral of this proposal. We have closely monitored these changes and advocated on our behalf as well as the exploration sector. We will continue to monitor these changes and influence the outcomes where possible.

Despite the challenging financial markets, economic environment, as well as changing regulatory regime, Globex pressed forward by acquiring new properties and expanding our existing properties, completing significant exploration programs, and raising significant exploration funds. Unfortunately, the financial markets did not reward us for our accomplishments.

Our achievements would not have been possible without the contributions of our directors, employees, consultants, professional advisors, contractors and suppliers. I would also like to thank our shareholders for their continued support and appreciation of our efforts during these exceptionally difficult times.

The accompanying Management's Discussion & Analysis provides further details with respect to our progress against these objectives and the audited financial statements outlines additional financial information.

In 2013, we spent \$1.4 M. on the TTM project and completed a 7,500 metre drill program which was designed to: raise the resource in the proposed open pit area to reserve status, better define the distribution and variability of the principal economic minerals, and undertake geotechnical studies ultimately to complete a pre-feasibility study. The project team also explored processing, financing and production alternatives with a goal of producing limited production in the near term. We continue to receive expressions of interest from strategic buyers interested in off-take supply contracts for magnesium oxide and talc. Progress on the project slowed during the latter half of 2013, however, key members of the team remain committed to this project.

At the outset of 2013, we targeted sales and optioning activities to generate "Hard dollars." We generated net option income of \$680,687 including \$350,000 on property sales to Chibougamau Independent Mines Inc. as compared to \$481,388 in 2012. Despite the current challenges, we anticipate improvements in 2014.

We were very active on our Quebec projects as we completed 22,838 metres of diamond drilling (70 drill holes) which is reflected in the \$3.3M (2012 - \$1.9M.) of exploration expenditures. We published our technical successes in various press releases. In the fourth quarter, we raised \$2.3M of flow-through funds which will enable us to continue exploring various properties in 2014.

In our forward planning for 2014, we recognize the continued economic uncertainties, market challenges and difficult regulatory environment. However, we believe in the long-term value of our portfolio of quality projects. We are working to raise the necessary financing to exploit these assets and retain the human resources we have assembled.

Management’s Discussion and Analysis

For the year ended December 31, 2013

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. This MD&A, which has been prepared as of March 8, 2014 and should be read in conjunction with the audited annual consolidated financial statements and the related notes, for the two years ended December 31, 2013 and December 31, 2012.

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Overview

Globex Mining Enterprises Inc. (“Globex”) is a North American focused exploration, royalty and development company with a mineral portfolio in excess of 120 early to mid-stage exploration and development properties containing: **Base Metals** (copper, nickel, zinc, and lead), **Precious Metals** (gold, silver, platinum, palladium), **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, titanium, and magnesia). The Company currently generates royalty and/or option income from properties which contain gold, silver, copper, and zinc.

Globex 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 (OTCQX International) with the symbol GLBXF.

Chibougamau Mining Group - Spin-Out of Assets to Chibougamau Independent Mines Inc.

As previously reported, over the past few years, Globex acquired a significant land package in the Chibougamau region of Quebec, known as the “Chibougamau Mining Camp”. The Chibougamau Mining Camp includes five former copper/gold mines, one unmined historical copper/gold deposit, one historical unmined zinc/gold/silver deposit in respect of which two technical reports compliant with NI 43-101 were prepared, a historical iron-titanium deposit and a large package of partially outlined gold/copper zones and isolated gold intersections as well as volcanogenic massive sulphide targets.

During 2012, exploration expenditures of \$221,615 (2011 - \$41,885) representing Consulting, Geologists and Geophysics costs were incurred on the properties. These costs were incurred in preparation for the anticipated spin-out of these properties.

The following properties comprise the Chibougamau Mining Camp and reflect the ten properties transferred to CIM under the Plan of Arrangement:

- Bateman Bay Mine, (including a portion of the former Jaculet Mine), (gold, copper);
- Berrigan, Lake (Taché) Property, (gold, silver, zinc);
- Berrigan South Property, (gold, silver, zinc);
- Chibougamau Lake Property, (including S-3 and Tommy Zones, down dip of Henderson 1 & 2 and Portage Mines), (gold, copper);
- Copper Cliff Property, (gold, copper),
- Grandroy Mine, (gold, copper),
- Kokko Creek Mine, (gold, copper),
- Quebec Chibougamau Goldfields Mine, (gold, silver, zinc),
- Sulphur Converting (massive sulphide)/Magnetite Bay, (Iron-titanium deposit); and,
- Virginia Property, (gold).

The properties comprising the “Chibougamau Mining Camp” are located within the Abitibi-Chibougamau Mining District in Lemoine, McKenzie, Obalski and Roy Townships, Quebec. The properties are immediately E-SE and NW of the town of Chibougamau, Quebec. As of the date of this report, the Chibougamau Mining Camp is comprised of 367 mining claims (CL) and cells (CDC) covering an area of approximately 9,326 hectares (23,044 acres). A large portion of these claims underlies the waters of Lac Chibougamau and Lac Doré. These properties can be accessed by paved and gravel roads and islands in the lake can be reached by boat in the summer and over ice in the winter.

Plan of Arrangement and Transferred Assets

During the third quarter of 2012, management worked with its legal and tax advisors as well as auditors to prepare the Plan of Arrangement, Ruling Request, TSXV Application and Management Information Circular necessary to affect the transfer of mining properties from Globex to CIM on a tax neutral basis.

On September 10, 2012, Globex and Chibougamau Independent Mines Inc. (“CIM”) entered into an Arrangement which would result in the reorganization of the capital of Globex and CIM, transfer of cash and cash equivalents, certain investments held by Globex as well as the transfer of the ten properties from Globex to CIM, as detailed immediately above, subject to a 3% “Gross Metal Royalty” in favour of Globex.

On October 19, 2012, Globex Shareholders approved the Plan of Arrangement and Pursuant to the Arrangement, among other things, Globex agreed to transfer the Transferred Assets and each Globex Shareholder was ultimately be entitled to receive Globex New Common Shares and CIM Common Shares in exchange for the Globex Common Shares held by such shareholders.

On November 27, 2012, CIM received conditional listing approval from the TSXV and on December 17, 2012, the company announced that it had obtained a Final Order from the Quebec Superior Court in connection with its Plan of Arrangement for the “spin-out” of the shares of CIM. Amended Articles were filed and the Effective Date of the Arrangement was established as December 29, 2012.

On December 29, 2012, Globex completed the reorganization by way of a Plan of Arrangement under the Quebec Business Corporations Act which resulted in the transfer of cash of \$503,006, investments with a fair market value of \$72,903 and ten mining properties with a fair market value of \$6,429,175 to CIM.

Under the Arrangement each Globex shareholder, at the Effective Date was entitled to receive one New Globex Common Share and one common share of CIM which resulted in the issuance of 27,896,018 CIM commons shares. The distribution has been reflected as a return of capital of Globex. The CIM shares began trading on the TSXV on January 25, 2013.

Note 6 to the Globex Consolidated Financial Statements provides further details with respect to the fair value of the assets transferred, the Gain on “spin-out” of the assets of \$6,103,061, the reduction in share capital of \$7,005,084 and the Dividend payable of \$575,909 (Cash - \$503,006 and Investments of \$72,903) at December 31, 2012. The transfer of the assets on a fair value basis has been recorded in accordance with the IFRS guidance as outlined in IFRIC 17 - *Distribution of Non-Cash Assets to Owners*. The fair value of the ten mining properties was derived from comparable transactions within the last twenty eight months, as near as possible, for properties within the same geographical area with a similar geological setting.

Corporate focus

Overall Business Model

Globex 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.

Optioning exploration properties allows Globex to manage its extensive mineral property portfolio. This strategy enables the Company to conserve cash, it also generates current income, ensures properties are being explored while securing an interest in any future production.

The term Option as it relates to Globex properties generally means: *In exchange for 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.

Impact of Current Market Conditions

On an ongoing basis, Globex monitors the short-term and longer term pricing trends for precious and base metals. It also closely monitors the talc and magnesia markets along with the relevant related market and economic trends. All of these factors are reflected in the development of the Company's exploration strategies and work programs.

During the last year, as investors have become more risk averse, Globex has seen the share value of many large mining companies decline significantly while at the same time junior mining companies share prices were decimated. This impact has been reflected in the decline of our share price, the reduced value of our equity investments and the challenges that we face in generating new option arrangements. We have also seen that the announcement of exploration success is not rewarded by an increase in share values. Globex believes that this situation could continue for an extended period.

To successfully operate within this reordered business environment, Globex has sharpened its liquidity focus and has been forced to make some difficult administrative choices while at the same time advancing its exploration activities. We have also made determined efforts to work effectively with our option partners and therefore preserve property values. We are currently pursuing a number of opportunities to provide liquidity to the Company. These include; private placements of common and flow through shares and monetizing a number of assets through outright sales and/or securing funds under a debt arrangement.

Longer-Term Business Focus

In the longer-term, the Company is focused on:

- Advancing the Timmins Talc-Magnesite project to pre-feasibility;
- Pursuing ongoing business activities such as:
 - Sales and optioning of properties;
 - Additional targeted exploration programs; and
 - Identification of acquisition opportunities.

Highlights for the year

- On December 18, 2013, the Company received a 21 year mining lease covering the site of the proposed talc magnesia mine. This is an important milestone towards the achievement of production.
- In the fourth quarter of 2013, 4,610,930 flow-through shares were issued under a private placement. The shares were issued at \$0.50 per share for total proceeds of \$2,305,465 (fair market value of \$2,074,919). These funds will be used for exploration on the Company's Quebec projects. In addition 1,029,664 common shares were issued at \$0.45 per share for total proceeds of \$463,351. These funds will be used for working capital purposes. In connection with these financings, the Company incurred share issuance costs of \$189,764.
- The Company reported a net loss and comprehensive loss for the year of \$844,806 (2012 – income of \$2,942,677).
- Revenues were \$750,209 (2012 - \$884,654) for the year. The 2013 revenues include \$350,000 from the sale of properties to Chibougamau Independent Mines Inc. and other option income of \$330,687. The lower option income reflects the significant challenges that junior mining companies currently face in arranging financing to

enter option arrangements with Globex.

- Exploration expenditures for the year totalled \$4,808,256 (2012 - \$3,058,245) with \$1,485,018 (30.8% of total) being spent on the TTM project to complete 53 infill and zone extension drill holes. The expenditures on the project consisted of; (a) labour and drilling costs of \$538,776 related to the infill and geotechnical drilling program, (b) consulting and geologist costs of \$358,756 incurred in connection with the evaluation of processing options, water and environmental studies as well as the application for the mining lease; (c) laboratory analysis of \$361,883 as well as (d) other costs of \$225,603.
- With respect to the Quebec projects, exploration expenditures of \$3,303,567 (68.8% of total) (2012 - \$1,933,363) were incurred. These costs include \$2,135,376 for labour and drilling costs to complete a drill program which consisted of the completion of 22,838 metres of diamond drilling represented by 70 drill holes on ten (10) different projects. In addition to these costs, Consulting and geologist costs of \$345,688, Laboratory Analysis of \$114,816, Transport Costs of \$365,728 and other of costs of \$341,959 were incurred.
- During October 2013, the Company fulfilled its flow-through fund expenditure obligations for the 2012 financings.

Forward-looking statements

Certain information in this MD&A, 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.

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 states 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 year ended December 31, 2013 totalled \$4,808,256 (2012 - \$3,058,245) which includes eligible flow-through expenditures of \$4,518,218 and non-flow through expenditures of \$290,038. During 2013, 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	\$ 1,485,018	30.8%
• Other projects	8,244	0.2%
	1,493,262	31.0%
Quebec		
• Eagle Mine (Joutel)	138,965	2.9%
• Fecteau Lake (Buteux)	304,075	6.3%
• Lyndhurst (Destor)	128,615	2.7%
• Ralleau (Quevillon)	38,102	0.8%
• Sigma East (Val D'Or)	158,850	3.3%
• Smith Zulapa (Tiblemont)	140,541	2.9%
• Soisson (Soisson)	53,909	1.1%
• Tavernier-Tiblemont (Tavernier)	529,685	11.0%
• Turner Falls Rare Earth Property (REE) (Villedieu)	555,517	11.5%
• Victoria Gold (Clericy)	41,044	1.0%
• Wood-Pandora Project (Cadillac)	612,142	12.7%
• Other projects	359,372	7.4%
• Quebec general exploration	242,750	5.2%
	3,303,567	68.8%
Other regions		
• Nova Scotia	2,799	0.1%
• New Brunswick	-	-%
• Other	8,628	0.1%
Total exploration expenditures	\$ 4,808,256	100.0%

Table 1

Note:

1. The exploration expenditures represent the most significant project expenditures. The regional and other project expenditures are reported in note 15 to December 31, 2013 Consolidated Financial Statements.

In 2013, the \$4,808,256 of expenditures were incurred as follows; (a) Consulting - \$258,535 (5%); (b) Drilling - \$1,855,208 (39%); (c) Geology - \$445,909 (9%); (d) Laboratory analysis and sampling - \$476,699 (10%); (e) Labour - \$818,944 (17%); (f) Transport and road access - \$367,296 (8%); as well as (g) other \$585,665 (12%). The Geophysics costs reflect a credit of \$52,691 for 2013. In 2012, the Company incurred \$146,967 of geophysics costs on the Hematite Lake property which was to be sold. The Optionor was not able to raise financing and in 2013 reimbursed Globex for these costs.

On an ongoing basis, the Company monitors changes in the economic environment and commodity prices and considers these factors when developing work programs for the individual projects. This input along with future work requirements are also input to the assessment of the carrying value of deferred exploration expenditures.

On annual basis, the Company reviews the carrying value of each of the Mineral Properties and the related Deferred exploration expenses considering;

- whether the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- no further exploration or evaluation expenditures in the area are planned or budgeted;
- no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area; or
- sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

As a result of this review, in 2013, the Company recorded an impairment provision of \$69,779 (December 31, 2012 - \$35,970) against the carrying value of Mineral Properties as well as an impairment provision of \$1,013,190 (December 31, 2012 - \$939,213) against Deferred exploration expenses.

As recommended under current accounting guidance, since the Company's market capitalization of approximately \$10.7M. is less than the carrying value of the Mining Properties and Deferred Exploration of approximately \$20.4M., Management, has considered the reasons for this occurrence. In general, the Company's share price has fallen similar to all Junior Mining Companies as since 2010 Investors have been selective and extremely risk averse. junior mining companies in which a single shareholder owns a major share position have also seen their share price decline significantly. While Globex holds a balanced portfolio of base metal, industrial metal and precious metal properties, its share price has followed the decline in the S&P/TSX Global Gold index.

While Globex has an extensive portfolio of properties, a limited number of projects including TTM, the Cadillac Wood Joint Venture, Lyndhurst, Turner Falls, Tavernier Tiblemont and Tonnancour represent in excess of 80% of the carrying value of these exploration assets. Management believes that these projects have significant merit and the costs will be recovered.

Timmins Talc-Magnesite project

The Timmins Talc-Magnesite ("TTM") project is held under an agreement with Drinkard Metalox Inc. ("Drinkard"), with the project owned 90% by Globex and 10% by Drinkard. The project is located 13 km south of Timmins, Ontario, Canada. Globex has committed resources to a team composed of Jacobs Engineering Group Inc. and other industry consultants to evaluate processing options and develop preliminary costing estimates. In addition, the team also spent significant efforts testing and evaluating processing alternatives.

As announced in a Press Release on January 8, 2014, on December 18, 2013, the Company received a 21 year mining lease covering the site of the proposed talc magnesia mine. This is an important milestone towards the achievement of production.

During 2013, the Company completed a drill program, which consisted of 53 drill holes totalling 7,500 metres. The program was designed to; (a) raise the resource in the proposed open pit area to reserve status; (b) better define the distribution and variability of the principal economic minerals; and (c) undertake geotechnical studies in order to facilitate design of the open pit.

During 2013, Globex spent \$1,485,018 (30.8% of total exploration expenditures) on this project to complete 53 infill and zone extension drill holes. The expenditures consisted of; (a) labour and drilling costs of \$538,776 related to the infill and geotechnical drilling program, (b) consulting and geologist costs of \$358,756 incurred in connection with the evaluation of processing options, water and environmental studies as well as the application for a mining lease which is a critical step toward production; (c) laboratory analysis of \$361,883 as well as (d) other costs of

\$225,603.

To date, Globex has completed; (a) ground-based geophysical (magnetometer, VLF-EM induced polarization and resistivity survey investigations), (b) laboratory metallurgical tests, (c) a mini pilot plant study, (d) an internal Scoping Study, (e) diamond drilling and assaying, (f) mineralogical studies, and (g) several NI 43-101 compliant reports that are available on SEDAR (www.sedar.com) outline the project's current resource estimate and provide a preliminary economic assessment (PEA).

