



ANNUAL INFORMATION FORM

For the Fiscal Year Ended

December 31, 2016

March 29, 2017

An additional copy of this Annual Information Form may be obtained upon request from the Corporation Secretary, at Globex Mining Enterprises Inc., 86-14th Street, Rouyn-Noranda, Quebec, J9X 2J1, Canada or from the Corporation's Web site: <http://www.globexmining.com>.

Globex Mining Enterprises Inc.
Annual Information Form
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GENERAL MATTERS

The Annual Information Form (“AIF”) is part of the continuous disclosure documentation of the Corporation and it is intended to provide material information about the Corporation and its business in the context of its historical and possible future developments. It describes the operations and prospects, risks and other external factors that affect the Corporation and is supplemented and updated through subsequent continuous disclosure filings including news releases, material change reports, financial statements and management discussion and analysis. In this AIF, unless the context otherwise dictates, “we”, “Globex” or the “Corporation” refers to Globex Mining Enterprises Inc.

Unless otherwise indicated, all financial data is presented in Canadian dollars.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This AIF and the documents incorporated by reference herein contain “forward-looking statements.” These forward-looking statements may include, amongst other things, statements with respect to the Corporation’s business strategy, plans outlook, long-term growth in cash flow, earnings per share and shareholder value, projections, targets and expectations as to reserves, resources, results of exploration (including targets) and related expenses, property acquisitions, drilling activity, sampling and other data, recovery improvements, future production levels, capital costs, expenditures for environmental matters and technology, and completion dates for the various development stages of mines, future mineral prices.

Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “anticipate”, “project”, “target”, “believe”, “estimate”, “intend”, “should” or the negative thereof or variations thereon or similar expressions. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the Corporation’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including:

- uncertainties and costs related to the Corporation’s exploration and development activities, such as those associated with determining whether mineral reserves exist on a property;
- uncertainties related to feasibility studies that provide estimates of expected or anticipated economic returns from a mining project;
- uncertainties related to the accuracy of reserve and resource estimates and estimates of future production and future cash and total costs of production;
- changes in, and the effects of the laws, regulations and government policies affecting operations; and
- changes in general economic conditions, the financial markets and in the demand and market price for minerals and in commodities such as diesel fuel, electricity and other forms of energy, and fluctuations in exchange rates.

This list is not exhaustive of the factors that may affect any forward-looking statements. Other factors that could cause actual results to differ materially include, but are not limited to, those set out under Risk Factors. The Corporation does not undertake any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

INFORMATION INCORPORATED BY REFERENCE

This AIF is and will be supplemented by the following documentation, which is hereby incorporated by reference as part of this AIF:

- a) the Corporation's audited financial statements for the fiscal years ended December 31, 2016 and December 31, 2015, together with the auditor's report thereon;
- b) Management's Discussion and Analysis for the fiscal year ended December 31, 2016; and
- c) All documents, including press releases, material change reports and quarterly and annual financial statements as filed with Canadian Securities Regulatory Authorities.

Each of the above-noted documents is available for viewing at the SEDAR website located at www.sedar.com. Copies are also available upon request from the Corporation's offices or from the Corporation's website (www.globexmining.com).

TECHNICAL GLOSSARY

The following is a glossary of terms commonly used in the mining industry and referenced herein:

"Au" means gold.

"Ag" means silver.

"Contained gold" means the total measurable gold or gold equivalent in grams or ounces estimated to be contained within a mineral deposit. Generally, it is a direct multiplication of resource and reserve tonnages by pertinent grades. A calculation or estimate of contained gold may not make allowances for mining dilution or recovery losses.

"Cu" means copper.

"Cut-off grade" means the grade of mineralization, established by reference to economic factors, above which material is included in mineral deposit resource/reserve calculations and below which the material is considered waste. Cut-off grade may be either an external cut-off grade. An external cut-off refers to the grade of mineralization used to control the external or design limits of a pit or underground mine based on the expected economic parameters of the operation. An internal cut-off grade refers to the minimum grade required for blocks of mineralization present within the confines of an open pit to be included in mineral deposit estimates.

"Development stage" means the period when a mineral deposit that has been estimated to be economically viable is prepared for commercial production and includes, among other things, pre-production stripping in the mine and the construction of the necessary process plant and supporting facilities.

"Diamond drill" means a machine designed to rotate, under pressure, an annular diamond-studded cutting tool to produce a more or less continuous solid, cylindrical sample (core) of the material drilled.

"Exploration" means the prospecting, mapping, geophysics, compilation, diamond drilling and other work involved in searching for ore bodies.

"Feasibility Study" (ref. CIM Definition Standards - For Mineral Resources and Mineral Reserves) is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a

proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

“Gpt” means grams per metric tonne. Ex. gpt Au = grams per tonne gold

“Grade” means the amount of valuable mineral in each ton of mineralized material, expressed as troy ounces (or grams) per ton (or tonne) of gold or other precious metal or as a percentage of copper or other base metal or mineral.

“Historical estimate” means an estimate of the quantity, grade, or metal or mineral content of a deposit that an issuer has not verified or caused to be verified as a current mineral resource or mineral reserve, and which was prepared before the issuer acquiring, or entering into an agreement to acquire, an interest in the property that contains the deposit.

“In-fill drilling” means drilling within a defined mineralized area to improve the definition of the known mineralization.

“Metal royalty, gross or net” means a royalty payment based upon contained minerals in concentrate or minerals recovered by a refinery or smelter, as defined by contract.

“Mg” means magnesium.

“MgO” means magnesia or magnesium oxide

“Mineralization” means rock containing an apparent, if undetermined amount of minerals or metals.

“Mineral deposit, deposit or mineralized material” means a mineralized body, which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures. Such a deposit does not qualify to be defined as a commercially minable ore body or as containing ore reserves or resources, until final legal, technical, and economic factors have been resolved in an appropriate technical report.

“National Instrument 43-101” (NI 43-101) means the Canadian Securities Administrator’s National Instrument 43-101: Standards of Disclosure for Mineral Projects.

“Net smelter royalty” (NSR) means a royalty payment based on the value of gross metal production from the property, less deduction of certain limited costs including smelting and refining, as defined by contract.

“Ni” means nickel.

“Open pit mining” means the process of mining an ore body from the surface in progressively deeper steps. Sufficient waste rock adjacent to the ore body is removed to maintain mining access and to maintain the stability of the resulting pit.

“Ore” means a natural aggregate of one or more minerals which, at a specified time and place, may be mined and sold at a profit, or from which some part may be profitably separated.

“Ounce (oz)” means a Troy ounce.

“Oxidized ore” (also referred to as “oxide ore”) means mineralized rock which can be profitably mined and in which some of the original minerals have been oxidized by natural processes.

“oz/T (opt)” means Troy ounce(s) per short ton (2,000 lbs).

“Patented mining claim” means a mining claim on the public land of the United States or Canada, for which a patent has been issued conveying the title from the United States or Canada to the patentees.

“Pb” means lead.

“Pd” means palladium.

“Pt” means platinum.

“Preliminary economic assessment” means a study, other than a pre-feasibility or feasibility study, that includes an economic analysis of the potential viability of mineral resources.

“Preliminary Feasibility Study” (Pre-Feasibility Study) under the CIM Definition Standards, a Preliminary Feasibility Study is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on mining, processing, metallurgical, economic, marketing, legal, environmental, social and governmental considerations and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as a Mineral Reserve.

“Property material to the Issuer” is defined in Part I “General Provisions” of Form 51-102F2 as “Would a reasonable investor’s decision whether or not to buy, sell or hold securities in your company likely be influenced or changed if the information in question was omitted or misstated? If so, the information is likely material.”

“Porphyry deposit” means a disseminated mineral deposit often closely associated with porphyritic intrusive rocks.

“Porphyritic” means a rock texture in which one mineral has a larger grain size than the accompanying minerals.

“Qualified Person” (ref. NI 43-101) means an individual who;

- a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these;
- b) has experience relevant to the subject matter of the mineral project and the technical report; and
- c) is in good standing with a professional association.

“Mineral Resources and Reserves” (ref. CIM Definition Standards - For Mineral Resources and Mineral Reserves Prepared by the CIM Standing Committee on Reserve Definitions, Adopted by CIM Council on May 10, 2014).

“Mineral Resource” is a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction as determined in the judgment of a Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction.

“Inferred Mineral Resource” is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality of continuity.

“Indicated Mineral Resource” is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.

“Measured Mineral Resource” is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.

“Modifying Factors” are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

“Mineral Reserve” is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.

“Probable Mineral Reserve” is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

“Proven Mineral Reserve” is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

“Royalty”, means a metal royalty payment, gross (GMR) or net (NMR), based upon contained minerals in concentrate or minerals recovered by a refinery or smelter, as defined by contract.

“Strike length” means the longest horizontal dimensions of a body or zone of mineralization.

“Stripping ratio” means the ratio of waste material to ore that is experienced in mining an ore body.

“Ton” means a short ton (2,000 pounds).

“Tonne” means a metric tonne (1,000 kg).

“Unpatented mining claim” means a mining claim located on the public lands of the United States or Canada, for which a patent has not been issued. An unpatented mining claim is a possessory interest only, subject to the paramount title of the United States or Canada. The validity of an unpatented mining claim depends upon compliance with mining codes and payment of applicable taxes. In Canada, each province has its own mining code and laws.

“Vein” means an epigenetic mineral filling of a fault or other fracture in a host rock often composed of quartz, carbonate, metal sulphides or precious metals.

“Zn” means zinc.

CONVERSION TABLE

Metric system		Imperial system
1 metre (m)	=	3.280 feet (ft)
1 kilometre (km)	=	0.621 mile (mi)
1 gram (g)	=	0.032 ounce troy (oz)
1 tonne (t)	=	1.102 short ton (T)
1 gram per tonne (gpt)	=	0.029 ounces per short tonne (oz/t)
1 hectare (ha)	=	2.471 acres

DISCLAIMER RESOURCES AND RESERVES

Many of the reserves or resources associated with Globex properties were calculated prior to the institution of National Instrument 43-101 or have been commissioned by companies which have optioned Globex properties since that time. Reserves or resources may also be reported on properties for which Globex retains a royalty interest. On its web-site and in published information, Globex has cautioned readers that the historic information may not conform to National Instrument 43-101 standards and directed the reader where possible to the appropriate Technical Report.

Incorporation

The Corporation was incorporated on October 21, 1949, pursuant to the *Mining Companies Act* (Québec) under the name Lyndhurst Mining Company Limited (No Personal Liability). On June 4, 1974, the corporate name was changed to Globex Mining Enterprises Inc. and the outstanding shares were consolidated based on one share for every ten shares issued and outstanding. On November 4, 1985, Globex was continued under Part IA of the *Companies Act* (Quebec).

Following the approval of shareholders on June 12, 2014, the Corporation was continued under the Canada Corporations Act, effective October 28, 2014.

Its head office is located at 89 Belsize Drive, Toronto, Ontario M4S 1L3 and its principal business office is located at 86 14th Street, Rouyn-Noranda, Quebec, J9X 2J1, Canada.

Globex Mining Enterprises Inc. (“Globex”) is a North American focused exploration and development project generator/property bank which seeks to create shareholder value by acquiring mineral properties, undertaking limited exploration and preparing the properties for optioning, joint venturing, or outright sale, all within the goal of advancing the projects towards production. As part of the total compensation arrangements, we seek to secure long-term royalty arrangements which will provide continued financial benefits to Globex and its shareholders.

Our current mineral portfolio consists of approximately 145 early to mid-stage exploration, development and royalty properties which contain Base Metals (copper, nickel, zinc, lead), Precious Metals (gold, silver, platinum, palladium), Specialty Metals and Minerals (manganese, titanium oxide, iron, molybdenum, lithium, rare earths and associated elements) and Industrial Minerals (mica, silica, feldspar, pyrophyllite as well as talc and magnesite).

Intercorporate Relationships

Globex Nevada, Inc. (“Globex Nevada”), a wholly owned subsidiary of Globex, was incorporated on November 4, 1988 under the laws of the State of Nevada (NV). Its local registered agent, National Registered Agents, Inc. of NV is located at Burns, Figa & Will, PC, 6400 Fiddlers Green Circle Suite 1000 Greenwood Village, CO, 80111, USA and Canadian offices are maintained at 86-14th Street, Rouyn-Noranda, Quebec, Canada J9X 2J1.

Worldwide Magnesium Corporation, incorporated on January 12, 2009 under the Canada Business Corporations Act, has its head office at 86-14th Street, Rouyn-Noranda, Quebec, Canada J9X 2J1, and is owned 90% by Globex and 10% by Drinkard Metalox Inc.

Eco Refractory Solutions Inc. Corporation, was incorporated on May 17, 2010 under the Canada Business Corporations Act, has its head office at 86-14th Street, Rouyn-Noranda, Quebec, Canada J9X 2J1, and is owned 75% by Globex and 25% by Drinkard Metalox Inc.

Duparquet Assets Limited (“DAL”), owned 50% by Globex and with 50% owned by Jack Stoch Geoconsultant Services Limited (“GJSL”), was incorporated on February 16, 2010 under the laws of the province of Ontario, with its head office at 89 Belsize Drive, Toronto, Ontario, M4S 1L3 Canada.

II GENERAL DEVELOPMENT OF THE BUSINESS

The Corporation, originally called Lyndhurst Mining Company Limited, was founded in 1949 in order to bring the Lyndhurst Copper Mine into production. Falling copper prices, once Lyndhurst reached production, eventually caused its demise. The Corporation tried various exploration projects over several years with no success and finally became inactive and thus delisted. In 1974, a new group gained control of the Corporation, reorganized it on the basis of one share for every ten outstanding shares and changed the name to Globex Mining Enterprises Inc. The new group did not succeed in refinancing the Corporation and it remained inactive until 1983 when Jack Stoch, a Rouyn-Noranda based geologist, gained control of the Corporation.

Mr. Stoch brought in a group of exploration professionals as directors, acquired properties of merit and succeeded in listing the Corporation on the Montreal Exchange on January 21, 1988. Globex's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol GMX, in Europe under the symbol G1MN on the Frankfurt, Stuttgart, Berlin, Munich, Tradegate, Lang & Schwartz Stock Exchanges and trades under the symbol GLBXF on the OTCQX International Exchange in the United States.

Globex has slowly and steadily expanded its property portfolio to include properties or royalties in Quebec, Ontario, Nova Scotia, New Brunswick, and the States of Nevada, Washington and Tennessee, USA.

