



INTERIM REPORT

THREE MONTHS ENDED MARCH 31, 2014 (UNAUDITED)

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STATEMENT CONCERNING THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Management has compiled the unaudited interim condensed consolidated financial report as of March 31, 2014 and 2013. The statements have not been audited or reviewed by the Company's auditors or any other firm of chartered accountants.

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Management’s Discussion and Analysis

For the three month period ended March 31, 2014

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 May 12, 2014 and should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three months period ended March 31, 2014, and 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, titanium oxide, iron, molybdenum, uranium, lithium as well as rare earths and associated elements) and **Industrial Minerals** (mica, silica, 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.

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 the ten properties from Globex to CIM, subject to a 3% "Gross Metal Royalty" in favour of Globex.

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. On January 27, 2014, the legal ownership to 4,860,200 Mag Copper Ltd. shares was completed.

Corporate focus

Overall Business Model

Globex seeks to create shareholder value by acquiring properties, enhancing and developing them 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.

Strategy

During the last eighteen months, Globex has seen the share value of many large mining companies decline significantly while at the same time junior mining companies share prices have been 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.

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 continue to pursue opportunities to provide liquidity to the Company.

The Company's strategy 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 period

- The Company reported a net loss and comprehensive loss of \$270,818 (2013 -\$310,528) for the three - month period ended March 31, 2014.
- Revenues were \$302,711 (2013 - \$140,522) for the three month period ended March 31, 2014 which includes net option income of Nil (2013 - \$71,000) and royalty income of \$302,711 (2013 - \$69,522). The lower net option income reflects the significant challenges that junior mining companies currently face in arranging financing to enter option arrangements with Globex. The increase in the royalty income reflects increased zinc prices during the first quarter of 2014.
- Exploration expenditures for the quarter totalled \$569,572 (2013 - \$1,078,474) with \$534,181 (2013 - \$223,513) being spent on Quebec projects, \$34,060 (2013 - \$854,961) being spent on Ontario projects including the Timmins Talc Magnesite Project (“TTM”) as well as \$1,331 (2013 – nil) on other projects.
- At March 31, 2014, the Company had \$1,533,307 of Quebec flow-through funds to spend prior to December 31, 2014.

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 three month ended March 31, 2014 totalled \$569,572 (2013 - \$1,078,474) which reflects eligible flow-through expenditures of \$557,425 and non-flow through expenditures of \$12,147. During 2014, 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	\$ 32,036	5.6%
• Other projects	2,024	0.3%
	34,060	5.9%
Quebec		
• Eau Jaune Lake (Rale)	165,732	29.1%
• Eagle Mine (Joutel)	126,353	22.2%
• Lyndhurst (Destor)	5,229	0.9%
• Smith Zulapa (Tiblemont)	6,653	1.2%
• Soisson (Soisson)	3,527	0.6%
• Tavernier-Tiblemont (Tavernier)	20,709	3.6%
• Turner Falls Rare Earth Property (REE) (Villedieu)	21,588	3.8%
• Wood-Pandora Project (Cadillac)	56,934	10.0%
• Other projects	45,019	7.9%
• General exploration	82,437	14.5%
	534,181	93.8%
Other regions		
• Nova Scotia	360	0.1%
• Other	971	0.2%
• Other regions	1,331	0.3%
Total exploration expenditures	\$ 569,572	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 13 to the March 31, 2014 Interim Condensed Consolidated Financial Statements.

Timmins Talc-Magnesite project

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. All the core was logged and split. Analysis of all of the core has not yet been completed.

During the first quarter of 2014, Globex had limited funds available for this project and spent \$32,036 mainly considering processing alternatives and planning activities for the remainder of 2014 in anticipation of securing project funding.

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).

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.

Quebec projects

During the first quarter of 2014, \$534,181 (2013 - \$223,513) was incurred on the Quebec projects. The current year expenditures include follow-up drilling on projects such as the Eagle Mine, Smith-Zulapa, Tavernier-Tiblemont and the Wood-Pandora properties. They also include costs for revisiting some of our more advanced projects such as the Poirier Mine, Lyndhurst Mine and Nordeau properties. The Company plans to undertake additional

exploration on some of our newer acquisitions such as the Lac à L'eau Jaune, Champs Doré, Courville and Lac Ontario properties.

Outlined below are comments with respect to the projects on which the largest expenditures were incurred during this quarter:

- **Eau Jaune Lake** - a 14 line kilometers mag and IP survey was performed in February 2014 along the possible extension of the Monster Lake Gold corridor new acquired claims. This work follows the geophysical survey done in the southern part of the property in February 2013. A 2-hole 804 meters drill program was also completed in February 2014 testing some of the geophysical anomalies identified in the 2013 geophysical survey. Conductors were explained with the presence of sulfides and graphite in shear zones. No gold values were associated with the shear zones.
- **Eagle Mine** - a 2-hole 1450 meters drill program, that started in March and completed in April, is targeting a mineralized zone 100m away from Eagle Mine deposit. The first hole intersected a 4.11 gpt Au over 7.2m rich sulfide zone similar to what has been mined at the Eagle Mine. Results from the second hole are pending.
- **Lyndhurst** - deep stratigraphic drilling is under consideration for the Moses VMS zone and the under explored eastern sector of the property.
- **Tavernier-Tiblemont** – The expenditures represent follow up activities from the 2013 field work and in 2014, drilling will look to expand the recognized gold zones and test other mineralized structural targets on the property.
- **Turner Falls** - 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 lower REE metal concentrations in drill core..
- **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. During the first quarter, Osisko our current joint venture partner on this project accepted a takeover offer from Yamana and Agnico Eagle. If the takeover is completed Yamana and Agnico Eagle will become Globex's new partners on this project.

A 4-hole drill program totaling 2,570m started in early March and was completed in April. This first phase drilling program targeted possible extensions of some of the better 2012 and 2013 gold intersections. The first hole, W14-110 returned 1.16 gpt Au over 2.00m and 1.08 gpt Au over 7.6m. Other results from this program are still pending.