Environmental baseline studies are ongoing including surface and ground water quality monitoring. Other baseline studies completed include; terrestrial habitat, hydrogeology, acid rock drainage characterization, aquatic habitat, hydrology and surface water monitoring, benthic, hydrogeology and ground water monitoring, and archaeology. Consultations with stakeholder groups including First Nations, Metis, and the community have been initiated.

Globex has received, and continues to receive, expressions of interest from strategic buyers interested in offtake supply contracts for magnesium oxide and talc. Market validation samples have been produced and supplied to several potential customers for evaluation. Test work on the samples indicates that all samples have been approved for the intended applications. Early in 2014, testing of a new application for the use of magnesia was started.

Current National Instrument 43-101 Technical Reports

On March 2, 2010, Globex received Micon's NI 43-101 Technical Report providing Mineral Resource Estimates of the Timmins Talc-Magnesite Deposit. The following resource tonnages and grades were outlined;

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 2

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 press release commented that the PEA reflected the inputs of Globex's team of consultants in collaboration with Jacobs Minerals Canada ("Jacobs") and Micon International Limited ("Micon"). The full PEA report was filed on SEDAR on April 17, 2012.

Based on the previous mineral resource estimate and a mining rate used in the PEA of 500,000 tonnes per annum, the proposed mine has an identified 60-year mine life within the A zone investigated by diamond drilling during the period of 1999-2008. Additional infill diamond drilling was completed during the period of December 2012 to March 2013. Analytical results of sampling collected from cut cores of this work are still currently being received. The Company plans to update the resource calculation.

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.

Community engagement

In 2012 and 2013, the Company 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.

Quebec projects

On February 18, 2013, in a Press Release, Globex outlined the results of successful exploration programs in 2012 and indicated plans for 2013. On June 19, 2013, in a Press Release, Globex provided a further update and outlined the plans for the remainder of 2013 for its Quebec projects. Other 2013 Press Releases included results from the on-going Wood Pandora drill program and the completed Tiblemont-Tavernier drill program issued respectively on October 1, 2013 and November 4, 2013.

In 2013, the Company completed 22,838 metres of diamond drilling represented by 70 drill holes on ten different projects as follows:

- Eagle Mine (1 hole: 682m)
- Fecteau Lake (6 holes:2,229m)
- Ralleau (1 hole:201m)
- Sigma East (4 holes:1,138m)
- Smith Zulapa (4 holes:1,398m)
- Soissons (1 hole:228m)
- Tavernier - Tiblemont (12 holes:3,990m)
- Turner Falls (18 holes:872m)
- Victoria Gold (3 holes:330m)
- Wood Pandora (20 holes:11,770m)

At this time, all assay results have been received and processed. An overview of the activities and results related to the more significant projects follows. The material outlined below complements the technical information contained in the Company's press releases on exploration work in fiscal year 2013.

During 2013, \$3,303,567 (2012 - \$1,933,363) was incurred on the Quebec projects. Outlined below are comments with respect to the projects on which the largest expenditures were incurred.

- **Eagle Mine** - a single, moderately deep drill hole did not confirm the vertical upper continuity of a deep historic gold intercept (10.2 gpt Au/10.2m, vertical depth of 600m) just west of the past producing Eagle Mine. The 2013 drilling did however intersect the western extension of the Main Eagle Zone returning an anomalous 1.07 gpt Au/5.1m) thus confirming the exploration potential at depth in this sector of the property.
- **Fecteau Lake** - a 6 hole drill program totaling 2,229 metres was undertaken on this volcanogenic massive sulphide (VMS) property. All geophysical anomalies were explained by the presence of sulphides, but no significant base or precious metal values were encountered.
- **Lyndhurst** - integration and analysis of the historic drill data, experimental deep searching geophysics and punctual mapping in 2013 indicate the potential for the discovery of a large, deep seated, high grade VMS deposit lies below a vertical depth of 800 metres on the entire property. In 2014, deep stratigraphic drilling is under consideration for the Moses VMS zone and the under explored eastern sector of the property.

- **Ralleau** - a single drill hole test of 201 metres into a geophysical anomaly returned a zone of disseminated sulphides with no significant base or precious metal mineralization.
- **Sigma East** - a 4 hole drill program of 1,138 metres on the Val d'Or area property returned no significant gold values in holes positioned beneath a known high grade gold showing and in the vicinity of nearby historic drill holes with reported historical gold intercepts.
- **Smith-Zulapa** - a 4-hole 1,398 metre drill program was completed during the second quarter. The final, western most hole intersected a pyrite rich quartz vein system assaying **4.94 gpt Au over 3.2m** at a depth of 130 metres. This new intercept effectively extends the Smith Gold Zone laterally to the west and at depth in this sector.
- **Soissons** - a single 228m hole intersected sufficient volcanic hosted sulphides to explain the targeted geophysical anomaly without however outlining any significant base or precious metal mineralization.
- **Tavernier-Tiblemont** - a 12 hole drill program of 3,990m was completed in the third quarter confirming the potential for wide gold bearing intersections as suggested by the intercept of **4.78 gpt Au over 8.8m including 6.15 gpt Au over 4.3m** (hole TIB-13-13) at a depth of 225 metres occurring in the laterally extensive (6 km) mineralized Maufort mega shear structure. In 2014, drilling will look to expand the recognized gold zones and test other mineralized structural targets on the property.
- **Turner Falls** - following selective lithological/structural mapping over three of the four main REE showings, a close-spaced, multiple (shallow) hole drill program was completed at the end of the third quarter. A total of eighteen (18) holes and 872 metres of drilling were completed over the high grade Camp Lake North Zone, the old Turner Falls Showing and the West Horseshoe Showing. Limited preliminary core sampling from beneath the Camp Lake North showing returned anomalous TREO + Y2O3 values ranging from 0.25% to 0.70% over 2m while no anomalous samples were detected from the selective sampling at the other locations. Studies are on going to reconcile the analytical results derived from Globex's high grade surface assays (commonly up to several percent TREO & Y2O3 and as confirmed by detailed petrographic/microprobe analyses) and the lower REE metal concentrations in drill core.
- **Victoria Gold** - a closely spaced 3 hole drill program of 330m was completed in the first quarter over an apparently discrete historic gold zone. The program sought to confirm previously reported high-grade mineralization but returned best values of only **1.38 gpt Au over 4.8m** (hole Vic-13-01) and **1.65 gpt Au over 7.5m** (hole Vic-13-02).
- **Wood-Pandora** - constitutes Globex's highest priority gold property and is located several km west of the producing Agnico Eagle's Lapa gold mine along the prolific Cadillac Break. A 20 hole drill program totaling 11,770m was completed by the end of the third quarter. The two principal target areas included the Pandora # 3 area which returned a widest intercept of **15.1 gpt Au over 11.8m** and the Central Cadillac area which returned a widest intercept of **4.8 gpt Au over 10.65m**. An initial multi-hole drill program proposal for 2014 was prepared by Globex and presented for approval to the Joint Venture partner Osisko Mining in January. The 2014 drill program is anticipated to commence prior to the end of the first quarter in 2014.

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

A number of Globex partners working on optioned properties, have issued press releases outlining their results. The most significant results are as follows:

Lincoln Mining Corp

- On November 28, 2012, Lincoln (“Lincoln”) Mining Corporation entered into a purchase agreement with Laurion Mineral Exploration Inc. for the purchase and assignment of an option to earn a 100% interest in Globex’s Bell Mountain property located in Churchill County Nevada. During the period April 15 until mid-June 2013, infill reverse-circulation drilling to upgrade the resource continued on the property. In a Press release, on June 18, 2013, the Lincoln announced that Procon Mining and Tunnelling Ltd. and certain of its affiliates collectively described in the press release as Procon (“PRI”) have committed to the Committee on Foreign Investment in the United States (“CFIUS”) to divest its entire investment in Lincoln. In the same press release, Lincoln announced restrictions on access to its U.S. properties. On February 19, 2014, Lincoln issued a Press Release announcing that CFIUS had granted an extension until March 7, 2014 for PRI to complete a transaction to dispose of its interests. On March 3, 2014, Lincoln announced that PRI had completed the divestment of its interests in Lincoln Mining by selling 46 M common shares of Lincoln, through a private sale, to Mr. Ronald K. Netolitzky, a Canadian mining entrepreneur. As a result, there are no more operational or financial ties between Procon and Lincoln.

Mag Copper Limited

- In 2013, Mag Copper Limited completed a number of management and board changes. They also completed a number of limited financings to complete a drilling program and other initiatives with a view towards advancing the Magusi River Copper/Zinc/Gold/Silver deposit, which they have optioned from Globex, towards production. Globex is entitled to an option payment of \$400,000 on or prior to April 28, 2014.

Rocmec Mining Inc.

- On January 25, 2013, Rocmec Mining Inc. announced the results of a surface exploration program on the Russian Kid (Rocmec 1) Property. The work consisted of a surface magnetometer survey and re-interpretation of previous exploration results in relation to interpreted and re-compiled geological observations.
- Further news from Rocmec on April 9th and May 23rd, 2013, outlined a change of control of Rocmec and a loan from Nippon Dragon Resource which will be used among other things to put the Rocmec 1 (Russian Kid) gold deposit into production. Globex holds a 5% Net Metal Royalty (NMR) on the first 25,000 ounces of gold produced from the property and a 3% NMR on all other production thereafter.

Viking Gold Exploration Inc.

- Viking Gold Exploration Inc. (“Viking”) completed an initial 13 hole drill program on seven claims optioned from Globex which are located in Guyenne Township, Quebec. Numerous intersections of gold were reported with values of up to 5.29 g/t Au over 3 metres. See Viking press release dated February 11, 2013. On August 7, 2013, Viking informed Globex that it was cancelling the option agreement.

Xmet Inc.

- During 2012, Xmet Inc. (“Xmet”) was active exploring its flagship Duquesne-Ottoman Property in the Province of Quebec. Despite the significant progress on the properties, Xmet was not able to raise sufficient funds required to buy out Globex’s interest in the Duquesne West property. On July 3, 2013, Xmet announced the expiration of its agreement to purchase the 75% interest in the Duquesne West property project as the acquisition was not financeable in the current junior resource market and the property was returned to

Globex.

Property acquisitions, sales and options

Property acquisitions

During 2013, the Company spent \$41,581 (2012 - \$136,844) on mineral property acquisitions mainly in the province of Quebec. Globex was pursuing the potential acquisition of specific assets outside North America.

Sales and options

Net option income December 31, 2013

Property, Agreements Summary	Net Option Income	Recovery of Property Acquisition	Recovery of Exploration Expenditures
Sales and Options			
Hematite property - Cleghorn Minerals Ltd	\$ 7,545	-	\$ 17,455
<ul style="list-style-type: none"> • October 9, 2012 (amended January 31, 2013, expired April 30, 2013), • Option payments - \$1,000,000 over 12 months from Effective Date, • Issue 2,000,000 common shares three business days after Effective Date, • GMR of 2%. 			
Chibougamau Independent Mines Inc.	350,000	-	-
<ul style="list-style-type: none"> • May 9, 2013, Globex sold major claims blocks adjacent to the Grandroy and Berrigan deposits for cash and a GMR of 2%. 			
Canadian Metals Inc.	16,053	22,855	3,092
<ul style="list-style-type: none"> • February 12, 2013 Globex signed an option agreement related to the Charlevoix property. • On July 7, 2013, Globex received 200,000 shares 			
Grupo Moje Ltd.	-	-	5,000
<ul style="list-style-type: none"> • On September 24, 2013, Globex signed an option agreement related to the Rosseau Township gold property which required an initial payment of \$5,000 at the effective date and \$5,000 each quarter thereafter. • The arrangement was terminated in January 2014. 			
Option and sale payments under Agreements from prior years			
<ul style="list-style-type: none"> • Sementiou Inc., Duvay Property, • Tres-Or, Fontana Property, • Integra Gold Corp, Farquharson Property¹, • Mag Copper Limited, Fabie Bay/Magusi Property • Knick Explorations, Raymor Property 	9,350 (1,411) - 286,650 12,500	- - - -	650 1,411 36,000 13,350 -
	\$ 680,687	\$ 22,855	\$ 76,958
Q1 – 2013	\$ 71,000	-	-
Q2 – 2013	462,500	-	-
Q3 – 2013	142,000	-	-
Q4 – 2014	5,187	22,855	76,958
	\$ 680,687	\$ 22,855	\$ 76,958

Notes:

1. Property was renamed by Integra Gold Corp. to the Donald Property.

In 2013, the Company generated net option income of \$680,687 (2012 - \$481,388). The net option income consisted of cash of \$664,634 (2012 - \$461,272) and shares of \$16,053 (2012 - \$20,116). In 2013, the Company received Integra Gold shares with a fair value on receipt of \$11,000 and Canadian Metals shares with a fair value on receipt of \$42,000 (2012 - \$134,500) with \$36,947 reflected as a recovery of property and exploration costs (2012 - \$92,989).

The net option income of \$680,687 is higher than the prior year mainly as a result of sale of properties near the Grandroy and Berrigan Deposits to CIM for \$350,000 and a 2% GMR. These properties were acquired by Globex after the Plan of Arrangement had been approved.

Globex continues to face difficulties optioning properties as a result of the challenges that Junior Mining Companies currently are facing financing their projects.

Royalties

The Company's Annual Information Form, and website www.globexmining.com provide Property Descriptions, a list of Royalty Interests, as well as the Optionee's related to the various properties.

Results of Operations

Selected Annual Information

	2013	2012	2011
		<i>Restated Note 1</i>	<i>Restated Note 1</i>
Total revenues	\$ 1,432,874	\$ 934,521	\$ 3,703,145
Joint venture income	1,379	246,763	41,500
Total expenses	2,753,438	4,670,302	3,032,648
Gain on spin-out of assets	-	6,103,061	-
Income (loss) before taxes	(1,319,185)	2,614,043	711,997
Income and mining taxes	(474,379)	(328,634)	353,229
Income (loss) and comprehensive income (loss) for the year	(844,806)	2,942,677	358,768
Income (loss) per common share			
- Basic and diluted	\$ (0.03)	\$ 0.12	\$ 0.02
Total Assets	\$ 24,565,333	\$ 24,235,500	\$ 21,697,284
Other Liabilities	\$ 209,075	\$ 836,144	\$ 234,693

Note:

I. Restated as a result of the adoption of IFRS 11 effective January 1, 2013. See note 3 to the financial statements for further details.

Variation in Results

In 2013, Globex reported a net loss of \$844,806 as compared to income of \$2,942,677 in 2012 mainly due to the gain on the spin-out of assets to CIM in the previous year.

In 2013, the total revenues were \$1,432,874 as compared to \$934,521 in 2012. The current year revenues consist of net option income of \$680,687 (2012 - \$481,388), metal royalty income of \$69,522 (2012 -\$403,266),

management services of \$342,716 (2012 – Nil) and other income of \$339,949 (2012 - \$49,867).

The 2013 net option income of \$680,687 also includes \$350,000 on the sale of three major blocks of claims to Chibougamau Independent Mines Inc. as described in note 23 to the financial statements. The reduction reflects the challenges faced by Junior Mining Companies accessing the capital market to finance the optioning of properties or acquisition of properties. Details of the 2013 net option income are outlined on pages 12 of this report.

In 2013, the Metal royalty income was \$69,522 as compared to \$403,266 in 2012. The revenue during 2013 was lower than in 2012 as a result of lower zinc average prices in 2013 as compared to 2012. During 2013, Nyrstar produced 113 M. pounds of Zinc compared to 107 M. pounds in 2012.

In 2013, the total expenses were \$2,753,438 as compared to \$4,670,302 in 2012. The difference is mainly attributable to the decrease in financial assets in 2012 of \$1,699,299 as well as a reduction in other expenses of \$217,565.

In 2012, Globex reported income of \$2,942,677 as compared to income of \$358,768 in 2011 mainly as a result of gain on the spin-out of assets and the offsetting impact of the decrease in option income (2012 - \$481,388; 2011 - \$3,262,620).

In 2012, the Net Option income totalled \$481,388 as compared to \$3,262,620 in 2011. The 2011 included shares of Optionee companies with an initial value at recognition of \$1,781,000. In 2012, the metal royalty income was \$403,266 as compared to \$490,525 in 2011.

In 2012, the total expenses were \$4,670,302 as compared to \$3,032,656 in 2011. The increase of \$1,637,646 in the 2012 expenses as compared to 2011, reflects an increase in the impairment provision for mineral properties and deferred exploration of \$625,648 (2012 - \$1,001,140; 2011 - \$375,492), an increase in the decrease in the fair value of investments of \$1,541,462, and a reduction in professional fees, share based compensation and other items of \$529,464.