Unlike most other junior exploration companies, Globex is the underlying mineral rights owner on most of its properties and thus does not have material financial commitments for option payments which would impact its liquidity. Globex currently holds in approximately 145 early to mid-stage exploration and development and royalty properties, all of which have either resource, mineralized drill intersections, mineral showings, untested geophysical targets or a combination thereof.

To date, Globex's sources of funding have included; public financings, option payment receipts, royalty revenue and interest income. Government grants, tax credits and joint venture arrangements have assisted exploration funding.

Globex is not currently directly engaged in a mining operation or mineral production.

Three Year History

Overview of Economic Conditions

The junior mining exploration sector is inherently risky and it is a cyclical business that requires aggressive yet prudent management.

During financial and exploration planning, management monitors the changes in all metal prices, with particular emphasis on zinc prices as Globex is entitled to a royalty on the Nyrstar's Mid-Tennessee zinc operations if the LME monthly average zinc price is greater than USD \$0.90 per pound.

In the mid 2000's, a number of factors supported a long term upward cycle for metal prices (high demand, low inventories, and supply reductions), but in 2008, these trends were abruptly disrupted by financial market volatility and the lack of liquidity in the financial system. In the latter half of 2010, commodity prices strengthened with the result that a number of Canadian exploration financings were successfully completed.

Early in 2016, we saw both significant volatility in the world financial markets and downward

pressures on all commodity prices much of which is a result of the declines in economic growth in a number of important world economies. During the second and third quarter, Britain's Brexit vote to leave the European Union, the US Federal Reserve interest rate policy and widespread uncertainty over the US presidential election motivated global investors to seek safe haven. During the latter part of 2016, there was a recognition of the rebalancing between supply and demand for a number of commodities including copper and zinc.

Following the U.S. election, the stock markets and commodities prices reflected an anticipation of global growth fueled by solid growth in China and an improved outlook in Europe as well as anticipated U.S. tax cuts and infrastructure spending.

During 2016, we have also seen a significant number of financings by junior mining companies which enabled Globex to option a number of properties. In January 2017, we have also seen significant increases in the Toronto Stock Exchange's mining sector.

However, immediately following Donald Trump's inauguration, significant uncertainty related to his governing approach and lack of detailed policy direction has emerged and at the same time upcoming elections in France and Germany will likely introduce additional uncertainty.

These uncertainties are reflected in overall stock market performance and recent changes in gold prices which have increased from USD \$1,145 per ounce at December 31, 2016 to USD \$1,257 per ounce currently.

During property acquisition, exploration, and financial planning, management monitors metal demand and supply balances as well as price trends. Table 1 highlights the comparative metal prices which the Corporation monitors.

**Summary of Metal Prices
Current Prices with Comparatives (December 31 2011 - 2015)**

Commodities (USD)	Current 2016	December 31,				
		2015	2014	2013	2012	2011
Gold (\$/oz)	Q1 - 1,229.30	1,060	1,180	1,205	1,656	1,563
	Q2 - 1,320.75					
	Q3 - 1,322.50					
	Q4 - 1,145.00					
Silver (\$/oz.)	Q1 - 15.39	13.83	15.70	19.44	30.06	27.63
	Q2 - 18.36					
	Q3 - 19.35					
	Q4 - 16.24					
Nickel (\$/pound)	Q1 - 3.19	4.00	6.68	6.31	7.89	8.23
	Q2 - 4.24					
	Q3 - 3.95					
	Q4 - 4.53					
Copper (\$/pound)	Q1 - 2.22	2.13	2.85	3.35	3.61	3.43
	Q2 - 2.19					
	Q3 - 2.20					
	Q4 - 2.50					
Zinc (\$/pound)	Q1 - 0.82	0.73	0.98	0.92	0.92	0.87
	Q2 - 0.95					
	Q3 - 1.08					
	Q4 - 1.16					

Table 1

During the first six months of 2015, the Zinc prices were in excess of the USD \$0.90 per pound;

however downward pressure on the prices was evident at the end of July and in September the Zinc prices declined to USD \$0.72 which represented a 5-year low.

The downward pressures continued in the third and fourth quarters and on December 7, 2015, Nyrstar announced that it was placing its Middle Tennessee Mines on care and maintenance as a result of the challenging metal price environment. These decisions are reflected in Globex's reduced gross metal revenues in 2016.

On September 27, 2016, Nyrstar Inc. announced that as a result of recent increases in Zinc prices it was restarting its Mid Tennessee mining and processing operations in Q1 2017 and Globex anticipates receiving royalty payments beginning in early Q3 2017. This decision is supported by the recent increase in Zinc prices which rose from USD \$0.82 per pound at March 31, 2016 to USD \$1.16 per pound at December 31, 2016 and currently is trading at USD \$1.27 per pound.

2016 Fiscal Period

In 2016, Globex reported a net loss of \$383,756 as compared to a net loss of \$2,417,033 in 2015. The reduction in the loss is mainly as a result of a \$1,902,872 lower impairment provision against mineral properties and deferred exploration expenses (2016 provision - \$851,386; 2015 provision - \$2,754,258). In addition to this change there are offsetting increases in revenues and other expenses. The impairment provision is included in the total expenses for the year.

The net revenues for 2016 were \$1,371,219 as compared to \$1,115,844 in 2015. The current year revenues consist of:

- net option income and advance royalties of \$1,356,989 (2015 - \$545,056),
- metal royalties of Nil (2015 - \$615,282),
- management services of \$42,040 (2015 - \$10,000),
- other expenses of \$27,810 (2015 - \$57,275) mainly representing the decline in the fair market value of investments
- joint venture income of Nil (2015 - \$2,781).

Net option Income and advance royalties

In 2016, Globex generated gross option income of \$1,700,500 (2015 - \$659,750) which reflects cash of \$1,096,500 (2015 -\$560,000) and shares with an initial fair market value of \$604,000 (2015 - \$99,750). The gross income is offset by the recovery of property acquisition costs of \$122,553 (2015 - \$296) and exploration expenses of \$220,958 (2015 - \$114,398) resulting in net option income of \$1,356,989 (2015 - \$545,056).

In 2016, Globex generated net option income from seven new option agreements (2015 - four) and five ongoing agreements (2015 – three).

Metal royalty income

The Corporation is entitled to a gross metal royalty of 1.0% if the LME monthly average zinc price is greater than USD \$0.90 per pound in the month after the production at the Nyrstar Mid-Tennessee Zinc operations. The gross metal royalty would raise to 1.4% if the monthly average zinc price is greater than \$1.10. On December 7, 2015, Nyrstar announced that it was placing the Mid Tennessee Mine on care and maintenance as a result of the challenging metal price environment.

No metal royalty income has been recorded in 2016 as the Nyrstar Mid-Tennessee Zinc was not in operation.

Management services income

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

Management services income of \$42,040 (December 31, 2015 -\$10,000) for the year the year ended December 31, 2016 represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement. In 2016, CIM undertook a share consolidation, completed a financing and reactivated limited exploration which is reflected in the increased fees in 2016.

Total expenses

In 2016, the total expenses of \$2,003,388 (2015 - \$3,985,032; 2014 - \$8,542,805) include the impairment provisions of \$851,386 (2015 - \$2,754,258; 2014 - \$7,132,983). After adjusting for the non-cash items (depreciation and amortization, share-based compensation, impairment of mineral properties and deferred exploration, and bad debts), cash operating expenses were as follows:

- 2016 - \$959,047,
- 2015 - \$939,057,
- 2014 - \$1,085,821.

Recovery of income and mining tax

During the year ended December 31, 2016, a recovery of income and mining tax of \$248,413 (2015 - \$452,155) has been recorded. The overall recovery in 2016 reflects the combined impact of:

- (a) no current tax expense (2015 - \$162,188) as no Nyrstar metal royalty income was received in the current year as compared to \$605,282 in 2015.
- (b) deferred income and mining duties provision of \$8,302 as compared to a recovery for income and mining duties of \$371,905 in 2015. The provision in the current year reflects taxable income after adjusting for non-deductible items such as share based compensation and impairment provisions whereas the 2015 recovery reflects a taxable loss after adjusting for these items.
- (c) recovery of income and mining taxes as a result of the sale of tax benefits of \$256,715 (2015 -\$242,438). The recovery in the current year reflects a lower level of flow-through expenditures (2016 - \$1,122,113; 2015 - \$1,605,797) which is offset by a higher premium on these funds (2016 - 22.8%; 2015 - 15.1%).

Exploration Expenditures

Exploration expenditures for the year ended December 31, 2016 totaled \$1,242,580 (2015 - \$1,793,777) which reflects eligible flow-through expenditures of \$1,122,113 (2015 - \$1,605,797) and non-flow through expenditures of \$120,467 (2015- \$187,980). During the years-ended December 31, 2016 and 2015, exploration expenditures were incurred on the various projects as follows:

A detailed description of the various properties is also contained in Section III of this document (Description of Business - Exploration Properties in Canada and the United States).

Acquisitions, Sales and Options

Mineral property acquisitions

During 2016, Globex spent \$51,039 (2015 - \$27,978) and issued 630,000 shares with a deemed value of \$199,500 to acquire 22 mineral properties. On January 7, 2016, Globex issued 350,000 shares with a deemed value of \$87,500 to acquire the Devil's Pike Gold Property located in New Brunswick and subsequently on June 28, 2016, issued 280,000 GMX shares as partial consideration for the acquisition of 69 mining claims in Duverny, Township held by seven individuals, comprising the "Groupe Succession Beauchemin." The shares represented a deemed payment of \$112,000 and cash of \$40,329 was also paid.

Currently, Globex believes that there are significant property acquisition opportunities at extremely low prices. During 2016, it has announced significant acquisitions as described below.

Golden Pike Gold Property (also called Devil's Pike, New Brunswick) – On January 7, 2016, Globex acquired a 100% interest in the Devil's Pike Gold Property located in Kings County, south central New Brunswick. The property was acquired from Rockport Mining Corp. for 350,000 Globex shares at a deemed issue price of \$0.25 per share and a one percent (1%) Net Smelter Royalty (NSR) payable after the property has produced 600,000 oz. of gold. The property has a two percent (2%) underlying royalty. All the royalties may be purchased for CDN\$ 500,000 per half percent (0.5%). The property includes the "Main" and nearby "Parallel" gold zones.

Francoeur and Arntfield Mine Gold Project (Beauchastel, Dasserat Twps., Quebec) - On March 3, 2016 Globex informed shareholders that it had signed a Binding Letter of Intent with Richmond Mines Inc. to acquire 100% interest in the Francoeur Mine, Arntfield Mine and a large package of mining concessions, mining leases and claims. The property covers an area of 1,866 ha and approximately a 7 km strike length of the gold localizing Francoeur-Wasa Shear Zone. The purchase includes a modern office building, headframe and hoist, core facility, machine shop and sundry equipment. Globex has agreed to pay Richmond a 1.5% Net Smelter Royalty (NSR) on a portion of the property which includes Richmond's former Francoeur Mine and Arntfield property up to a total of \$1,300,000 after which the NSR will be reduced to 0.5% NSR. On July 28, 2016, in a press release Globex announced that it had finalized the Francoeur and Arntfield Gold Mines.

As part of the transaction, Globex transferred title of 11 claims located in Beauchastel Twp. adjoining the East boundary of Richmond's Wasamac gold property to Richmond. These claims will be subject to a 0.5% NSR payable to Globex.

Closing of the transaction was conditional upon approval by the Ministère de l'Énergie et des Ressources Naturelles (MERN) of the transfer of liability for the Closure of the Francoeur mine to Globex. Globex has agreed to assume responsibility for \$628,175 in mine closure and environmental obligations at the Francoeur mine of which \$471,132 was previously funded with a deposit with the Quebec Government by Richmond. Ownership and management of the bonding including Richmond's previous contributions have been transferred to Globex. Globex funded the remaining closure funding of \$157,043. Globex vended a sterile rock pile on the Francoeur mine property to a third party for among other things to fund the bonding of \$157,043.

The principal ore body on the Francoeur Mine Property is the Number 3 orebody which contains the "West Zone". It is estimated that 2,187,200 t grading 6.17 gpt Au were mined producing 414,413 oz. (Source: Richmond Mines) from the mine. The adjacent Arntfield Mine is reported to have produced 480,804 tonnes grading 3.98 gpt Au and 0.93 gpt Ag between 1935 and 1942 (Source: Quebec government files).

A mineral resource (Measured and Indicated 320,000 t @ 6.47 gpt Au (66,600 oz. Au) and Inferred 18,000 t @ 7.17 gpt Au (4,150 oz. Au)) has been identified by Richmond in the West Zone of the Francoeur mine using a cut-off grade of 4.3 gpt Au and a gold price of CDN \$1,300 (approx. USD \$965) (Richmont Web Page Disclosure - Mineral Reserve & Resource Table as of December 31, 2015). This resource has not been reviewed by a Qualified Person for Globex under National Instrument 43-101 and is considered by Globex as an historic estimate. The resource remains open at depth and is accessible by shaft and underground ramp. The Northern Miner (1991-09-23) reported an historic resource of 633,086 tonnes grading 4.84 gpt Au (98,512 oz. Au) on the adjoining Arntfield Gold Mine property (Source: SIGEOM.mines.gouv.qc.ca).

Cameron Shear Gold Property (Franquet and Grevet Twps., Quebec) – On April 6th, Globex announced the acquisition of the Cameron Shear Gold Property, located 27 km north-northeast of the town of Lebel-sur-Quevillon. The property consists of 30 cells (1,242 ha) and covers 6.4 km of the Cameron Shear zone which hosts to the Flordin/Cartwright gold property immediately west of the Globex property and the Discovery gold deposit, located 12 km west-northwest.

The Property has been subject to a number of exploration programs culminating in 119 drill holes, 57 of which are in the area of the Principal Gold Zone, surface mapping and sampling as well as several ground geophysical surveys (HEM, Mag, IP). Gold was intersected in numerous drill holes and in several stripped outcrops. Much of the previous drilling was within 300 m of surface, intersecting wide zones of low grade gold with occasional spikes into the multi ounce range over narrow widths.

SIGEOM, the Quebec Government geological information internet site contains reports describing gold values as high as **21.8 gpt Au over 1.5 m, 8.23 gpt Au over 1.3 m, 8.13 gpt Au over 1 m, 7.41 gpt Au over 1.1 m, 28 gpt Au over 0.37 m, 16.1 gpt Au over 0.68 m, 7.72 gpt Au over 1.44 m, 17.8 gpt Au over 1.05 m** and other narrow high grade intersections within broad low grade gold mineralized zones related to the Cameron Shear structure.