Drilling targets has been identified on several projects such as Poirier Mine, Tiblemont-Tavernier and Smith-Zulapa properties. Drilling is to start after break-up when permits have been delivered and contractors have been selected. Compilation and target generations are keeping Globex geologists busy on other projects. In particular, an extensive re-sampling and re-logging program is being planned for the 35 kilometers of core drilled over the last several years on our Nordeau Gold properties east of Val D'Or by an option partner.

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

- 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") committed to the Committee on Foreign Investment in the United States ("CFIUS") to divest its entire investment in Lincoln. 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.

Mag Copper Ltd

- As previously reported, in 2013, Mag Copper Ltd completed a number of management and board changes, 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.
- Under the original option agreement, Globex was entitled to an option payment of \$400,000 on or prior to April 28, 2014. This agreement has been amended and Mag Copper has agreed to make four equal option payments of \$100,000 over the next twelve months. The initial \$100,000 payment has been received.

Nippon Dragon Resources Inc. (formerly Rocmec Mining Inc).

- During 2013, Rocmec announced 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. During 2014, we have continued to monitor developments. On April 18th, 2014 Rocmec mining Inc. began trading under the name Nippon Dragon Resources Inc. (Symbol NIP).

Property acquisitions, sales and options

Property acquisitions

During the three month period ended March 31, 2014, the Company spent \$2,856 (2013 - \$19,326) on mineral property acquisitions mainly in the province of Quebec.

Sales and options

Net option income March 31, 2014

Property, Agreements Summary	Net Option Income	Recovery of Property Acquisition	Recovery of Exploration Expenditures
Sales and Options			
Option and sale payments under Agreements from prior years			
<ul style="list-style-type: none"> Integra Gold Corp, Farquharson Property¹ 	\$ -	\$ -	\$ 39,750
	\$ -	\$ -	\$ 39,750

Notes:

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

During the three month period ended March 31, 2014, we received cash option payments of \$30,000 and 50,000 shares with an initial fair market value on receipt of \$9,750 from Integra Gold Corp which was reflected as a recovery of exploration expenditures and therefore not included in the revenues from continuing operations. During the first quarter of 2013, the Company generated net option income of \$71,000.

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.

Summary of quarterly results

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

	2014				2013			2012
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Total revenues	\$ 302,711	\$ 5,187	\$ 142,000	\$ 462,500	\$ 140,522	\$ 302,916	\$ 48,721	\$ 255,006
Total expenses	376,959	1,232,339	535,287	455,060	530,752	1,190,820	560,154	566,695
Other income (expenses)	(24,275)	263,260	233,044	194,883	(7,143)	5,826,784	(384,926)	(426,418)
Income (loss) ⁽²⁾	(270,818)	(1,231,200)	338,623	358,299	(310,528)	4,952,406	(672,135)	(713,403)
Income (loss) per common share								
- Basic and diluted	(0.01)	(0.04)	0.01	0.01	(0.01)	0.21	(0.03)	(0.03)

Note:

- As outlined in Note 3 to the annual audited 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.
- Attributable to common shareholders of the Company.

The loss of \$270,818 in the first quarter of 2014 compares to a loss of \$1,231,200 in the fourth quarter of 2013. The reduction in the first quarter loss as compared to 2013 fourth quarter loss is mainly a result of a reduction in the impairment provision of \$837,480.

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.

Results of operations for the three months ended March 31, 2014

Revenues (March 31, 2014 - \$302,711; March 31, 2013 - \$140,522)

During the quarter ended March 31, 2014, revenues of \$302,711 were \$162,189 higher than the \$140,522 reported in the first quarter of 2013. The increase is attributable to increased metal royalty income.

Option income

In the three - month period ended March 31, 2014, no option income was reported as revenue from continuing operations as compared to net option income of \$71,000 in the comparable period in 2013.

Metal royalty income

The Company is entitled to a gross metal royalty based on the value of metal from Nyrstar's Mid-Tennessee zinc operations. During the first quarter of 2014, the Company earned metal royalty income of \$302,711 as compared to \$69,522 in 2013 as a result of the higher average zinc prices.

Total expenses (March 31, 2014 - \$376,959; March 31, 2013 - \$530,752)

In the first quarter of 2014, the total expenses were \$376,959 compared to \$530,752 in 2013. The decrease of \$153,793 mainly reflects a decrease of salaries of \$62,642, administrative expenses of \$40,252, professional fees

and outside services of \$53,061 and other net increases of \$2,162.

Salary

- The decrease in salaries of \$62,642 from \$183,494 in the period ended March 31, 2013 to \$120,852 in the period ended March 31, 2014 reflects a reduction in management compensation and increased salary charges to exploration activities.

Administration

- During the period ended March 31, 2014, the administration expenses totalled \$83,819 as compared to \$124,071 in the comparable period in 2013. The decrease of \$40,252 mainly reflects a reduction in convention and meeting expenses as well as advertising and shareholder information expenses.

Professional fees and outside services

- In the period ended March 31, 2014, professional fees and outside services totalled \$75,343 as compared to \$128,404 in the comparable period in 2013, representing a decrease of \$53,061 with the majority of the decrease related to reductions in investor relations and other professional fees.

Depreciation and amortization

- The depreciation and amortization expense for the three month period ended March 31, 2014 totalled \$14,280 as compared to \$16,473.

Share-based compensation and payments

- For the period ended March 31, 2014, the total share-based compensation and payments amounted to \$3,644 (March 31, 2013 - \$37,300). During the current period no options were issued whereas in 2013, 50,000 options were granted which vested immediately.

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 as well as general exploration expenses. The write-down of mineral properties and deferred exploration expenses in the period ended March 31, 2014 totalled \$83,408 as compared to \$46,667 in 2013 represents increased follow up activities from the previous year's field work.

