



INTERIM REPORT

SIX MONTHS ENDED JUNE 30, 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 June 30, 2014 and 2013. The statements have not been audited or reviewed by the Company's auditors or any other firm of chartered professional accountants.

Table of Contents

Interim Management Discussion and Analysis.....	1
Interim Condensed Consolidated Financial Statements.....	22
Notes to the Interim Condensed Consolidated Financial Statements	26

Management’s Discussion and Analysis

For the three month period and six month period ended June 30, 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 July 23, 2014 and should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three month and six month periods ended June 30, 2014, and the audited annual consolidated financial statements and the related notes, for the two years ended December 31, 2013 and December 31, 2012.

Table of contents

Overview.....	1
Corporate focus.....	2
Highlights for the period.....	3
Forward-looking statements.....	3
Qualified person.....	4
Exploration activities and mining properties.....	4
Timmins Talc-Magnesite Project.....	5
Quebec projects.....	7
Optioned properties.....	9
Summary of quarterly results.....	10
Results of operations for the three month and six month periods ended June 30, 2014.....	11
Financial position.....	14
Financial instruments.....	15
Outstanding share data.....	18
Risks and uncertainties.....	18
Related party information.....	19
Disclosure controls and procedures internal controls over financial reporting.....	20
Outlook.....	20
Additional information.....	21
Authorization.....	21

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, development and royalty 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 and magnesite). 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 transfer of the 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 for option, joint venture or sale, with the ultimate aim of creating value for the Company and its shareholders by bringing or facilitating projects to commercial production.

Optioning exploration properties allows Globex to manage its extensive mineral property portfolio. This strategy enables the Company to conserve cash and generate current income. Optioning also ensures properties are being explored and their titles maintained through meeting regulatory work commitments, 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 or participating interest in the property. Outright property sales may include cash and/or share payments and a form of royalty interest payable when projects achieve commercial production or another negotiated milestone.

Strategy

During the last two years, 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 own share price, the reduced value of our equity investments and the challenges that we face in generating new property option arrangements.

To successfully operate within this reordered business environment, Globex has sharpened its liquidity focus and made some difficult administrative choices while at the same time continuing its exploration activities.

We continue to pursue opportunities to provide liquidity to the Company needed to meet its operational and exploration needs.

Overall, the Company's strategy is focused on:

- Advancing the Timmins Talc-Magnesite project to the pre-feasibility stage while considering all options for

optimizing the extraction and processing of the resource and obtaining the highest over-all value product lines which can be achieved;

- Pursuing ongoing business activities such as:
 - Sales and optioning of properties; Despite market conditions Globex continues to control desirable assets which we continue to believe will attract partners;
 - Additional targeted exploration programs to improve our knowledge of properties in the portfolio with a view to creating more attractive assets; and
 - Identification of acquisition opportunities for properties we believe suffer from funding shortages and as such may become available.

Highlights for the period

- As announced in a press release on May 6, 2014, on May 5, 2014, the Company completed a private placement and issued 5,307,143 "flow-through" shares at \$0.35 per share, for gross proceeds of \$1,857,500 (Quebec subscribers - \$1,607,650; Ontario subscribers - \$249,850). In addition, 1,950,000 Units were issued 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.
- Globex reported a net loss and comprehensive loss of \$542,520 for the three month period ended June 30, 2014 as compared to income of \$358,299 in the corresponding in 2013. The loss in 2014 was mainly a result of an increase in share-based compensation, a decrease in the fair value of financial assets and an increase in the income and mining taxes. For the six month period ended June 30, 2014, the Company reported a net loss and comprehensive loss of \$813,338 as compared to income of \$47,771 in the corresponding period in 2013. The change in the net results is mainly caused by an increase in other expenses of \$394,370 in 2014 (including a decrease in the fair value of financial assets and management services) and an increase in income and mining taxes of \$563,096.
- Revenues were \$383,668 (2013 - \$462,500) for the three month period ended June 30, 2014 which includes net option income of \$122,021 (2013 - \$462,500) and royalty income of \$261,647 (2013 - \$Nil). Revenues were \$686,379 (2013 - \$603,022) for the six months ended June 30, 2014 which includes net option income of \$122,021 (2013 - \$533,500) and royalty income of \$564,358 (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 six months of 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.

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.

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, selected diamond drill core samples are 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’ concentrations are determined in an industry acceptable manner, for geochemical trace signatures and subsequently for high grade content as required.

When discussing historical resource calculations (non - NI 43-101 compliant) available in the public domain regarding our properties, we will include source, author and date, and if appropriate, cautionary language stating :

- A qualified person has not done sufficient work to verify the historical estimate as mineral resources or reserves as defined by the CIM Definition Standards for Mineral Resources and Mineral 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.

Exploration expenditures for the six month period ended June 30, 2014 totalled \$1,085,262 (2013 - \$1,972,891) which reflects eligible flow-through expenditures of \$1,064,971 and non-flow through expenditures of \$20,291. During 2014, exploration expenditures were incurred on the major projects as outlined below:

Region/Property/Township	Exploration Six Months June 30, 2014 ¹	Exploration Six Months June 30, 2013
Ontario		
• Timmins Talc-Magnesite, Deloro	\$ 85,829	\$ 1,351,936
• Other projects	3,564	-
	89,393	1,351,936
Quebec		
• Duquesne West (Duparquet, Destor)	6,341	-
• Eau Jaune Lake (Rale)	172,850	41,947
• Eagle Mine (Joutel)	194,782	94
• Guyenne (Guyenne)	4,977	8,531
• Lyndhurst (Destor)	11,594	18,537
• Moly Preissac (Preissac)	4,115	-
• Nordeau East-West (Vauquelin)	35,647	1,074
• Normetmar (Desmeloizes, Perron)	15,313	-
• Poirier (Joutel, Poirier)	15,112	119
• Smith Zulapa (Tiblemont)	26,908	128,038

Region/Property/Township	Exploration Six Months June 30, 2014 ¹	Exploration Six Months June 30, 2013
• Tavernier-Tiblemont (Tavernier)	67,859	88,634
• Turner Falls Rare Earth Property (REE) (Villedieu)	52,901	101,821
• Wood-Pandora Project (Cadillac)	158,149	103,863
• Other projects	77,866	24,918
• General exploration	148,868	103,154
	993,282	620,730
Other regions		
• Nova Scotia	366	225
• Other including Bell Mountain (USA).	2,221	-
Total exploration expenditures	\$ 1,085,262	\$ 1,972,891
Q1	\$ 569,572	\$ 1,078,474
Q2	515,690	894,417
Total exploration expenditures	\$ 1,085,262	\$ 1,972,891

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 June 30, 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 mine. This is an important milestone towards the achievement of production. A mining lease is a registered property title which facilitates financing and permitting related to mining and production operations.

Globex has completed; (a) ground-based geophysical surveys (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) and on the Company's website (<http://www.globexmining.com/TechReports.htm>). These reports outline the project's current resource estimate and provide a preliminary economic assessment (PEA).

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 of the A Zone ore-body 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 proposed open pit.

A study to test the variability of the talc characteristics of the A Zone mineralization was initiated in 2013. The Centre de Technologie Minerale et de Plasturgie (CTMP) located in Thetford Mines, Qc. completed talc flotation and micronizing work on thirty five samples from diamond drill holes completed in 2013 at the A Zone. Plastic compounding of this material is currently underway. Test results received in June from Exova located in Point-Claire, QC, indicated that these 35 samples were fibre free, based on transmission electron microscopy (TEM) and by polarised light microscopy (PLM). This ongoing test program will provide initial positive assessment of TTM talc's physical properties compared to existing commercial talc products.