Lithium Properties - On April 27, 2016, Globex announced that it had acquired 40 claims covering a strike length of 10 km in Guysborough County, Nova Scotia which is located approximately 200 Km northeast of Halifax. On May 2, 2016, Globex announced that it had acquired three lithium projects located in LaCorne and Landrienne Township (McNeely Property), LaCorne Township (Chubb Property) and Figuery Township (Bouvier Property), Quebec between the towns of Amos and Val D'Or. The Chubb and Bouvier properties have been sold to Great Thunder Gold Corp. As of February 9th, 2017, Great Thunder had met all of the payment obligations under the option to purchase agreement with Globex.

Duvernay Gold Claims - In a July 11, 2016 press release, Globex announced the acquisition and sale of a block of 69 claims located in Duvernay Township, Quebec. The claims adjoin both the Duvay Gold Property currently held by Secova and the Fontana Gold Property under option to Tres-Or Resources Ltd.

Additionally, Globex has acquired by map designation several other mineral properties during the period including the Pyrox (Pt, Pd, Ni) and Certac (Cu, Au), a diamond exploration property and Massif du Nord (Ni, Co). During the period Globex also disposed of certain properties including the Boularderie salt/potash property due to budgetary constraint and reduced exploration merit.

Sales and Options

In 2016, Globex generated net option income from seven new option agreements (2015 - four) and five ongoing agreements (2015 - three). The net option income and advances royalties of \$1,356,989 (2015 - \$545,056) consisted of cash receipts of \$1,096,500 and shares in optionee corporations with a fair market value of \$604,000 minus total recovered costs of \$343,511.

In 2015, the Corporation recorded net cash option income and advance royalties of \$545,056 consisted of cash receipts of \$560,000 and shares in optionee corporations with a fair value of \$99,750 minus total recovered costs of \$114,694.

A Summary of the option agreements negotiated during the year-end December 31, 2016 follows:

1. **Manganese X Energy Corp., (Name changed from Sunset Cove Mining) on December 1, 2016), Houlton Woodstock Property, New Brunswick.** - On April 22, 2016, Globex entered into an Option Agreement with Sunset Cove Mining Inc. related to the Houlton Woodstock Manganese Property located in the Province of New Brunswick. Under the option terms, Sunset can exercise the option and earn a 100% interest in the property by making cash payments of \$200,000 (\$100,000 on signing the agreement and \$100,000 on or prior to April 22, 2017), issuing an aggregate of 4,000,000 common shares to Globex and incurring aggregate exploration expenditures of \$1,000,000 on the property during the two-year period following the effective date and the completion of a PEA on or before the fourth anniversary date. On April, 28, 2016, the initial \$100,000 option payment was received and in December 2016, 1.0 M. shares were received. On January 30, 2017, the second payment of \$100,000 was made.
2. **Great Thunder Gold Corp. Chubb and Bouvier properties** - On May 26, 2016, GMX announced that it had optioned its Chubb and Bouvier lithium properties to Great Thunder Gold Corp (GTG-V) subject to approval by the TSX Venture Exchange. Under the option agreement, Great Thunder agreed to:
 - Pay Globex \$60,000 over a six-month period;
 - Deliver to Globex 2,400,000 GTG shares subject to a 4 month hold;
 - Reserve for Globex a 2% GMR on all mineral production from the properties;
 - Assume all obligations under the contract by which Globex acquired the properties including the underlying 1% Net Smelter Royalty.

Globex received its final payment of \$20,000 on February 8, 2017.

3. **RJK Explorations Ltd, Ramp Property, Ontario** - On May 30, 2016, RJK Explorations Ltd. entered into an option agreement with Globex for Globex's Ramp property, located in Beatty, Carr, Coulson, and Wilkie Townships in Ontario. Under the agreement, Globex is entitled to \$10,000 on signing, \$250,000 (30 days after TSXV approval) and \$250,000 per annum (adjusted for inflation) each year. Under the terms of the agreement, a 2.5% GMR shall be payable on all metals produced from the property. As long as RJK exploration makes timely annual \$250,000 payments, RJK will have a beneficial 100% right, title and interest in the property, subject to the GMR and NSR royalties.
4. **Secova Metals Corp, Chenier Property, Quebec** - In a July 11, 2016 press release, Globex announced the acquisition and sale of a block of 69 claims located in Duvernay Township, Quebec. The claims adjoin both the Duvay Gold Property currently held by Secova and the Fontana Gold Property under option to Tres-Or Resources Ltd. Concurrently, Globex has sold the 69 claims to Secova for a cash payment of \$136,500, 1.0 m. Secova shares, a 1.5% Gross Metal

Royalty payable to Globex and assumption of the 1.8% NSR obligation to the estate. The 69 claims cover areas with significant gold potential.

- 5. Opawica Exploration Inc., Beauchastel claims, Quebec** - On July 27, 2016, Globex entered into a property option agreement with Opawica Exploration Inc. related to claims in Beauchastel Township, Quebec for a cash payment of \$30,000 and 500,000 Opawica common shares. On or before January 31, 2017, Opawica as optionor, is scheduled to pay an additional \$30,000 and 500,000 Opawica common shares. The property will be subject to a 3% Gross Metal Royalty payable to Globex.

On August 31, 2016, \$30,000 was received by Globex. On January 26, 2017, an extension to the Option Agreement was executed which extended the final optional payment of \$30,000 and the issuance of 500,000 Opawica shares from January 31, 2017 to April 30, 2017. The extension was given for consideration of \$5,000 and 250,000 shares which were received on February 21, 2017.

- 6. Galway Metals Inc. subsidiary, Montgolfier Property, Quebec** - On August 18, 2016, Globex announced that it sold its 100% interest in its Montgolfier and Orvilliers Townships, Quebec property, to a wholly owned subsidiary of Galway Metals Inc., for \$200,000 and a 1% Gross Metal Royalty.
- 7. Chalice Gold Mines (Quebec), Nordeau East and West** - Under a December 5, 2016, Option Agreement (November 1, 2016 effective date), Golden Chalice Mines agreed to; (i) option payments of \$590,000 (\$120,000 on signing, \$170,000 within 12 months of effective date, \$140,000 within 24 months from signing, \$140,000 within 36 months from signing; and \$20,000 on the completion date) and undertaking exploration expenditures of \$2.5 million over a four-year period. Upon exercising the option, Chalice will grant a 3% Gross Metal Royalty to Globex.

Additional Option Agreements Negotiated in 2016

In addition to the seven option/property sale agreements outlined above, on which the Corporation reflected net option income in 2016, GMX negotiated the following agreements on which revenue was not reported in 2016, as the arrangements were pending exchange approval.

- 1. Walmer Capital Corp. (name in process of being changed to Enerspar Corp.), Johan Beetz Property** - On August 22, 2016, Globex announced in a press release that it had optioned its Johan Beetz Feldspar Property located in Johan Beetz/Illes et Ilets de Mingan 03 Township, Quebec, to Walmer Capital Corp. Subsequently, the agreement was modified and upon TSXV Exchange approval, Walmer will pay Globex \$100,000, 2 million Walmer shares to earn a 100% interest in the property subject to a 2.5% Gross Metal Royalty payable to Globex.
- 2. Natan Resources Ltd. (name changed to Enforcer Gold Corp on February 27, 2017), Montalembert Gold Property** - On November 17, 2016, Globex announced that Natan Resources Ltd. (NRL-V) has taken, subject to TSXV approval, an option on Globex's 58 cell, 3,183 hectare Montalembert Gold Property in Montalembert Township, Quebec 10 km northwest of the town of Waswanipi. Under the terms of the agreement, Natan shall pay \$2,700,000 and issue 8,500,000 Natan shares to Globex and undertake \$15,000,000 in exploration to earn 100 % interest in the property subject to a Gross Metal Royalty (GMR) as follows:

	Cash	Shares	Work Requirement
On Signing	\$300,000	1,500,000	\$1. M. (within first 12-month period)
First Anniversary	\$300,000	2,000,000	\$1.0 M. (within second 12-month period)
Second Anniversary	\$600,000	2,000,000	\$4.0 M. (within third 12-month period)
Third Anniversary	\$1,500,000	3,000,000	\$4.0 M. (within fourth 12-month period)
Fourth Anniversary	\$50,000 GMR	n/a	\$5.0 M. (within fifth 12-month period)

The cash, share and work requirements of the first two years are firm commitments. Natan shall have the option depending upon market conditions to delay once, for a one year period, any of either the third, fourth or fifth year work commitments due to specific market conditions by paying Globex \$150,000 and 1,000,000 million shares.

Commencing at the 4th anniversary, Natan shall pay Globex an annual \$50,000 advance GMR Royalty payment, recoupable from first production from the property.

Globex shall receive a 6% GMR (9,000 ounces) of the first 150,000 ounces of precious metals (Au, Ag) recovered from the property and a 3.5% GMR from all production beyond the initial 150,000 ounces of recovered precious metals.

On January 20, 2017, Natan Resources announced that the TSXV accepted the filing of the documentation related to this option agreement and Globex received \$300,000 on January 21, 2017.

- 3. Galway Metals Inc., Tower Hill Property** - On December 14, 2016, Globex entered into an agreement with Galway Metals Inc. and a 252780 Ontario Inc. to acquire the Tower Hill Property. The purchase price for the property consisted of; (a) the issuance of 260,000 common shares of Galway Metals Inc. and the grant of a 2.5% gross metal royalty. The shares were received on January 3, 2017.

Timmins Talc-Magnesite Project

Background Information

Detailed background information related to the TTM project is outlined on Globex's website (<http://www.globexmining.com/TechReports.htm>) and in the Annual Information Form. Key highlights are as follows:

- 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 which are available on SEDAR (www.sedar.com) and on the Corporation's web-site.
- On December 18, 2013, the Corporation received a 21-year mining lease covering the site of the proposed talc mine. A mining lease is a registered property title which facilitates financing and permitting related to mining and production operations.

Current National Instrument 43-101 Technical Reports

- On March 2, 2010, Globex received Micon's NI 43-101 Technical Report providing a Mineral Resource Estimate for 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 issued a press release announcing a National Instrument (“NI”) 43-101-compliant Technical Report for the Preliminary Economic Assessment (“PEA”) of the TTM project. The full PEA was filed on SEDAR on April 17, 2012. Based on the 2010 mineral resource estimate and a mining rate 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.
- This press release also provided 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 2012 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.

2015 and 2016 Activities

- In 2015, Globex developed a range of project values and alternate structures which could allow partners to participate or acquire the project. A dedicated consultant was engaged to explore potential parties with related industry knowledge. At that time, discussions were challenging considering the uncertainties in the financial markets and economic outlooks.
- During 2016, exploration expenses of \$114,405 were incurred on the project reviewing and reinterpreting drilling data and sample analysis acquired during the period 2008 - 2014. This analysis and interpretation was mainly designed to gain additional information which could be used in generating an updated resource estimate for potential mine planning and financial modelling. Currently, we anticipate issuing a revised resource estimate late in 2017.
- Globex continues to explore various opportunities for the potential products that could be produced and seek senior level financing opportunities for the project.

Optioned and royalty 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 (Hébécourt, Montbray) - In 2011, Globex optioned this property to Mag Copper Limited and significant exploration work was completed during the period 2011 - 2014. Late in 2015, Mag Copper informed Globex that it was encountering difficulty raising the funds to meet its obligations under our option arrangement. In February 2016, Globex terminated the agreement as a result of the outstanding obligations and the property was returned to the Corporation. In March,

Globex began discussions with the MERN to secure a 50,000t bulk sample permit and a mining lease application for future operations at Magusi. The bulk sample permit was secured on December 1, 2016. Globex is currently in discussions with a partner to option the property.

Parbec Property (Renforth Resources Inc. "Renforth", Quebec) - On January 29, 2015, Globex entered into a letter of intent with Renforth whereby it may earn 100% interest in Globex's Parbec Gold Property located 6 km northwest of the large Canadian Malartic open pit gold mine (Agnico Eagle Mines Limited and Yamana Gold Inc.) and adjoining the former East Amphi Gold Mine, all located on or near the gold-localizing Cadillac Break.

In a March 7, 2016 press release, Renforth announced an initial resource statement prepared pursuant to NI 43-101 for the Parbec Property, located on the Cadillac Break in Malartic, Quebec. Renforth Resources is a Canadian issuer and the technical report was filed on SEDAR (www.sedar.com) on April 21, 2016. Globex has an Option and Royalty Interest in the Property. The Mineral Resource estimates have been reviewed by a qualified person for reasonability and as a result, Globex has included this information in this AIF. The March 7, 2016 press release includes the following information:

Mineral Resource	Zone	Tonnage (t)	Total Au (gpt)	Total Au (oz)	Grade (gpt)
Indicated	Tuffs	263,230	952,317	33,592	3.62
Inferred	Tuffs	1,862,268	5,000,236	176,378	2.69
	Felsites	1,430,441	2,220,844	78,338	1.55
	Porphyries	3,964,162	7,353,620	259,392	1.86
Totals					
Indicated		263,230	952,317	33,592	3.62
Inferred		7,256,872	14,574,700	514,108	2.01

Table 3

1. Mineral resources which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
2. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
3. The mineral resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council
4. A cut-off value of 0.5 gpt Au was used in the preparation of this resource.

This resource statement has not been reviewed by a qualified person on behalf of Globex under National Instrument 43-101. The reader is referred to the Renforth news release posted on their website and on SEDAR on March 7, 2016.

On December 7, 2016, Renforth issued a press release which is filed on SEDAR, which outlines the results of a backpack drill program which was carried out over 4 field days this fall in order to test the usefulness of the backpack drill at Parbec.

During the backpack program a hole was successfully drilled, obtaining a result of 4.2 g/t over 90cm (vertical), continuing the south porphyry unit to surface.

At the January 29, 2017, the option anniversary date, Renforth had not met its exploration expenditure requirements and was unable to make the next required option payment. Globex has

allowed Renforth to continue the option on a day to day basis while it endeavors to raise required funds.

Farquharson Property (Integra Gold Corp) - In January 2012, Integra entered into an option to acquire a 100% interest in the renamed Donald Property (Globex's Farquharson Property) located in Bourlamaque Township, Quebec, adjacent to the Integra's flagship Lamaque property. GMX retains a 3% Gross Metal Royalty on this property.

Integra continues to explore and develop the Triangle Deposit, which adjoins the Donald property.

Massicotte Property (Adventure Gold Inc. "Adventure", Quebec) - In February 2012, Globex sold the 45 claim Massicotte property to Adventure and retained a 2.5% Gross Metal Royalty. The property forms part of Adventure's Detour Quebec Gold Project. The property is traversed by the Massicotte and Lower Detour (Grasset) Deformation Zones. In October 2012, Adventure announced an option and joint venture agreement with SOQUEM comprising 531 of the Detour Gold Project Claims including the Globex royalty claims.