Other income (expenses) (March 31, 2014 – Expense - \$24,275; March 31, 2013 – Expenses - \$7,143)

- Other income (expenses) reflects interest income, joint venture income, the increase (decrease) in fair value of financial assets, as well as management services provided to CIM.
- In the first quarter of 2014, the company recorded a decrease in fair value of financial assets of \$55,711 (March 31, 2013 - \$140,499) which was offset by Management services fees. The Management services fees were \$24,000 in 2014 as compared to \$126,000 during the comparable quarter in 2013 as the services provided to CIM were significantly decreased.

Income and mining taxes provision (recovery)

- An income and mining tax provision of \$172,295 has been reported in the first quarter of 2014 as compared to a recovery of \$86,845 in the first quarter of 2013. The provision in the current period is a result of providing for withholding taxes on the increased royalty income and the reduced recovery of income and mining taxes as a result of the sale of tax benefits which reflects the lower level of exploration expenditures in Q1 2014 as compared to Q1 2013.

- 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

At March 31, 2014 the total assets were \$24,327,528 which represents a decrease of \$237,805 from \$24,565,333 at December 31, 2013. The net change reflects a reduction in cash and cash equivalents as well as cash reserved for exploration of \$577,168, a reduction in the carrying value of investments of \$290,471, as well as an increase in accounts receivable of \$139,259 and Mineral Properties and Deferred exploration of \$449,270 along with a net increase in all other assets of \$41,305.

Cash and cash equivalents, investments, and accounts receivable totalled \$1,052,368 at March 31, 2014 (December 31, 2013 - \$1,223,323) representing 4.3% of the total assets. Cash reserved for exploration was \$1,533,307 at March 31, 2014 (December 31, 2013 - \$2,090,732). The change represents the exploration activities during 2014.

At March 31, 2014 deferred exploration expenses totalled \$17,829,041 (December 31, 2013 - \$17,382,627) an increase of \$446,414.

Total liabilities

At March 31, 2014, the current liabilities were \$592,390 as compared to \$644,625 at December 31, 2013. The current liabilities reflects increases in accounts payables and accruals of \$99,960 related to the exploration activities in Q1 of 2014, settlement of the dividend payable of \$243,010 to CIM as well as a provision for withholding taxes of \$90,815.

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 \$209,075 at December 31, 2013 to \$153,333 at March 31, 2014 reflects the exploration activities during Q1 of 2014.

Deferred tax liabilities

The deferred tax liabilities were estimated at \$4,103,273 at March 31, 2014 as compared to \$3,966,050 at December 31, 2013. 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 future taxable income.

Owners' equity

Owners' equity, consisting of Share Capital, Deficit, and Contributed Surplus – Equity settled reserve totalled \$19,201,208 (December 31, 2013 - \$19,468,382). 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 Interim Condensed Consolidated Statement of Equity.

Share capital

At March 31, 2014, the share capital of the Company totalled \$50,677,905 which was unchanged from December 31, 2013, representing 33,536,612 common shares outstanding.

Liquidity, working capital and cash flow

At March 31, 2014, the Company had cash and cash equivalents of \$144,637 (December 31, 2013 - \$164,380) and cash reserved for exploration of \$1,533,307 (December 31, 2013 - \$2,090,732). Investments of \$652,330 (December 31, 2013 - \$942,801) mainly reflect shares, recorded at fair value, in optionee companies received as consideration under mining option agreements.

At March 31, 2014, the Company's working capital (based on current assets minus current liabilities) was \$2,140,123 (December 31, 2012 - \$2,765,352). 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 first quarter of 2014, the operating activities used cash of \$46,113 (March 31, 2013 - \$10,364) and the Investing activities in 2014 used \$531,055 (2013 - \$1,101,096).

The operating, financing, and investing activities for the first three months of 2014 resulted in a net decrease in cash and cash equivalents of \$577,168 (2013 - \$1,111,460).

Financial instruments

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 2013.

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 \$1,677,944 at March 31, 2014 (December 31, 2013 - \$2,255,112). 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:

	March 31, 2014	December 31, 2013
Cash and cash equivalents	\$ 144,637	\$ 164,380
Cash reserved for exploration expenses	1,533,307	2,090,732
Investments	652,330	942,801
Accounts receivable ⁽ⁱ⁾	255,401	116,142
	\$ 2,585,675	\$ 3,314,055

- (i) Accounts receivable of \$255,401 (December 31, 2013 - \$116,142) consist of trade receivables of \$175,964 (December 31, 2013 - \$22,758), and taxes recoverable of \$79,437 (December 31, 2013 - \$93,384). 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 \$652,330 (December 31, 2013 - \$942,801). Based on the balance outstanding at March 31, 2014, a 10% increase or decrease would impact Income and loss by \$65,233 (December 31, 2013 - \$94,280).

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

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

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

		Level 1	Level 2	Level 3	Total Financial Assets at fair value
March 31, 2014					
Financial assets					
Equity investments	\$	393,136	\$ 259,194	\$ -	\$ 652,330
Reclamation bonds		-	131,707	-	131,707
	\$	393,136	\$ 390,901	\$ -	\$ 784,037

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, 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 period. .

Outstanding share data

At March 31, 2014, the Company had 33,536,612 common shares issued and outstanding which was unchanged from December 31, 2013. In addition, at March 31, 2014, the Company had 1,300,000 (December 31, 2013 - 1,300,000) stock options outstanding for fully diluted common share capital of 34,836,612 (December 31, 2013 - 34,836,612).

At March 31, 2014 and December 31, 2013, 1,767,500 options may be granted in addition to the common share purchase options currently outstanding.

On May 5, 2014, the Company completed the closing of a private placement by issuing an aggregate of 5,307,143 "flow-through" shares at a price of \$0.35 per share, for gross proceeds of \$1,857,500 and 1,950,000 Units at a price of \$0.33 per share, for gross proceeds of \$643,500. Each Unit is comprised of 1 common share of the Company and one-half common share purchase warrant which result in the Issuance of 975,000 warrants.. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.50 per warrant share for a period of twelve months. As a result of the closing, Globex has 40,793,755 common shares issued and outstanding.