During the first three months 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.

With the closing of the Company's private placement of \$249,850 on May 5th, 2014, work in the 2nd quarter has focussed on additional drill core QEMSCAN analysis, talc concentrate fibre analysis and completion of a talc variability study. In addition, further composites were prepared plastic for testing, including an accelerated aging test which requires 90 days to complete. This overall program will be completed by year end.

Expenditures incurred in the 2nd quarter were \$53,793.

Also in 2014, testing of a new application for the use of magnesia was started. The objective of the testing was to assess the TTM magnesite's suitability for other magnesia product streams. This information can be used in trade-off studies related to future ore processing options. The Company continues to review these applications.

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 via a press release a National Instrument ("NI") 43-101 compliant Technical Report for the 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 upon receipt of all analytical data.

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 reported cash operating margin averages 61% over the initial 20-year period.

Quebec projects

During the second quarter of 2014, expenditures of \$459,101 (2013 - \$397,217) were incurred on 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 Eau Jaune Lake, Champdoré, Courville and Lac Ontario properties.

Following is brief description of work undertaken in the quarter by Globex for projects on which the significant expenditures were incurred.

- **Duquesne West** (Destor/Duparquet) - a review of previous option holder Xmet Inc. exploration work from the last three years has been initiated. Relocation of the core rejects and pulps stored at Technominex to Globex storage facilities is underway.
- **Eau Jaune Lake** (Rale) - a report of the 2014 drilling report was completed. 14 line kilometers magnetometer and Induced Polarization surveys performed in February 2014 revealed several anomalous trends. These trends along with a possible extension of the Monster Lake Gold corridor acquired by staking will be investigated in the field by Globex geologists later this summer.
- **Eagle Mine** (Joutel) - a 2-hole 1,450 metre ('m') drill program, started in March and completed in April, targeted a mineralized zone 100 m northwest from Eagle Mine deposit. The first hole intersected a 4.11 grams per tonne ('gpt') gold ('Au') over 7.2 m sulfide-rich zone similar to mineralization mined at the Eagle Mine. The second hole also intersected the same mineralized zone but returned lower grades than the first hole (1.00 gpt Au over 7.0 m). The 2014 drilling report was completed. No additional work is planned for 2014.
- **Guyenne** (Guyenne/Berry) - a review of previous option holder Viking Gold Exploration Inc. work from the last two years has been initiated with a view to re-evaluating the gold and base metal potential.
- **Lyndhurst** (Destor/Pouliaries) – work to re-evaluate deep stratigraphic drilling at the Moses VMS zone and the under-explored eastern sector of the property continues. Additionally, work on the Lyndhurst property included rehabilitation at the old mine site.
- **Nordeau East and West** (Vaquelin/Pershing) - after reviewing previous option holder Plato Gold Corp. drilling results at the Nordeau project undertaken from 2006 to 2011, over 1,500 m of untested core was sampled to close mineralized zones and to fill gaps between isolated gold intersections. Results are pending.
- **Normetmar** (Demeloizes/Perron) - Globex generated new drill sections and a longitudinal section by compiling and transferring historic data into the Company's data system in order to generate drill targets.
- **Preissac Moly** (Preissac) - a sampling program of the tailings at Preissac was completed in order to verify the potential content of bismuth and molybdenum. Results indicated low content of both elements.
- **Poirier** (Poirier/Joutel) - a two hole, 1,280 m drill program to test the Q zone at depth and a satellite orebody south of the Q zone was prepared. Drilling is expected to start in early August 2014.

- **Smith-Zulapa** (Tiblemont) - a four hole 600 m drill program to test the lateral extension of the Smith –Zulapa mineralization has been approved. It has not yet been decided (pending further evaluation of site conditions) if this program will be drilled during the summer of 2014 or the winter 2015.
- **Tavernier-Tiblemont** (Tiblemont) - a 750 m drill program was prepared during the period and is expected to start in late July 2014, expanding previously identified gold zones and testing other mineralized structural targets on the property. A 2015 winter drilling program has also been prepared.
- **Turner Falls** (Villedieu/Senezergues) - Studies are on-going to reconcile the analytical results derived from Globex's high grade surface assays (commonly up to several percent TREO & Y₂O₃ and as confirmed by detailed petrographic/microprobe analyses and the lower REE metal concentrations in drill core. More samples from the 2013 drill program core were taken and sent for analysis. Results are pending. The 2013 drill report was completed.
- **Wood-Pandora** (Cadillac) - a 4-hole drill program totaling 2,570 m started in early March and was completed in April. This program targeted possible extensions of some of the better 2012 and 2013 drill campaign gold intersections. The high-grade gold intersections from the 2012-2013 programs were not repeated as is common with free gold, but the mineralized structures identified in previous drilling were intersected, showing continuity at depth. The following table presents some of the results related to the different mineralized structures intersected. Hole W14-110 was previously reported.

DDH	Zone	From m	To m	Core Length	Au (g/t)
W14-109	BIF	540.9	542.0	1.1	2.17
W14-109	S3_Cadillac_C	674.5	675.5	1.0	5.10
W14-109	S3_Cadillac_D	695.0	699.0	4.0	1.03
W14-109	S3_Cadillac_E	703.0	708.0	5.0	1.15
W14-110	S3_Cadillac	133.0	134.5	1.5	1.30
W14-110	BIF	561.0	563.0	2.0	1.19
W14-110	North break	667.6	675.2	7.6	1.07
W14-111	Piché volc.	151.0	154.0	3.0	1.05
W14-111	S3_Cadillac_E	209.0	210.0	1.0	4.88
W14-111	S3_Cadillac_D	224.2	226.0	1.8	1.75
W14-111	S3_Cadillac_C	247.0	252.0	5.0	2.47
W14-112B*	S3_Pontiac	82.0	84.15	2.15	2.84
W14-112B	S3_Pontiac	424.0	426.0	2.0	2.97
W14-112B	S3_Cadillac	622.0	624.5	2.5	1.53

*Hole W14-112 was abandoned

Wood-Pandora constitutes one of Globex's priority gold properties and is located several km west of the currently producing Agnico Eagle Lapa Gold Mine also located along the prolific Cadillac Break. During the first quarter, Osisko our joint venture partner on this project accepted a takeover offer from Yamana Gold Inc. and Agnico Eagle Mines Limited. In the second quarter the takeover was completed and Globex welcomed the Canadian Malartic Partnership as Globex's new partner on this project.

In the next quarter, several drilling programs will be performed. At Champdoré two drill holes (500 m) will test a large magnetic anomaly for the presence of either an overburden covered carbonatite or kimberlite intrusion. At

Poirier a two hole, 1,280 m drill program will test for the extension of mineralization of the Q zone. At our Tiblemont-Tavernier property a four hole, 750 m drill program will follow-up on the previously identified gold bearing structures.

Field work including mapping and sampling programs will be undertaken on several properties such as our Wood-Pandora, Duvan, Courville, Lac Ontario and Eau Jaune Lake properties.