In January 2016, Adventure and Soquem announced geophysical surveys and a 3,400m drilling program for the project. According to its press release map, at least three holes appear to target the royalty claims.

In a press release, on June 10, 2016, Probe Metals Inc. and Adventure announced the completion of the previously announced plan of arrangement pursuant to which Probe Metals acquired all of the outstanding common shares of Adventure Gold to create a well-funded Quebec and Ontario focussed gold explorer and developer.

On February 7, 2017, Probe announced a \$10 Million bought deal equity financing of flow-through shares which is anticipated to close on February 28, 2017. The gross proceeds will be used fund Canadian Exploration expenses on Probe's projects in Ontario and Quebec.

St-Urban (Silicon Ridge) (Rogue Resources Inc. "Rogue", Quebec) - In August 2015, Rogue acquired the property. Globex received 1,000,000 shares of Rogue, acquisition costs and retains a purchasable 1% Net Smelter Return (NSR). The Property is located 100 km northeast of Québec City and approximately 40 km north of the City of Baie-Saint-Paul, on the north shore of the Saint Lawrence River.

On April 4, 2016, Rogue announced a name change for the project to Silicon Ridge and reported results from activities initiated in 2015 including completion of seventy-one (71) drill holes, totalling 11,822 m which defined the "G" quartzite unit intersecting approximately 1,950 m of strike length with true widths between 31 m and 115 m and the "H" quartzite unit intersecting approximately 500 m of strike length with true widths ranging from 35 m to 118 m. These units are located approximately 260 m apart. Rogue highlighted intercepts in its April 4 press release from 20 holes which ranged from 8.5 m to 189 m reporting weighted averages of 97.9% to 98.5% Silica (SiO₂) from the drilling.

In Q2, Rogue reported that testing by Anzaplan concluded the high-grade silica found at Silicon Ridge is suitable for commercial applications. Anzaplan determined that possible products include silicon-based products, high value applications (glass, ceramics) and a variety of fillers. Rogue also announced that a bulk sample would be extracted at Silicon Ridge and processed by ANZAPLAN into a variety of products to support commercial discussions with potential customers.

On June 7, 2016, Rogue announced by press release a resource estimate completed by Met-Chem Canada which identified Measured and Indicated Resources of 9.7 Mt grading 98.6% SiO₂ and

Inferred Mineral Resources estimated at 4.6 Mt grading 98.6% SiO₂. According to the press release the resource estimate includes resources from 3 zones referred to as the South West, North East and Centre North zones, all zones are open along strike and down dip and have potential for expansion.

On September 14, 2016, Rogue issued a press release announcing a positive Preliminary Economic Assessment for Silicon Ridge Project. The PEA indicates a base case pre-tax NPV (10% discount rate) of \$36.5M and IRR of 40% (after-tax IRR of 33.9% and NPV at 10% of \$23.8M) and pre-production capital requirements of \$10.5M (plus \$2.6M contingency). The preliminary Economic Assessment was filed on SEDAR on October 26, 2016. Subsequently on November 18, 2016, Rogue announced in a press release the results of a survey to quantify the volume of overburden that will be removed and stockpiled and will form a portion of the project optimization process.

On January 5, 2017, Rogue issued a press release providing an update regarding the further analysis to reduce the amount of overburden need to be stripped for open pit mining and the Board of Director's decision in favour of advancing the Silicon Ridge Project in 2017 by beginning to file the necessary application to secure the required permits, certificates and authorizations to initiate development activities.

Duvay Gold Project (Tres-Or Resources Ltd. "Tres-Or") - On January 6, 2015, Tres-Or announced that it had executed a term sheet with Secova Metals Corp. ("Secova") to option up to a 90% interest in the Duvay Gold Project, comprising 105 claims in the Abitibi region, including the Duvay Project claims optioned to Tres-Or by Globex. The Globex Duvay Project was optioned to Tres-Or in 2011 and consists of 4 claims (169 ha) situated in Duvernoy Township. Globex retains a Gross Metal Royalty of 1.5% on future production at gold price of USD\$800/oz. or less and 2% where gold is over that price.

On March 18, 2016, Secova announced completion of a three dimensional (3D) IP survey. The survey layout was a grid with 13 lines using 75 m spacing over an area about 750 m by 975 m (+/- 10-line km). The grid is parallel to known gold bearing structures covering the original gold discovery on the property and its Southeast extension. Secova used the IPower 3D method to evaluate the zone to a depth of 500 m which is below current drill tested depths. During the second quarter, Secova Metals Corp. reported it has contracted InnovExplo for preparation and data compilation at The Duvay Project. InnovExplo will compile a database with all 330 historical drill logs in a Gems data system for 3D geological modeling.

On September 27, 2016, Secova announced that it was moving toward the execution of the exploration plan recommended in the recently completed Geoscientific Compilation on its Duvay Gold property (the "BMAG Report"). The objective of the exploration program is to prepare and to drill 5,250 metres in 16 holes on 8 target zones as further described in the press release. This work has yet to be undertaken.

Houlton Woodstock (Sunset Cove Mining Inc. (named changed to Manganese X Energy Corp., December 1, 2016, ("Manganese X")) – Details of the option agreement are outlined on page 14.

During the fourth quarter of 2016 and first quarter of 2017, Manganese X Energy Corp. was very active in completing corporate activities, filing technical reports (November 30, 2016, Press Release), planning and completing a drilling program (December 21, 2016, Press Release), initiating an Electrolytic Manganese Dioxide Concept Study (December 29, 2016, Press Release), Formation of Technical & Marketing Advisory Board (January 16, 2017) and completing a private placement financing with a target of \$1,425,000 (January 31, 2017, Press Release).

In a Press Release, on February 3, 2017, Manganese X provided an update on Assay Results and the Globex Option Payments. It stated that the Corporation has recently completed a diamond drill

program at its Houlton Woodstock manganese property located in Carleton County, New Brunswick (the "Property"). The drilling program consisted of 16 holes totalling 3,589 meters, and was completed as an initial test of three priority areas on the property: the Iron Ore Hill, Sharpe Farm and Moody Hill manganese occurrences. Drill targets were chosen based upon results derived from gravity and magnetometer surveys completed in October 2016.

On February 14, 2017, Manganese X reported the results of their 16 hole drill program having intersected core lengths of up to 87.7 m grading 9.35% MnO and 16.54% Fe₂O₃.

Overall, Globex is pleased with the progress that has been made in such a short period.

Beauchastel Properties (Opawica Explorations Inc.) - On July 27, 2016, Globex entered into a property option agreement with Opawica Exploration Inc. related to 24 claims in Beauchastel Township, Quebec. These claims adjoin Opawica's Bazooka Gold Property. Details of the option agreement are outlined on page 15.

On October 27, 2016, Opawica announced in a press release the initialization of drill mobilization in November 2016. On January 30, 2017, announced that a delay in obtaining access permit has required it to amend mobilization arrangements with the drill contractor. Drilling at Opawica's 100% owned Bazooka Property will now commence in mid February 2017.

This press release also reported that it had also obtained a three-month extension on its Option to acquire 100% interest, subject to a 3% gross metal royalty, of the Bazooka West property from Globex that was announced on August 2, 2016. The final option payment of \$30,000 and 500,000 Opawica common shares has been extended to April 30, 2017, for consideration of \$5,000 and 250,000 common shares payable upon receipt of the TSXV acceptance of the extension which was received on February 8, 2017.

Opawica's January 30, 2017 Press release further describes history related to the property and the objectives of the planned drill program.

2015 Fiscal Period

In 2015, Globex reported a loss for the year of \$2,417,033 as compared to \$5,342,113 in 2014. The reduction in the loss mainly reflects a reduction of \$4,378,725 in the impairment provision against mineral properties and deferred exploration expenses (2015 provision - \$2,754,258; 2014 provision - \$7,132,983) and a reduced decline in the fair value of financial assets. The impairment provision is included in the total expenses for the year.

The net revenues for 2015 were \$1,115,844 as compared to \$998,938 in 2014. The current year revenues consist of:

- net option income of \$545,056 (2014 - \$306,408),
- metal royalty income of \$615,282 (2014 - \$1,020,232),
- joint venture income (loss) of \$2,781 (2014 - loss of \$526),
- management services of \$10,000 (2014 - \$50,400), and
- other expenses of \$57,275 (2014 - \$377,576) mainly representing the decline in the fair market value of investments.

Net option Income

The 2015 net option income of \$545,056 is higher than the \$306,408 in 2014 mainly as a result of the sale of a property which generated \$243,632 net option income in 2015. In 2015, Globex generated

option revenue from four new option agreements (2014 – two new agreements) and three ongoing agreements (2014 – three agreements).

Metal royalty income

The Corporation is entitled to a gross metal royalty of 1.0% if the LME monthly average zinc price is greater than USD \$0.90 per pound in the month after the production at the Nyrstar Mid-Tennessee Zinc operations.

In 2015, the metal royalty income was \$615,282 as compared to \$1,020,232 in 2014 which reflects the decline in Zinc prices during the last half of 2015. Zinc prices averaged USD \$0.97 per pound for the first six months of 2015, which generated royalty income during that period of CDN \$605,282, but the average price declined to USD \$0.78 per pound in the last six months of 2015 resulting in no metal royalty income from Nyrstar. In 2014, the Zinc price averaged U.S. \$0.98.

On December 7, 2015, Nyrstar announced that it was placing the Mid Tennessee Mine on care and maintenance as a result of the challenging metal price environment. Subsequently on January 7, 2016, they announced the formal launch of the sale process for all or the majority of its mining assets. These developments will adversely impact Globex's revenue source from these operations.

In addition to the metal royalty income from Nyrstar, Globex also received \$10,000 (2014 – Nil) as an Advance Royalty payment under the agreement with Midatlantic Minerals Inc.

Management services income

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

Management services income of \$10,000 (December 31, 2014 -\$50,400) for the year the year ended December 31, 2015 which represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement. Currently CIM has minimal operational activities, which are reflected in the reduced charges in 2015.

Total expenses

In 2015, the total expenses were \$3,985,032 as compared to \$8,542,805 in 2014, which represents a reduction of \$4,557,773 with \$4,378,725 related to a reduction in the impairment provision against mineral properties and deferred exploration expenses and a combined reduction of \$179,048 reflected in all other expenses.

After adjusting for the non-cash items (depreciation and amortization, share-based compensation, impairment of mineral properties and deferred exploration, decrease in fair value of financial assets), cash operating expenses were as follows:

- 2015 - \$939,057,
- 2014 - \$1,085,821,
- 2013 - \$1,348,213.

Recovery of income and mining tax

Income and mining tax expense (recovery)

- During 2015, a recovery of income and mining taxes of \$452,155 (2014 -\$2,201,754) has been recorded. The overall recovery in 2015 reflects the combined impact of:
 - a) current tax expense of \$162,188 (2014- \$288,591) representing foreign taxes on Nyrstar metal royalties. The provision is lower in 2015 as a result of reduced Metal Royalties from Nyrstar.
 - b) deferred tax recovery for income and mining duties of \$371,905 (2014 - \$2,255,044) mainly as a result of the impairment provisions related to mining properties and deferred exploration expenses. The recoveries are lower in 2015 as a result of the reduced impairment provisions in the current year.
 - c) recovery of income and mining taxes as a result of the sale of tax benefits of \$242,438 (2014 -\$235,301).

Exploration expenditures for the year ended December 31, 2015 totaled \$1,793,777 (2014 - \$2,431,902) which reflects eligible flow-through expenditures of \$1,605,797 (2014 - \$2,353,372) and non-flow through expenditures of \$187,980 (2014 - \$78,530). Exploration expenditures were incurred on the major projects as outlined in the 2015 Management Discussion and Analysis.

A detailed description of the various properties is also contained in Section III of this document (Description of Business - Exploration Properties in Canada and the United States).

Acquisitions, Sales and Options

Mineral property acquisitions

During 2015, \$27,978 (2014 - \$171,113) was spent on mineral property acquisition. The following paragraphs provide an overview of the major property acquisitions:

- **Golden Pike Property** (also called Devil's Pike, Kings County, New Brunswick) – As announced in a press release on January 7, 2016, Globex acquired a 100% interest in the Devil's Pike Gold Property located in Kings County, south central New Brunswick. The property was acquired from Rockport Mining Corp. for 350,000 Globex shares at a deemed issue price of \$0.25 per share and a one percent (1%) Net Smelter Royalty (NSR) payable after the property has produced 600,000 ounces of gold. The property has a two percent (2%) underlying royalty. All the royalties may be purchased for CDN\$ 500,000 per half percent (0.5%). The property includes the "Main" and nearby "Parallel" gold zones. On August 24, 2011, Portage Minerals Inc., a previous owner of the property announced the completion of an NI 43-101 Technical Report. They reported an Inferred Mineral Resource of 214,800 t grading 9.60 gpt Au containing 66,300 oz Au using a grade capping of 30 gpt and 214,800 t grading 13.48 gpt Au containing 93,100 oz of gold with no grade capping.
- **Boularderie Project** (Victoria County, Nova Scotia) - As announced in a press release on April 7, 2015, Globex acquired by Order in Council decree, 251 claims covering approximately 4,064 ha (40.6 km²) of prospective potash/salt exploration rights in Cape Breton, Nova Scotia. A stratigraphic test hole drilled in 1984 by the Nova Scotia Department of Mines and Energy intersected two intervals of potash (3.8% K₂O over 1.2 m from 592.4 m to 593.6 m and 6.03% K₂O over 5.0 m from 744.2 m to 749.2 m) as well as extensive intervals of salt.
- **Montalembert** (Montalembert, Quebec) - In September Globex announced it acquired 100% interest in a high grade gold property, which has not been explored in over 42 years, located

approximately 10 kilometers northwest of the Cree Village of Waswanipi, Quebec. The property consists of 44 cells totalling 2,405 hectares (4,978 acres).

In 1973, a grubstake syndicate stripped and cleared the Galena, Rabbit and Number 2 veins after which the property was acquired by Rochelom Mines Ltd., which undertook a detailed trenching and analysis of the Galena vein system over a near continuous strike length of 405 feet (123 m), an average sample width of 2.06 feet (0.63 m) and to a depth of 2 feet (0.61 m). Seventy-eight (78) samples collected from fine blast material over continuous 5 foot (1.5 m) lengths and two 7.5 foot (2.3 m) lengths weighing 8 lbs each are reported to have returned an average of 0.67 oz/ton Au (cut) (20.84 gpt Au) and 0.93 oz/ton Au (uncut) (28.93 gpt Au).