Total Assets

The increase in the total assets of \$329,833 from \$24,235,500 at December 31, 2012 to \$24,565,333 at December 31, 2013, reflects the increase in mineral properties and deferred explorations expenditures of \$3,667,055, a reduction in cash and cash equivalents as well as cash reserved for exploration of \$2,641,869, a reduction in accounts receivable of \$946,445 and a combined increase in all other assets of \$251,092.

Other Liabilities

The Other Liabilities represent the excess of the proceeds received from flow-through share issuances as compared to the fair value at the share issuance date. The reduction in the other liabilities from \$836,144 at December 31, 2012 to \$209,075 at December 31, 2013, reflects the lower number of flow through shares issued in 2013 (2013 - 4,610,930; (2012 - 4,722,677) and the lower premium per share.

Fourth Quarter Transactions

In the fourth quarter of 2013, 4,610,930 flow-through shares were issued under a private placement. The shares were issued at \$0.50 per share for total proceeds of \$2,305,465 (fair market value of \$2,074,919). These funds will be used for exploration on the Company's Quebec projects. In addition, 1,029,664 common shares were issued at \$0.45 per share for total proceeds of \$463,351. These funds will be used for working capital purposes. In

connection with these financings, the Company incurred share issuance costs of \$189,764.

During the fourth quarter of each year, in conjunction with the corporate planning and budgeting for the upcoming year, management reviews the carrying value of the deferred exploration expenses for the mining properties. In the fourth quarter of 2013, the Company recorded a write-down of mineral properties and deferred exploration expenses of \$920,884 (2012 - \$811,699).

Summary of quarterly results

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

	2013				2012 (Restated, Note 1 below)			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenues	\$ 5,187	\$ 142,000	\$ 462,500	\$ 140,522	\$ 302,916	\$ 48,721	\$ 255,006	\$ 278,011
Total expenses	1,232,339	535,287	455,060	530,752	1,190,820	560,154	566,695	653,334
Other income (expenses)	263,260	233,044	194,883	(7,143)	5,826,784	(384,926)	(426,418)	(315,048)
Income (loss) ⁽²⁾	(1,231,200)	338,623	358,299	(310,528)	4,952,406	(672,135)	(713,403)	(624,191)
Income (loss) per common share								
- Basic and diluted	(0.04)	0.01	0.01	(0.01)	0.21	(0.03)	(0.03)	(0.03)

Note:

1. As outlined in Note 3 to the consolidated financial statements, Globex adopted the revisions to IFRS 11, effective January 1, 2013 and in accordance with the transition provisions, restated the 2012 comparative information.
2. Attributable to common shareholders of the Company.

The loss of \$1,231,200 in the fourth quarter ended December 31, 2013 compares to income of \$338,623 in the third quarter of 2013. The loss in the fourth quarter as compared to income in the third quarter is mainly a result of the reduced revenues in the quarter and the impairment provision of \$920,884 provided against mining properties and deferred exploration.

The income of \$338,623 in the third quarter ended September 30, 2013 compares to income of \$358,299 in the second quarter ended June 30, 2013. In the third quarter of 2013, the Company recorded revenues of \$142,000. The Company recorded a recovery of income and mining taxes of \$498,866 (2012 - \$224,224).

The income of \$358,299 in the second quarter ended June 30, 2013 compares to a loss of \$310,528 in the first quarter ended March 31, 2013. In the second quarter of 2013, the Company recorded revenues of \$462,500 which include revenues of \$350,000 related to the sale of properties to Chibougamau Independent Mines Inc. ("CIM"). The Company recorded a recovery of income and mining taxes of \$155,976 (2012 - \$24,704).

The loss in the first quarter ended March 31, 2013 of \$310,528 compares to the income of \$4,952,406 in the quarter ended December 31, 2012. In the fourth quarter of 2012, the Company recorded a gain on spin-out of assets to CIM.

The income in the fourth quarter ended December 31, 2012 of \$4,952,406 compares to the loss of \$672,135 in the third quarter ended September 30, 2012. The increase in income reflects the gain on spin-out of assets to CIM offset by an increase in the impairment provisions for mineral properties and deferred exploration, as well as the recovery of income and mining taxes.

The loss in the third quarter ended September 30, 2012 of \$672,135 compares to the loss of \$713,403 in the second quarter ended June 30, 2012. The reduction in the loss reflects the combined impact of lower metal

royalties, a reduced decrease in the fair value of financial instruments and an increase in the recovery of income and mining taxes.

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 2012. This increase was offset in a reduction in other operating expenses in the second quarter of approximately \$87,000.

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 \$69,466 in the fourth quarter of 2011. 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.

Results of operations for the Year-ended December 31, 2013

Revenues (December 31, 2013 -\$750,209; December 31, 2012 - \$884,654)

During the year ended December 31, 2013, revenues totalled \$750,209 which was \$134,445 lower than the \$884,654 reported in the comparable period in 2012.

Option Income (December 31, 2013 -\$680,687; December 31, 2012 - \$481,388)

In 2013, the Company generated net option income of \$680,687 (2012 - \$481,388). The net option income consisted of cash of \$664,634 (2012 - \$461,272) and shares of \$16,053 (2012 - \$20,116). In 2013, the Company received Integra Gold shares with a fair value on receipt of \$11,000 and Canadian Metals shares with a fair value on receipt of \$42,000 (2012 - \$134,500) with \$36,947 reflected as a recovery of property and exploration costs (2012 - \$92,989).

The net option income of \$680,687 is higher than the prior year mainly as a result of sale of properties near the Grandroy and Berrigan Deposits to CIM for \$350,000 and a 2% GMR. These properties were acquired by Globex after the Plan of Arrangement had been approved.

Metal royalty income (December 31, 2013 -\$69,522; December 31, 2012 - \$403,266)

The Company is entitled to Gross Metal Royalty based on the value of metal from Nyrstar's Mid-Tennessee zinc operations. If the LME monthly average zinc price is greater than US \$0.90 per pound on the final payment date which follows one month after the production period then Globex is entitled to a royalty payment.

In 2013, the Metal royalty income was \$69,522 as compared to \$403,266 in 2012. The revenue during 2013 was lower than in 2012 as in 2013 the LME monthly average zinc prices only exceeded U.S. \$0.90 per pound in the month of January. In 2012, the LME average was greater than U.S. \$0.90 in six months (January, February, March, August, November and December). In 2013, Nyrstar produced 113 M. pounds of Zinc compared to 107 M. pounds in 2012.

Total expenses (December 31, 2012 -\$2,753,438; December 31 - \$2,971,003)

In 2013, the total expenses were \$2,753,438 compared to \$2,971,003 in 2012. The reduction of \$217,565 is reflected in lower salaries, administration and professional fees and outside services of \$445,901 which are offset by an increase in share-based compensation and payments of \$156,256 and an increase in other expenses of \$72,080.

Salaries

- In 2013, the salaries totalled \$592,480 as compared to \$774,709 in 2012. The reduction of \$182,229 reflects a lowering in Management salaries of \$90,000 and a higher proportion of wages allocated to exploration projects in 2013 based on time charges.

Administration

- Administration expenses represent a combination of office expenses, conventions and meetings, advertising and shareholder information as well as other administrative expenses as detailed in note 20 to the financial statements.
- In 2013, the administration expenses totalled \$380,851 as compared to \$540,893 last year. The decrease of \$160,042 mainly represents a reduction in office costs of \$68,065 (2012 included non-recurring office costs of approximately \$40,000) and a reduction in convention and meeting costs of \$76,931, advertising and as well as shareholder information of \$25,805 and an offsetting increase in other administrative expense of \$10,759.

Professional fees and outside services

- Professional fees and outside services represent costs incurred for investor relations, legal fees, audit and accounting fees and other professional fees.
- In 2013, the Professional fees and outside service costs totalled \$394,910 as compared to \$498,540 in 2012 representing a total reduction of \$103,630.
- The reduction in investor relations of \$45,580 from \$185,301 in 2012 to \$139,721 in 2013 is a result of lower activity levels and negotiated savings in supplier costs. The reduction in legal fees from \$113,660 in 2012 to \$63,725 reflects reduced corporate activities in the current year. In 2013, the Audit and accounting fees were reduced from \$125,209 in 2012 to \$111,357 in 2013, by limiting additional services. The other professional fees of \$80,107 represent listing and filing fees as well as other professional fees. The increase from \$74,370 in 2012 to \$80,107 mainly reflects increases in outsider services.

Depreciation and amortization

- The increase in the depreciation and amortization expense from \$50,052 in 2012 to \$67,061 in 2013 reflects acquisitions in the later portion of the year 2012.

Share-based compensation and payments

- In 2013, the share-based compensation and payments totalled \$255,195 as compared to \$98,939 in 2012. The increase of \$156,256 in the expense is a result of the issuance of 800,000 options (710,000 which vested immediately and therefore were expenses) as compared to 140,000 (50,000 vested immediately) in 2012.

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. In 2013, the Company recorded a provision of \$1,082,969 as compared to \$1,001,140 in 2012.

Other income (expenses)

- Other income (expenses) reflects interest income, joint venture income, the increase (decrease) in fair value of financial assets, management services including administrative, compliance, corporate secretarial, risk management support and advisory services provided to CIM during 2013.

- In 2013, the Company reported other income of \$684,044 as compared to \$4,700,392 in 2012 which included a gain on the spin-out of assets of \$6,103,061. In 2013, the Company also recorded Management services of \$342,716 (2012 – Nil) for Management services provided to CIM under a Management Services Agreement. In 2013, an increase in the fair value of financial assets of \$288,127 was reported as compared to a decline of \$1,699,299.

Income and mining taxes provision (recovery)

- During 2013, the Company recorded a recovery of income and mining duties of \$474,379 (2012 - \$328,634). The overall recovery in 2013 reflects the combined impact of; (a) a current tax recovery of \$287,438 (2012 - expense of \$323,540) and (b) a provision for deferred income tax and mining duties of \$670,674 (2012 - \$(108,377)) and a recovery of income and mining taxes related to flow through share benefits renounced of \$857,615 (2012 - \$543,797).
- The deferred income and mining tax provisions in the current year reflects management's best estimate of future tax rates substantially enacted and current tax planning strategies. It also reflects the impact of non-deductible items (share-based payments, impairment provisions on non-financial assets, a decrease in fair value of financial assets) as well as tax planning strategies to minimize the taxable income inclusion for shares received under mining option agreements executed on Globex mineral properties.

Financial position

Total assets

The increase in the total assets of \$329,833 from \$24,235,500 at December 31, 2012 to \$24,565,333 at December 31, 2013, reflects the increase in mineral properties and deferred explorations expenditures of \$3,667,055, a reduction in cash and cash equivalents as well as cash reserved for exploration of \$2,641,869, a reduction in accounts receivable of \$946,445 and a combined increase in all other assets of \$251,092.

Cash and cash equivalents, investments, and accounts receivable totalled \$1,223,323 (December 31, 2012 - \$2,221,350) representing 5.0% of the total assets. Cash reserved for exploration was \$2,090,732 at December 31, 2013 (December 31, 2012 - \$4,375,485). The change represents the exploration activities during 2013.

At December 31, 2013, deferred exploration expenses totalled \$17,382,627 (December 31, 2012 - \$13,664,519) an increase of \$3,718,108.

Total liabilities

At December 31, 2013, the current liabilities were \$644,625 as compared to \$1,988,871 at December 31, 2012. The decrease reflects the payment of the dividend payable to CIM and the impact of reduced drilling activities during the fourth quarter of 2013.

The Other Liabilities represent the excess of the proceeds received from flow-through share issuances as compared to the fair value at the share issuance date. The reduction in the other liabilities from \$836,144 at December 31, 2012 to \$209,075 at December 31, 2013, reflects the lower number of flow through shares issued in 2013 (2013 - 4,610,930 (2012 - 4,722,677)) and the lower premium per share.

Deferred tax liabilities

Deferred tax liabilities were reported as \$3,966,050 at December 31, 2013 as compared to \$3,346,423 at December 31, 2012. The increase mainly reflects the impact of the renunciation of tax benefits to subscribers under flow-through share arrangements.

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 \$19,468,382 (December 31, 2012 - \$17,658,441). The change reflects the impact of the loss attributable to shareholders and share-based compensation and payments. Details of the changes are provided in the Consolidated Statement of Equity.

Share capital

At December 31, 2013, the share capital of the Company totalled \$50,677,905 (December 31, 2012 - \$48,278,353) representing 33,536,612 (December 31, 2012 - 27,896,018) common shares outstanding.

Liquidity, working capital and cash flow

At December 31, 2013, the Company had cash and cash equivalents of \$164,380 (December 31, 2012 - \$521,496) and cash reserved for exploration of \$2,090,732 (December 31, 2012 - \$4,375,485). Investments of \$942,801 (December 31, 2012 - \$637,267) mainly reflect shares, recorded at fair value, in optionee companies received as consideration under mining option agreements.

At December 31, 2013, the Company's working capital (based on current assets minus current liabilities) was \$2,765,352 (December 31, 2012 - \$4,710,430). The Company believes that based on the current cash and working capital position and its access to liquidity sources, 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 2013, the operating activities generated cash of \$18,085 (December 31, 2012 - Used cash of \$1,176,853) and financing activities generated \$2,579,052 (December 31, 2012 - \$5,918,133).

Investing activities in 2013 used \$5,239,006 (2012 - \$2,830,172). Investing activities included acquisition of properties, plant and equipment of \$10,001 (2012 - \$89,437), related party payments of \$5,499 (2012 - Nil), cash dividend related to Spin-out of \$503,006 (2012 - Nil), Investment in joint venture of \$122,921 (2012 - recovery of \$339,970), deferred exploration expenses of \$4,808,256 (2012 - \$3,058,245), mineral properties acquisitions of \$41,581 (2012 - \$136,844), proceeds from sale of investments of \$175,300 (2012 - Nil) as well as proceeds on mineral properties optioned of \$76,958 (2012 - \$114,384).

The operating, financing, and investing activities for the year resulted in a net decrease in cash and cash equivalents of \$2,641,869 (2012 - net increase of \$1,911,108).

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 will 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 reserved for exploration 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 currently actively pursuing a number of options including option and sale of properties as well as other financing activities.

The Company is not subject to any externally imposed capital requirement.. The Company's overall strategy remains unchanged from 2012.

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 cash reserved for exploration which totalled \$2,255,112 at December 31, 2013 (December 31, 2012 - \$4,896,981). 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:

	December 31, 2013	December 31, 2012	January 1, 2012
Cash and cash equivalents	\$ 164,380	\$ 521,496	\$ 2,074,901
Cash reserved for exploration expenses	2,090,732	4,375,485	910,972
Investments	942,801	637,267	2,202,066
Accounts receivable ⁽ⁱ⁾	116,142	1,062,587	518,270
Refundable tax credit and mining duties	-	-	81,794
	\$ 3,314,055	\$ 6,596,835	\$ 5,788,003

- (i) Accounts receivable of \$116,142 (December 31, 2012 - \$1,062,587; January 1, 2012 - \$518,270) consist of trade receivables of \$22,758 (December 31, 2012 - \$229,363; January 1, 2012 - \$398,004), due from CIM – Nil; (December 31, 2012 - \$484,204; January 1, 2012 - Nil) and taxes recoverable of \$93,384 (December 31, 2012 - \$349,020; January 1, 2012 - \$120,266). The trade receivables are secured by property interests.

(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 which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets and currently these amount to \$942,801 (December 31, 2012 - \$637,267). Based on the balance outstanding at December 31, 2013, a 10% increase or decrease would impact Income and loss by \$94,280 (December 31, 2012 - \$63,000).

(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).

December 31, 2013	Level 1		Level 2		Level 3	Total Financial Assets at fair value		
Financial assets								
Equity investments	\$	267,801	\$	675,000	\$	-	\$	942,801
Reclamation bonds		-		127,039		-		127,039
	\$	267,801	\$	802,039	\$	-	\$	1,069,840

There were no transfers between level 1 and level 2 during the year.

The level 2 financial assets have been measured using the quoted price of the related shares on the market which has been determined non-active.

For all other financial assets and liabilities, the fair value is equal to the carrying value.

December 31, 2012	Level 1		Level 2		Level 3	Total Financial Assets at fair value		
Financial assets								
Equity investments	\$	434,767	\$	202,500	\$	-	\$	637,267
Reclamation bonds		-		119,256		-		119,256
	\$	434,767	\$	321,756	\$	-	\$	756,523

There were no transfers between level 1 and level 2 during the year.

January 1, 2012	Level 1		Level 2		Level 3	Total Financial Assets at fair value		
Financial assets								
Equity investments	\$	514,566	\$	1,687,500	\$	-	\$	2,202,066
Reclamation bonds		-		121,680		-		121,680
	\$	514,566	\$	1,809,180	\$	-	\$	2,323,746

There were no transfers between level 1 and level 2 during the year. .