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:

Magusi and Fabie Bay (Mag Copper Ltd.) - On April 6 2011, the land package was optioned to Mag Copper Ltd. ('Mag'). On May 8, 2014 Mag and Globex amended the terms of the option agreement. Under the terms of the amending agreement: (i) the date for a single \$400,000 payment due to Globex has been apportioned into four \$100,000 payments, the first due April 28, 2014 (which has been paid). The subsequent payments are due on August 31, 2014, December 31, 2014 and April 28, 2015. Additionally, staged expenditure commitments of \$8,000,000 have each been extended for a 12 month period to April 28, 2015 and 2016.

A delivery date for a bankable feasibility study on the Magusi and Fabie Bay properties has also been extended to April 28, 2017.

Bell Mountain (Lincoln Mining Corporation) - In 2010, Globex signed an option agreement on the Bell Mountain property located in the Fairview mining district in Churchill County, Nevada with Laurion Mineral Exploration Inc. whereby Laurion could earn a 100% interest in Bell Mountain. Subsequently, in September 2012 Lincoln Mining Inc. signed a letter agreement to acquire 100% interest in the Bell Mountain gold-silver property from Laurion.

During the 2nd quarter of 2014, Lincoln Mining Corporation announced that it has engaged JBR Environmental Consultants, Inc. (JBR) in Reno, Nevada for permitting work at the Bell Mountain property in Churchill County, Nevada under option from Globex. JBR will conduct work to evaluate potential habitat for threatened, endangered, and sensitive species and present its findings to the U.S. Bureau of Reclamation. Additional biological surveys will be required during 2014. Subsequent data will be used for permitting in an effort to advance Bell Mountain into an open-pit, heap-leach gold-silver operation.

Farquharson Property (Integra Gold Corp.) In January 2012, the Company entered into an option to acquire a 100% interest in the renamed the Donald Property (Globex's Farquharson Property) located in Bourlamaque Township, Quebec, adjacent to the Company's flagship Lamaque property. Consideration for the property is \$175,000 cash (\$75,000 paid) and 250,000 shares (150,000 issued), all payable over a period of four years. Globex retains a 3% gross metal royalty, one-third (1%) of which may be purchased for \$750,000, on the property. Globex has not, to date, received reports of new exploration on the property.

Property acquisitions, sales and options

Property acquisitions

During the six month period ended June 30, 2014, the Company spent \$4,861 (2013 - \$40,323) on mineral property acquisitions in the province of Quebec.

Sales and options

Net option income June 30, 2014

Property, Agreements Summary	Net Option Income	Recovery of Property Acquisition	Recovery of Exploration Expenditures
Sales and Options			
• Visible Gold Mines, sale of Cadillac West Claims (Cash Option of \$22,500).	\$ 22,021	\$ 206	\$ 273
Option and sale payments under Agreements from prior years			
• Integra Gold Corp, Farquharson Property ¹ (Cash and shares - \$39,750).	-	-	39,750
• Mag Copper Ltd, Fabie Bay/Magusi Property (Cash - \$100,000)	100,000	-	-
	\$ 122,021	\$ 206	\$ 40,023
Q1 - 2014	\$ -	\$ -	\$ 39,750
Q2 - 2014	122,021	206	273
	\$ 122,021	\$ 206	\$ 40,023

Notes:

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

During the six month period ended June 30, 2014, we received cash option payments of \$152,500 and 50,000 shares with an initial fair market value on receipt of \$9,750 from Integra Gold Corp and \$206 was reflected as a recovery of property acquisition costs and \$40,023 as a recovery of exploration expenditures resulting in net option income of \$122,021 (2013 - \$533,500).

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			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total revenues	\$ 383,668	\$ 302,711	\$ 5,187	\$ 142,000	\$ 462,500	\$ 140,522	\$ 302,916	\$ 48,721
Total expenses	595,854	376,958	1,232,339	535,287	455,060	530,752	1,190,820	560,154
Other income (expenses)	(182,355)	(24,275)	263,260	233,044	194,883	(7,143)	5,826,784	(384,926)
Income (loss) ⁽²⁾	(542,520)	(270,818)	(1,231,200)	338,623	358,299	(310,528)	4,952,406	(672,135)
Income (loss) per common share								
- Basic and diluted	(0.01)	(0.01)	(0.04)	0.01	0.01	(0.01)	0.21	(0.03)

Note:

- Attributable to common shareholders of the Company.

The loss of \$542,520 in the second quarter of 2014 compares to a loss of \$270,818 in the first quarter of 2014. The increase in the loss reflects the impact of increased expenses of \$218,896 mainly related to share-based compensation and an increase in other expenses of \$158,080 including a decline in the fair value of financial assets.

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.

Results of operations for the three months and six months ended June 30, 2014

Revenues

During the three month period ended June 30, 2014, revenues of \$383,668 were \$78,832 lower than the \$462,500 reported in the comparable period in 2013. In 2014, The Company recognized net option income of \$122,021 (2013 - \$462,500) and metal royalty income of \$261,647 (2013 - Nil).

During the six month period ended June 30, 2014, revenues totalled \$686,379 which was \$83,357 higher than the \$603,022 reported in the comparable period in 2013. In 2014, the Company reported net option income of \$122,021 (2013 - \$533,500) and Metal royalty income of \$564,358 (2013 - \$69,522).

The Company is entitled to gross metal royalty based on the value of metal produced at Nyrstar's Mid-Tennessee zinc operations. If the zinc price is greater than US \$0.90 per pound on the final payment date which follows one month after the production period then Globex is entitled to a royalty payment. During the six month period ended June 30, 2014, the Zinc prices averaged U.S. \$0.93 per pound (2013- U.S. \$0.87) which resulted in the higher royalty payments in the current year.

Total expenses

In the second quarter of 2014, the total expenses were \$595,854 compared to \$455,060 in 2013. The net increase of \$140,794 reflects a reduction of \$58,729 in salary costs, administrative costs and professional fees and other with an offsetting increase in share-based compensation and payments of \$199,523.

During the six month period ended June 30, 2014, total expenses were \$972,812 as compared to \$985,812 in the comparable period ended June 30, 2013. The reduction of \$13,000 reflects lower salary costs of \$90,362, lower administrative expense of \$94,756 (including conventions and meetings) as well as a reduction in professional fees and outside services of \$57,357, an increase in share-based compensation and payments of \$165,867 as well as an increase in other expenses of \$63,608.

Salary

- The decrease in salaries of \$27,720 from \$148,884 in the quarter ended June 30, 2013 to \$121,164 in the period ended June 30, 2014 reflects a reduction in administrative staff and executive compensation. The reduction in the salary costs from \$332,378 in the six month period ended June 30, 2013 to \$242,016 in the six month period ended June 30, 2014 also reflects a reduction in administrative staff and executive compensation.

Administration

- During the three month period ended June 30, 2014, the administration expenses totalled \$64,798 as compared to \$119,302 in the comparable period in 2013.
- In the six month period ended June 30, 2014, the administration expenses totalled \$148,617 as compared to \$243,373 in the comparable period last year. The decrease of \$94,756 represents a reduction in office costs of \$13,557, a reduction in convention and meeting costs of \$39,058, advertising and shareholder information of \$22,343 and a reduction in other administrative expenses of \$19,798.