- **Dalhousie Project** (32F10, Quebec) - Globex acquired 14 claims by staking in map area 32F10 approximately 50 km east of the town of Matagami and 4 km south of Lac au Goéland. The property has been explored intermittently since the 1950s by geophysical survey and drilling. Historic drilling on the property has returned intervals of copper-nickel mineralization ranging from 0.1% to 5.3% Cu and 0.1% to 0.88% Ni over intervals of 0.5 to 13.3 m. Historic surface sampling returned values ranging to 4.4% Cu and 0.9% Ni.
- **Feldspar Project** (Johan Beetz, Quebec) - Globex acquired the Johan Beetz Feldspar Property located on the North Shore of the St. Lawrence River, approximately 60 km east of Havre St. Pierre near the town of Baie Johan Beetz. There is a former producing feldspar mica mine on the site which is reported to have a large historical resource. The property is located at tidewater and the former mine's loading dock still exists although in unknown condition. The site has access to the eastern seaboard of North America and a transport cost advantage. Feldspar of the quality reported at this site is used for industrial scale glass and ceramic manufacture as well as for fillers in paint and other products.
- **Wawagotic** (Estrées, Quebec) - Globex acquired 100% of this property through staking in the Casa Berardi area near the Corporation's new Montgolfier property. The claims cover a volcanic sequence with base metal and volcanogenic massive sulphide indicators. Numerous historic geophysical anomalies are located on the property. Several anomalies remain untested and present attractive drill targets.
- Other 2015 property acquisitions in Quebec include the **Carpentier** gold-pyrophyllite property, the **New Richmond** gold-antimony property and new lands at the **Turner Falls** Rare Earth Property.
- **Francoeur and Arntfield Gold Mine Properties** - On March 3 2016, Globex announced by press release that it had signed a Letter of Intent with Richmond Mines Inc. to acquire 100% interest in the Francoeur Mine and infrastructure, and a large package of mining concessions, mining leases and claims located in Beauchastel and Dasserat Townships, west of Rouyn-Noranda, Quebec. Globex has agreed to pay Richmond a 1.5% Net Smelter Royalty (NSR) on a portion of the property which includes Richmond's former Francoeur mine and Arntfield properties up to a total of \$1,300,000 after which the NSR will reduce to a 0.5% NSR. As part of the transaction, Globex will transfer to Richmond, 11 mining claims adjoining the East boundary of Richmond's Wasamac gold property.

As detailed in the press release, the responsibilities for the Francoeur Mine closure obligations of \$628,175 and the deposit of \$471,132 to fund these obligations will be transferred to Globex subject to the approval of the Ministère de l'énergie et des ressources naturelles (MERN). Globex will be responsible for the funding of remainder of the obligation by August 2016.

Globex has entered into an arrangement with a third party which will fund the remaining \$157,043 due in August 2016 in exchange for certain rights including a one percent (1%) NSR, which shall come

into effect once Richmond has received \$1,300,000 in NSR payments. Globex retains the right to purchase the third party 1% NSR at any time for \$500,000. The third party has agreed to assume one-half of the property's carrying costs such as municipal and provincial taxes, assessment work requirements, hydro charges and all other costs related to the properties.

Sales and Options

In 2015, Globex generated option revenue from four new option agreements (2014 – two new agreements) and three ongoing agreements (2014 – three agreements). These arrangements resulted in gross option income of \$659,750 (2014 - \$349,250) which includes cash of \$560,000 (2014 - \$327,500) and shares with an initial fair value of \$99,750 (2014 -\$21,750) as follows:

- 250,000 Renforth Resources Inc. shares - initial fair value of \$6,250,
- 100,000 Integra Gold Corp. shares - initial fair value of \$27,500,
- 1,000,000 Rogue Resources Inc. shares - initial fair value of \$30,000,
- 1,200,000 Sphinx Resources Ltd. shares - initial fair value of \$36,000

The gross option income of \$659,750 (2014 - \$349,250) was offset by the recovery of property acquisition costs of \$296 and exploration expenses of \$114,398 resulting in net option income of \$545,056 (2014 - \$306,408).

Globex continues to face difficulties optioning properties as a result of the challenges that junior mining companies currently are facing financing their projects.

Timmins Talc-Magnesite Project

Background Information

Detailed background information related to the TTM project is outlined on Globex's website (<http://www.globexmining.com/TechReports.htm>) and in the Annual Information Form. Key highlights and accomplishment on the project are as follows:

- 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 which are available on SEDAR (www.sedar.com) and on the Corporation's website.
- These reports outline the project's current resource estimate and the 2012 Preliminary Economic Assessment (PEA).

Current National Instrument 43-101 Technical Reports

- On March 2, 2010, Globex received Micon's NI 43-101 Technical Report providing a Mineral Resource Estimate for 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 4

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 2010 mineral resource estimate and a mining rate 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.
- The March 2, 2012, press release provided 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 2012 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.
- During 2013, the Corporation completed a drill program which consisted of 53 drill holes totaling 7,500 m. 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. The final mineralogical results were received in 2014 from SGS Lakefield Minerals.
- On December 18, 2013, the Corporation received a 21 year mining lease covering the site of the proposed talc mine. A mining lease is a registered property title which facilitates financing and permitting related to mining and production operations.

2014 and 2015 Project Activities

- In 2014, limited TTM project work focussed on completing additional drill core QEMSCAN analysis and continuation of a talc variability study by the Centre de technologie minérale et de plasturgie (CTMP) on thirty-five drill-composite samples. Plastic compounding and injection molding of this material has been completed. This test program was completed in late 2014; however, several talc tests are being redone by CTMP, to verify the validity of the current results. Globex also received results of “asbestos presence” testing on samples of talc concentrate. All thirty-five (35) samples indicated that no asbestos was detected. These results confirm earlier test work by Globex which also showed that no asbestos was present in TTM talc samples.
- Also in 2014, testing of a new application for the use of magnesia was started. The objective of the testing was to assess 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 Corporation continues to review these applications.

- Late in 2014, efforts were directed towards reviewing project financing requirements, processing alternatives and development of a business plan. These internal studies were designed to identify production “roll-out” options and project financing strategies.
- During 2015, \$91,687 was spent on the project mainly representing the costs incurred to develop a range of project values and alternate structures which allow partners to participate or acquire the project. A dedicated consultant has been recently engaged to explore potential parties with related industry knowledge. Discussions at this time are challenging considering the uncertainties in the financial markets and economic outlooks.
- For 2016, an updated resource estimate including information from drilling and sample analysis acquired in 2103 and 2014 was initiated. The objective of this work was to improve knowledge of the deposit and increase resource confidence. The added information will allow for better definition of mineral resources for potential mine planning purposes and financial modelling.

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 Limited “Mag”, Quebec)** - Mag is an exploration and development company which has focussed on trying to put Globex’s Magusi property into production. During 2015, Mag has continued to meet with difficulty raising funds to meet its objectives to develop Fabie Bay. At year-end, option payments of \$175,000 were outstanding. In February 2016, Globex notified Mag of termination of the agreement and the property was returned to the Corporation.
- **Parbec Property (Renforth Resources Inc. “Renforth”, Quebec)** - On February 4 2015, Globex signed a Letter of Intent (LOI) with Renforth whereby Renforth may earn 100% interest in Globex’s Parbec Gold Property. The property is located 6 km northwest of the large Canadian Malartic open pit gold mine (Agnico Eagle Mines Limited and Yamana Gold Inc.) and adjacent to the former East Amphi Gold Mine. All these properties are located on or near the gold-localizing Cadillac Break.

During the year Renforth completed field examinations and data compilation and re-interpretation at the Parbec project, announcing an exploration target modeling a mineralized zone comprising a range of tonnes between 1,200,000 and 1,700,000 t at a gold grade range of 4 to 6 gpt Au, for a range of potential contained of gold between 176,400 oz and 360,000 oz. Renforth stated that the potential quantity and grade is conceptual in nature and insufficient exploration work has been done to date to define a mineral resource and it is not certain that future exploration will define all or part of the target as resource. The exploration target is situated in the known Camp Zone and a small portion of the #2 Zone.

Renforth subsequently redefined mineralization at Parbec and identified 5 mineralized zones of interest characterized by structural and intrusive or volcanic lithological features. In December Renforth reported results of a sampling program to identify new mineralized zones at Parbec. Renforth describes sampling “designed to confirm the presence of gold at surface in rock types not previously considered in the historical resource for the property.” The historical resource is defined largely in the Camp Zone, whereas the new samples were taken from the porphyry, diorite and felsite-related mineralization on surface. Renforth tested samples with fire assay and Bottle Roll cyanide leach to comparatively highlight the presence of free (coarse) gold. Seven (7)

samples, were obtained from felsite, porphyry and diorite mineralization in 6 different surface locations on the Parbec Property reporting anomalous mineralization ranging to 0.99 gpt Au.

- **Farquharson Property (Integra Gold Corp. “Integra”, Quebec)** - In January 2012, Integra entered into an option to acquire a 100% interest in the renamed Donald Property (Globex’s Farquharson Property) located in Bourlamaque Township, Quebec, adjacent to the Integra’s flagship Lamaque property. GMX retains a 3% Gross Metal Royalty on this property.

Integra continues to explore and develop the Triangle Deposit, the closest mineral deposit on the Lamaque Project to the Farquharson property. In August, the company reported that 40 holes totalling 23,659 m of the 27,815 m drilled at Triangle. Assay results included testing continuity of the steeply dipping C4 mineralized structure at the Triangle Zone with step-out drilling over 150 m eastwards towards the Farquharson property of the existing resource limit towards the Farquharson property intersecting 7.45 gpt Au over 5.0 m in hole TM-15-29 and 39.2 g/t Au over 2.0 m in hole TM-15-23 in the C2 Zone. TM-15-10A reported 6.83 gpt Au over 1 m and TM-15-11A reported 8.0 gpt Au over 3.7 m, both in the C4 Zone. Integra has also announced in October that it has initiated an underground development program for the Triangle zone.

- **Massicotte Property (Adventure Gold Inc. “Adventure”, Quebec)** - In February 2012, Globex sold the 45 claim Massicotte property to Adventure and retains a 2.5% Gross Metal Royalty. The property forms part of Adventure’s Detour Quebec Gold Project. The property is traversed by the Massicotte and Lower Detour (Grasset) Deformation Zones.

In early October, Adventure announced an option and joint venture agreement with SOQUEM comprising 531 of the Detour Gold Project Claims including the Globex royalty claims.

In late January, 2016 Adventure announced a geophysical and 3,400 m drilling program for the project. According to its press release map, at least three holes appear to target the royalty claims.

- **St-Urbain (Silicon Ridge) (Rogue Resources Inc. “Rogue”, Quebec)** - Globex staked this property in 2014 and in July, 2014 it was sold via a third party, Fiducie Ananke, to Rogue Resources Inc. (Rogue). Globex received 1,000,000 shares of Rogue, acquisition costs and retains a 1% Net Smelter Return (NSR) up to \$500,000. The Property is located 100 km north-east of the city of Quebec and approximately 40 km north of the City of Baie-Saint-Paul, on the north shore of the Saint Lawrence River.

At year end, Rogue announced completion of over 11,000 m of drilling. They also report that chemical analysis and metallurgical testing are being completed by Anzaplan Dorfner located in Germany and once information has been compiled a resource report and PEA will be undertaken by Met-Chem of Montreal, Québec.

The Company’s drill program has “tested the extent of “G” and “H” Quartzite Units, including their purity, depth, width and the length of extension below surface”. Both G and H units remain open at depth with initial drilling designed to identify resources located primarily above valley floor topography so as to identify the initial resource that might be most easily extracted. Down dip drilling (completed in holes GF15-1 to 3 only) was stopped in quartzite at 260 m and remains open at depth.

The company also announced that NQ and PQ core weighing 6,998 kg (combined) was shipped to Anzaplan where chemical analysis for purity is currently in process. Other tests being done include; thermal stability (decrepitation), shock tests, sensor based sorting, mineralogical

characterization, mineral dressing and conventional comminution, physical treatment (attrition, magnetic separation, flotation, high tension separation), chemical processing, and laboratory scale melting tests. Part of Anzaplan's testing will identify the processes required to further purify the quartzite which will ultimately help determine usage(s) and value. These results will be incorporated into Met-Chem's technical reports.

- **Bell Mountain (Boss Power Corp. now Eros Resources Corp. "Eros" Churchill County, Nevada)** - On May 15 2015, Boss Power Corp (name changed to Eros Resources Corp July 21, 2015) announced it had filed an amended and restated NI 43-101 technical report dated May 6, 2015 prepared by Welsh Hagan Associates (formerly Telesto Nevada, Inc.) titled "Amended and Restated NI 43-101 Technical Report for the Bell Mountain Project, Churchill County, Nevada." The resource estimate quoted in the Boss Power Press release and the Technical Report has an effective date of May 3, 2011. The report is filed under Eros' disclosure on www.sedar.com and accessible through Eros' and Globex's web pages.

On June 15, Boss Power formally advised Globex that it had completed the expenditure earn-in obligations to Globex. Globex has advised Boss Power that under the agreement it has deemed that June 15, 2015 is the date of the Exercise of the Option and that the Advanced Royalty Payment of \$20,000 due under the Agreement will be payable on each anniversary of the Exercise of the Option starting on June 15, 2016.

Environmental studies continued at the property during the year in preparation for permitting.

On July 21, 2015, Boss Power announced that it had changed its name to Eros Resources Corp.

2014 Fiscal Period

In 2014, Globex reported a loss for the year of \$5,342,113 as compared to a loss for the year of \$844,806 in 2013. The net revenues, as reported in the selected annual information of the MD&A, were \$998,938 as compared to \$1,434,253 in 2013. The 2014 revenues consist of net option income of \$306,408 (2013 - \$680,687), metal royalty income of \$1,020,232 (2013 - \$69,522), management services of \$50,400 (2013 - \$342,716) and other expenses of \$377,576 (other income 2013 - \$339,949).

The 2014 net option income of \$306,408 is lower than \$680,687 in 2013 mainly as a result of the onetime income of \$350,000 generated in 2013 on the sale of three major blocks of claims to Chibougamau Independent Mines Inc. as described in note 23 to the financial statements.

In 2014, the metal royalty income was \$1,020,232 as compared to \$69,522 in 2013. In 2014, the LME zinc prices averaged U.S. \$0.98 per pound whereas in 2013, the LME monthly average zinc prices only exceeded U.S. \$0.90 per pound in the month of January.