In connection with the private placement, Globex paid finder's fees to certain registered dealers in the aggregate of \$125,050.

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. It is also subject to risks related to other factors, such as metal prices and financial market conditions. Further details with respect to the following risks are outlined in the Company's December 31, 2013 Annual Information form:

- Financing Risk
- Financial Market Risk
- Volatility of Stock Price and Limited Liquidity
- Permits and licences
- Government Regulations
- Environmental Risks
- Title Matters
- Metal Prices
- Key Personnel

Related party information

	December 31, 2013	December 31, 2013
Jack Stoch Geoconsultant Services Limited	\$ (8,621)	\$ (6,700)
Eco Refractory Solutions Inc.	1,3578	748
WorldWide Magnesium Corporation.	1,288	453
Duparquet Assets Limited	283,300	282,700
	\$ 277,324	\$ 277,201

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 \$24,000 (2013 – \$126,000) for the three month period ended March 31, 2014 represents Globex's estimate of the specific costs related to performing these services plus a mark-up in accordance with the Management Services Agreement. In 2013, CIM was in the early stages of development whereas currently the activities are at a very low level.

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:

	Three months ended March 31, 2014	March 31, 2012
Salary cost		
Salaries and other benefits	\$ 74,345	\$ 110,431

In 2013, the President and CEO (Jack Stoch) as well as Executive Vice-President (Dianne Stoch) reduced their combined salaries and benefits which has resulted in the reduction of \$36,086.

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 March 31, 2014. Based on that

evaluation, they have concluded that the Company's disclosure controls and procedures were as of and for the period ending March 31, 2014 appropriately designed and operating effectively.

Internal control over financial reporting (ICFR)

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

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

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

During the period ended March 31, 2014, and as at quarter-end, the CEO and CFO have participated in the evaluation of the design of internal controls over financial reporting based on criteria established in Internal Control over Financial Reporting - Guidance for Smaller Public Companies issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). They have concluded that the internal controls over financial reporting are appropriately designed and operating effectively to ensure that the preparation of financial statements for external reporting purposes are in accordance with the Company's application of IFRS standards. There have been no material changes in the Company's ICFR or are reasonably likely to materially affect, the internal controls over financial reporting.

Outlook

Despite the publication of a positive Preliminary Economic Assessment and receipt of our mining lease on our Timmins Talc-Magnesite project, raising funds to complete a Preliminary Feasibility Study and to undertake the first phase of construction for the project is proving challenging. We have received significant interest, but have yet to raise the necessary funds.

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. Numerous contacts have been made, but we have so far been unable to conclude a deal, in part because potential partners do not have the needed funds.

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. Our belief is supported by the financing that closed on May 5, 2014, which was oversubscribed.

We have concentrated to some degree on acquiring valuable assets that have been and continue to become available due to current difficult market conditions.

Lastly, we are actively exploring a goodly number of our assets and will be undertaking significant drill programs over the summer months.

Additional information

This analysis should be read in conjunction with the audited annual consolidated 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 May, 12, 2014.

GLOBEX MINING ENTERPRISES INC.
Interim Condensed Consolidated Statements of Loss
and Comprehensive Loss
(Unaudited - In Canadian dollars)

	Notes	Three months ended March 31,	
		2014	2013
Continuing operations			
Revenues	17	\$ 302,711	\$ 140,522
Expenses			
Salaries		120,852	183,494
Administration	18	83,819	124,071
Professional fees and outside services	18	75,343	128,404
Depreciation and amortization		14,279	16,473
Share-based compensation and payments		3,644	37,300
Impairment of mineral properties and deferred exploration expenses	12, 13	83,408	46,667
Gain on foreign exchange		(4,387)	(5,657)
		376,958	530,752
Loss from operations		(74,247)	(390,230)
Other income (expenses)			
Interest income		1,607	3,784
Decrease in fair value of financial assets		(55,711)	(140,499)
Management services		24,000	126,000
Other		5,829	3,572
		(24,275)	(7,143)
Loss before taxes		(98,522)	(397,373)
Income and mining taxes (Recovery)	16	172,296	(86,845)
Loss and comprehensive loss for the period		\$ (270,818)	\$ (310,528)
Income (loss) per common share			
Basic and diluted	19	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding		33,536,612	27,896,018
Shares outstanding at end of period		33,536,612	27,896,018

The accompanying notes are an integral part of these financial statements

GLOBEX MINING ENTERPRISES INC.
Interim Condensed Consolidated Statements of Cash Flows

(Unaudited - In Canadian dollars)

		Three months ended	
	Notes	2014	March 31, 2013
Operating activities			
Loss and comprehensive loss for the period		\$ (270,818)	\$ (310,528)
Adjustments for:			
Disposal of mineral properties for shares		(9,750)	(11,000)
Decrease in fair value of financial assets		55,711	140,499
Depreciation and amortization	11	14,279	16,473
Foreign exchange rate variation on reclamation bond		(4,668)	(2,360)
Impairment of mineral properties and deferred exploration expenses	12, 13	83,408	46,667
Current tax expense (recovery)		90,815	(35,437)
Deferred income and mining taxes (recovery)		81,481	(51,408)
Income and mining taxes recovery (paid)		-	(6,296)
Share-based compensation and payments		3,644	37,300
		314,920	134,438
Changes in non-cash operating working capital items	22	(90,215)	165,726
		(46,113)	(10,364)
Investing activities			
Acquisition of properties, plant and equipment	11	-	(3,296)
Related party payable	21	123	-
Other		1,500	-
Deferred exploration expenses	13	(569,572)	(1,078,474)
Mineral properties acquisitions	12	(2,856)	(19,326)
Proceeds on mineral properties optioned		39,750	-
		(531,055)	(1,101,096)
Net decrease in cash and cash equivalents		(577,168)	(1,111,460)
Cash and cash equivalents, beginning of period		2,255,112	4,896,981
Cash and cash equivalents, end of period		\$ 1,677,944	\$ 3,785,521
Cash and cash equivalents		\$ 144,637	\$ 460,937
Cash reserved for exploration		1,533,307	3,324,584
		\$ 1,677,944	\$ 3,785,521
Supplementary cash flows information (note 22)			