Professional fees and outside services

- For the three month period ended June 30, 2014, the professional fees and outside services were \$104,487 as compared to \$108,783 in the same three month period in 2013.
- During the six month period ended June 30, 2014, professional fees and outside services totalled \$179,830 as compared to \$237,187 in the comparable period, representing a decrease of \$57,357 with \$50,989 attributable to reduced investor relations costs.

Depreciation and amortization

- The depreciation and amortization expense for the three month period ended June 30, 2014 totalled \$14,280 as compared to \$16,747 and the depreciation and amortization expense for the six month period ended June 30, 2014 was \$28,559 as compared to \$33,220 in 2013.

Share-based compensation and payments

- For the three month period ended June 30, 2014, the total share-based compensation and payments amounted to \$214,573 (June 30, 2013 – \$15,050). The increase mainly represents the impact of the issuance of 1,900,000 (1,410,000 options vested immediately and the remainder vest over the next 24 months) options to officers, directors and employees which had a fair value of \$0.13 per share which resulted in an expense of \$175,889. In addition, we recorded an expense of \$32,892 related to price modifications on 550,000 option contracts issued to non-insiders. The remaining expense of \$9,436 relates to the amortization of unvested options.

- During the six month period ended June 30, 2014, the share-based compensation expense was \$218,217 as compared to \$52,350 in the same period in 2013. The increase is mainly attributable to more options issued in the current year (2014- 1,900,000 options granted, fair value of \$0.13 per option grant; 2013 - 140,000 options granted, fair value of \$0.30 per option granted).

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. General exploration expenditures are also expensed as incurred under this accounting policy. The provision of \$67,855 in the three month period ended June 30, 2014 is consistent with the expense of \$56,486 in the comparable period last year.
- During the six month period ended June 30, 2014, the Company recorded a provision of \$151,263 as compared to \$103,153 in the comparable in 2013. The increase reflects a higher level of general expenses during the first six months of 2014.

Other income (expenses)

- Other income (expenses) reflects interest income, joint venture loss, the increase (decrease) in fair value of financial assets, management services including administrative, compliance, corporate secretarial, risk management support and advisory services provided to CIM.
- During the three month period ended June 30, 2014, the company recorded overall other expenses of \$182,355 as compared to income of \$194,883 in the comparable period in 2013. The difference between the results in the respective periods is a result of the company recording a decrease in the fair value of financial assets in 2014 of \$207,420 as compared to an increase of \$43,574 in the comparable period in 2013 and the Company recorded management services income of \$12,000 (2013 - \$126,000).
- In the six month period ended June 30, 2014, the company reported other expenses of \$206,630 as compared to income of \$187,740 in the comparable period in 2013. The difference is mainly a result of a decrease in the fair value of financial assets of \$263,131 (2013 - \$96,925), reduced management services income of \$36,000 (2013 - \$252,000 and a joint venture loss of \$564. The reduction in the fair value of assets is mainly attributable to a decline in the fair value of the 8,639,800 Mag. Copper Ltd. shares (June 30, 2014, fair value - \$172,796; December 31, 2013, fair value - \$431,990) and lower management services income as CIM has very little activities currently underway.

Income and mining taxes provision (recovery)

- An income and mining tax expense of \$147,979 for the three month period ended June 30, 2014 has been recorded as compared to a recovery of \$155,976 in the comparable period in 2013. The expense mainly represents a U.S. withholding tax provision related to royalty payments from Nyrstar.
- During the six month period ended June 30, 2014, a provision of \$320,275 as compared to a recovery of \$242,821 in the comparable period in 2013 has been recorded. The provision in 2014 reflects a current tax expense of \$168,548 (June 30, 2013 - recovery of \$15,769) related to withholding taxes on net metal royalties and net deferred income tax and mining duties of \$151,729 (June 30, 2013 - recovery of deferred income and mining taxes of \$227,047). Within the net deferred tax expense, the recovery of income and mining taxes as a result of the sale of tax benefits was lower by \$247,185 due to reduced exploration expenditures in 2014.
- 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 June 30, 2014, the total assets were \$26,294,733 which represents an increase of \$1,729,400 from \$24,565,333 at December 31, 2013. The net increase mainly reflects the impact of the proceeds from the financing that closed on May 5, 2014.

Cash and cash equivalents, investments, and accounts receivable totalled \$1,198,798 at June 30, 2014 (December 31, 2013 - \$1,223,323) representing 4.6% of the total assets.

Cash reserved for exploration was \$2,883,260 at June 30, 2014 (December 31, 2013 - \$2,090,732). The net change reflects the impact of the May 5, 2014 "flow-through financing of \$1,857,500 and the qualified flow-through expenditures of \$1,064,972 during 2014.

At June 30, 2014 deferred exploration expenses totalled \$18,276,603 (December 31, 2013 - \$17,382,627) a net increase of \$893,976.

Total liabilities

At June 30, 2014, the current liabilities were \$474,997 as compared to \$644,625 at December 31, 2013. The reduction of \$169,628 mainly reflects the settlement of the dividend payable of \$243,010 to CIM as well as a provision for withholding taxes of \$165,728.

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 other liabilities were \$209,075 at December 31, 2013 and were reported as \$367,935 at June 30, 2014.

Deferred tax liabilities

The deferred tax liabilities were \$4,181,926 at June 30, 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, Warrants, Deficit, and Contributed Surplus – Equity settled reserve totalled \$20,993,820 (December 31, 2013 - \$19,468,382). The change reflects the impact of the 7,257,143 common shares and warrants issued during the period, share-based compensation related to stock options issued, as well as the loss attributable to shareholders. Details of the changes are provided in the Interim Condensed Consolidated Statement of Equity.

Share capital

At June 30, 2014, the Share capital of the Company totalled \$52,766,291 which represented an increase of \$2,088,386 from December 31, 2013 and represented 40,793,755 common shares outstanding.

Liquidity, working capital

At June 30, 2014, the Company had cash and cash equivalents of \$418,878 (December 31, 2013 - \$164,380) and cash reserved for exploration of \$2,883,260 (December 31, 2013 - \$2,090,732). Investments of \$444,910 (December 31, 2013 - \$942,801) mainly reflect shares, recorded at fair value, in optionee companies received as consideration under mining option agreements.

At June 30, 2014, the Company's working capital (based on current assets minus current liabilities) was \$3,794,424 (December 31, 2013 - \$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.

Cash Flow

During first six months of 2014, the Operating activities used \$247,000 (June 30, 2013 - \$220,459) while the Financing Activities generated \$2,343,566 (2013 - Nil) and the Investing activities totalled \$1,049,540 (2013 - \$2,141,173).

The Operating, Financing, and Investing activities for the six month period ended June 30, 2014 resulted in a net increase in cash and cash equivalents of \$1,047,026 (2013 - \$2,361,632).

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 \$3,302,138 at June 30, 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:

	June 30, 2014	December 31, 2013
Cash and cash equivalents	\$ 418,878	\$ 164,380
Cash reserved for exploration expenses	2,883,260	2,090,732
Investments	444,910	942,801
Accounts receivable ⁽ⁱ⁾	335,010	116,142
	\$ 4,082,058	\$ 3,314,055

- (i) Accounts receivable of \$335,010 (December 31, 2013 - \$116,142) consist of trade receivables of \$243,953 (December 31, 2013 - \$22,758), and taxes recoverable of \$91,057 (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 \$444,910 (December 31, 2013 - \$942,801). Based on the balance outstanding at June 30, 2014, a 10% increase or decrease would impact Income and loss by \$44,491 (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
June 30, 2014					
Financial assets					
Equity investments	\$	272,114	\$ 172,796	\$ -	\$ 444,910
Reclamation bonds		-	127,487	-	127,487
	\$	272,114	\$ 300,283	\$ -	\$ 572,397

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				Total Financial Assets at fair value
	Level 1	Level 2	Level 3	
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 December 31, 2013, the Company had 33,536,612 shares outstanding. On May 5, 2014, the Company completed 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 (fair market value - \$1,751,357) 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. In connection with the private placement, Globex paid finder's fees to certain registered dealers in the aggregate of \$125,050.