In 2014, the total expenses were \$8,542,805 as compared to \$2,753,438 in 2013 with the difference mainly attributable to a difference in the impairment provisions of \$7,132,983 in 2014 as compared to \$1,082,969 in 2013.

In 2014, a recovery of income and mining taxes of \$2,201,754 (2013 - \$474,379) was reported. The overall recovery in 2014 reflects the combined impact of; (a) a current tax expense of \$288,591 (2013 - recovery of \$287,438) representing foreign taxes on Nyrstar metal royalties; (b) deferred tax recovery for income and mining duties of \$2,255,044 (2013 provision - \$670,674) mainly as a result of the impairment provisions related to mining properties and deferred exploration expenses; (c) recovery of income and mining taxes as a result of the sale of tax benefits of \$235,301 (2013 - \$857,615).

Exploration expenditures for the year ended December 31, 2014 totalled \$2,431,902 (2013 - \$4,808,256) which includes eligible flow-through expenditures of \$2,353,372 and non-flow through expenditures of \$78,530. Exploration expenditures were incurred on the major projects as outlined in the 2014 Management Discussion and Analysis. A detailed description of the various properties is also contained in Section III of this document (Description of Business - Exploration Properties in Canada and the United States).

Acquisitions, Sales and Options

Property Acquisitions

In 2014, Globex spent \$43,384 (2013 – \$41,581) acquiring mineral properties. In addition, shares and warrants with an ascribed value of \$127,729 were issued in connection with the acquisition of the Santa Anna gold deposit.

As announced in a press release on August 27, 2014, Globex acquired 100% interest in the Santa Anna gold deposit located in La Reine Township, Quebec near the town of La Sarre. Two separate transactions were completed in order to acquire the property. A total of 450,000 shares and 150,000 share purchase warrants were issued to two vendors. The warrants are exercisable for Globex shares at a price of \$0.45 per share for a period of two years.

Sales and Options

In 2014, Globex generated option revenue from 2 new agreements (2013 – 4 agreements) and 3 ongoing agreements (2013 – 5 agreements). These arrangements resulted in gross option income of \$349,250 (2013 - \$780,500) which includes cash of \$327,500 and the initial fair market value of shares of \$21,750 (50,000 Integra Gold Corp shares - \$9,750; 300,000 Vantex Resources Ltd shares - \$12,000). The gross option income was offset by the recovery of property acquisition costs of \$505 and exploration expenses of \$42,337 resulting in net option income of \$306,408 (2013 - \$680,687). The 2013 Net Option income also included the sale of major claims blocks to Chibougamau Independent Mines Inc. for \$350,000 with no comparable sales in 2014.

Globex continues to face difficulties optioning properties as a result of the challenges that junior mining companies currently are facing financing their projects.

Timmins Talc-Magnesite Project

The Timmins Talc-Magnesite (“TTM”) project is located 13 km south of Timmins, Ontario, Canada. Globex has committed resources to a team composed of Jacobs Engineering Group Inc. and other industry consultants to evaluate processing options and develop preliminary costing estimates. The team also spent significant efforts testing and evaluating processing alternatives.

On December 18, 2013, the Corporation received a 21 year mining lease covering the site of the proposed talc mine. 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 which are available on SEDAR (www.sedar.com) and on the Corporation’s website (<http://www.globexmining.com/TechReports.htm>). These reports outline the project’s current resource estimate and the 2012 preliminary economic assessment (PEA).

During 2013, the Corporation 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. The final individual core sample mineralogical results were only received in mid-2014 from SGS Lakefield Minerals.

In 2014, \$295,112 (2013 - \$1,485,018) was spent on the TTM project with work focussed on completing additional drill core QEMSCAN analysis and continuation of the talc variability study. The Centre de technologie minérale et de plasturgie (CTMP) located in Thetford Mines, Qc. completed talc flotation and micronizing work on thirty five composite samples from diamond drill holes. Plastic compounding and injection molding of this material has been completed. This test program was expected to be completed late 2014 and to provide an assessment of TTM talc's physical properties compared to existing talc products. The program is however still ongoing as several talc tests are being redone by CTMP, to verify the validity of current results.

During the fourth quarter, in addition to completing the variability testing, efforts were directed towards reviewing financing requirements and processing alternatives. Globex also received results of tests on samples of talc concentrate which sought to test for the presence of asbestos. Very strict international standards are set for the presence of asbestos contaminants in industrial products. It is critical that talc samples contain no asbestos. Thirty-five (35) composite samples representing 1,679.7 metres of drill core were submitted for testing. Each sample represented an average core length of 48 m and an average horizontal width of 30.8 m. Every concentrate sample analysis indicated that no asbestos was present. Globex is very pleased that TTM talc meets or exceeds required standards. The results confirm earlier test work by Globex which also showed that no asbestos was present in TTM talc samples.

Also in 2014, testing of a new application for the use of magnesia was started. The objective of the testing was to assess 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 Corporation 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 a Mineral Resource Estimate 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 5

Preliminary Economic Assessment

On March 2, 2012, Globex announced in a press release a National Instrument ("NI") 43-101 **Preliminary Economic Assessment ("PEA")** Technical Report for 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 (www.sedar.com) 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. The Corporation plans to update the resource calculation.

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

During 2014, the Corporation continued analysing a series of financial models and scenarios using data from Globex's 2012 PEA. These internal studies are designed to identify production "roll-out" options and project financing strategies.

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 Limited "Mag") Mag is an exploration and development company which has focussed on putting the Magusi Mine into production. On April 28, 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. 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 and the delivery date for a bankable feasibility study on the Magusi and Fabie Bay properties has also been extended to April 28, 2017.

Bell Mountain (Laurion Mineral Exploration Inc. "Laurion") In 2010, Globex entered into an option agreement on the Bell Mountain gold-silver property located in the Fairview mining district in Churchill County, Nevada with Laurion whereby Laurion could earn a 100% interest in this property. Under this arrangement Globex is entitled to receive cash, Laurion common shares, a sliding-scale gross metal royalty ("GMR") of 1% to 3% based on the price of gold, and an advanced royalty payment of \$20,000 per annum after the option has been exercised and the property transferred. The agreement also includes work commitments by Laurion on the property.

On February 2, 2015, Laurion announced in a press release that it had terminated, for non-payment by Lincoln Mining Corporation ("Lincoln"), the purchase and sale agreement dated November 28, 2012, as amended (the "Purchase Agreement") and announced in a press release dated September 9, 2014. Pursuant to the Purchase Agreement, Lincoln was to pay Laurion a cash purchase price of \$2,350,000 according to a prescribed payment schedule as consideration for the acquisition of certain mining claims, and an option to earn a 100% interest in the Bell Mountain property.

In a press release dated, February 25, 2015 Laurion announced that it had entered into a non-binding Letter of Intent ("LOI") with Boss Power Corp. (TSX.V: BPU) ("Boss Power") dated February 20, 2015, to acquire legal and beneficial right, title and interest in the Bell Mountain Project. On signing of the LOI, Boss Power paid a non-refundable deposit of \$200,000 to Laurion as partial payment of the purchase price. The LOI proposes that Laurion and Boss Power will complete a Definitive Agreement incorporating the principle terms of the sale and the assumption all of the obligations, interests and

rights of the third party and parent, Globex Mining Enterprises Inc. and Globex Nevada Inc. Boss Power has the option to complete due diligence prior to March 30, 2015. The press release indicates an anticipated Closing of the Definitive Agreement (the "Closing") on or before April 14, 2015.

Farquharson Property (Integra Gold Corp "Integra") In January 2012, Integra entered into an option to acquire a 100% interest in the renamed Donald Property (Globex's Farquharson Property) located in Bourlamaque Township, Quebec, adjacent to the Corporation's flagship Lamaque property. Under the arrangement, Globex was entitled to receive cash option payments, common shares and a 3% GMR. During the quarter, Integra completed an extensive drilling project on the adjacent Triangle zone with positive results. Globex has not, to date, received reports of new exploration on the property which is located in the south-east corner of the Lamaque property, just east of the Triangle and No. 4 Plug zones. On February 10, 2015, Globex announced that it had received the final \$100,000 cash and 100,000 shares from Integra in payment for the 100% interest.

Integra completed the required conditions and closed the acquisition of the Sigma-Lamaque Milling Facility and Mines (the "Property") on October 7, 2014 (reference news release dated October 9, 2014). The Property was owned by Century Mining Corporation ("Century") and Samson Bélair / Deloitte & Touche Inc. were appointed the receiver (the "Receiver") to the assets of Century pursuant to a receivership order of the Québec Superior Court (the "Court") dated May 29, 2012. The Property was acquired from the Receiver, acting in such capacity. The aggregate purchase price was approximately \$8 million, comprised of approximately \$1.8 million in cash and 25 million common shares valued at \$6.25 million. Integra paid \$500,000 of the cash consideration to a third party for the crusher and related assets located on the Property.

Authier Lithium Project (Glen Eagle Resources Inc. "Glen Eagle") In a press release dated September 11th, 2014, Glen Eagle announced an upcoming drill program on its Authier Lithium project near Val d'Or, Quebec. The program includes 2,000 meters of drilling based on the recommendations made in the Pre Economic Assessment Report (PEA) and the Environmental Study prepared by the Dessau Group. The Authier Project is defined as having a 10 year mine life at a production rate of 2,200 tons per day to make a spodumene concentrate (6% Li₂O) from mineral resources (measured/indicated) contained in an optimized pit shell. Some of the best Li₂O values and widths were intercepted in previous drilling at a depth of 100 meters. The upcoming drill program will be designed to verify the potential for enrichment of the deposit at depths of 100 to 150 meters while testing the along-strike and down-dip extension of the mineralized pegmatite dyke. Additional metallurgical testing will also be undertaken. The tests will also verify if the spodumene concentrate is amenable to lithium metal (Li) production which would bring an important added value to the project.

Duvay Project (Tres-Or Resources Ltd. "Tres-Or") On January 6th, 2015, Tres-Or announced that it had executed a term sheet with Secova Metals Corp. ("Secova") to option up to a 90% interest in the Duvay Gold Project, comprising 105 claims in the Abitibi region, including the Duvay Project claims optioned to Tres-Or by Globex. The Globex Duvay Project was optioned indirectly to Tres-Or in 2011 and consists of 4 claims (169 ha) situated in Duvernoy Township. Globex retains a Gross Metal Royalty of 1.5% on future production at gold price of US\$800/oz or less and 2% GMR where gold is over that price.

Under the terms of the agreement, Tres-Or granted Secova the sole and exclusive right and option to acquire a 65% right, title and interest in and to the Duvay claims by paying the sum of \$500,000 and incurring \$3,750,000 in exploration expenses over a four (4) year period. Secova can earn the full 90% of the property (an additional 25% ownership) by funding a pre-feasibility study and making aggregate expenditures of \$12 million to bring the property towards production. Globex is still owed certain option payments under the agreement with the third party intermediary.

1. Exploration Properties in Canada and the United States

Introduction

As a project generator/property bank, Globex currently holds a portfolio of approximately 145 properties including 43 royalty interests. An overview of Globex's portfolio as at March 29, 2017 is provided in the tables as outlined on pages 36 - 40. The properties have been grouped as follows:

- (a) Property Material to the Issuer,
- (b) Significant Exploration Properties,
- (c) Less Significant Properties with Past Production or Drilled Mineralized Zones,
- (d) Other Early/Intermediate Stage Exploration Properties.

Due to the large number of properties, certain properties, which are in close proximity, have been grouped under a single property name. The portfolio is constantly evolving as result of acquisitions, exploration activities, sales, option arrangements or disposal. Additional property details for a selection of the Corporation's projects are available on the Globex Website – (www.globexmining.com), which is updated regularly.

Material Property to the Issuer

The Corporation considers the **Timmins Talc Magnesite Project** a **Material Property** to the Issuer based on factors including: (i) recent and planned exploration activities, (ii) cumulative expenditures, (iii) mining lease status, (iv) economic assessment and (v) future corporate plans for the project. Further details related to the property are outlined on pages 43 - 46, including:

- (a) Project Description and Location,
- (b) Accessibility,
- (c) Geological Setting,
- (d) History,
- (e) Exploration and Development.

Significant Exploration Properties

Based on a combination of factors including; (a) results of recent work, (b) current commodity supply/demand balances and trends; (c) metal prices and (d) geological potential and planned activities for coming years, Globex has classified the following projects as significant and provided detailed information for these properties.

- 2. Pandora-Wood & Central Cadillac Mines - Joint Venture (pages 46 to 49),
- 3. Francoeur and Arntfield Gold Mines Property (pages 49 to 55),
- 4. Duquesne West Gold Property (pages 55 to 57),
- 5. Magusi River and Fabie Bay Mines (pages 57 to 60),
- 6. Montalembert Gold Property (pages 60 to 62).

Additional information related to Globex properties which have been sold or continue under option are available on the Corporation's website. A Summary of the Option Arrangements negotiated in 2016 are outlined on pages 14 and 15 of this AIF.

These descriptions include historic information as well as recent mining and exploration activity by third parties, which the Corporation believes to be reliable, but which has not been confirmed by Globex geological personnel. There can be no assurance that any of these properties will contain

adequate mineralization to justify a decision to construct a mine. See “Other Aspects of the Business - Risk Factors”, “Exploration Risks”, “Uncertainty of Reserves and Mineralization Estimates.”

Important Definitions Pertaining to the Following Exploration Properties

“Historical estimate” means an estimate of the quantity, grade, or metal or mineral content of a deposit that an issuer has not verified as a current mineral resource or mineral reserve, and which was prepared before the issuer acquiring, or entering into an agreement to acquire, an interest in the property that contains the deposit. When discussing historical resource calculations (not prepared by a qualified person under NI 43-101) available in the public domain regarding our properties, we will include source, author and date of report as well as 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 Canadian Institute of Mining, Metallurgy and Petroleum 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.

In this annual information form, when the term historical, is used, all of the preceding cautionary language applies.

“Qualified Person” means an individual who has, among other qualifications, the requisite education and experience relevant to the subject matter of the mineral project as more fully described in the definitions of National Instrument 43-101 Standards of Disclosure for Mineral Projects.

All scientific and technical information regarding Globex exploration of its properties, disclosed in this annual information form, was prepared by the Corporation’s geological staff under the supervision of Jack Stoch, President and CEO of the Corporation, who is a Qualified Person as defined under NI 43-101. Mr. Stoch has reviewed the technical contents of this AIF.