Significant assumptions, judgments, and estimates

The preparation of financial statements under the principles of IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such judgments and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarized below. Areas of judgment that have the most significant effect on the amounts recognized in the financial statements are:

(a) Impairment of mineral properties and deferred exploration expenses

At the end of each reporting period, the Company considers whether there has been an impairment of its mineral properties as well as deferred exploration and development expenses. If the Company determines that there has been impairment then it must estimate the recoverable amount and selling costs resulting in a net recoverable amount. As a result of the limited information available, it requires significant management judgment in estimating a net recoverable amount.

(b) Estimate of share-based compensation and payments

The estimate of share-based compensation and payment costs requires the selection of an appropriate valuation model and consideration of the inputs necessary for the model chosen. The Company has made estimates of the volatility of its own shares, the probable life of options granted, interest rates, and the time of exercise of those options. The Company uses the Black-Scholes valuation model to calculate the fair value of the share-based compensation and payment costs.

(c) Fair value estimates of investments

Globex enters into option agreements for its properties. Under these arrangements, the Company typically receives a series of cash option payments over a period of time and it also often receives shares in the Optionee Company. Globex attempts to determine the fair value of the shares on receipt based on published price quotations in an active market. However, in some cases, when received, the shares may not be traded in an active market and as a result Globex must use a valuation technique to determine the fair market value. In some cases, as a result of the strategic nature or volume of trading in the market, the quoted price may also not be representative of the price that these shares could be sold to a willing arm's length party. These valuation issues could also impact the fair value measurement of financial assets at each period end.

(d) Useful lives of properties, plant and equipment

The Company reviews the estimated useful lives of properties, plant and equipment at the end of each annual reporting period. During the period, Management determined that the useful lives of the equipment were appropriate.

(e) Refundable tax credit and mining duties

The estimates are based on an interpretation of legislation substantially enacted and management's application of their interpretation to the treatment of various items which could impact the valuation.

(f) Deferred tax balances

The Company uses the asset and liability method in accounting for deferred income taxes and mining duties. Under this method, deferred income taxes are recognized for the future income tax. In preparing these estimates, management is required to interpret, substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

(g) Estimate of fair value of transferred assets

In order to determine the fair value of the Mining Properties transferred under the Plan of Arrangement, management engaged an independent consultant who identified comparable transactions within the last twenty eight months, as near as possible for properties within the same geographical area and a similar geological setting. The values for the Bateman Bay, Berrigan Lake and Berrigan South Properties as well as the Chibougamau Lake Property were developed based on independent third party input. The remaining values were developed by management applying a consistent approach.

In order to estimate the fair value of all of the Globex properties, which was used to determine the "Butterfly Proportion" to allocate cash and investments to Chibougamau Independent Mines, management estimated the fair value based on industry standard approaches similar to those applied by the independent third party.

While management believes that these are reasonable estimates, future results may vary.

Outstanding share data

At December 31, 2013, and at March 8, 2014, the Company had 33,536,612 common shares issued and outstanding (December 31, 2012 - 27,896,018) and at the same dates, the Company had 1,300,000 (December 31, 2012 - 1,927,900) stock options outstanding for fully diluted common share capital of 34,836,612 (December 31, 2012 - 29,823,918).

At December 31, 2012, 1,927,900 options were outstanding and on February 1, 2013, 50,000 options which vested immediately were granted to a consultant at an exercise price of \$1.40 per share. On April 22, 2013, 90,000 options were granted to the three independent directors at an exercise price of \$0.40 per share. These options vest over one a year period. On June 27, 2013, 42,500 options with a weighted average exercise price of \$1.66 were cancelled as a result of a departure from the organization by the Optionee. On August 12, 2013, Optionees who held 1,350,400 options with a weighted average exercise price of \$1.43 price agreed to cancel their options as they were significantly "out of the money." During the year, 35,000 options with a weighted average exercise price of \$1.07 per share naturally expired as the optionees did not exercise them. On September 3, 2013, 660,000 options were granted to non-insiders at an exercise price of \$0.54 per share. These options vested immediately.

At December 31, 2013 and March 8, 2014, 1,767,500 options may be granted in addition to the common share purchase options currently outstanding (December 31, 2012 - 1,139,600).

Risks and uncertainties

The Company, like all other mining exploration companies, is exposed to a variety of financial and environmental risks as well as operational and safety risks related to the very nature of its activities. It is also subject to risks related to other factors, such as metal prices and financial market conditions. The main risks which the Company is exposed to are as follows:

(a) Financing Risk

The Company must periodically obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the future.

On December 20, 2013, the Quebec Department of Finance and the Economy issued Information Bulletin 2013-14 (the "Bulletin") announcing various tax measures. In particular, if this Bulletin had been adopted,

then Companies such as Globex which receive royalty income would no longer be able to arrange flow-through financing which would entitle subscribers to “Super” deductions. We were aware that this interpretation met strong opposition from exploration companies. On February 28, 2014, the Government announced that this proposal in Information Bulletin 2013-14 has been deferred.

If implemented this proposal would make Globex’s financing in the Province of Quebec very challenging. We will continue to monitor this proposal.

The Company believes that the quality of its properties and their geological potential will enable it to obtain the required financing for their continued exploration and potential development.

(b) Financial Market Risk

Under its current business model as a project generator, Globex acquires properties and attempts to option or sell properties to other junior mining companies or producers. In order for Junior Mining companies to satisfy their obligations with Globex under their option arrangements, in many cases, they must raise funds in the equity markets which currently are very challenging.

(c) Volatility of Stock Price and Limited Liquidity

Globex’s common shares are listed on the Toronto Stock Exchange (“TSX”) under the symbol GMX. In addition, the Company is interlisted in Europe on the Frankfurt, Munich, Stuttgart, Xetra and Berlin exchanges under the symbol G1M and trades under the symbol GLBXF on the OTCQX International exchange in the United States.

Globex’s common shares have experienced significant volatility in price and trading volume over the last several years. There can be no assurance of adequate liquidity in the future for Globex’s common shares.

(d) Permits and licences

The Company’s operations may require permits and licenses from different governmental authorities. There cannot be any assurance that the Company will obtain all the required permits and licences in order to continue the exploration and development of its properties.

(e) Government Regulations

The majority of the Company’s exploration projects is located in Quebec and have been affected by revisions to Quebec’s Mining Act. After several months of deliberations and uncertainty, on December 10, 2013, the Quebec Assembly adopted the proposed new Mining Act, Bill 70 (Québec) (“Bill 70”). Bill 70 is seen as the replacement for the existing Mining Act, 1987 (Quebec) and retains many of the rules in relation to rights and ownership contained within it. There are; however, a number of significant changes proposed in Bill 70, including:

- 1) changes with respect to the rights of municipalities and surface rights owners to oversee mining activities;
- 2) increased financial and disclosure obligations for mining rights holders in a bid to create further responsibility and transparency;
- 3) further environmental and economic obligations;
- 4) further consultation requirements with Aboriginal groups; and
- 5) increased powers of the Minister, and
- 6) significant increased costs.

It is too early to know precisely the impact of these changes, Globex does believe that these changes will adversely impact the efficiency and effectiveness of our exploration activities and we will continue to monitor their overall affect.

(f) Environmental Risks

The Company's operations are and will be subject to federal, provincial and local environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards, land use standards, land reclamation and labour standards. They also set forth limitations on the generation, transportation, storage and disposal of liquid and waste materials.

Environmental legislation is evolving in a way which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increased responsibility for companies and their officers, directors and employees. At this time, it is not certain that these changes will not adversely affect the Company's operations. Compliance costs are expected to rise.

Environmental hazards may exist on the Company's properties which are unknown to management at the present time and which have been caused by previous owners or operators of the properties.

(g) Title Matters

The staked mining claims in which the Company has an interest have not been surveyed and, accordingly the precise location of the boundaries of the claims and ownership of mineral rights on specific tracts of land compromising the claims may be in doubt. Although, the Company has taken all possible measures to ensure proper title to its properties and royalty interests, including filing of necessary documents and payments to local regulatory authorities, there is no guarantee that the title any of its properties will not be challenged. Third parties may, unbeknownst to the Company have valid claims underlying portions of the Company's interests although this is highly unlikely.

(h) Metal Prices

Even if the exploration programs of the Company are successful, some factors out of the Company's control may affect the marketing of the minerals found. World-wide supply and demand for metals determines metal prices which are affected by many factors including international, economic and political trends, inflation expectations, exchange rate fluctuations, interest rates, global and regional consumption levels, speculative activities and worldwide production levels. The effects of these factors cannot be precisely predicted.

(i) Key Personnel

The management of the Company rests on some key personnel and mostly on its President and Chief Executive Officer. The loss of the President and Chief Executive Officer could have a negative impact on the development and the success of its operations. The Company's success is also linked to its capacity to attract and retain qualified personnel.

Related party information

	December 31, 2013	December 31, 2012	January 1, 2012
		(Restated, Note 3)	(Restated, Note 3)
Jack Stoch Geoconsultant Services Limited	\$ (6,700)	\$ -	\$ -
Eco Refractory Solutions Inc.	748	-	-
WorldWide Magnesium Corporation.	453	-	-
Duparquet Assets Limited	282,700	405,621	345,650
	\$ 277,201	\$ 405,621	\$ 345,650

Chibougamau Independent Mines Inc.

CIM is considered a related party as Globex Management consisting of the President and CEO, Executive Vice-President and Chief Financial Officer hold the same positions with both entities. In addition, the President and CEO hold a large number of common shares of both organizations and therefore can significantly influence the operations of both entities.

Management Services

On December 29, 2012, Globex entered into a Management Services Agreement with CIM under which the Company agree to provide management services including administrative, compliance, corporate secretarial, risk management support and advisory services to CIM during 2013.

Management services income of \$342,716 (2012 – Nil) for the year ended December 31, 2013 represents Globex's estimate of the specific costs related to performing these services plus a mark-up in accordance with the Management Services Agreement.

Property Sale

On May 9, 2013, Globex sold three major blocks of claims to CIM for a cash payment of \$350,000 and a 2% Gross Metal Royalty. The claim blocks are located in the Chibougamau Mining Camp ((a) Grandroy Mine property, and, (b) Berrigan deposit). These claims were acquired by Globex after the Spin-Out and therefore had not been included in the Plan of Arrangement. The properties were sold based on the fair market value derived from properties of similar size and exploration stage and therefore were made on terms equivalent to those that would prevail in an arm's length transaction. The purchase by CIM was approved by the Independent Directors.

Duparquet Assets Ltd. joint venture

On February 18, 2010, a Mining Option Agreement was signed between Globex and Jack Stoch Geoconsultant Services Limited ("GJSL") (a company owned by Jack Stoch, president, CEO and director of Globex) as vendors, Duparquet Assets Limited ("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). The Mining Option Agreement was amended on December 17, 2012. On February 16, 2010, DAL entered into a Joint Venture Agreement with GJSL and Globex which results in all proceeds from the Mining Option Agreement being shared equally between the vendors.

On July 3, 2013, Xmet informed Globex and GJSL that it was dropping its interest in the Duquesne West property and returning it to DAL.

Management compensation

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) follows:

	December 31, 2013	December 31, 2012
Salary cost		
Salaries and other benefits	\$ 373,000	\$ 444,295

In 2013, the President and CEO (Jack Stoch) as well as Executive Vice-President (Dianne Stoch) reduced their combined salaries and benefits from \$275,690 in 2012 to \$186,100 in 2013 representing a reduction of \$89,590.

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 December 31, 2013.

Based on that evaluation, they have concluded that the Company's disclosure controls and procedures were as of and for the period ending December 31, 2013 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 year ended December 31, 2013, and as at December 31, 2013, 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 also caused the effectiveness of the ICFR to be evaluated at the financial year-end and based on their evaluation, the President and Chief Executive Officer and the Chief Financial Officer has 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. During the quarter ended December 31, 2013, 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

Despite the publication of a positive Preliminary Economic Assessment on our Timmins Talc-Magnesite project, raising funds to undertake the first phase of construction for the project is proving challenging.

We continue to search for an appropriate property/partner or financing vehicle to exploit our patented technology for the recovery of gold from refractory gold ores and tailings and have signed a number of confidentiality agreements with interested parties.

Although challenged by the scarcity of financing which impacts other junior mining companies and therefore our option opportunities, Globex believes it is 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 financial statements for the years ended December 31, 2013 and December 31, 2012 and additional information, 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 this MD&A, 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 2013 and/or 2012 MD&A, then 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 on March 8, 2014.

Responsibilities for Financial Statements

The management of the Company is responsible for the preparation of the consolidated financial statements and the financial information contained in the Annual Report. The accompanying consolidated financial statements of Globex Mining Enterprises Inc. have been prepared by management and approved by the Board of Directors of the Company. Financial information contained elsewhere in this report is consistent with the consolidated financial statements.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and where appropriate reflect management's best estimates and judgments based on currently available information.

Globex maintains adequate accounting systems and administrative controls to produce reliable financial statements and provide reasonable assurance that assets are properly safeguarded.

Deloitte LLP, have been appointed by the shareholders to conduct an independent audit of the Company's financial statements. Their report outlines the nature of their audit and expresses their opinion of the financial statements of the Company.

The Board of Directors of the Company is responsible for ensuring that management fulfills its responsibilities for financial reporting. The Board of Directors carries out this responsibility through its Audit Committee, which is composed solely of independent directors. The Audit Committee is also responsible for making recommendations with respect to the appointment, the remuneration and the terms of engagement of the Company's auditors. The Audit Committee meets periodically with management and the external auditors to discuss internal controls, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. The Audit Committee also reviews the consolidated financial statements, management's discussion and analysis, the external auditor's report, and examines the fees and expenses for audit services, and considers the engagement or reappointment of the external auditors. Deloitte LLP, the external auditors, have full and free access to the Audit Committee. The Audit Committee reports its findings to the Board of Directors for its consideration when approving the financial statements for issuance to shareholders.

"Jack Stoch"

Jack Stoch
President and Chief Executive Officer

"James Wilson"

James Wilson
Chief Financial Officer, Treasurer and Corporate Secretary

Independent Auditor's Report

To the Shareholders of
Globex Mining Enterprises Inc.

We have audited the accompanying consolidated financial statements of Globex Mining Enterprises Inc., which comprise the consolidated statements of financial position as at December 31, 2013, December 31, 2012 and January 1, 2012 and the consolidated statements of income (loss) and comprehensive income (loss), consolidated statements of equity and consolidated statements of cash flows for the years ended December 31, 2013 and December 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Globex Mining Enterprises Inc. as at December 31, 2013, December 31, 2012 and January 1, 2012 and its financial performance and its cash flows for the years ended December 31, 2013 and December 31, 2012 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Without modifying our opinion, we draw attention to Note 3 to the consolidated financial statements, which explain that certain comparative information for the year ended December 31, 2012 and as at December 31, 2012 and January 1, 2012 have been restated.

The image shows a handwritten signature in black ink that reads "Deloitte LLP" followed by a small superscripted "1". The signature is written in a cursive, professional style.