At June 30, 2014, the Company had 40,793,755 common shares issued and outstanding which represented an increase of 7,257,143 from December 31, 2013. In addition, at June 30, 2014, the Company had 975,000 Warrants outstanding (December 31, 2013 – Nil), 2,950,000 (December 31, 2013 - 1,300,000) stock options outstanding for fully diluted common share capital of 44,718,755 (December 31, 2013 - 34,836,612).

At June 30, 2014, 117,500 (December 31, 2013 - 1,767,500) options were available for grant in addition to the common share purchase options currently outstanding. On July 12, 2014, 80,000 options issued to a Director which were fully vested, were early expired and reduced the number of options outstanding to 2,870,000 as well as increased the options available for future grant to 197,500.

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

The Company's Annual Information provides a detailed description of Financing Risks and as evidenced by the recent private placement, it has been successful, but that does not guarantee success in the future.

In the June 2014 Budget, the Quebec Government proposed changes to the "flow-through" share regime which

could result in a reduction in the deductions available to Quebec investors. The proposals indicate that the deductions would be allocated as follows:

- A base deduction of 100% of Canadian exploration expenses of Canadian developments expenses;
- Where the investor is an individual, in addition to the base deduction of 100%:
 - In the case of mining exploration expenses incurred in Quebec:
 - an initial additional deduction of 10%,
 - a second additional deduction of 10% for surface expenses.

These proposals compare with the previous regime which provided additional deductions of 50% to Quebec investors. These proposals could adversely impact Globex's success in raising "flow-through" funds in the future.

Related party information

Related party payable	June 30, 2013	December 31, 2013
Jack Stoch Geoconsultant Services Limited ("GJSL")	\$ (6,717)	\$ (6,700)
Eco Refractory Solutions Inc.	-	748
WorldWide Magnesium Corporation.	-	453
Duparquet Assets Limited	282,772	282,700
	\$ 276,055	\$ 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.

Management services income of \$12,000 (2013 – \$126,000) for the three month period ended June 30, 2014 and \$36,000 (2013 - \$252,000) for the six month period ended June 30, 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 due to a lack of financing, currently the activities are at a very low level and therefore the time and effort directed to CIM by Globex Management is minimal.

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, Vice-President Operations, as well as Chief Financial Officer, Treasurer and Corporate Secretary) follows:

	Three months ended		Six months ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Salary cost				
Salaries and other benefits	\$ 82,594	\$ 101,418	\$ 156,939	\$ 211,849
Fair value of share-based compensation	116,530	-	116,530	-
	\$ 199,124	\$ 101,418	\$ 274,469	\$ 211,849

In 2013, the President and CEO (Jack Stoch) as well as Executive Vice-President (Dianne Stoch) reduced their combined salaries and benefits. This resulted in a reduction in salaries and other benefits of \$34,000 in the three month period ended June 30, 2014 and a reduction of approximately \$68,000 in their combined salaries in the six month period ended June 30, 2014 as compared to the same period in 2013.

On June 16, 2014, 1,305,000 options (905,000 options vested immediately) were issued to Management personnel, which resulted in the share based compensation expense of \$116,530 for the three month and six month periods ended June 30, 2014. No options were issued to these individuals in the comparable period in 2013.

Disclosure controls and procedures and Internal controls over financial reporting

Management is responsible for establishing and maintaining adequate disclosure controls and procedures (“DCP”) as well as internal controls over financial reporting (“ICFR”) as described in our 2013 annual MD&A.

The Company’s Chief Executive Officer and Chief Financial Officer, with the participation of management last completed an evaluation of the design and operating effectiveness of the Company’s DCP’s and ICFR’s as at December 31, 2013. Based on that assessment, management concluded that the Company’s ICFR were operating effectively at December 31, 2013.

During the three month and six month periods ended June 30, 2014, the CEO and CFO have evaluated whether there were changes to the ICFR that have materially affected, or are reasonably likely to materially affect, the ICFR. No such significant changes were identified through their evaluation. The evaluation was based on the Internal Control over Financial Reporting - Guidance for Smaller Public Companies issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

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 all 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, we have benefited from the recent increases in zinc prices which has generated a significant stream of monthly royalties to fund our operations. Our view is that the current zinc prices will now rise more slowly for the remainder of 2014 and perhaps stabilize in 2015 as mines originally scheduled for shut down may continue production for a longer than expected period due to the increased zinc price. Despite, the challenges in the junior mining sector, 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 July 23, 2014.

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

	Notes	Three months ended June 30,		Six months ended June 30,	
		2014	2013	2014	2013
Continuing operations					
Revenues	17	\$ 383,668	\$ 462,500	\$ 686,379	\$ 603,022
Expenses					
Salaries		121,164	148,884	242,016	332,378
Administration	18	64,798	119,302	148,617	243,373
Professional fees and outside services	18	104,487	108,783	179,830	237,187
Depreciation and amortization	11	14,280	16,747	28,559	33,220
Share-based compensation and payments		214,573	15,050	218,217	52,350
Impairment of mineral properties and deferred exploration expenses	12, 13	67,855	56,486	151,263	103,153
Loss (gain) on foreign exchange		8,697	(10,192)	4,310	(15,849)
		595,854	455,060	972,812	985,812
Income (loss) from operations		(212,186)	7,440	(286,433)	(382,790)
Other income (expenses)					
Interest income		4,804	8,590	6,411	12,374
Joint venture loss	10	(564)	-	(564)	-
Increase (decrease) in fair value of financial assets		(207,420)	43,574	(263,131)	(96,925)
Management services		12,000	126,000	36,000	252,000
Other		8,825	16,719	14,654	20,291
		(182,355)	194,883	(206,630)	187,740
Income (loss) before taxes		(394,541)	202,323	(493,063)	(195,050)
Income and mining taxes (recovery)	16	147,979	(155,976)	320,275	(242,821)
Income (loss) and comprehensive income (loss) for the period		\$ (542,520)	\$ 358,299	\$ (813,338)	\$ 47,771
Income (loss) per common share					
Basic and diluted	19	\$ (0.01)	\$ 0.01	\$ (0.02)	\$ -
Weighted average number of common shares outstanding					
		38,071,724	27,896,018	35,886,510	27,896,018
Shares outstanding at end of period		40,793,755	27,896,018	40,793,755	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)