Summary of Globex Properties

March 29, 2017

Property Descriptive Name (listed alphabetically)	Interest	Size (hectares)	Commodity	Location	Exploration Work 2016 and First Quarter 2017	Optioned (O) Joint Venture (JV)
A. MATERIAL PROPERTY						
Timmins Talc –Magnesite Project	100%	989	Magnesium, Talc	Deloro Twp, Ontario, CA	√	
B. SIGNIFICANT EXPLORATION PROPERTIES						
Duquesne West	50%	300	Gold	Destor & Duparquet Twps, Quebec, CA		JV
Francoeur/Arntfield Mines	100%	1,853	Gold	Beauchastel, Dasserat	√	
Pandora-Wood and Central Cadillac Mines (Ironwood)	50%	712	Gold	Cadillac Twp, Quebec, CA	√	JV
Santa Anna Deposit	100%	340	Gold, Silver	La Reine Twp, Quebec, CA		
C. LESS SIGNIFICANT PROPERTIES WITH PAST PRODUCTION OR DRILLED MINERALIZED ZONES						
Bilson-Cubric	100%	660	Nickel, Platinum, Palladium, Copper, Rhodium	La Motte Twp, Quebec, CA		
Blackcliff Deposit	50%	128	Gold	Malartic Twp, Quebec, CA	√	JV
Devils Pike	100%	2,208	Gold	King & Queen County, New Brunswick, CA	√	
Donald Mine	100%	146	Gold	Rouyn Twp, Quebec, CA		
Eagle Mine	100%	413	Gold	Joutel Twp, Quebec, CA		
Fontana Gold	75%	943	Gold	Duverny Twp, Quebec, CA		O
Gayhurst Deposit	100%	60	Molybdenum	Gayhurst Twp, Quebec, CA		
Houlton Woodstock Zone	100%	1,008	Manganese	Carleton, New Brunswick, CA	√	O
Hurricane Point/North Star	550	550	Gold	Guysborough, Nova Scotia, CA		
Joutel Copper Mine	100%	842	Copper, zinc	Joutel Twp, Quebec, CA		
Lyndhurst Mine	100%	2,941	Copper, Zinc	Destor & Poularies Twps, Quebec, CA	√	Portion JV'd
Magusi River, Fabie Bay Mines (incl. Smokey Bay)	100%	6,345	Copper, Zinc, Silver, Gold	Duparquet, Duprat, Hébecourt & Montbray Twps, Quebec, CA	√	
Marbridge South	100%	297	Nickel, Platinum, Palladium, Copper, Rhodium	La Motte Twp, Quebec, CA		O
Nordeau Project (East & West)	100%	1,454	Gold, Iron	Pershing, Villebon, Denain, Vauquelin Twps, Quebec, CA	√	O
Normetal Mine	100%	155	Copper, Zinc, Gold, Silver	Desmeloizes Twp, Quebec, CA		

Property Descriptive Name (listed alphabetically)	Interest	Size (hectares)	Commodity	Location	Exploration Work 2016 and First Quarter 2017	Optioned (O) Joint Venture (JV)
LESS SIGNIFICANT PROPERTIES WITH PAST PRODUCTION OR DRILLED MINERALIZED ZONES (CON'T)						
Parbec Deposit	100%	229	Gold	Malartic Twp, Quebec, CA	√	O
Pegma Project	100%	350	Copper, Nickel, Zinc	Courchesne Twp, Quebec, CA		
Poirier (incl. Poirier South)	100%	1,089	Copper, Zinc, Gold	Poirier & Joutel Twps, Quebec, CA		
Preissac Moly	100%	115	Molybdenum Bismuth	Preissac Twp, Quebec, CA	√	
Ramp Mine (Maude Lake)	100%	1,864	Gold	Beatty, Carr, Coulson & Wilkie Twps, Ontario, CA	√	O
Rousseau	100%	427	Gold	Rousseau Twp, Quebec, CA	√	
Shortt Lake Mine	100%	1,278	Gold, Rare Earths	Gand Twp, Quebec, CA	√	
Suffield Mine	100%	892	Zinc, Copper, Silver, Lead	Ascot Twp, Quebec, CA		O
Vauze Mine	100%	394	Zinc, Copper	Dufresnoy Twp, Quebec, CA		
Vulcan Deposit	100%	307	Gold, Platinum, Palladium	Ferry County, Washington State, USA		
Wrightbar Mine	100%	205	Gold	Bourlamaque Twp, Quebec, CA		
D. OTHER EARLY/INTERMEDIATE STAGE EXPLORATION PROPERTIES						
Adanac	100%	128	Gold	Rouyn Twp, Quebec, CA		
Beauchastel Cadillac Fault	100%	954	Gold	Beauchastel Twp, Quebec, CA	√	O
Beauchastel-Rouyn (incl. BM Property)	100%	2,828	Gold, Copper, Zinc	Beauchastel & Rouyn Twps, Quebec, CA		
Beacon #1	100%	12	Gold	Louvicourt Twp, Quebec, CA		
Beauce	100%	73	Gold	St-François Twp, Quebec, CA		
Beaver Brook Lake	100%	32	Beryl	Carleton & York, New Brunswick, CA		
Brewers Mill	100%	32	Beryl	York, New Brunswick, CA		
Bull Pond	100%	81	Lithium, Beryl	Queens, Nova Scotia, CA		
Burnthill Brook S.	100	32	Beryl	Carleton, New Brunswick, CA		
Caledonia	100%	647	Lithium	Guysborough, Nova Scotia, CA		
Cameron	100%	1,280	Gold	Desjardins, Franquet, Grevet Twps, Quebec, CA	√	
Campbells Hill	100%	32	Lithium, Beryl	Shelburne, Nova Scotia, CA		
Carpentier	100%	467	Pyrophyllite, Gold	Carpentier Twp, Quebec, CA		
Cavelier (Globex)	100%	223	Gold	Cavelier Twp, Quebec, CA		

Property Descriptive Name (listed alphabetically)	Interest	Size (hectares)	Commodity	Location	Exploration Work 2016 and First Quarter 2017	Optioned (O) Joint Venture (JV)
OTHER EARLY/INTERMEDIATE STAGE EXPLORATION PROPERTIES (CON'T)						
Clearwater Brook W	100%	64	Beryl	York, New Brunswick, CA		
Clericy	100%	42	Gold	Clericy Twp, Quebec, CA		
Colnet Lake	100%	676	Gold, Copper, Zinc	Montbray Twp, Quebec, CA		
Courville	100%	949	Gold	Courville Twp, Quebec, CA		
Dalhousie	100%	1,730	Copper, Nickel	Bourbaux Twp, Quebec, CA	√	
Deane Cadillac	100%	143	Gold	Cadillac Twp, Quebec, CA	√	
Duvan Zone	100%	852	Copper	Desmeloize & LaReine Twps, Quebec, CA		
Duvay Zone	100%	347	Gold	Duvernoy Twp, Quebec, CA		O
Duvernoy – Range 10	100%	128	Gold	Duvernoy Twp, Quebec, CA		
Eau Jaune Lake	100%	1,450	Gold	Rale Twp, Quebec, CA		
Feldspar Project	100%	180	Feldspar	Johan Beetz, Quebec, CA	√	O
Fontbonne Lake	100%	211	Copper, Zinc	Preissac Twp, Quebec CA		
Forbes Cove	100%	81	Lithium, Beryl	Queens, Nova Scotia, Ca		
Fox West	100%	69	Gold	Beatty Twp, Ontario, CA		
Great Plains	555	597	Copper, Zinc	Clermont Twp, Quebec, CA	√	
Guyenne	100%	1,097	Gold, Copper, Zinc	Guyenne & Berry Twps, Quebec, CA		
Hard Rock	100%	140	Gold	Aiguebelle Twp, Quebec, CA	√	
Hematite Lake Deposit	100%	2,843	Iron	NTS 24C10 Quebec, CA		
Hunters Point	100%	936	Gold, Uranium, rare earths	Atwater , Booth, Gaulin, McLachlin & Pommeroy Twps, Quebec, CA		
Lac Savignac	100%	3,321	Diamonds	22J16	√	
Laguerre-Knutson-Raven River Mines	100%	62	Gold	Hearst & McVittie Twps, Ontario, CA		
MacKinnon	100%	81	Gold	Lunenburg, Nova Scotia. CA		
Massif du Nord	100%	1,031	Nickel, Copper, cobalt	22K16, Quebec,CA	√	
McNeely	100%	297	Lithium	Lacorne, Landrienne Twps, Quebec, CA		
Misers Hill	100%	32	Beryl	Queens, New Brunswick, CA		
Moly Hill	100%	129	Molybdenum, bismuth	LaMotte Twp, Quebec, CA	√	
Montalembert	100%	7,293	Gold	Montalembert, Quebec,CA	√	O

Property Descriptive Name (listed alphabetically)	Interest	Size (hectares)	Commodity	Location	Exploration Work 2016 and First Quarter 2017	Optioned (O) Joint Venture (JV)
OTHER EARLY/INTERMEDIATE STAGE EXPLORATION PROPERTIES (CONT'D)						
New Richmond	100%	746	Antimony, Gold	New Richmond, Quebec, CA		
New Ross	100%	49	Lithium, Beryl	Lunenburg, Nova Scotia, CA		
Normetmar	100% 10%	133 932	Zinc	Desmeloizes Twp, Quebec CA		
Noyon Project	100%	336	Copper, Zinc	Noyon Twp, Quebec, CA		
Ontario Lake	100%	2,202	Titanium Dioxide, Iron	Côte-de-Beaupré Twp, Quebec, CA	√	
Osisko East	100%	65	Gold	Fournière Twp, Quebec, CA		
Pacaud (incl. Pacaud North)	100%	352	Gold	Pacaud Twp, Ontario, CA		
Penarroya	100%	222	Gold, Copper	Carheil & Lapeltrie Twps, Quebec, CA		
Pyrox	100%	1090	Platinum, Palladium, Copper, Nickel, Chromite	Clairy Twp, Quebec, CA	√	
Ralleau	100%	113	Polymetallic	Ralleau Twp, Quebec, CA		
Rich Lake	100%	576	Zinc, Copper, Gold, Silver	Montbray Twp, Quebec, CA		
Rocky Lake NW New Brunswick	100%	64	Beryl	Charlotte, New Brunswick, CA		
Rocky Lake South New Brunswick	100%	32	Beryl, Lithium	Charlotte, New Brunswick, CA		
Rocky Lake Nova Scotia	100%	388	Manganese	Guysborough, Nova Scotia, CA		
Sheen Lake	100%	234	Platinum, Nickel, Palladium	Guillet Twp, Quebec, CA		
Sigma East	100%	192	Gold	Bourlamaque Twp, Quebec, CA		
Silidor (incl. New Marlon)	100%	222	Gold	Rouyn Twp, Quebec, CA	√	
Smith-Zulapa	100%	917	Gold, Copper, Nickel	Tiblemont Twp, Quebec, CA		
Soissons	100%	113	Gold Polymetallic	Soissons & Chaste Twps, Quebec, CA		
South Ridge	100%	48	Beryl	York, New Brunswick, CA		
Suzor Mica Deposit	100%	519	Mica	Suzor Twp, Quebec, CA		
Tarmac	100%	94	Gold	Dubuisson Twp, Quebec, CA	√	
Tiblemont-Tavernier	100%	5,547	Gold, Copper, Zinc	Tavernier & Tiblemont Twps, Quebec, CA		
Tonnancour	100%	2,606	Copper, Zinc, Gold, Silver	Tonnancour & Josselin Twps, Quebec, CA	√	

Property Descriptive Name (listed alphabetically)	Interest	Size (hectares)	Commodity	Location	Exploration Work 2016 and First Quarter 2017	Optioned (O) Joint Venture (JV)
OTHER EARLY/INTERMEDIATE STAGE EXPLORATION PROPERTIES (CONT'D)						
Tung	100%	385	Gold, Bismuth	Dalquier Twp, QC, CA		
Turner Falls	100%	2,650	Rare Earths	Villedieu & Senezergues Twps, Quebec, CA		
Turgeon Lake	100%	113	Gold	Lavergne Twp, Quebec, CA	√	
Venus Gold Zone	100%	596	Gold		√	
Victoria	100%	766	Gold	Clericy Twp, Quebec, CA		
Wawagasic	100%	1,128	Zinc, Copper, Gold, Silver	Estrées Twp, Quebec, CA		
Zealand NW	100%	32	Beryl, lithium	York, New Brunswick, CA		

Summary of Globex Royalty Interests

March 29, 2017

Property Descriptive Name (listed alphabetically)	ROYALTY INTERESTS	Optionee	Exploration Work 2016/First Quarter 2017	Commodities
Authier – Lithium	2% Gross Metal Royalty	Sayona Mining Ltd.	√	Lithium
Bell Mountain	Gross Metal Royalty Gold Price 1% (0-\$500) 2% (>\$500 but <\$1,200) 3% (>\$1,200)	Eros Resource Corp.	√	Gold, Silver
Bousquet	½% Gross Metal Royalty	Vantex Resources Ltd.		Gold
Bouvier	2% Gross Metal Royalty	Great Thunder Gold Corp.	√	Lithium
Chenier Property	1.5% Gross Metal Royalty	Tres Or Resources Ltd. Secova Metals Corp.		Gold
Chibougamau Mining Camp (incl. Bateman Bay, Berrigan Mine, Berrigan South, Lac Antoinette, Lac Éleine, Copper Cliff Extension, Grandroy, Kokko Creek, Lac Chibougamau, Baie Malouf, Quebec Chibougamau Goldfields, Lac Simon Virginia Option)	3 % Gross Metal Royalty	Chibougamau Independent Mines Inc.	√	Gold, Silver, Zinc, Copper, Molybdenum, Vanadium
Chibougamau Mining Camp Mont Sorcier	1% Gross Metal Royalty	Chibougamau Independent Mines Inc.	√	Iron, Vanadium, Titanium
Chubb	2% Gross Metal Royalty	Great Thunder Gold Corp.	√	Lithium
Côté/Montbray	1% Gross Metal Royalty	T-Rex (Services géologiques) Inc.		Gold, Copper, Nickel
Disson	1% Gross Metal Royalty	Carat Exploration Inc.		Gold
Duverny Range 7 (3 claims)	Gross Metal Royalty Gold 1.5% (<US\$800) 2% (>US\$800)	Tres-Or Resources Ltd.		Gold
East Amphi/Fourax	2% Net Smelter Royalty after 1 st 300,000 Au ozs.	Canadian Malartic Exploration	√	Gold
Farquharson	3% Gross Metal Royalty	Integra Gold Corp.	√	Gold
Fayolle	2% Net Smelter Royalty	Typhoon Exploration Inc. Hecla Mining Company	√	Gold
Fecteau Lake	1% Gross Metal Royalty	Gilbert Lamothe	√	Gold, Copper, Zinc
Fontana	3% Gross Metal Royalty 15% Net Profit Interest	Tres-Or Resources Ltd.		Gold
Getty Deposit	1% Gross Metal Royalty	Selwyn Resources Ltd.		Lead, Zinc
Ha!Ha! Property	Per ton Production Royalty	Midatlantic Minerals Inc.	√	Silica
Massicotte	2.5% Gross Metal Royalty	Probe Metals Inc.	√	Gold
Mid Tennessee Deposit	Gross Metal Royalty Zinc 1% (Price LME US\$0.90 - \$1.09) 1.4% (Price LME over US\$1.10)	Nyrstar NV	√	Zinc
Montgolfier	1% Gross Metal Royalty	Galway Metals Inc.	√	Gold
Mooseland Property (incl. Cheticamp)	4 % Gross Metal Royalty	NSGold Corporation		Gold, Copper, Lead, Zinc