March 8, 2014

¹ CPA auditor, CA, public accountancy permit No. A116207

GLOBEX MINING ENTERPRISES INC.
Consolidated Statements of Income (loss)
and Comprehensive Income (loss)
(In Canadian dollars)

	Notes	December 31, 2013	December 31, 2012
			<i>(Restated, Note 3)</i>
Continuing operations			
Revenues	19	\$ 750,209	\$ 884,654
Expenses			
Salaries		592,480	774,709
Administration	20	380,851	540,893
Professional fees and outside services	20	394,910	498,540
Depreciation and amortization		67,061	50,052
Share-based compensation and payments		255,195	98,939
Impairment of mineral properties and deferred exploration expenses	14, 15	1,082,969	1,001,140
Loss (gain) on foreign exchange		(20,028)	6,730
		2,753,438	2,971,003
Loss from operations		(2,003,229)	(2,086,349)
Other income (expenses)			
Interest income		18,259	16,845
Joint venture income		1,379	246,763
Increase (decrease) in fair value of financial assets		288,127	(1,699,299)
Loss on the sale of investments		(30,400)	-
Management services	23	342,716	-
Other		63,963	33,022
Gain on spin-out of assets	6	-	6,103,061
		684,044	4,700,392
Income (loss) before taxes		(1,319,185)	2,614,043
Recovery of Income and mining taxes	18	(474,379)	(328,634)
Income (loss) and comprehensive income (loss) for the year		\$ (844,806)	\$ 2,942,677
Income (loss) per common share			
Basic and diluted	21	\$ (0.03)	\$ 0.12
Weighted average number of common shares outstanding		28,927,893	24,013,516
Shares outstanding at end of year		33,536,612	27,896,018

The accompanying notes are an integral part of these financial statements

GLOBEX MINING ENTERPRISES INC.
Consolidated Statements of Cash Flows
(In Canadian dollars)

	Notes	December 31, 2013	December 31, 2012
			<i>(Restated, Note 3)</i>
Operating activities			
Income (loss) and comprehensive income (loss) for the year		\$ (844,806)	2,942,677
Adjustments for:			
Disposal of mineral properties for shares		(30,145)	(134,500)
Decrease (increase) in fair value of financial assets		(288,127)	1,699,299
Depreciation and amortization	13	67,061	50,052
Foreign exchange rate variation on reclamation bond		(7,783)	2,424
Impairment of mineral properties and deferred exploration expenses	14, 15	1,082,969	1,001,140
Loss on the sale of investments		30,400	-
Gain on spin-out of assets		-	(6,103,061)
Current tax expense (recovery)		(287,438)	323,540
Deferred income and mining taxes recovery		(186,941)	(593,950)
Income and mining taxes paid		(127,788)	(15,025)
Share-based compensation and payments		255,195	98,939
		507,403	(3,671,142)
Share of net earnings from investment in joint venture	12	(1,379)	(246,763)
Changes in non-cash operating working capital items	24	356,867	(201,625)
		18,085	(1,176,853)
Financing activities			
Issuance of common shares		2,768,816	6,375,935
Share capital issue costs		(189,764)	(457,802)
		2,579,052	5,918,133
Investing activities			
Acquisition of properties, plant and equipment	13	(10,001)	(89,437)
Related party payable	23	(5,499)	-
Cash dividend related to Spin-out	6	(503,006)	-
Recovery from (investments) in joint venture	23	(122,921)	339,970
Deferred exploration expenses	15	(4,808,256)	(3,058,245)
Mineral properties acquisitions	14	(41,581)	(136,844)
Proceeds from sale of investment		175,300	-
Proceeds on mineral properties optioned		76,958	114,384
		(5,239,006)	(2,830,172)
Net increase (decrease) in cash and cash equivalents		(2,641,869)	1,911,108
Cash and cash equivalents, beginning of period		4,896,981	2,985,873
Cash and cash equivalents, end of period		\$ 2,255,112	\$ 4,896,981
Cash and cash equivalents		\$ 164,380	\$ 521,496
Cash reserved for exploration		2,090,732	4,375,485
		\$ 2,255,112	\$ 4,896,981

Supplementary cash flows information (note 24)

The accompanying notes are an integral part of these financial statements

GLOBEX MINING ENTERPRISES INC.

Consolidated Statements of Financial Position

(In Canadian dollars)

	Notes	December 31, 2013	December 31, 2012	January 1, 2012
			<i>(Restated, Note 3)</i>	<i>(Restated, Note 3)</i>
Assets				
Current assets				
Cash and cash equivalents	7	\$ 164,380	\$ 521,496	\$ 2,074,901
Cash reserved for exploration	8	2,090,732	4,375,485	910,972
Investments	9	942,801	637,267	2,202,066
Accounts receivable	10	116,142	1,062,587	518,270
Refundable tax credit and mining duties		-	-	81,794
Prepaid expenses and deposits		95,922	102,466	130,258
		3,409,977	6,699,301	5,918,261
Reclamation bonds	11	127,039	119,256	121,680
Investment in joint venture	12	142,819	141,440	174,676
Properties, plant and equipment	13	507,993	565,053	525,668
Mineral properties	14	2,994,878	3,045,931	3,049,515
Deferred exploration expenses	15	17,382,627	13,664,519	11,907,484
		\$ 24,565,333	\$ 24,235,500	\$ 21,697,284
Liabilities				
Current liabilities				
Payables and accruals	16	\$ 401,615	\$ 1,141,300	\$ 564,301
Dividend payable	6	243,010	575,909	-
Current income tax		-	271,662	307,038
		644,625	1,988,871	871,339
Related party payable	23	277,201	405,621	345,650
Other liabilities	17	209,075	836,144	234,693
Deferred tax liabilities	18	3,966,050	3,346,423	3,519,727
Owners' equity				
Share capital	22	50,677,905	48,278,353	50,288,153
Deficit		(35,079,621)	(34,234,815)	(37,177,492)
Contributed surplus - Equity settled reserve		3,870,098	3,614,903	3,615,214
		19,468,382	17,658,441	16,725,875
		\$ 24,565,333	\$ 24,235,500	\$ 21,697,284

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.
Consolidated Statements of Equity
(In Canadian dollars)

	Notes	December 31, 2013	December 31, 2012
Common shares			
Beginning of year		\$ 48,278,353	\$ 50,288,153
Issued on exercise of options		-	207,500
Fair value of shares issued under private placements		2,538,270	5,122,437
Spin-out distribution of assets	6	-	(7,005,084)
Share issuance costs, net of taxes (December 31, 2013 - \$51,046, December 31, 2012 - \$123,149)		(138,718)	(334,653)
End of year		\$ 50,677,905	\$ 48,278,353
Contributed surplus - Equity settled reserve			
Beginning of year		\$ 3,614,903	\$ 3,615,214
Share-based compensation		229,305	60,289
Share-based payments		25,890	38,650
Fair value of stock options exercised		-	(99,250)
End of year		\$ 3,870,098	\$ 3,614,903
Deficit			
Beginning of year		\$ (34,234,815)	\$ (37,177,492)
Income (loss) attributable to shareholders		(844,806)	2,942,677
End of year		\$ (35,079,621)	\$ (34,234,815)
Total Equity		\$ 19,468,382	\$ 17,658,441

The accompanying notes are an integral part of these financial statements

Notes to Consolidated Financial Statements

Years ended December 31, 2013 and 2012

(in Canadian dollars)

1. General business description

Globex Mining Enterprises Inc. ("Globex") is a North American focused exploration, royalty and development company with a mineral portfolio in excess of 110 early to mid-stage exploration and development properties containing: **Base Metals** (copper, nickel, zinc, lead), **Precious Metals** (gold, silver, platinum, palladium), **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, titanium, and magnesite). The Company currently generates royalty and/or option income from properties which contain gold, silver, copper, 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.

On September 10, 2012, Globex and Chibougamau Independent Mines Inc. ("CIM") entered into an Arrangement which resulted in the reorganization of the capital of Globex and CIM, transfer of cash and cash equivalents, certain investments held by Globex as well as the transfer of ten properties from Globex to CIM subject to a 3% "gross metal royalty" in favour of Globex.

On December 29, 2012 (the "Effective Date"), Globex completed the reorganization by way of a Plan of Arrangement under the Business Corporations Act (Québec) which resulted in the transfer of cash of \$503,006, investments with a fair market value of \$72,903 and ten mining properties with a fair market value of \$6,429,175 to CIM, for an aggregate value of \$7,005,084 to CIM.

The Arrangement was designed to maximize shareholder value on the exploration and evaluation assets forming part of the Chibougamau Mining Camp. Globex will continue to hold its other mineral resource properties.

Globex 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.

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 and going concern

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB").

(b) Basis of Presentation

These 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) and Comprehensive Income (loss). All financial information is presented in Canadian dollars.

2. Basis of presentation and going concern (continued)

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

The Company's ability to continue as a going concern depends on its ability to realize its assets and to obtain additional financing. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The application of International Financial Reporting Standards (IFRS) on a going concern basis may be inappropriate, since there is a doubt as to the appropriateness of the going concern assumption.

The recoverability of amounts shown for mineral properties and related deferred costs 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.

These 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.

(c) Approval of Financial Statements

The Company's Board of Directors approved these consolidated financial statements for the years ended December 31, 2013 and December 31, 2012 on March 8, 2014.

3. New and Revised International Financial Reporting Standards

(a) New and revised International Financial Reporting Standards issued, adopted.

In 2013, the following standards became effective and have been applied in these consolidated financial statements as described below:

IFRS 10 - *Consolidated Financial Statements* - establishes control as the basis for an investor to consolidate its investees and defines control as an investor's power over an investee with exposure, or rights, to variable returns from the investee and the ability to affect the investor's returns through its power over the investee. The Company has applied IFRS 10 on a retrospective basis, commencing January 1, 2013. The adoption of IFRS 10 did not have an impact on the Company's consolidated financial statements.

IFRS 11 - *Joint Arrangements* - In accordance with IFRS 11, joint arrangements are classified into two types: (1) joint operations; and (2) joint ventures. The Company holds a 50% interest the ownership of Duparquet Assets Limited ("DAL"), a separate legal entity. Under this new standard, the Company's investment in DAL qualifies as a joint venture. As a result, the standard requires the Company to account for its investment in DAL, retrospectively, using the equity method, compared to its previous accounting policy of proportionate consolidation. In accordance with transition provisions, the "Investment in joint venture" is deemed to be the net assets of the DAL joint venture as of January 1, 2012 (Note 12).

3. New and Revised International Financial Reporting Standards (continued)

IFRS 12 - *Disclosure of Interest in Other Entities* - is a comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance sheet vehicles. The Company has applied IFRS 12 on a prospective basis, commencing January 1, 2013. The adoption of IFRS 12 did not have an impact on the Company's consolidated financial statements, other than additional disclosures provided in the notes.

IFRS 13 - *Fair value measurement* - defines fair value and sets out a single framework for measuring fair value which is applicable to all IFRSs that require or permit fair value measurements or disclosures about fair value measurements. IFRS 13 requires that when using a valuation technique to measure fair value, the use of relevant observable inputs should be maximized while unobservable inputs should be minimized. The Company has applied IFRS 13 on a prospective basis, commencing January 1, 2013. The adoption of IFRS 13 did not have an impact on the Company's consolidated financial statements, other than additional disclosures provided in the notes.

A reconciliation of the 2012 comparative years as previously reported, in the 2012 consolidated financial statements, is as follows:

	As Previously Reported	IFRS 11 Adjustments	As presented
At January 1, 2012			
Cash and cash equivalents	\$ 2,074,901	\$ -	\$ 2,074,901
Cash reserved for exploration	910,972	-	910,972
Accounts receivable	486,805	31,465	518,270
Investment in joint venture	-	174,676	174,676
Other assets	18,018,465	-	18,018,465
Total assets	\$ 21,491,143	\$ 206,141	\$ 21,697,284
Current liabilities	\$ 1,010,848	\$ (139,509)	\$ 871,339
Related party - Duparquet Assets Limited	-	345,650	345,650
Other liabilities	3,754,420	-	3,754,420
	4,765,268	206,141	4,971,409
Owner's equity	\$ 16,725,875	\$ -	\$ 16,725,875
At December 31, 2012			
Cash and cash equivalents	\$ 521,496	\$ -	\$ 521,496
Cash reserved for exploration	4,375,485	-	4,375,485
Accounts receivable	1,062,587	-	1,062,587
Investment in joint venture	-	141,440	141,440
Other assets	18,134,492	-	18,134,492
Total assets	\$ 24,094,060	\$ 141,440	\$ 24,235,500
Current liabilities	\$ 2,253,052	\$ (264,181)	\$ 1,988,871
Related party - Duparquet Assets Limited	-	405,621	405,621
Other liabilities	4,182,567	-	4,182,567
	6,435,619	141,440	6,577,059
Owner's equity	\$ 17,658,441	\$ -	\$ 17,658,441

3. New and Revised International Financial Reporting Standards (continued)

Year ended December 31, 2012	As Previously Reported	IFRS 11 Adjustments	As presented
Revenues	\$ 1,189,654	\$ (305,000)	\$ 884,654
Expenses	2,971,018	(15)	2,971,003
Loss from operations	(1,781,364)	(304,985)	(2,086,349)
Other income (expenses)	4,453,629	-	4,453,629
Joint venture income	-	246,763	246,763
Recovery of income and mining taxes	(270,412)	58,222	(328,634)
Loss and comprehensive loss for the year.	\$ 2,942,677	\$ -	\$ 2,942,677

This adjustment did not have a significant impact on the consolidated statements of cash flows.

(b) New and revised International Financial Reporting Standards issued, but not yet effective

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

IFRS 9 - Financial Instruments - The amendments to IFRS 9 is the first of multi-phase project to replace IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety. It 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 instrument and its related classification and measurement. IFRS 9 is effective from periods beginning but the date has been deferred indefinitely. Management does not expect to early adopt this standard.

IFRIC 21 - Levies - In May 2013, the IASB issued IFRIC 21 – Levies (“IFRIC 21”), an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets (“IAS 37”), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (“obligating event”). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Corporation is currently evaluating the impact the final interpretation is expected to have on its financial statements.

4. Summary of significant accounting policies

The principal accounting policies applied in the presentation of these consolidated financial statements are set out below.

(a) Basis of consolidation

The consolidated financial statements include the accounts of the Company, and its controlled subsidiaries Globex Nevada Inc., Worldwide Magnesium Corporation and Eco Refractory Solutions Inc. All significant intercompany transactions and balances have been eliminated on consolidation. The table which follows outlines Globex's interest in the respective entities:

Corporate Entity	Relationship	December 31, 2013	December 31, 2012
Globex Nevada, Inc.	Subsidiary	100%	100%
WorldWide Magnesium Corporation	Subsidiary	90%	90%
Eco Refractory Solutions Inc.	Subsidiary	75%	75%
Chibougamau Independent Mines Inc.	Subsidiary ⁽ⁱ⁾	N/A	0%

(i) Shares cancelled September 24, 2012, in connection with the implementation of the Plan of Arrangement.

Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All intra-company transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interest in net assets of consolidated subsidiaries is identified separately from the Company's equity. Non-controlling interest consists of the non-controlling interest at the date of the original business combination plus the non-controlling interest's share of changes in equity since the date of the combination. Losses applicable to the non-controlling interest in excess of their interest in the subsidiary's equity are allocated against the interest of the Company except to the extent that the non-controlling interest has a binding obligation and is able to make an additional investment to cover the losses.

(b) Functional and Presentation Currency

The Company's presentation currency and the functional currency of all of its operations is the Canadian (CAD) dollar as this is the principal currency of the economic environment in which they operate. Transactions in foreign currencies are initially recorded in the Company's functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. All gains and losses on conversion of these foreign currency transactions are included in income and loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of foreign operations are expressed in Canadian dollars using exchange rates prevailing at the end of the reporting period. Revenue and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income.

4. Summary of significant accounting policies (continued)

(c) Interest in joint ventures

A joint venture can take the form of a jointly controlled entity, jointly controlled operation or jointly controlled assets. A joint venture is a contractual arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control (i.e. when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control).

When the Company undertakes its activities under joint venture arrangements, its share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognized in the financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interest in jointly controlled assets are accounted for on an accrual basis.

Joint venture arrangements that involve the establishment of a separate entity in which each venture has an interest are referred to as jointly controlled entities. The Company reports its interest in jointly controlled entities using the equity method.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

(e) Cash reserved for exploration

Cash reserved for exploration comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. These funds are reserved for funding prescribed resource expenditures.

(f) Refundable tax credits and mining duties

The Company is entitled to a refundable tax credit of 35% on qualified exploration expenditures incurred in the province of Quebec. The Company is also entitled to a refund of mining duties of the lesser of 16% on 50% of qualified mining exploration expenses or operating losses during the period, net of the refundable tax credit.

The credit or refunds are recorded based on management's best estimates once the necessary information is available and management believes that the amounts are collectible.

4. Summary of significant accounting policies (continued)

(g) Financial assets

Financial assets are classified into the following specified categories: financial assets “at fair value through profit or loss” (FVTPL), “held-to-maturity” investments, “available-for-sale” (AFS) financial assets and “loans and receivables”. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 (*Financial Instruments: Recognition and Measurement*) permits the entire combined contract (asset or liability) to be designated as at FVTPL.

The Company has designated all of its investments as at FVTPL upon initial recognition.

Financial assets at FVTPL are measured at fair value, with any gains or losses arising on re-measurement recognized in income or loss. Fair value is determined in the manner described in note 25.

Interest income on debt instruments at FVTPL is included in the net gain or loss described above. Dividend income on investments in equity instruments at FVTPL is recognized in income or loss when the Company's right to receive the dividends is established.

4. Summary of significant accounting policies (continued)

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortized cost using the effective interest method less any impairment.

Available-for-sale financial assets (AFS financial assets)

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

Listed redeemable notes held by the Company that are traded in an active market are classified as AFS and are stated at fair value at the end of each reporting period. Fair value is determined in the manner described in note 25. Changes in the carrying amount of AFS monetary financial assets relating to changes in foreign currency rates, interest income calculated using the effective interest method and dividends on AFS equity investments are recognized in income or loss. Other changes in the carrying amount of available-for-sale financial assets are recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to income or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including accounts receivables and refundable tax credit and mining duties) are measured at amortized cost using the effective interest method, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest rate method

The effective interest method is a method of calculating the amortized cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments through the expected life of the financial asset/liability or, where appropriate, a shorter period.