	Notes	Six months ended June 30,	
		2014	2013
Operating activities			
Income (loss) and comprehensive income (loss) for the period		\$ (813,338)	47,771
Adjustments for:			
Disposal of mineral properties for shares		(9,750)	(11,000)
Decrease in fair value of financial assets		263,131	96,925
Depreciation and amortization	11	28,559	33,220
Foreign exchange rate variation on reclamation bond		(448)	(2,360)
Impairment of mineral properties and deferred exploration expenses	12, 13	151,263	103,153
Current tax expense (recovery)		168,546	(15,769)
Deferred income and mining taxes (recovery)		151,729	(227,052)
Income and mining taxes recovery (paid)		(2,818)	(6,296)
Share-based compensation and payments		218,217	52,350
		968,429	23,171
Share of net loss from investment in joint venture	10	564	-
Changes in non-cash operating working capital items	22	(402,655)	(291,406)
		(247,000)	(220,464)
Financing activities			
Issuance of common shares	20	2,501,000	-
Share capital issue costs		(157,434)	-
		2,343,566	-
Investing activities			
Acquisition of properties, plant and equipment	11	-	(3,296)
Related party payable	21	(1,146)	-
Other		1,500	-
Recovery (investments) in joint venture	23	-	(124,663)
Deferred exploration expenses	13	(1,085,262)	(1,972,891)
Mineral properties acquisitions	12	(4,861)	(40,323)
Proceeds on mineral properties optioned		40,229	-
		(1,049,540)	(2,141,173)
Net increase (decrease) in cash and cash equivalents		1,047,026	(2,361,637)
Cash and cash equivalents, beginning of period		2,255,112	4,896,981
Cash and cash equivalents, end of period		\$ 3,302,138	\$ 2,535,344
Cash and cash equivalents		\$ 418,878	\$ 291,328
Cash reserved for exploration		2,883,260	2,244,021
		\$ 3,302,138	\$ 2,535,349
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	June 30, 2014	December 31, 2013
Assets			
Current assets			
Cash and cash equivalents	5	\$ 418,878	\$ 164,380
Cash reserved for exploration	6	2,883,260	2,090,732
Investments	7	444,910	942,801
Accounts receivable	8	335,010	116,142
Prepaid expenses and deposits		187,363	95,922
		4,269,421	3,409,977
Reclamation bonds	9	127,487	127,039
Investment in joint venture	10	142,255	142,819
Properties, plant and equipment	11	479,434	507,993
Mineral properties	12	2,999,533	2,994,878
Deferred exploration expenses	13	18,276,603	17,382,627
		\$ 26,294,733	\$ 24,565,333
Liabilities			
Current liabilities			
Payables and accruals	14	\$ 309,269	\$ 401,615
Dividend payable	4	-	243,010
Current income tax		165,728	-
		474,997	644,625
Related party payable	21	276,055	277,201
Other liabilities	15	367,935	209,075
Deferred tax liabilities	16	4,181,926	3,966,050
Owners' equity			
Share capital	20	52,766,291	50,677,905
Warrants	20	32,173	-
Deficit		(35,892,959)	(35,079,621)
Contributed surplus - Equity settled reserve		4,088,315	3,870,098
		20,993,820	19,468,382
		\$ 26,294,733	\$ 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	Six months ended June 30, 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	20	2,235,643	-	2,538,270
Fair value of warrants	20	(32,173)	-	-
Share issuance costs, net of taxes (June 30, 2014 - \$42,350 ; December 31, 2013 - \$51,046)	20	(115,084)	-	(138,718)
End of period		\$ 52,766,291	\$ 48,278,353	\$ 50,677,905
Warrants				
Issued under private placement and end of period balance	20	\$ 32,173	\$ -	\$ -
Contributed surplus - Equity settled reserve				
Beginning of period		\$ 3,870,098	\$ 3,614,903	\$ 3,614,903
Share-based compensation		218,217	26,460	229,305
Share-based payments		-	25,890	25,890
End of period		\$ 4,088,315	\$ 3,667,253	\$ 3,870,098
Deficit				
Beginning of period		\$ (35,079,621)	\$ (34,234,815)	\$ (34,234,815)
Income (loss) attributable to shareholders		(813,338)	47,771	(844,806)
End of period		\$ (35,892,959)	\$ (34,187,044)	\$ (35,079,621)
Total Equity		\$ 20,993,820	\$ 17,758,562	\$ 19,468,382

The accompanying notes are an integral part of these financial statements

Notes to the Interim Condensed Consolidated Financial Statements

Periods ending June 30, 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 following the approval of shareholders on June 12, 2014 it was continued under the Canada Corporations Act. Its head office is located at 89 Belsize Drive, Toronto, Ontario M4S 1L3 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 June 30, 2014 and June 30, 2013 on July 23, 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 are 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

	June 30, 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

	June 30, 2014	December 31, 2013
Bank balances	\$ 418,878	\$ 164,380

6. Cash reserved for exploration

	June 30, 2014	December 31, 2013
Bank balances	\$ 54,810	\$ 90,732
Short-term deposits	2,828,450	2,000,000
	\$ 2,883,260	\$ 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

	June 30, 2014	December 31, 2013
Equity investments ^(i,ii)	\$ 444,910	\$ 942,801

(i) At June 30, 2014, includes 8.6 million Mag Copper Ltd. shares valued at \$172,796; 3.7 million Laurion Mineral Exploration Inc. shares valued at \$74,000; and other equity investments received under option agreements which total \$198,114. The 8.6 million Mag Copper Ltd. shares held by Globex represented 11% of the outstanding shares at June 30, 2014.

(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 at December 31, 2013.

8. Accounts receivable

	June 30, 2014	December 31, 2013
Trade receivables	\$ 243,953	\$ 22,758
Taxes receivable	91,057	93,384
	\$ 335,010	\$ 116,142

Trade receivables of \$243,963 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 \$91,057 represent harmonized and Quebec sales tax ("GST", "HST", "QST") receivable from Canadian taxation authorities.

9. Reclamation bonds

	June 30, 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	119,513	119,065
	\$ 127,487	\$ 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 six month period ended June 30, 2014	(564)
Balance, June 30, 2014	\$ 142,255

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	-	-	-	-	-	-
June 30, \$	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)	(67,060)
December 31, \$	(74,338)	\$ (55,846)	\$ (121,036)	\$ (36,783)	\$ (216,194)	\$ (504,198)
2014						
Additions	(6,919)	(5,722)	(7,324)	(4,074)	(4,520)	(28,559)
June 30,	(81,257)	(61,568)	(128,360)	(40,857)	(220,714)	(532,757)
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						
June 30, \$	416,370	\$ 19,742	\$ 17,914	\$ 15,320	\$ 10,089	\$ 479,434

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)
Recoveries	-	-	(22,855)	-	(22,855)
December 31, 2013	\$ 18,857	\$ 47,771	\$ 2,928,250	\$ -	\$ 2,994,878
Additions	-	-	4,861	-	4,861
Impairment provisions	-	-	-	-	-
Recoveries	-	-	(206)	-	(206)
June 30, 2014	\$ 18,857	\$ 47,771	\$ 2,932,905	\$ -	\$ 2,999,533

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	-	366	89,393	993,282	2,221	1,085,262
Impairment provisions	-	-	(174)	(148,868)	(2,221)	(151,263)
Recoveries	-	-	-	(40,023)	-	(40,023)
June 30, 2014	\$ 139,095	\$ 126,972	\$ 6,671,531	\$ 11,339,005	\$ -	\$ 18,276,603