The accompanying notes are an integral part of these financial statements

GLOBEX MINING ENTERPRISES INC.**Interim Condensed Consolidated Statements of Financial Position**
(Unaudited - In Canadian dollars)

	Notes	March 31, 2014	December 31, 2013
Assets			
Current assets			
Cash and cash equivalents	5	\$ 144,637	\$ 164,380
Cash reserved for exploration	6	1,533,307	2,090,732
Investments	7	652,330	942,801
Accounts receivable	8	255,401	116,142
Prepaid expenses and deposits		146,838	95,922
		2,732,513	3,409,977
Reclamation bonds	9	131,707	127,039
Investment in joint venture	10	142,819	142,819
Properties, plant and equipment	11	493,714	507,993
Mineral properties	12	2,997,734	2,994,878
Deferred exploration expenses	13	17,829,041	17,382,627
		\$ 24,327,528	\$ 24,565,333
Liabilities			
Current liabilities			
Payables and accruals	14	\$ 501,575	\$ 401,615
Dividend payable	4	-	243,010
Current income tax		90,815	-
		592,390	644,625
Related party payable	21	277,324	277,201
Other liabilities	15	153,333	209,075
Deferred tax liabilities	16	4,103,273	3,966,050
Owners' equity			
Share capital	20	50,677,905	50,677,905
Deficit		(35,350,439)	(35,079,621)
Contributed surplus - Equity settled reserve		3,873,742	3,870,098
		19,201,208	19,468,382
		\$ 24,327,528	\$ 24,565,333

The accompanying notes are an integral part of these financial statements

Approved by the board

"Jack Stoch"

Jack Stoch, Director

"Dianne Stoch"

Dianne Stoch, Director

GLOBEX MINING ENTERPRISES INC.**Interim Condensed Consolidated Statements of Equity**

(Unaudited - In Canadian dollars)

	Notes	Three months ended March 31, 2014	2013	Year ended December 31, 2013
Common shares				
Beginning of period		\$ 50,677,905	\$ 48,278,353	\$ 48,278,353
Fair value of shares issued under private placements		-	-	2,538,270
Share issuance costs, net of taxes (December 31, 2013 - \$51,046)		-	-	(138,718)
End of period		\$ 50,677,905	\$ 48,278,353	\$ 50,677,905
Contributed surplus - Equity settled reserve				
Beginning of period		\$ 3,870,098	\$ 3,614,903	\$ 3,614,903
Share-based compensation		3,644	11,410	229,305
Share-based payments		-	25,890	25,890
End of period		\$ 3,873,742	\$ 3,652,203	\$ 3,870,098
Deficit				
Beginning of period		\$ (35,079,621)	\$ (34,234,815)	\$ (34,234,815)
Loss attributable to shareholders		(270,818)	(310,528)	(844,806)
End of period		\$ (35,350,439)	\$ (34,545,343)	\$ (35,079,621)
Total Equity		\$ 19,201,208	\$ 17,385,213	\$ 19,468,382

The accompanying notes are an integral part of these financial statements

Notes to the Interim Condensed Consolidated Financial Statements

Periods ending March 31, 2014 and 2013

(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 120 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

Basis of Presentation

These interim condensed consolidated financial statements were prepared on a going concern basis, under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through the Interim Condensed Consolidated Statement of Loss and Comprehensive Loss. All financial information is presented in Canadian dollars.

2. Basis of presentation and going concern (continued)

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

These interim condensed consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of revenues and expenses and the classification of statement of financial position items if the going concern assumption was deemed inappropriate, and these adjustments could be material. Management did not take these adjustments into account as it believes in the validity of the going concern assumption.

Statement of compliance

These interim condensed consolidated financial statements have been prepared by Management in accordance with *IAS 34 Interim Financial Reporting*. The disclosure contained in these interim condensed consolidated financial statements does not include all the requirements in *IAS 1, Presentation of Financial Statements*. Accordingly, the interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2013.

The preparation of interim condensed consolidated financial statements in accordance with *IAS 34* requires the use of certain critical judgments and accounting estimates. It also requires management to exercise judgment when applying the Company's accounting policies.

The Company's Board of Directors approved these interim condensed consolidated financial statements for the periods ended March 31, 2014 and March 31, 2013 on May 12, 2014.

3. Summary of significant accounting policies

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

These interim condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements (Note 4) of the Company for the year ended December 31, 2013 with the exception that the Company has adopted the following standards which are effective for annual periods on or after January 1, 2014:

3. Summary of significant accounting policies (continued)

Amendments to IAS 36, Impairment of Assets:

In May 2013, the IASB adopted amendments that more accurately reflect the IASB's previous decision to require:

- the disclosure of the recoverable amount of impaired assets; and
- additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount.

The amendments are effective for annual periods on or after January 1, 2014. This amendment did not have an impact on the Company's interim condensed consolidated financial statements.

IFRIC 21 - Levies:

This new interpretation was issued by the IASB in May 2013. IFRIC 21 provides guidance on the accounting for levies within the scope of *IAS 37 - Provisions, Contingent Liabilities and Contingent Assets*.

The main features of IFRIC 21 are as follows:

- defines a levy as an outflow of resources or economic benefits that is imposed by governments in accordance with laws and/or regulations, other than (a) those within the scope of *IAS 12 Income Taxes* and (b) fines or other penalties that are imposed for breaches of the legislation.
- the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation; and
- the liability to pay a levy is recognized progressively if the obligating event occurs over a period of time.