4. Summary of significant accounting policies (continued)

Impairment of financial assets at amortized cost

Financial assets other than those at FVTPL, including loans and receivables, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial asset have been affected. If the impairment loss decreases, then the impairment loss is reversed through income or loss, to the extent that the carrying amount of the investment reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Derecognition of financial assets

Financial assets are derecognized when the rights to receive cash flows from the assets expire or the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets.

Classification of financial assets

The table below illustrates the classification and measurement of financial assets under IAS 39:

Financial assets	Measurement category under IAS 39
Cash and cash equivalents	Loans and receivables
Cash reserved for exploration	Loans and receivables
Equity investments	Financial assets at FVTPL
Debt investments	Financial assets at FVTPL
Accounts receivable	Loans and receivables
Refundable tax credit and mining duties	Loans and receivables
Reclamation bonds	Available for sale

(h) Properties, plant and equipment

Properties, plant and equipment are recorded at cost less accumulated depreciation, depletion and impairment charges.

Where an item of properties, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of properties, plant and equipment. Expenditures incurred to replace a component of an item of properties, plant and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized. Directly attributable expenses incurred for major capital projects and site preparation are capitalized until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs to the extent these are recognized as a provision.

Management reviews the estimated useful lives, residual values and depreciation methods of the Company's properties, plant and equipment at the end of each annual financial reporting period and when events and circumstances indicate that such a review should be made. Changes to estimated useful lives, residual values or depreciation methods resulting from such review are accounted for prospectively.

4. Summary of significant accounting policies (continued)

(i) Mineral properties

All direct costs related to the acquisition of mineral properties are capitalized, at their cost at the date of acquisition, by property.

(j) Deferred exploration and evaluation expenses

All costs incurred prior to obtaining the legal rights to undertake exploration and evaluation activities are recognized in the income statement as incurred. Exploration and evaluation costs arising following the acquisition of the right to explore are capitalized on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs incurred include appropriate technical costs and deferred exploration costs, and are carried at historical cost less any impairment losses recognized. The Company classifies exploration and evaluation assets as tangible or intangible according to the nature of the assets acquired.

General exploration costs not related to specific properties and general exploration administrative expenses are charged to the consolidated statement of income (loss) and comprehensive income (loss) in the year in which they are incurred.

If an exploration project is successful, then the related expenditures are transferred to mining assets and amortized over the estimated life of the ore reserves on a unit of production basis.

The recoverability of deferred exploration and evaluation costs is dependent upon the discovery of economically recoverable ore reserves, the ability of the Company to obtain the necessary financing to complete the development of ore reserves and future profitable production or proceeds from the disposal thereof.

(k) Depreciation

Properties, plant and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets. The significant classes and their estimated useful lives are as follows:

Buildings	20 years
Mining equipment	5 years
Office equipment	2 to 5 years
Vehicles	5 years
Computer systems	3 years

(l) Impairment of non-financial assets

Whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, the asset is reviewed for impairment. An asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less costs to sell and value in use) if that is less than the asset's carrying amount.

4. Summary of significant accounting policies (continued)

Impairment reviews for mineral properties, deferred exploration and evaluation expenses are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- no further exploration or evaluation expenditures in the area are planned or budgeted;
- no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area; or
- sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Reversals of impairment losses are recognized in respect of exploration and evaluation expenditures where this is justified by a change of circumstances.

(m) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(n) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods or arising from the use by others of the Company's assets yielding option income, royalties, interest and dividends. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the specific criteria have been met for each of the company's activities as described below.

(i) Sales of mineral properties

The proceeds from the sale of mineral properties are initially recorded as a credit against the carrying costs of the property and deferred exploration expenses until they are fully recovered and any additional amounts are recorded as option income.

4. Summary of significant accounting policies (continued)

(ii) Option income

Option income is recognized on an accrual basis in accordance with the substance of the relevant agreements. Shares received under option agreements are valued at fair value which is determined at quoted market prices if the shares are quoted on an active market and if the market for the shares is not active, fair value is established by using a valuation technique.

Option income is initially recorded as a credit against the carrying costs of the property and deferred exploration expenses until they are fully recovered.

(iii) Royalty income

Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

(iv) Interest and dividend income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(o) Share-based compensation and payments

Share-based payments to non-employees

Share-based payments granted to non-employees are measured at the fair value of the goods or services received. In the event the Company cannot reasonably estimate the fair value of goods or services received, the transaction is recorded at the estimated value of the underlying equity instrument, measured at the date the Company obtains the goods or the counterparty renders the service.

Share-based compensation

The Company grants stock options to buy common shares of the Company to Directors, Officers, and Employees. The Board of Directors grants such options for periods up to five years, with vesting periods determined at its sole discretion and at the TSX prices at the close of business on the day prior to the option grant.

The fair value of the options is measured at the grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period that the options are earned. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest.

4. Summary of significant accounting policies (continued)

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modifications which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

If and when the stock options are exercised, the applicable fair value amounts charged to contributed surplus are transferred to share capital.

(p) Current and deferred taxes

Taxes, comprising both income and resource taxes accounted for as income taxes, are recognized in the statement of income and loss, except where they relate to items recognized in other comprehensive income or directly in equity, in which case the related taxes are recognized in other comprehensive income or equity. Taxes on income are recorded using the tax rate that would be applicable to expected annual income.

The current income tax charge is based on taxable income for the period. Taxable income differs from net income as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible.

Deferred tax is recognized, using the asset and liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will enable the deferred tax asset to be recovered. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is adjusted to the extent that it is no longer probable that sufficient taxable income will be available to ensure that all or part of the asset will be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(q) Flow-through shares

The Company raises funds through the issuance of “flow-through” shares which entitles investors to prescribed resource tax benefits and credits once the Company has renounced these benefits to the subscribers in accordance with the tax legislation. The Company considers the issuance of flow-through shares in substance; (a) an issue of an ordinary share; and (b) the sale of tax deductions. The sale of tax deductions has been measured based on the relative fair value method.

4. Summary of significant accounting policies (continued)

At the time, the flow-through shares are issued; the sale of tax deductions is deferred and presented as an Other Liability. When the Company fulfills its obligation; the liability is reduced and the sale of tax deductions is recognized in the income statement as a reduction of the deferred tax expense; and a deferred tax liability is recognized, in accordance with IAS 12, *Income Taxes*, for the taxable temporary differences between the carrying value of eligible expenditures capitalized as an asset in the statement of financial position and its tax base.

(r) Income (loss) per common share

Basic income (loss) per share is computed by dividing the net income (loss) attributable to common shareholders by the weighted average number of shares outstanding during the reporting period.

Diluted income per share is computed similar to basic income (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options (if dilutive).

The number of additional shares is calculated by assuming that outstanding dilutive stock options were exercised and the proceeds from such exercise were used to acquire common stock at the average market price during the reporting periods.

(s) Share Capital

The Company's common shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

5. Significant accounting assumptions, judgments and estimates

The preparation of financial statements under the principles of IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such judgments and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarized below. Areas of judgment that have the most significant effect on the amounts recognized in the financial statements are:

(a) Impairment of mineral properties and deferred exploration expenses

At the end of each reporting period, the Company considers whether there has been an impairment of its mineral properties, deferred exploration and development expenses. If the Company determines that there has been impairment then it must estimate the recoverable amount and selling costs resulting in a net recoverable amount. As a result of the limited information available, it requires significant management judgment in estimating a net recoverable amount.

5. Significant accounting assumptions, judgments and estimates (continued)

(b) Estimate of share-based compensation and payments

The estimate of share-based compensation and payment costs requires the selection of an appropriate valuation model and consideration as the inputs necessary for the model chosen. The Company has made estimates of the volatility of its own shares, the probable life of options granted, interest rates, and the time of exercise of those options. The Company uses the Black-Scholes valuation model to calculate the fair value of the share-based compensation and payment costs.

(c) Fair value estimates of investments

Globex enters into option agreements for its properties. Under these arrangements, the Company typically receives a series of cash option payments over a period of time and it also often receives shares in the Optionee company. Globex attempts to determine the fair value of the shares on receipt based on published price quotations in an active market. However, in some cases, when received, the shares may not be traded in an active market and as a result Globex must use a valuation technique to determine the fair market value. In some cases, as a result of the strategic nature or volume of trading in the market, the quoted price may also not be representative of the price that these shares could be sold to a willing arm's length party. These valuation issues could also impact the fair value measurement of financial assets at each period end.

(d) Useful lives of properties, plant and equipment

The Company reviews the estimated useful lives of properties, plant and equipment at the end of each annual reporting period. During the period, Management determined that the useful lives of the equipment were appropriate.

(e) Refundable tax credit and mining duties

The estimates are based on an interpretation of legislation substantially enacted and management's application of their interpretation to the treatment of various items which could impact the valuation.

(f) Deferred tax balances

The Company uses the asset and liability method in accounting for deferred income taxes and mining duties. Under this method, deferred income taxes are recognized for the future income tax. In preparing these estimates, management is required to interpret, substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

(g) Estimate of fair value of transferred assets

In order to determine the fair value of the Mining Properties transferred under the Plan of Arrangement, management engaged an independent consultant who identified comparable transactions within the last twenty eight months, as near as possible for properties within the same geographical area and a similar geological setting. The values for the Bateman Bay, Berrigan Lake and Berrigan South Properties as well as the Chibougamau Lake Property were developed based on independent third party input. The remaining values were developed by management applying a consistent approach.

5. Significant accounting assumptions, judgments and estimates (continued)

In order to estimate the fair value of all of the Globex properties, which was used to determine the “Butterfly Proportion” to allocate cash and investments to Chibougamau Independent Mines, management estimated the fair value based on industry standard approaches, similar to those applied by the independent third party.

While management believes that these are reasonable estimates, future results may vary.

6. Plan of Arrangement and dividend payable

	December 31, 2013	December 31, 2012	January 1, 2012
Dividend Payable			
Cash and near cash	\$ -	\$ 503,006	\$ -
Investments	243,010	72,903	-
	\$ 243,010	\$ 575,909	\$ -

In accordance with the Plan of Arrangement, during the first quarter of 2013, Globex designated 4,860,200 Mag Copper Limited shares to be transferred to CIM which had an aggregate fair market value of \$72,903. At December 31, 2013, the transfer of the legal ownership was in progress and completed on January 27, 2014. The increase in the fair market value of \$170,107 has been reflected in the dividend payable at December 31, 2013. At December 31, 2012, the dividend payable of \$575,909 represented cash of \$503,006 and investments of \$72,903.

At December 31, 2012, the Company recorded a distribution of \$7,005,084 representing the assets transferred to CIM under the Plan of Arrangement as described in Note 1. The Company followed IFRIC 17 - *Distributions of Non-Cash Assets to Owners*, in accounting for this transaction. In accordance with this guidance, a dividend was recorded as a return of capital in the Statement of Equity, based on the fair value of the distribution.

Fair value of assets transferred to CIM	
Mining properties ^(a)	\$ 6,429,175
Cash and near cash ^(b)	503,006
Investments ^(c)	72,903
	\$ 7,005,084

- (a) The fair value of the ten mining properties was derived from comparable transactions within the last twenty eight months, as near as possible, for properties within the same geographical area with a similar geological setting.
- (b) The fair value of the cash transferred from Globex to CIM of \$503,006 represents the net fair value (fair value of cash and cash equivalents minus related current liabilities and other adjustments) of the cash and cash equivalents held by Globex at the Effective Date (December 29, 2012). The net fair value has been allocated to CIM based on the proportion that the fair value of the CIM mining properties represents of the fair value of the total of Globex mining properties and other business properties. This allocation proportion (Butterfly Proportion of 11.44%) is consistent with the advance tax ruling that the Company received on December 6, 2012.
- (c) The fair value of the investments transferred of \$72,903 represents the fair value of the investments held by Globex at the effective date (December 29, 2012) allocated to CIM based on the Butterfly Proportion of 11.44%.

6. Plan of Arrangement and dividend payable (continued)

Since the properties were transferred to CIM at December 31, 2012, and the New Globex common shares and the CIM common shares had been issued in connection with the assets transferred to CIM, the Company has recorded a gain on the spin-out of assets in the Statement of Income (loss) and Comprehensive Income (loss):

Fair value of properties transferred	\$	6,429,175
Carrying value of mineral properties transferred		(60,101)
Deferred exploration costs related to transferred properties		(266,013)
	\$	6,103,061

The distribution of assets and issuance of CIM shares was effected on a "tax-neutral" basis.

7. Cash and cash equivalents

	December 31, 2013	December 31, 2012	January 1, 2012
Bank balances	\$ 164,380	\$ (79,357)	\$ 974,902
Short-term deposits	-	600,853	1,099,999
	\$ 164,380	\$ 521,496	\$ 2,074,901

8. Cash reserved for exploration

	December 31, 2013	December 31, 2012	January 1, 2012
Bank balances	\$ 90,732	\$ 4,375,485	\$ 910,972
Short-term deposits	2,000,000	-	-
	\$ 2,090,732	\$ 4,375,485	\$ 910,972

The Company raises flow-through funds for exploration under subscription agreements which require the Company to incur prescribed resource expenditures. The Company must use these funds for exploration of mining properties in accordance with restrictions imposed by the financing. 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.

9. Investments

	December 31, 2013	December 31, 2012	January 1, 2012
Equity investments ^(i,ii,iii)	\$ 942,801	\$ 637,267	\$ 2,202,066

- (i) At December 31, 2013, includes 13.5 million Mag Copper Limited shares valued at \$675,000; 3.7 million Laurion Mineral Exploration Inc. shares valued at \$55,500; and other equity investments received under option agreements which total \$212,301. The 13.5 million Mag Copper Limited shares held by Globex represented 17.9% of the outstanding shares of Mag Copper at December 31, 2013.
- (ii) At December 31, 2012, includes 13.5 million Mag Copper Limited shares valued at \$202,500; 3.7 million Laurion Mineral Exploration Inc. shares valued at \$92,500; 7,000 TD preferred shares valued at \$187,950; and other equity investments received under option agreements which total \$154,317. The 13.5 million Mag Copper Limited represented 24.73% of the shares outstanding at December 31, 2012. Globex has no board representation and therefore has no significant influence and expects to be further diluted in the near future.
- (iii) At January 1, 2012, includes 13.5 million Mag Copper Limited shares valued at \$1,687,500; 2.7 million Laurion Mineral Exploration Inc. shares valued at \$148,500; 7,000 TD preferred shares valued at \$192,350; and other equity investments received under option agreements which total \$173,716.

10. Accounts receivable

	December 31, 2013	December 31, 2012	January 1, 2012
			<i>(Restated, Note 3)</i>
Trade receivables	\$ 22,758	\$ 229,363	\$ 398,004
Chibougamau Independent Mines Inc.	-	484,204	-
Taxes receivable	93,384	349,020	120,266
	\$ 116,142	\$ 1,062,587	\$ 518,270

Trade receivables of \$22,758 consist primarily of amounts recoverable under joint venture arrangements. They are all current and the Company anticipates full recovery of these amounts.

The taxes receivable of \$93,384 represent harmonized and Quebec sales tax ("GST", "HST", "QST") receivable from Canadian taxation authorities.

11. Reclamation bonds

	December 31, 2013	December 31, 2012	January 1, 2012
Nova Scotia bond - Department of Natural Resources	\$ 57,974	\$ 57,974	\$ 57,974
Option reimbursement	(50,000)	(50,000)	(50,000)
Net Nova Scotia bond	7,974	7,974	7,974
Washington State bond - Department of Natural Resources	119,065	111,282	113,706
	\$ 127,039	\$ 119,256	\$ 121,680

The reclamation and environmental bonds were posted by the Company to secure clean-up expenses in the event of mine closure or property abandonment as required by regulations or laws in the various jurisdictions. The reclamation and environmental bonds are carried at amortized cost and represent management's estimate of their right to reimbursement. Changes in the carrying value of the rights are recognized in income or loss in the period in which these changes occur.

12. Investment in joint venture

The Company holds a 50% interest in the ownership of DAL, a separate legal entity. The Company's investment in DAL is classified as a joint venture under IFRS 11, *Joint Arrangements*. As a result, the standard requires the Company to account for its investment in DAL using the equity method, compared to its previous accounting policy of proportionate consolidation. The Investment in the Joint Venture was valued at \$174,676 as of January 1, 2012, which represents the company's share of the net assets of the joint venture at that date.