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

13. Deferred Exploration Expenses (continued)

	June 30, 2014	December 31, 2013
Balance - beginning of period	\$ 17,382,627	\$ 13,664,519
Current exploration expenses		
Consulting	97,580	258,535
Core shack, storage and equipment rental	8,135	91,667
Drilling	293,049	1,855,208
Environment	1,200	172,242
Geology	95,053	445,909
Geophysics	59,163	(52,691)
Laboratory analysis and sampling	42,220	476,699
Labour	434,039	818,944
Line cutting	-	127,933
Mapping	-	41,337
Mining property tax and permits	17,125	82,587
Prospecting and surveying	-	72,693
Reports, maps and supplies	9,551	49,897
Transport and road access	28,147	367,296
Total current exploration expenses	1,085,262	4,808,256
Impairment provisions	(151,263)	(1,013,190)
Option revenue offset	(40,023)	(76,958)
	(191,286)	(1,090,148)
Current net deferred exploration expenses	893,976	3,718,108
Balance - end of period	\$ 18,276,603	\$ 17,382,627

14. Payables and accruals

	June 30, 2014	December 31, 2013
Trade payable and accrued liabilities	\$ 211,533	\$ 332,317
Sundry liabilities	97,736	69,298
	\$ 309,269	\$ 401,615

15. Other liabilities

	June 30, 2014	December 31, 2013
Balance, beginning of period	\$ 209,075	\$ 836,144
Additions during the period	265,357	230,546
Reduction related to the incurrence of qualified exploration expenditures	(106,497)	(857,615)
Balance, end of period	\$ 367,935	\$ 209,075

16. Income taxes

Income and mining tax expense (recovery)

	Three months ended		Six months ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Current tax expense (recovery)				
Tax expenses (recovery) for the period	\$ 77,731	\$ 19,663	\$ 168,546	\$ (15,769)
Deferred tax provision for income tax and mining duties	121,003	(19,402)	258,226	126,630
Recovery of income and mining taxes as a result of the sale of tax benefits (flow-through shares)	(50,755)	(156,237)	(106,497)	(353,682)
	70,248	(175,639)	151,729	(227,052)
	\$ 147,979	\$ (155,976)	\$ 320,275	\$ (242,821)

Deferred tax balances

	December 31, 2013	Recognized in income or loss	Recognized in equity	Other	June 30, 2014
Temporary differences					
Deferred tax assets					
Non-capital losses carry forward	\$ 1,056,595	\$ 47,041	\$ -	\$ -	\$ 1,103,636
Share issue expenses	123,637	(24,484)	42,350	-	141,503
Properties, plant & equipment	53,778	1,522	-	-	55,300
Financial assets at FVTPL	339,275	35,391	-	-	374,666
	1,573,285	59,470	42,350	-	1,675,105
Less valuation allowance	(339,275)	(35,391)	-	-	(374,666)
	1,234,010	24,079	42,350	-	1,300,439
Deferred tax liabilities					
Mining properties and deferred exploration expenses	(5,200,060)	(282,305)	-	-	(5,482,365)
Deferred tax liabilities	\$ (3,966,050)	\$ (258,226)	\$ 42,350	\$ -	\$ (4,181,926)

17. Revenues

	Three months ended		Six months ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net option income	\$ 122,021	\$ 462,500	\$ 122,021	\$ 533,500
Metal royalty income	261,647	-	564,358	69,522
	\$ 383,668	\$ 462,500	\$ 686,379	\$ 603,022

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		Six months ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Administration				
Office expenses	\$ 46,980	\$ 53,051	\$ 92,532	\$ 106,089
Conventions and meetings	9,165	30,897	28,614	67,672
Advertising and shareholder information	2,245	6,188	9,221	31,564
Other administration expenses	6,408	29,166	18,250	38,048
	\$ 64,798	\$ 119,302	\$ 148,617	\$ 243,373
Professional fees and outside services				
Investor relations	\$ 18,856	\$ 38,986	\$ 36,301	\$ 87,290
Legal fees	22,556	14,151	33,409	24,082
Audit and accounting fees	52,350	33,207	71,700	59,957
Other professional fees	10,725	22,439	38,420	65,858
	\$ 104,487	\$ 108,783	\$ 179,830	\$ 237,187

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 warrants and 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

Basic and diluted loss per share

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

	Three months ended		Six months ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Numerator				
Income (loss) for the period	\$ (542,520)	\$ 358,299	\$ (813,338)	\$ 47,771
Denominator				
Weighted average number of common shares - basic	38,071,724	27,896,018	35,886,510	27,896,018
Effect of dilutive shares				
Stock options ("in the money") ⁽ⁱ⁾	-	-	-	-
Weighted average number of common shares - diluted	38,071,724	27,896,018	35,886,510	27,896,018
Income (loss) per share				
Basic	\$ (0.01)	\$ 0.01	\$ (0.02)	\$ 0.00
Diluted	\$ (0.01)	\$ 0.01	\$ (0.02)	\$ 0.00

(i) At June 30, 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

	June 30, 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
Private placements ⁽ⁱ⁾				
Flow through shares	5,307,143	1,592,143	5,640,594	2,538,270
Common Share Units	1,950,000	643,500	-	-
Fair value of warrants	-	(32,173)	-	-
Share issuance costs ⁽ⁱⁱⁱ⁾	-	(115,084)	-	(138,718)
Balance, end of period	40,793,755	\$ 52,766,291	33,536,612	\$ 50,677,905

2014 Issuances

- (i) The Company issued 5,307,143 flow-through shares under a private placement closing on May 5, 2014. The shares were issued at a price of \$0.35 per share for total proceeds of \$1,857,500 and the fair market value was determined as \$1,592,143 representing the closing price of the shares on May 5, 2014.

In addition, the Company issued 1,950,000 Common Share Units at \$0.33 per share for gross proceeds of \$643,500. Each Unit is comprised of one common share of the Company and one-half common share purchase warrant. In addition to the issuance of common shares this resulted 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.

Share Issuance costs

- (ii) Net of taxes of \$42,350.

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.

At June 30, 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.

20. Share capital (continued)

Warrants

	June 30, 2014		December 31, 2013	
	Number of warrants	Fair Value	Number of warrants	Fair Value
Balance - beginning of period	-	\$ -	-	\$ -
Issued in connection with the private placement	975,000	32,173	-	\$ -
Balance - end of period	975,000	\$ 32,173	-	\$ -

As outlined above, under the private placement which closed on May 5, 2014, 975,000 warrants were issued. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.50 per warrant for a period of twelve months.

The warrants have been valued using the Black-Scholes Model with the following assumptions:

- Stock Price - \$0.30 per share
- Exercise Price - \$0.50 per share
- Expected life 12 months
- Annualized volatility - 67.5%
- Annual rate of dividends - Nil.
- Interest rate -1.5%.

The fair value of each warrant has been estimated at \$0.033 per warrant which results in a fair value for the 975,000 warrants of \$32,173.

Stock options

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

At June 30, 2014, 117,500 options may be granted in addition to the common share purchase options currently outstanding (December 31, 2013 - 1,767,500).

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

	June 30, 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
Price Modification on 550,000 Options ⁽ⁱ⁾	-	(0.36)	-	-
Expired	(250,000)	0.61	(35,000)	1.07
Granted - Directors and employees	1,900,000	0.24	750,000	0.81
Granted - Service providers	-	-	50,000	1.09
Balance - end of period	2,950,000	\$ 0.59	1,300,000	\$ 0.59
Options exercisable	2,460,000	\$ 0.61	1,210,000	\$ 0.61

20. Share capital (continued)

- (i) On June 16, 2014, 500,000 Option Contracts which had been issued on September 9, 2013, at a strike price of \$0.54 per share were cancelled and replaced with new contracts with a strike price of \$0.24 per share. These contracts expire on June 16, 2019.