This interpretation is effective for annual periods on or after January 1, 2014. This interpretation did not have an impact on the Company's interim condensed consolidated financial statements.

(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 interim condensed 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. In February 2014, the IASB tentatively decided to require an entity to apply IFRS 9 for annual periods beginning on or after January 1, 2018. Management is evaluating the potential impact of this standard.

4. Plan of Arrangement and dividend payable

	March 31, 2014	December 31, 2013
Dividend Payable		
Investments	\$ -	\$ 243,010
	\$ -	\$ 243,010

In accordance with the Plan of Arrangement, during the first quarter of 2013, Globex designated 4,860,200 Mag Copper Ltd. shares to be transferred to CIM which had an aggregate fair market value of \$72,903. During 2013, the fair value increased by \$170,107 which has been reflected in the \$243,010 dividend payable at December 31, 2013.

The transfer of the legal ownership was completed on January 27, 2014.

5. Cash and cash equivalents

	March 31, 2014	December 31, 2013
Bank balances	\$ 144,637	\$ 164,380

6. Cash reserved for exploration

	March 31, 2014	December 31, 2013
Bank balances	\$ 133,307	\$ 90,732
Short-term deposits	1,400,000	2,000,000
	\$ 1,533,307	\$ 2,090,732

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.

7. Investments

	March 31, 2014	December 31, 2013
Equity investments ^(i,ii)	\$ 652,330	\$ 942,801

(i) At March 31, 2014, includes 8.6 million Mag Copper Ltd. shares valued at \$259,194; 3.7 million Laurion Mineral Exploration Inc. shares valued at \$111,000; and other equity investments received under option agreements which total \$282,136.

(ii) At December 31, 2013, includes 13.5 million Mag Copper Ltd. 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 Ltd. shares held by Globex represented 17.9% of the outstanding shares of Mag Copper Ltd at December 31, 2013.

8. Accounts receivable

	March 31, 2014	December 31, 2013
Trade receivables	\$ 175,964	\$ 22,758
Taxes receivable	79,437	93,384
	\$ 255,401	\$ 116,142

Trade receivables of \$175,964 consist primarily of amounts recoverable under joint venture arrangements and royalties. These items are all current and the Company anticipates full recovery of these amounts.

The taxes receivable of \$79,437 represent harmonized and Quebec sales tax ("GST", "HST", "QST") receivable from Canadian taxation authorities.

9. Reclamation bonds

	March 31, 2014	December 31, 2013
Nova Scotia bond - Department of Natural Resources	\$ 57,974	\$ 57,974
Option reimbursement	(50,000)	(50,000)
Net Nova Scotia bond	7,974	7,974
Washington State bond - Department of Natural Resources	123,733	119,065
	\$ 131,707	\$ 127,039

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.

10. Investment in joint venture

Balance, December 31, 2013	\$ 142,819
Add:	
Globex's 50% share of DAL's net income for the three month period ended March 31, 2014	-
Balance, March 31, 2014	\$ 142,819

The Company holds a 50% interest in the ownership of Duparquet Assets Limited "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.

11. Properties, plant and equipment

		Land and buildings	Mining equipment	Office equipment	Vehicles	Computer Systems	Total
Cost							
2013							
January 1,	\$	497,627	\$ 81,310	\$ 146,274	\$ 56,177	\$ 220,802	\$ 1,002,190
Additions		-	-	-	-	10,001	10,001
December 31,	\$	497,627	\$ 81,310	\$ 146,274	\$ 56,177	\$ 230,803	\$ 1,012,191
2014							
Additions		-	-	-	-	-	-
March 31,	\$	497,627	\$ 81,310	\$ 146,274	\$ 56,177	\$ 230,803	\$ 1,012,191
Accumulated depreciation							
2013							
January 1,	\$	(60,500)	\$ (44,408)	\$ (106,386)	\$ (28,635)	\$ (197,208)	\$ (437,137)
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)
2014							
Additions		(3,460)	(2,861)	(3,662)	(2,037)	(2,260)	(14,280)
March 31,		(77,798)	(58,707)	(124,698)	(38,820)	(218,454)	(518,477)
Carrying value							
2013							
January 1,	\$	437,127	\$ 36,902	\$ 39,888	\$ 27,542	\$ 23,594	\$ 565,053
December 31,	\$	423,289	\$ 25,464	\$ 25,238	\$ 19,394	\$ 14,609	\$ 507,993
2014							
March 31,	\$	419,829	\$ 22,603	\$ 21,576	\$ 17,357	\$ 12,349	\$ 493,714

12. Mineral properties

	Nova Scotia	Ontario	Quebec	Other	Total
Balance, beginning of period	\$ 18,857	\$ 47,771	\$ 2,979,303	\$ -	\$ 3,045,931
Additions	-	-	41,581	-	41,581
Impairment provisions	-	-	(69,779)	-	(69,779)
Spin-out of properties	-	-	-	-	-
Recoveries	-	-	(22,855)	-	(22,855)
December 31, 2013	\$ 18,857	\$ 47,771	\$ 2,928,250	\$ -	\$ 2,994,878
Additions	-	-	2,856	-	2,856
Impairment provisions	-	-	-	-	-
Recoveries	-	-	-	-	-
March 31, 2014	\$ 18,857	\$ 47,771	\$ 2,931,106	\$ -	\$ 2,997,734

13. Deferred exploration expenses

	New Brunswick	Nova Scotia	Ontario	Quebec	Other	Total
Balance, beginning of period	\$ 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
Additions	-	360	34,060	534,181	971	569,572
Impairment provisions	-	-	-	(82,437)	(971)	(83,408)
Recoveries	-	-	-	(39,750)	-	(39,750)
March 31, 2014	\$ 139,095	\$ 126,966	\$ 6,616,372	\$ 10,946,608	\$ -	\$ 17,829,041