The following table summarized the movement of the Company's joint venture investment following the implementation of IFRS 11 as it relates to the Company's presentation of its investment in DAL at January 1, 2012 (implementation date) to December 31, 2013 (Note 3(a)):

	Investment in Joint Venture
Deemed investment, January 1, 2012	\$ 174,676
Add:	
Globex's 50% share of DAL's net income for the year ended December 31, 2012	246,764
Less:	
Dividends received	(280,000)
Balance, December 31, 2012	\$ 141,440
Add:	
Globex's 50% share of DAL's net income for the year-ended December 31, 2013.	1,379
Balance, December 31, 2013	\$ 142,819

13. Properties, plant and equipment

		Land and buildings	Mining equipment	Office equipment	Vehicles	Computer Systems	Total
Cost							
2012							
January 1,	\$	415,112	\$ 81,310	\$ 146,274	\$ 56,177	\$ 213,880	\$ 912,753
Additions		82,515	-	-	-	6,922	89,437
December 31,	\$	497,627	\$ 81,310	\$ 146,274	\$ 56,177	\$ 220,802	\$ 1,002,190
2013							
Additions		-	-	-	-	10,001	10,001
December 31,	\$	497,627	\$ 81,310	\$ 146,274	\$ 56,177	\$ 230,803	\$ 1,012,191
Accumulated depreciation							
2012							
January 1,	\$	(47,980)	\$ (35,180)	\$ (96,414)	\$ (21,751)	\$ (185,760)	\$ (387,085)
Additions		(12,520)	(9,228)	(9,972)	(6,884)	(11,448)	(50,052)
December 31,	\$	(60,500)	\$ (44,408)	\$ (106,386)	\$ (28,635)	\$ (197,208)	\$ (437,137)
2013							
Additions		(13,838)	(11,438)	(14,650)	(8,148)	(18,986)	(67,061)
December 31,		(74,338)	(55,846)	(121,036)	(36,783)	(216,194)	(504,198)
Carrying value							
2012							
January 1,	\$	367,132	\$ 46,130	\$ 49,860	\$ 34,426	\$ 28,120	\$ 525,668
December 31,	\$	437,127	\$ 36,902	\$ 39,888	\$ 27,542	\$ 23,594	\$ 565,053
2013							
December 31,	\$	423,289	\$ 25,464	\$ 25,238	\$ 19,394	\$ 14,609	\$ 507,993

14. Mineral properties

	Nova Scotia		Ontario		Quebec		Other	Total
Balance, beginning of year	\$ 30,414	\$ 62,171	\$ 2,956,930	\$ -	\$ -	\$ -	\$ 3,049,515	
Additions	-	-	136,844	-	-	-	136,844	
Impairment provisions	-	-	(35,970)	-	-	-	(35,970)	
Spin-out of properties	-	-	(60,101)	-	-	-	(60,101)	
Recoveries	(11,557)	(14,400)	(18,400)	-	-	-	(44,357)	
December 31, 2012	\$ 18,857	\$ 47,771	\$ 2,979,303	\$ -	\$ -	\$ -	\$ 3,045,931	
Additions	-	-	41,581	-	-	-	41,581	
Impairment provisions	-	-	(69,779)	-	-	-	(69,779)	
Recoveries	-	-	(22,855)	-	-	-	(22,855)	
December 31, 2013	\$ 18,857	\$ 47,771	\$ 2,928,250	\$ -	\$ -	\$ -	\$ 2,994,878	

15. Deferred exploration expenses

	New Brunswick		Nova Scotia		Ontario		Quebec		Other	Total
Balance, beginning of year	\$ 130,175	\$ 259,013	\$ 4,014,155	\$ 7,504,141	\$ -	\$ -	\$ -	\$ -	\$ 11,907,484	
Additions	9,776	15,054	1,089,416	1,933,363	10,636	-	-	-	3,058,245	
Spin-out of properties	-	-	-	(266,013)	-	-	-	-	(266,013)	
Impairment provisions	(856)	(149,177)	(8,521)	(770,023)	(10,636)	-	-	-	(939,213)	
Recoveries	-	-	-	(95,984)	-	-	-	-	(95,984)	
December 31, 2012	139,095	124,890	5,095,050	8,305,484	-	-	-	-	13,664,519	
Additions	-	2,799	1,493,262	3,303,567	8,628	-	-	-	4,808,256	
Impairment provisions	-	(1,083)	(6,000)	(997,479)	(8,628)	-	-	-	(1,013,190)	
Recoveries	-	-	-	(76,958)	-	-	-	-	(76,958)	
December 31, 2013	\$ 139,095	\$ 126,606	\$ 6,582,312	\$ 10,534,614	\$ -	\$ -	\$ -	\$ -	\$ 17,382,627	

The impairment provision reflects management's review of the exploration properties and future planned activities.

15. Deferred Exploration Expenses (continued)

	December 31, 2013	December 31, 2012
Balance - beginning of year	\$ 13,664,519	\$ 11,907,484
Current exploration expenses		
Consulting	258,535	421,196
Core shack, storage and equipment rental	91,667	27,961
Drilling	1,855,208	664,200
Environment	172,242	67,323
Geology	445,909	448,099
Geophysics	(52,691)	466,672
Laboratory analysis and sampling	476,699	190,768
Labour	818,944	407,178
Line cutting	127,933	81,723
Mapping	41,337	-
Mining property tax and permits	82,587	53,454
Prospecting and surveying	72,693	26,941
Reports, maps and supplies	49,897	31,353
Transport and road access	367,296	171,377
Total current exploration expenses	4,808,256	3,058,245
Impairment provisions	(1,013,190)	(939,213)
Spin-out of properties	-	(266,013)
Option revenue offset	(76,958)	(95,984)
	(1,090,148)	(1,301,210)
Current net deferred exploration expenses	3,718,108	1,757,035
Balance - end of year	\$ 17,382,627	\$ 13,664,519

16. Payables and accruals

	December 31, 2013	December 31, 2012	January 1, 2012
		<i>(Restated, Note 3)</i>	<i>(Restated, Note 3)</i>
Trade payable and accrued liabilities	\$ 332,317	\$ 1,067,453	\$ 490,454
Sundry liabilities	69,298	73,847	73,847
	\$ 401,615	\$ 1,141,300	\$ 564,301

17. Other liabilities

	December 31, 2013	December 31, 2012
Balance, beginning of year	\$ 836,144	\$ 234,693
Additions during the period ⁽ⁱ⁾	230,546	1,145,248
Reduction related to the incurrence of qualified exploration expenditures	(857,615)	(543,797)
Balance, end of year	\$ 209,075	\$ 836,144

(i) Represents, the excess of the proceeds received from flow-through shares over the fair value of the shares issued. Further details are provided in note 22, share capital section.

18. Income taxes

Income and mining tax expense (recovery)

	December 31, 2013	December 31, 2012
		<i>(Restated, Note 3)</i>
Current tax expense (recovery)		
Tax expenses (recovery) for the year	\$ (287,438)	\$ 323,540
Deferred tax provision (recovery) for income tax and mining duties	670,674	(108,377)
Recovery of income and mining taxes as a result of the sale of tax benefits (flow-through shares)	(857,615)	(543,797)
	(186,941)	(652,174)
	\$ (474,379)	\$ (328,634)

Refundable tax credit and mining duties

	December 31, 2013	December 31, 2012	January 1, 2012
Quebec refundable tax credit	\$ -	\$ -	\$ 59,617
Mining tax recoverable	-	-	22,177
	\$ -	\$ -	\$ 81,794

18. Income taxes (continued)

Tax expense reconciliation

The reconciliation of the income tax expenses, calculated using the statutory combine income tax rates of the Federal government and the Province of Quebec, to the income tax expense as per the financial statements, is as follows:

	December 31, 2013	December 31, 2012
Income before taxes	\$ (1,319,185)	\$ 2,614,043
Combined tax rates	26.9%	26.9%
Income and mining tax provision calculated at combined rate	\$ (354,861)	\$ 703,178
Adjustments for share-based compensation and payments	68,647	26,615
Deferred tax expense related to flow-through shares	1,452,104	847,838
Non-deductible expenses and other	40,026	231,746
Non-taxable gain on spin-out of assets	-	(1,729,448)
Mining tax recovery	(156,677)	(138,255)
Change in valuation allowance	(291,067)	300,522
Adjustment from previous taxation years	(471,250)	-
Withholding tax on prior year metal royalty income	103,743	264,455
Deferred tax expense related to foreign withholding taxes	-	(251,700)
Other	(7,429)	(39,788)
Income and mining tax provision	383,236	215,163
Other liabilities (sale of tax benefits (flow-through shares))	(857,615)	(543,797)
Income and mining tax provision (recovery) related to continuing operations	\$ (474,379)	\$ (328,634)

As at December 31, 2013, the Company has non-capital loss carry forwards of \$4,331,391 available to reduce future years' income for tax purposes. The non-capital losses will expire as follows:

2027	\$ 432,071
2029	847,258
2030	509,360
2031	379,742
2032	2,017,074
2033	145,886
	\$ 4,331,391

18. Income taxes (continued)

Deferred tax balances	December 31, 2012	Recognized in income or loss	Recognized in equity	Other	December 31, 2013
Temporary differences					
Deferred tax assets					
Non-capital losses carry forward	\$ 1,082,880	\$ (26,285)	\$ -	\$ -	\$ 1,056,595
Share issue expenses	116,881	(44,291)	51,047	-	123,637
Properties, plant & equipment	38,144	15,634	-	-	53,778
Financial assets at FVTPL	396,202	(56,927)	-	-	339,275
	1,634,107	(111,869)	51,047	-	1,573,285
Less valuation allowance	(630,342)	291,067	-	-	(339,275)
	1,003,765	179,198	51,047	-	1,234,010
Deferred tax liabilities					
Mining properties and deferred exploration expenses	(4,350,188)	(849,872)	-	-	(5,200,060)
Deferred tax liabilities	\$ (3,346,423)	\$ (670,674)	\$ 51,047	\$ -	\$ (3,966,050)

	January 1, 2012	Recognized in income or loss	Recognized in equity	Other	December 31, 2012
Temporary differences					
Deferred tax assets					
Non-capital losses carry forward	\$ 480,764	\$ 602,116	\$ -	\$ -	\$ 1,082,880
Share issue expenses	32,539	(38,807)	123,149	-	116,881
Properties, plant and equipment	24,680	13,464	-	-	38,144
Financial assets at FVTPL	402,883	(6,681)	-	-	396,202
	940,866	570,092	123,149	-	1,634,107
Less valuation allowance	(329,820)	(300,522)	-	-	(630,342)
	611,046	269,570	123,149	-	1,003,765
Deferred tax liabilities					
Mining properties and deferred exploration expenses	(4,130,773)	(219,415)	-	-	(4,350,188)
Deferred tax liabilities	\$ (3,519,727)	\$ 50,155	\$ 123,149	\$ -	\$ (3,346,423)

19. Revenues

	December 31, 2013	December 31, 2012
		<i>(Restated, Note 3)</i>
Net option income	\$ 680,687	\$ 481,388
Metal royalty income	69,522	403,266
	\$ 750,209	\$ 884,654

Net option income for 2013 includes \$350,000 (2013 - Nil) from the sale of properties to CIM, a related party. See notes 23.

20. Expenses by nature

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

	December 31, 2013	December 31, 2012
		<i>(Restated, Note 3)</i>
Administration		
Office expenses	\$ 185,886	\$ 253,951
Conventions and meetings	95,721	172,652
Advertising and shareholder information	47,437	73,242
Other administration expenses	51,807	41,048
	\$ 380,851	\$ 540,893
Professional fees and outside services		
Investor relations	\$ 139,721	\$ 185,301
Legal fees	63,725	113,660
Audit and accounting fees	111,357	125,209
Other professional fees	80,107	74,370
	\$ 394,910	\$ 498,540

21. 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 per common share is calculated by dividing the net income 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 per share is calculated using the treasury method, where the exercise of options is assumed to be at the beginning of the year 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 year.

21. Income (loss) per share (continued)

Basic and diluted loss per share

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

	December 31, 2013	December 31, 2012
Numerator		
Income (loss) for the year	\$ (844,806)	\$ 2,942,677
Denominator		
Weighted average number of common shares - basic	28,927,893	24,013,516
Effect of dilutive shares		
Stock options ("in the money") ^{(i) (ii)}	-	334,369
Weighted average number of common shares - diluted	28,927,893	24,347,885
Loss per share		
Basic	\$ (0.03)	\$ 0.12
Diluted	\$ (0.03)	\$ 0.12

(i) The calculation of the diluted income per share for the year ended December 31, 2012 excludes the effect of 977,900 options as they are anti-dilutive.

(ii) At December 31, 2013, stock options have not been included in the diluted loss per share as they are anti-dilutive.

22. Share capital

Common shares

Authorized - Unlimited common shares with no par value

Changes in capital stock

In connection with the Plan of Arrangement as described in notes 1 and 6, Globex's Articles were amended to create and authorize Globex to issue an unlimited number of:

- i) New Common Shares;
- ii) Butterfly Shares; and
- iii) Preference Shares, issuable in series.

The Butterfly Shares have the following attributes:

- (a) redeemable, at any time at the option of the holder at a retraction amount equal to the Butterfly
- (b) retractable, at any time at the option of the holder at a retraction amount equal to the Butterfly
- (c) the holder of the Butterfly Shares will not be entitled to any dividends;
- (d) in respect of each Butterfly Share to be redeemed, acquired or cancelled, will be the amount specified by a Globex director or officer at the Effective date of the issue of the Butterfly shares and is not subject to change thereafter and will be equal to the fair market value of the consideration for which the Butterfly Share is issued.

The Butterfly Share Redemption Amount is the aggregate fair market value of all of the Globex Common Shares outstanding immediately before the exchange of the Globex Common shares for one new Globex Common Share and one Globex Butterfly Share multiplied by the Butterfly Proportion.

22. Share capital (continued)

Plan of Arrangement, Asset Transfer and Capital Reorganization Transactions:

At December 31, 2012, Globex had 27,896,018 common shares outstanding and under the Plan of Arrangement, each Globex Shareholder was entitled to receive one New Globex Common Share and one Globex Butterfly Share for each of their Globex Shares. Each Globex Butterfly Shareholder transferred their Butterfly Shares to CIM and received CIM Common Shares as consideration which resulted in the issuance of 27,896,018 CIM common shares with an aggregate fair value of \$7,005,084. The spin-out was treated as a reduction of share capital.

The Globex Butterfly Shares became an asset of CIM and were subsequently redeemed in exchange for a Globex Redemption Note of equal value.

As outlined in note 1, Globex transferred assets with a fair market value of \$7,005,084 (Cash - \$503,006; Investments - \$72,903; and Mining Properties - \$6,429,175) to CIM for CIM Redemption Shares. The CIM Redemption Share Redemption Amount represents the aggregate fair market value of all of the Transferred Assets transferred by Globex to CIM less the aggregate fair market value, as at the effective date, of the CIM Stock Options and divided by the number of CIM Redemption Shares issued as consideration thereof. On a per share basis, this represents an amount of \$0.25 per share.

The Redemption Shares were subsequently exchanged for a CIM Redemption Note of equal value.

Ultimately, Globex's obligations under the Globex Redemption Note were satisfied by transferring the CIM Redemption Note to CIM, and CIM accepting the CIM Redemption Note in full satisfaction of Globex's obligations under the Globex Redemption Note. Similarly, CIM satisfied its obligations under the CIM Redemption Note by transferring the Globex Redemption Note to Globex, and Globex accepting the Globex Redemption Note in full satisfaction of CIM's obligations under the CIM Redemption Note.

	December 31, 2013		December 31, 2012	
Fully paid common shares	Number of shares	Capital Stock	Number of shares	Capital Stock
Balance, beginning of period	27,896,018	\$ 48,278,353	22,726,241	\$ 50,288,153
Stock options exercised	-	-	325,000	207,500
Private placements ^{(i), (ii)}	5,640,594	2,538,270	4,844,777	5,122,437
Spin-out	-	-	-	(7,005,084)
Share issuance costs ⁽ⁱⁱⁱ⁾	-	(138,718)	-	(334,653)
Balance, end of period	33,536,612	\$ 50,677,905	27,896,018	\$ 48,278,353

2013 Issuances

- (i) The Company issued 4,610,930 flow-through shares under a private placement with closings on October 21, October 31, and December 11, 2013. The shares were issued at a price of \$0.50 per share for total proceeds of \$2,305,465 (fair market value - \$2,074,919).

In addition, 1,029,664 common shares were issued at a price of \$0.45 per share for total proceeds of \$463,351.

22. Share capital (continued)

2012 Issuances

(ii) 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).

July 3, 2012, 348,599 flow-through common shares were issued at a price of \$1.30 per share for total proceeds of \$453,179 (fair market value - \$376,487).

November 9, 2012, 2,550,500 flow-through common shares at a price of \$1.30 per share for total proceeds of \$3,315,650 (fair market value - \$2,678,025) and 20,000 common shares were issued at a price of \$1.05 per share for total proceeds of \$21,000.