On June 16, 2014, 30,000 options issued to a Service Provider on January 31, 2013 at a strike price of \$1.50 per share were cancelled and replaced with the same number of options with a strike price of \$0.50 per share and an expiry date of June 16, 2017. At the same time, 20,000 options issued on January 31, 2013 at a strike price of \$1.25 per share were cancelled and replaced with the same number of options with a strike price of \$0.50 per share and an expiry date of June 16, 2017.

In accordance with IFRS 2, these cancellations and re-issuances contracts were treated as a modification to equity-settled share-based payment arrangements. The changes of award values as a result of the modifications totalling \$32,892 have been expensed in the six month period ended June 30, 2014.

The following table summarizes information regarding the stock options outstanding and exercisable as at June 30, 2014:

Range of prices	Number of options outstanding	Number of options outstanding and exercisable	Weighted average contractual life (years)	Weighted average exercise price
\$ 0.20 - 0.29	2,400,000	1,910,000	4.96	\$ 0.24
0.40 - 0.59	350,000	350,000	2.96	0.51
0.63 - 0.92	200,000	200,000	1.36	0.63
	2,950,000	2,460,000	4.48	\$ 0.30

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:

	Six months ended	
	June 30, 2014	June 30, 2013
Expected dividend yield	Nil	Nil
Expected stock price volatility	60.1%	64.2%
Risk free interest rate	1.31%	1.36%
Expected life	5 years	6.01 years
Weighted average fair value of granted options	\$0.13	\$0.30

During the six month period ended June 30, 2014, the total expense related to stock-based compensation costs and payments amounting to \$218,217 has been recorded and presented separately in the Interim Condensed Consolidated statements of Income (loss) and Comprehensive Income (loss) (June 30, 2013 - \$52,350).

20. Share capital (continued)

Restricted Share Unit Plan

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

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

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

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

Shareholders' Rights Plan

On June 12, 2014, the Shareholders approved the adoption of a new Shareholder Rights Plan (the “Rights Plan”). The Rights Plan was adopted to: (i) provide shareholders and the Board of Directors with adequate time to consider and evaluate any take-over bid made for the outstanding shares of the Company; (ii) provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives to any such take-over bid; (iii) encourage the fair treatment of shareholders in connection with any take-over bid made for the outstanding shares of the Company; and (iv) generally prevent any person from acquiring beneficial ownership of or the right to vote more than 20% of the outstanding shares of the Company (or where such person already owns more than 20% of the shares, from acquiring ownership of or the right to vote any additional shares) while this process is ongoing or entering into arrangements or relationships that have a similar effect.

The Rights Plan will be in effect until the close of business on the date of the first annual meeting of the shareholders of the Company following the third anniversary of the date of the Rights Plan (June 12, 2014).

The objective of the Rights Plan is to ensure, to the extent possible, that all of the Company’s shareholders will be treated equally and fairly in connection with any take-over bid for the Company.

The Rights Plan is designed to prevent the use of coercive and/or abusive take-over techniques and to encourage any potential acquirer to negotiate directly with the Board of Directors for the benefit of all of the Company’s shareholders. In addition, the Rights Plan is intended to provide increased assurance that a potential acquirer would pay an appropriate control premium in connection with any acquisition of the Company.

The Rights Plan utilizes the mechanism of a “Permitted Bid” (as defined therein) to attempt to ensure that a person seeking to acquire beneficial ownership of 20% or more of the Company’s shares gives shareholders and the Board of Directors sufficient time to evaluate the transaction, negotiate with the proposed acquirer, encourage competing bids to emerge, and ensure that all alternatives to the transaction designed to maximize shareholder value have been considered.

20. Share capital (continued)

The Rights Plan will provide the Board of Directors with time to review any unsolicited take-over bid that may be made and to take action, if appropriate, to enhance shareholder value. The Rights Plan attempts to protect the Company's shareholders by requiring all potential bidders to comply with the conditions specified in the Permitted Bid provisions, failing which such bidders are subject to the dilutive features of the Rights Plan. By creating the potential for substantial dilution of a bidder's position, the Rights Plan encourages an offeror to proceed by way of a Permitted Bid or to approach the Board of Directors with a view to negotiation.

21. Related party information

Related party payable	June 30, 2014	December 31, 2013
Jack Stoch Geoconsultant Services Limited ("GJSL")	\$ (6,717)	\$ (6,700)
Eco Refractory Solutions Inc.	-	748
WorldWide Magnesium Corporation	-	453
Duparquet Assets Limited	282,772	282,700
	\$ 276,055	\$ 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 holds a large number of common shares of both organizations and therefore can significantly influence the operations of both entities.

Management Services

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

The Management Service fees of \$12,000 during the three month period ended June 30, 2014 (June 30, 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, Vice-President Operations and Chief Financial Officer, Treasurer and Corporate Secretary) follows:

	Three months ended		Six months ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Salary cost				
Salaries and other benefits	\$ 82,594	\$ 101,418	\$ 156,939	\$ 211,849
Fair value of share-based compensation	116,530	-	116,530	-
	\$ 199,124	\$ 101,418	\$ 273,469	\$ 211,849

22. Supplementary cash flows information

Changes in non-cash working capital items

	Six months ended	
	June 30, 2014	June 30, 2013
Accounts receivable	\$ (218,868)	\$ 827,583
Prepaid expenses and deposits	(91,441)	(38,277)
Payables and accruals	(92,346)	(1,080,712)
	<u>\$ (402,655)</u>	<u>\$ (291,406)</u>

Non-cash financing and investing activities

	Six months ended	
	June 30, 2014	June 30, 2013
Disposal of mineral properties for investments	\$ 9,750	\$ -
Transfer of investments to CIM ⁽ⁱ⁾	243,010	72,903
	<u>\$ 252,760</u>	<u>\$ 72,903</u>

(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.

23. Financial instruments (continued)

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.

Financial risk management objectives

(a) Credit risk

The Company had cash and cash equivalents as well as cash reserved for exploration which totalled \$3,302,138 as at June 30, 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:

	June 30, 2014	December 31, 2013
Cash and cash equivalents	\$ 418,878	\$ 164,380
Cash reserved for exploration	2,883,260	2,090,732
Investments	444,910	942,801
Accounts receivable ⁽ⁱ⁾	335,010	116,142
	\$ 4,082,058	\$ 3,314,055

(i) Accounts receivable of \$335,010 (December 31, 2013 - \$116,142) consist of trade receivables of \$243,953 (December 31, 2013 - \$22,758) and taxes recoverable of \$91,057 (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.

23. Financial instruments (continued)

(c) Equity market risk

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

The Company currently holds investments in a number of Optionee companies which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets and currently these amount to \$444,910 (December 31, 2013 - \$942,801). Based on the balance outstanding at June 30, 2014, a 10% increase or decrease would impact income and loss by \$44,491 (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 market data (unobservable inputs).

June 30, 2014	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Equity investments	\$ 272,114	\$ 172,796	\$ -	\$ 444,910
Reclamation bonds	-	127,487	-	127,487
Total financial assets	\$ 272,114	\$ 300,283	\$ -	\$ 572,397

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.