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

13. Deferred Exploration Expenses (continued)

	March 31, 2014	December 31, 2013
Balance - beginning of period	\$ 17,382,627	\$ 13,664,519
Current exploration expenses		
Consulting	43,895	258,535
Core shack, storage and equipment rental	7,020	91,667
Drilling	179,711	1,855,208
Environment	1,200	172,242
Geology	48,338	445,909
Geophysics	51,053	(52,691)
Laboratory analysis and sampling	5,963	476,699
Labour	203,880	818,944
Line cutting	-	127,933
Mapping	-	41,337
Mining property tax and permits	8,551	82,587
Prospecting and surveying	-	72,693
Reports, maps and supplies	3,753	49,897
Transport and road access	16,208	367,296
Total current exploration expenses	569,572	4,808,256
Impairment provisions	(83,408)	(1,013,190)
Option revenue offset	(39,750)	(76,958)
	(123,158)	(1,090,148)
Current net deferred exploration expenses	446,414	3,718,108
Balance - end of period	\$ 17,829,041	\$ 17,382,627

14. Payables and accruals

	March 31, 2014	December 31, 2013
Trade payable and accrued liabilities	\$ 394,578	\$ 332,317
Sundry liabilities	106,997	69,298
	\$ 501,575	\$ 401,615

15. Other liabilities

	March 31, 2014	December 31, 2013
Balance, beginning of period	\$ 209,075	\$ 836,144
Additions during the period	-	230,546
Reduction related to the incurrence of qualified exploration expenditures	(55,742)	(857,615)
Balance, end of period	\$ 153,333	\$ 209,075

16. Income taxes

Income and mining tax expense (recovery)

	Three months ended	
	March 31, 2014	March 31, 2013
Current tax expense (recovery)		
Tax expenses (recovery) for the period	\$ 90,815	\$ (35,437)
Deferred tax provision for income tax and mining duties	137,223	146,037
Recovery of income and mining taxes as a result of the sale of tax benefits (flow-through shares)	(55,742)	(197,445)
	81,481	(51,408)
	\$ 172,296	\$ (86,845)

Deferred tax balances

	December 31, 2013	Recognized in income or loss	Recognized in equity	Other	March 31, 2014
Temporary differences					
Deferred tax assets					
Non-capital losses carry forward	\$ 1,056,595	\$ 25,083	\$ -	\$ -	\$ 1,081,678
Share issue expenses	123,637	(11,073)	-	-	112,564
Properties, plant & equipment	53,778	(14,010)	-	-	39,768
Financial assets at FVTPL	339,275	7,493	-	-	346,768
	1,573,285	7,493	-	-	1,580,778
Less valuation allowance	(339,275)	(7,493)	-	-	(346,768)
	1,234,010	-	-	-	1,234,010
Deferred tax liabilities					
Mining properties and deferred exploration expenses	(5,200,060)	(137,223)	-	-	(5,337,283)
Deferred tax liabilities	\$ (3,966,050)	\$ (137,223)	\$ -	\$ -	\$ (4,103,273)

17. Revenues

	Three months ended	
	March 31, 2014	March 31, 2013
Net option income	\$ -	\$ 71,000
Metal royalty income	302,711	69,522
	\$ 302,711	\$ 140,522

18. Expenses by nature

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

	Three months ended	
	March 31, 2014	March 31, 2013
Administration		
Office expenses	\$ 45,552	\$ 53,038
Conventions and meetings	19,449	36,775
Advertising and shareholder information	6,976	25,376
Other administration expenses	11,842	8,882
	\$ 83,819	\$ 124,071
Professional fees and outside services		
Investor relations	\$ 17,445	\$ 48,304
Legal fees	10,853	9,931
Audit and accounting fees	19,350	26,750
Other professional fees	27,695	43,419
	\$ 75,343	\$ 128,404

19. 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 period. 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 period, 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 period and the proceeds from the exercise of options and the amount of compensation expense measured, but not yet recognized in income are assumed to be used to purchase common shares of the Company at the average market price during the period.

19. 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:

	Three months ended	
	March 31, 2014	March 31, 2013
Numerator		
Loss for the period	\$ (270,818)	\$ (310,528)
Denominator		
Weighted average number of common shares - basic	33,536,612	27,896,018
Effect of dilutive shares		
Stock options ("in the money") ⁽ⁱ⁾	-	-
Weighted average number of common shares - diluted	33,536,612	27,896,018
Loss per share		
Basic	\$ (0.01)	\$ (0.01)
Diluted	\$ (0.01)	\$ (0.01)

(i) At March 31, 2014 and 2013, stock options have not been included in the diluted loss per share as they are anti-dilutive.

20. Share capital

Common shares

Authorized - Unlimited common shares with no par value

Changes in capital stock

	March 31, 2014		December 31, 2013	
	Number of shares	Capital Stock	Number of shares	Capital Stock
Fully paid common shares				
Balance, beginning of period	33,536,612	\$ 50,677,905	27,896,018	\$ 48,278,353
Stock options exercised	-	-	-	-
Private placements ⁽ⁱ⁾	-	-	5,640,594	2,538,270
Share issuance costs ⁽ⁱⁱ⁾	-	-	-	(138,718)
Balance, end of period	33,536,612	\$ 50,677,905	33,536,612	\$ 50,677,905

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.

Share Issuance costs

(ii) Net of taxes of \$51,047.

20. Share capital (continued)

At March 31, 2014, 36,100 (December 31, 2013 - 36,100) common share are held in escrow. These shares were issued as consideration for a property, which has since been abandoned, thus the shares will remain in escrow.

Shareholders' Rights Plan

On May 5, 2014, the shareholders approved a Shareholders' Rights Plan (the "2014 Plan"). The 2014 Plan replaces the plan adopted in 2011, which expired on May 2, 2014. The new plan will be in effect for three years.