November 20, 2012, 663,500 flow-through common shares at a price of \$1.30 per share for total proceeds of \$862,550 (fair market value - \$696,675) and 72,000 common shares were issued at a price of \$1.05 per share for total proceeds of \$75,600.

December 28, 2012, 161,540 flow-through common shares at a price of \$1.30 per share for total proceeds of \$210,002 (fair market value - \$169,617) and 30,100 common shares were issued at a price of \$1.05 per share for total proceeds of \$31,605.

Share Issuance costs

(iii) Net of taxes of \$51,047 (2012 - \$123,149)

December 31, 2013, 36,100 (December 31, 2012 - 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.

Butterfly Shares

	December 31, 2013		December 31, 2012	
	Number of shares	Capital Stock	Number of shares	Capital Stock
Butterfly Shares Issued				
Balance, beginning of year	-	\$ -	-	\$ -
Issued in connection with the Plan of Arrangement ⁽ⁱ⁾	-	-	27,896,018	7,005,084
Redeemed for Globex Redemption Note ⁽ⁱⁱ⁾			(27,896,018)	(7,005,084)
Balance, end of year	-	\$ -	-	\$ -

(i) The 27,896,018 Butterfly Shares were issued to Globex Common Shareholders at December 31, 2012. Each Globex Butterfly Shareholder transferred their Butterfly Shares to CIM and received one CIM common share for each Butterfly share.

(ii) The Globex Butterfly Shares became an asset of CIM and were redeemed in exchange for a Globex Redemption Note having a principal amount and fair market value equal to the Globex Butterfly Shares.

Shareholders' Rights Plan

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

22. Share capital (continued)

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 December 31, 2013, 1,767,500 options may be granted in addition to the common share purchase options currently outstanding (December 31, 2012 - 1,139,600).

The following is a summary of option transactions under the Plan for the relevant periods:

	December 31, 2013		Restated December 31, 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance - beginning of period	1,927,900	\$ 1.22	2,112,900	\$ 1.09
Cancelled	(1,392,900)	\$ 1.44	-	-
Expired	(35,000)	\$ 1.07	-	-
Exercised	-	-	(325,000)	0.33
Granted - Directors and employees	750,000	0.52	90,000	0.81
Granted - Service providers	50,000	1.40	50,000	1.09
Balance - end of period	1,300,000	\$ 0.59	1,927,900	\$ 1.22
Options exercisable	1,210,000	\$ 0.61	1,837,900	\$ 1.23

22. Share capital (continued)

In accordance with the Plan of Arrangement, all of the holders of Globex Stock Options outstanding at the Effective Date (December 29, 2012) disposed of their options in consideration of a Globex New Stock Option and a CIM stock option where the Optionee was qualified (Officer, Employee, Consultant, or Director) of the CIM stock option plan. All of the terms with the exception of the strike price remained unchanged.

The modified strike prices reflect the original price per share adjusted by the volume-weighted average trading price of the CIM shares during the first five days following listing on the TSXV (January 25, 2013 to January 31, 2013) and the weighted average trading price of the Globex New Common shares during the same period. The Exercise price proportion for the Globex New Share Options is 78.43% of the original exercise price or on a modified basis of \$1.22 per share.

The following table summarizes information regarding the stock options outstanding and exercisable as at December 31, 2013:

Range of prices	Number of options outstanding	Number of options outstanding and exercisable	Weighted average contractual life (years)	Weighted average exercise price
\$ 0.40 - 0.59	850,000	760,000	4.24	\$ 0.55
0.63 - 0.92	400,000	400,000	1.85	0.63
1.09 - 1.50	50,000	50,000	9.09	1.40
	1,300,000	1,210,000	3.65	\$ 0.61

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). During the year ended December 31, 2013, the Company granted 750,000 options to Directors and 50,000 options to a service provider and during the year 1,427,900 options expired.

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

	December 31, 2013	December 31, 2012
Expected dividend yield	Nil	Nil
Expected stock price volatility	64.4%	66.1%
Risk free interest rate	1.66%	1.20%
Expected life	5.32 years	5 years
Weighted average fair value of granted options	\$0.30	\$0.60

During the year ended December 31, 2013, the total expense related to stock-based compensation costs and payments amounting to \$255,195 has been recorded and presented separately in the statements of income and Comprehensive income (December 31, 2012 - \$98,939).

22. Share capital (continued)

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.

To date, no shares have been issued under the RSU Plan.

23. Related party information

Related party payable	December 31, 2013	December 31, 2012	January 1, 2012
		<i>(Restated, Note 3)</i>	<i>(Restated, Note 3)</i>
Jack Stoch Geoconsultant Services Limited ("GJSL")	\$ (6,700)	\$ -	\$ -
Eco Refractory Solutions Inc.	748	-	-
WorldWide Magnesium Corporation	453	-	-
Duparquet Assets Limited	282,700	405,621	345,650
	\$ 277,201	\$ 405,621	\$ 345,650

Chibougamau Independent Mines Inc.

CIM is considered a related party as Globex Management consisting of the President and CEO, Executive Vice-President and Chief Financial Officer hold the same positions with both entities. In addition, the President and CEO holds a large number of common shares of both organizations and therefore can significantly influence the operations of both entities.

Management Services

On December 29, 2012, Globex entered into a Management Services Agreement with CIM under which the Company agreed to provide management services including administrative, compliance, corporate secretarial, risk management support and advisory services to CIM during 2013.

Management services income of \$342,716 (2012 – Nil) for the year ended December 31, 2013 represent Globex's estimate of the specific costs related to performing these services plus a mark-up in accordance with the Management Services Agreement.

23. Related party information (continued)

Property Sale

On May 9, 2013, Globex sold three major blocks of claims to CIM for a cash payment of \$350,000 and a 2% Gross Metal Royalty. The claim blocks are located in the Chibougamau Mining Camp ((a) Grandroy orebody area and, (b) Berrigan deposit). These claims were acquired by Globex after the Spin-Out and therefore had not been included in the Plan of Arrangement. The properties were sold based on the fair market value derived from properties of similar size and exploration stage and therefore were made on terms equivalent to those that would prevail in an arm's length transaction. The purchase by CIM was approved by the Independent Directors.

Duparquet Assets Ltd. - joint venture

On February 18, 2010, a Mining Option Agreement was signed between Globex and Jack Stoch Geoconsultant Services Limited ("GJSL") (a company owned by Jack Stoch, president, CEO and director of Globex) as vendors, Duparquet Assets Limited ("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). The Mining Option Agreement was amended on December 17, 2012. On February 16, 2010, DAL entered into a Joint Venture Agreement with GJSL and Globex which results in all proceeds from the Mining Option Agreement being shared equally between the vendors.

On July 3, 2013, Xmet informed Globex and GJSL that it was dropping its interest in the Duquesne West property and returning it to DAL.

Management compensation

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) follows:

	December 31, 2013	December 31, 2012
Salary cost		
Salaries and other benefits	\$ 373,000	\$ 444,295

24. Supplementary cash flows information

Changes in non-cash working capital items

	December 31, 2013	December 31, 2012
Accounts receivable	\$ 946,445	\$ (544,918)
Refundable tax credit and mining duties	-	81,794
Prepaid expenses and deposits	6,544	27,792
Payables and accruals	(596,122)	269,083
Current income tax	-	(35,376)
	\$ 356,867	\$ (201,625)

24. Supplementary cash flows information (continued)

Non-cash financing and investing activities

	December 31, 2013	December 31, 2012
Transfer of contributed surplus to share capital on exercise of stock option	\$ -	\$ 99,250

25. 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 reserved for exploration 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 2012.

The fair values of the Company's cash and cash equivalents, cash reserved for exploration, 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.

25. Financial instruments (continued)

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 cash reserved for exploration which totalled \$2,255,112 as at December 31, 2013, (December 31, 2012 - \$4,896,981). 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:

	December 31, 2013	December 31, 2012	January 1, 2012
Cash and cash equivalents	\$ 164,380	\$ 521,496	\$ 2,074,901
Cash reserved for exploration	2,090,732	4,375,485	910,972
Investments	942,801	637,267	2,202,066
Accounts receivable ⁽ⁱ⁾	116,142	1,062,587	518,270
Refundable tax credit and mining duties	-	-	81,794
	\$ 3,314,055	\$ 6,596,835	\$ 5,788,003

(i) Accounts receivable of \$116,142 (December 31, 2012 - \$1,062,587; January 1, 2012 - \$518,270) consist of trade receivables of \$22,758 (December 31, 2012 - \$229,363; January 1, 2012 - \$398,004), due from CIM - Nil (December 31, 2012 - \$484,204; January 1, 2012 - Nil) and taxes recoverable of \$93,384 (December 31, 2012 - \$349,020; January 1, 2012 - \$120,266). The trade receivables are secured by property interests.

(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.

25. Financial instruments (continued)

(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 which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets and currently these amount to \$942,801 (December 31, 2012 - \$637,267). Based on the balance outstanding at December 31, 2013, a 10% increase or decrease would impact income and loss by \$94,280 (December 31, 2012 - \$63,000).

(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).

December 31, 2013	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Equity investments	\$ 267,801	\$ 675,000	\$ -	\$ 942,801
Reclamation bonds	-	127,039	-	127,039
Total financial assets	\$ 267,801	\$ 802,039	\$ -	\$ 1,069,840

There were no transfers between level 1 and level 2 during the year.

The level 2 financial assets has been measured using the quoted price of the related shares on the market which has been determined non-active.

For all other financial assets and liabilities, the fair value is equal to the carrying value.

December 31, 2012	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Equity investments	\$ 434,767	\$ 202,500	\$ -	\$ 637,267
Reclamation bonds	-	119,256	-	119,256
Total financial assets	\$ 434,767	\$ 321,756	\$ -	\$ 756,523

There were no transfers between level 1 and level 2 during the year.

25. Financial instruments (continued)

January 1, 2012	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Equity investments	\$ 514,566	\$ 1,687,500	\$ -	\$ 2,202,066
Reclamation bonds	-	121,680	-	121,680
Total financial assets	\$ 514,566	\$ 1,809,180	\$ -	\$ 2,323,746

There were no transfers between level 1 and level 2 during the year.

26. Commitments and contingencies

At year 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 8. At this time, Management anticipates meeting that obligation and as a result, no additional disclosures are required.

Schedule A - Mineral properties and deferred exploration expenses

Region		2012				2013			
		Balance January 1, 2012	Additions	Disposals, impairments, and recoveries	Balance December 31, 2012	Additions	Disposals, impairments, and recoveries	Balance December 31, 2013	
Nova Scotia									
Other properties	Mineral property	\$ 30,414	\$ -	\$ (11,557)	\$ 18,857	\$ -	\$ -	\$ 18,857	
	Exploration	259,013	15,054	(149,177)	124,890	2,799	(1,083)	126,606	
Ontario									
Deloro	Mineral property	46,924	-	-	46,924	-	-	46,924	
	Exploration	3,992,277	1,080,672	-	5,072,949	1,485,022	-	6,557,971	
Other properties	Mineral property	15,247	-	(14,400)	847	-	-	847	
	Exploration	21,878	8,744	(8,521)	22,101	8,240	(6,000)	24,341	
	Mineral property	62,171	-	(14,400)	47,771	-	-	47,771	
	Exploration	4,014,155	1,089,416	(8,521)	5,095,050	1,493,262	(6,000)	6,582,312	
Quebec									
Atwater	Mineral property	156	34,963	-	35,119	2,226	(22,892)	14,453	
	Exploration	1,050,822	425,751	-	1,476,573	557,163	(483,811)	1,549,925	
Beauchastel & Rouyn	Mineral property	18,833	246	(490)	18,589	-	-	18,589	
	Exploration	630,124	17,196	(18,723)	628,597	29,879	-	658,476	
Cadillac	Mineral property	2,693,678	-	-	2,693,678	-	(10,026)	2,683,652	
	Exploration	1,967,756	329,021	-	2,296,777	612,843	(701)	2,908,919	
Chibougamau	Mineral property	63,232	(3,131)	(60,101)	-	6,600	(6,600)	-	
	Exploration	44,398	221,615	(266,013)	-	-	-	-	
Destor & Poularies	Mineral property	1,544	-	-	1,544	-	-	1,544	
	Exploration	1,627,736	156,468	(24,127)	1,760,077	128,615	-	1,888,692	
Dufresnoy, Vauze	Mineral property	972	-	-	972	-	-	972	
	Exploration	406,839	54	(406,893)	-	578	-	578	
Louvicourt	Mineral property	-	-	-	-	-	-	-	
	Exploration	68,586	92,988	-	161,574	536	-	162,110	
Malartic	Mineral property	192	-	-	192	-	-	192	
	Exploration	448,434	5,491	-	453,925	3,405	-	457,330	
Poirier & Joutel	Mineral property	4,208	-	(2,208)	2,000	-	-	2,000	
	Exploration	224,302	2,124	-	226,426	213,726	(53,909)	386,243	
Tavernier	Mineral property	4,115	-	-	4,115	-	-	4,115	
	Exploration	495,397	157,054	-	652,451	527,526	-	1,179,977	
Tiblemont	Mineral property	2,775	11,731	(104)	14,402	900	-	15,302	
	Exploration	258,355	3,516	-	261,871	143,417	(217)	405,071	
Tonnancour	Mineral property	3,042	2,704	-	5,746	-	-	5,746	
	Exploration	937,242	97,988	-	1,035,230	25,063	-	1,060,293	
Ungava Bay	Mineral property	-	-	-	-	-	-	-	
	Exploration	-	148,951	-	148,951	(131,496)	(17,455)	-	
Other properties	Mineral property	164,183	90,331	(51,568)	202,946	31,855	(53,116)	181,685	
	Exploration	787,457	275,146	(416,264)	646,339	1,192,312	(518,344)	1,320,307	
Less: Quebec refundable tax credits									
	Exploration	(1,443,307)	-	-	(1,443,307)	-	-	(1,443,307)	
	Mineral property	2,956,930	136,844	(114,471)	2,979,303	41,581	(92,634)	2,928,250	
	Exploration	7,504,141	1,933,363	(1,132,020)	8,305,484	3,303,567	(1,074,437)	10,534,614	
Other regions									
	Mineral property	-	-	-	-	-	-	-	
	Exploration	130,175	20,412	(11,492)	139,095	8,628	(8,628)	139,095	
Total mineral properties		\$ 3,049,515	\$ 136,844	\$ (140,428)	\$ 3,045,931	\$ 41,581	\$ (92,634)	\$ 2,994,878	
Total exploration		\$ 11,907,484	\$ 3,058,245	\$ (1,301,210)	\$ 13,664,519	\$ 4,808,256	\$ (1,090,148)	\$ 17,382,627	

CORPORATE INFORMATION

Board of Directors

Jack Stoch
Director
Toronto, Ontario Canada

Dianne Stoch
Director
Toronto, Ontario Canada

Independent Directors

Ian Atkinson ⁽¹⁾ ⁽²⁾ ⁽³⁾
Director
Toronto, Ontario Canada

Chris Bryan ⁽¹⁾ ⁽²⁾ ⁽³⁾
Director
Cambridge, Ontario Canada

Joel D. Schneyer ⁽¹⁾ ⁽²⁾ ⁽³⁾
Director
Parker, Colorado USA

- ⁽¹⁾ Member of the Audit Committee
- ⁽²⁾ Member of the Corporate Governance Committee
- ⁽³⁾ Member of the Compensation Committee

Stock Exchange Listings

Canada - Trading Symbol: **GMX**
Toronto Stock Exchange

Germany - Trading Symbol: **G1M**
Frankfurt Stock Exchange
Berlin Stock Exchange
Munich Stock Exchange
Stuttgart Stock Exchange
Xetra Stock Exchange

USA - Trading Symbol: **GLBFX**
OTCQX International

SEC - Rule 12g3 - 2(b)
Foreign Private Issue

CUSIP No. 379900 10 3

Officers

Jack Stoch
President and Chief Executive Officer

James Wilson
Chief Financial Officer, Treasurer and Corporate Secretary

Dianne Stoch
Executive Vice President

Auditors

Deloitte LLP
Rouyn-Noranda, Quebec Canada

Legal Counsel

Fasken Martineau DuMoulin s.e.n.c.r.l.
Montreal, Quebec Canada

Transfer Agent & Registrar

Computershare Trust Company of Canada
Montreal, Quebec Canada

Head Office

Globex Mining Enterprises Inc.
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J9X 2J1 Canada
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info@globexmining.com
www.globexmining.com

Annual Meeting of Shareholders

June 12, 2014 at 9:30 a.m.
The Offices of the Company
86, 14th Street
Rouyn-Noranda, Quebec Canada