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

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

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

Stock options

Under the Company's stock option plan (the "Plan"), the Board of Directors may, from time to time, grant stock options to directors, officers, employees of and service providers to, the Company and its subsidiaries. Stock options granted under the Plan may have a term of up to ten years, as determined by the Board of Directors at the time of granting the stock options.

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

20. Share capital (continued)

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

	March 31, 2014		December 31, 2013	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance - beginning of period	1,300,000	\$ 0.59	1,927,900	\$ 1.22
Cancelled	-	-	(1,392,900)	1.44
Expired	-	-	(35,000)	1.07
Granted - Directors and employees	-	-	750,000	0.81
Granted - Service providers	-	-	50,000	1.09
Balance - end of period	1,300,000	\$ 0.59	1,300,000	\$ 0.59
Options exercisable	1,210,000	\$ 0.61	1,210,000	\$ 0.61

The following table summarizes information regarding the stock options outstanding and exercisable as at March 31, 2014:

Range of prices	Number of options outstanding	Number of options outstanding and exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$ 0.40 - 0.59	850,000	760,000	4.00	\$ 0.55
0.63 - 0.92	400,000	400,000	1.61	0.63
1.09 - 1.50	50,000	50,000	8.84	1.40
	1,300,000	1,210,000	3.45	\$ 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).

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

	Three months ended	
	March 31, 2014	March 31, 2013
Expected dividend yield	N/A	Nil
Expected stock price volatility	N/A	66.6%
Risk free interest rate	N/A	1.62%
Expected life	N/A	10 years
Weighted average fair value of granted options	N/A	\$0.52

20. Share capital (continued)

During the period ended March 31, 2014, the total expense related to stock-based compensation costs and payments amounting to \$3,644 has been recorded and presented separately in the Interim Condensed Consolidated statements of loss and Comprehensive loss (March 31, 2013 - \$37,300).

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.

21. Related party information

Related party payable	March 31 2014	December 31, 2013
Jack Stoch Geoconsultant Services Limited ("GJSL")	\$ (8,621)	\$ (6,700)
Eco Refractory Solutions Inc.	1,357	748
WorldWide Magnesium Corporation	1,288	453
Duparquet Assets Limited	283,300	283,000
	\$ 277,324	\$ 277,501

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.

21. Related party information (continued)

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.

The Management Service fees of \$24,000 during the three month period ended March 31, 2014 (March 31, 2013 - \$126,000) represent Globex's estimate of the specific costs related to performing these services plus a mark-up in accordance with the Management Services Agreement.

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:

	Three months ended	
	March 31, 2014	March 31, 2013
Salary cost		
Salaries and other benefits	\$ 74,345	\$ 110,431

22. Supplementary cash flows information

Changes in non-cash working capital items

	Three months ended	
	March 31, 2014	March 31, 2013
Accounts receivable	\$ (139,259)	\$ 684,743
Prepaid expenses and deposits	(50,916)	(68,853)
Payables and accruals	99,960	(450,164)
	\$ (90,215)	\$ 165,726

Non-cash financing and investing activities

	Three months ended	
	March 31, 2014	March 31, 2013
Disposal of mineral properties for investments	\$ 9,750	\$ -
Transfer of investments to CIM ⁽ⁱ⁾	243,010	72,903
	\$ 252,760	\$ 72,903

(i) The transfer of the legal ownership of 4,860,200 Mag Copper Ltd shares was completed on January 27, 2014.

23. 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 2013.

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.

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

23. Financial instruments (continued)

Financial risk management objectives

(a) Credit risk

The Company had cash and cash equivalents as well as cash reserved for exploration which totalled \$1,677,944 as at March 31, 2014, (December 31, 2013 - \$2,255,112). 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:

	March 31, 2014	December 31, 2013
Cash and cash equivalents	\$ 144,637	\$ 164,380
Cash reserved for exploration	1,533,307	2,090,732
Investments	652,330	942,801
Accounts receivable ⁽ⁱ⁾	255,401	116,142
	\$ 2,585,675	\$ 3,314,055

(i) Accounts receivable of \$255,401 (December 31, 2013 - \$116,142) consist of trade receivables of \$175,964 (December 31, 2013 - \$22,758) and taxes recoverable of \$79,437 (December 31, 2013 - \$93,384). 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.

(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 \$652,330 (December 31, 2013 - \$942,801). Based on the balance outstanding at March 31, 2014, a 10% increase or decrease would impact income and loss by \$65,233 (December 31, 2013 - \$94,280).

23. Financial instruments (continued)

(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).

March 31, 2014		Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets					
Equity investments	\$	393,136	\$ 259,194	\$ -	\$ 652,330
Reclamation bonds		-	131,707	-	131,707
Total financial assets	\$	393,136	\$ 390,901	\$ -	\$ 784,037

There were no transfer between level 1 and level 2 during the period.

The level 2 equity investments have been measured using the quoted price of the shares on the market which has been determined to be non-active.

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

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 transfer between level 1 and level 2 during the year.

24. Commitments and contingencies

At the period end, the Company had no outstanding commitments other than in the normal course of business other than its commitment to incur qualified exploration expenditures to meet its flow-through obligations as described in note 6. At this time, Management anticipates meeting that obligation and as a result, no additional disclosures are required.

25. Subsequent events

On May 5, 2014, the Company completed the closing of a private placement by issuing an aggregate of 5,307,143 "flow-through" shares at a price of \$0.35 per share, for gross proceeds of \$1,857,500 and by issuing 1,950,000 Units at a price of \$0.33 per share, for gross proceeds of \$643,500. Each Unit is comprised of 1 common share of the Company and one-half common share purchase warrant which result in the Issuance of 975,000 warrants. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.50 per warrant share for a period of twelve months. As a result of the closing, Globex has 40,793,755 common shares issued and outstanding.

In connection with the private placement, Globex paid finder's fees to certain registered dealers in the aggregate of \$125,050.