Summary of Globex Royalty Interests (CONT'D)

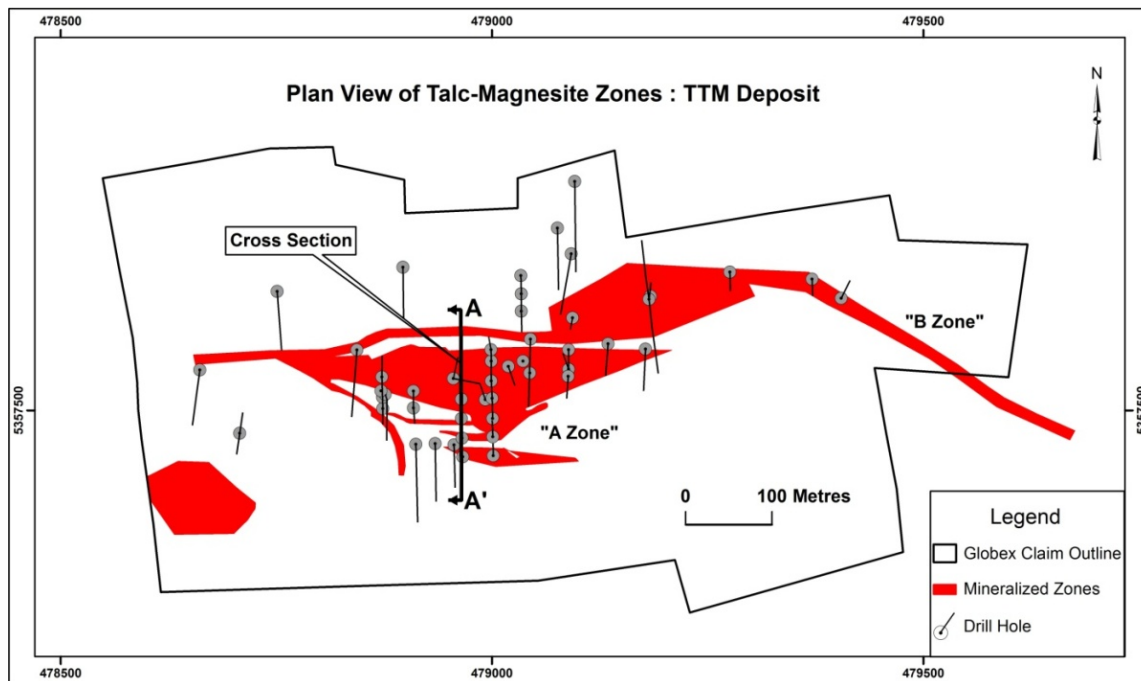
March 29, 2017

Property Descriptive Name (listed alphabetically)	ROYALTY INTERESTS	Optionee	Exploration Work 2016/First Quarter 2017	Commodities
Raymor	2% Gross Metal Royalty	Knick Exploration Inc.		Gold, Zinc
Russian Kid	5% Net Metal Royalty on first 25,000 ounces of gold production and all other metals until 25,000 ounces of gold are poured 3% Net Metal Royalty on all production from the property after the first 25,000 ounces of gold production	Nippon Dragon Resources Inc.	√	Gold
Silicon Ridge (St-Urbain)	1% Net Smelter Royalty	Fiducie Ananke Rogue Resources Inc.	√	Silica
Standard Gold	1% Net Smelter Royalty	Threegold Resources Inc.		Gold
Tiblemont Island	1% Gross Metal Royalty	Iledor Exploration Corp.		Gold
Tut Zone	Pending Agreement			Gold
Tower Hill	2.5% Gross Metal Royalty	Galway Metals	√	Gold
Wasamac East	0.5 Net Smelter Royalty	Richmont Mines		Gold

Material and Significant Properties

1. Timmins Talc-Magnesite ('TTM') Project

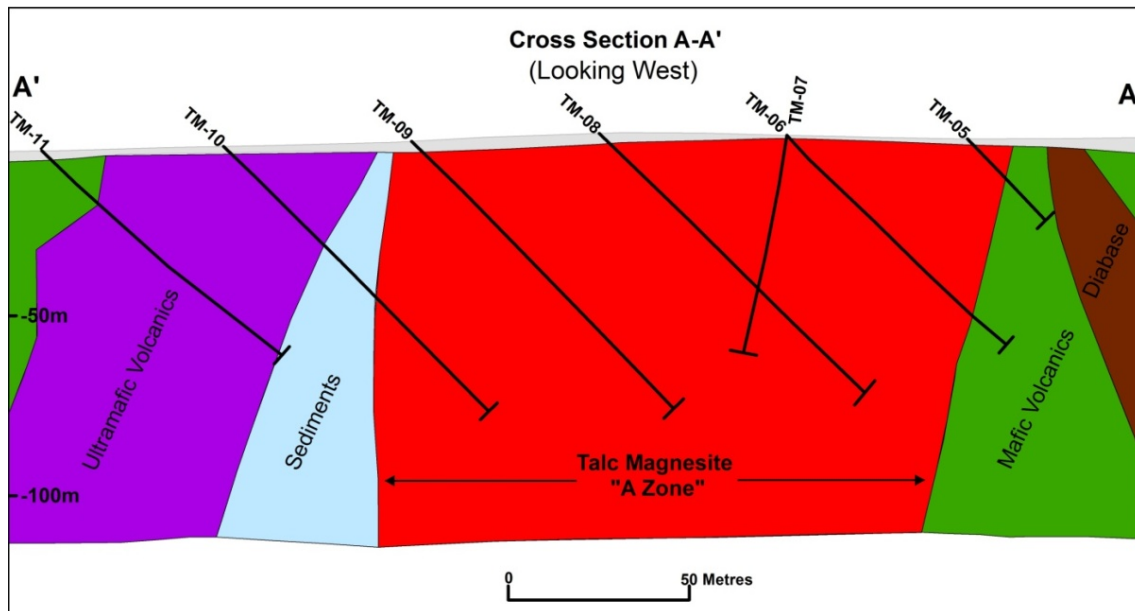
Project Description and Location. Globex purchased the original 19 TTM claims in Deloro Township in 2000. The property currently consists of eight (8) unpatented mining claims (totaling 36 claim units), covering approximately 576 hectares ('ha') in Adams and Deloro townships, and one (1) mining lease (CLM 490) covering 413 ha, located in Deloro Township, Porcupine Mining District, Ontario. The property also includes approximately 470 ha of "severed" or surface-rights-only mining patents, all of which are located in the south half of Deloro Township, 13 km southeast of the City of Timmins, Ontario. Mining lease CLM 490 was received on December 18, 2013 and is deemed by the Corporation to mark a significant milestone in its aim to bring this project to production.



Accessibility. Access to the claim group is provided by road from the City of Timmins via Pine Street South and subsequently the Naybob Road to kilometer post 10 to the Mount Joy River Road. The property is crossed by a series of seasonal trails, forestry and mining roads.

Climate, Local Resources and Infrastructure. The climate of the area is generally cold, but experiences all four seasons and therefore would enable exploration and mining throughout all times of the year. The Timmins area has a long history of gold and base metal mining dating back many years. Given this long mining history, the Timmins area is a ready source of all resources necessary to develop and operate a processing facility. Further details are contained in technical reports filed on www.Sedar.com on April 16, 2012.

Geological Setting. The area is underlain by Archean aged intrusive, volcanic and sedimentary rocks including large masses of altered ultramafic volcanic lithologies and at least one east-trending diabase dyke. Strike directions of units are generally east-west, with near vertical dips. The magnesite-talc-quartz rock unit is exposed on surface as large areas of outcrop rising 3 to 6 metres ('m') above a sand plain floor.



History. Work in the 1940's by Porcupine Southgate ML included the completion of 29 diamond drill holes totaling 8,108 m of diamond drilling which focused on gold exploration. Subsequently, in 1962 Canadian Magnesite Mines Ltd. carried out surface sampling and 1,209 m of diamond drilling in 8 holes in an effort to delineate a resource of refractory magnesia (MgO) from magnesite mineralization. This company completed various studies and in 1974, Canadian Magnesite Mines Ltd. prepared a positive preliminary feasibility study on the property with a proposed production rate of 50,000 tpy for MgO and 16,400 tpy for talc (ref. Preliminary Feasibility Study prepared for Canadian Magnesite Mines Ltd. on the magnesite/talc property, Timmins, Ontario, by Scrivener Engineering Ltd., Toronto, Ontario, 1974).

The property was then acquired by Pamorex and then re-staked by Royal Oak Mines Ltd. in 1984-85. The latter carried out limited diamond drilling (8 holes, totaling 591 m) and in-situ blasting for bulk sampling (15,000 tons) purposes. The magnesite property was later optioned to Magnesium Refractories Ltd. who worked the Pamorex/Royal Oak Mines property from 1989 to 1994.

Magnesium Refractories carried out numerous economic, mineral processing, engineering and financial studies including a 1991 Prefeasibility Study ("PFS") with the objective of developing a magnesite-talc operation to produce MgO and high quality talc. The PFS used the deposit's estimated global resource of 110 Mt grading 54% magnesite ($MgCO_3$), 28% talc, 16% quartz and 3% iron oxides (ref: Magnesium Refractories Ltd, Pre-Feasibility Report, R.A. Elliot, April, 1991). This resource estimate was not prepared by a Qualified Person under National Instrument (NI) 43-101 and as such, the validity of this estimate cannot be relied upon. In 1999, Pentland Firth Ventures completed 2 shallow closely spaced diamond drill holes totaling 151 m on the "Deloro Magnesite Deposit" where they report intersecting "magnesite altered ultramafic intrusive rock".

Subsequent to Royal Oak Mines Inc. going into receivership, Globex purchased the Deloro Magnesite (TTM) Property in 2000.

Test work by previous owners of the property attempted to produce magnesium refractories by conventional processes available at that time. For the most part, this test work showed that magnesium products could be generated from this deposit, albeit with elevated iron contents that are not necessarily suitable to obtain for the optimum markets for MgO.

Exploration and Development. The reader is referred to Globex's 2012 Annual Information Form for details regarding the company's exploration activities spanning the period 2000 to 2008 inclusively.

In 2009 and 2010, Globex carried out geological mapping on the Deloro township portion of the property in conjunction with induced polarization, resistivity and ground magnetometer surveys. Micon International Ltd. completed a NI 43-101 technical report, estimating an initial mineral resource on the A Zone as detailed below. The resource was estimated using diamond drilling information from surface to a depth of 100 m. At the time of this appraisal, the A Zone was known to be exposed at surface and open to depth and along strike and that there are other magnesite zones identified on the property.

The following resource tonnages and grades from the 2010 Micon Technical Report are all estimated within a limited portion of the A Zone:

TTM Mineral Resource Estimate*

Category	Tonnes	Sol MgO (%)	Sol Ca (%)	Magnesite (%)	Talc (%)
A Zone Core					
Indicated	12,728,000	20.0	0.21	52.1	35.4
Inferred	18,778,000	20.9	0.26	53.1	31.7
A Zone Fringe					
Inferred	5,003,000	17.6	2.82	34.2	33.4
Sol MgO = Soluble magnesium oxide			Sol Ca = Soluble calcium carbonate		

***Note:** Additional information is available in the Globex press release and in the complete report both of which were filed on (www.sedar.com), March 2, 2010 and on the Globex web page at www.globexmining.com/TechReports.htm.

Also in 2010, a micro-pilot plant study was completed at Drinkard Metalox Incorporated (DMI) to confirm engineering criteria for the production of high-grade magnesia. This program used tailings material generated from a pilot plant scale talc flotation study.

In 2011, deposit appraisal activities at TTM included Mineral industry consultants Micon International Ltd. (Micon), contracted to deliver a Pre-Feasibility Study (PFS). Micon was subsequently directed by Globex to convert the PFS study into a Preliminary Economic Assessment (PEA). Jacobs Minerals Canada Inc. was retained to design and engineer a preliminary plant layout that would treat the primary material and produce high-grade talc and magnesia. Blue Heron Environmental continued with base line environmental studies while Golder Associates Ltd. was retained to study waste stream storage requirements and to create a conceptual pit slope design.

Micon completed the PEA in 2012 as detailed in a press release dated March 2, 2012. The report indicated a positive after-tax NPV of \$258 M 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 discount cash flow. This technical report is posted on SEDAR (www.sedar.com) and on Globex's website (www.globexmining.com). The results of the PEA support the conclusion that further work is justified on the project, with an ultimate objective of completing a Feasibility Study. To this end, an infill-surface program of 6,900 m of diamond drilling was initiated in late 2012 and completed in 2013. This program was ultimately comprised of a total of 7,543 m of drilling in 53 holes consisting of 51 new holes and the extension of 2 existing Globex holes. Within this drill program, 7 of the holes totaling 1,178 m were utilized as part of a geotechnical investigation carried out by Golder Associates. These holes were logged by Globex personnel, but were not sampled.

In 2013, a talc variability study was initiated in which a total of 35 samples of quartered core, representing 1,680 m of drilling in mineralized material, were collected to cover the extent of the A Zone. Individual in-hole sample lengths for ranged from 26 m to 70 m (average length of 48 m) based on an initial nominal collection target of 60 m of representative talc-magnesite for a particular target depth. The talc variability study looked to establish the potential variations throughout the deposit as well as assess the chemical and physical qualities of the high-grade talc material. It was also meant to determine the final projected steady-state talc concentrate grade and recovery factors from ore composites using locked cycle testing. This information will be used to inform further engineering and economic modelling. CTMP in Thetford Mines was selected to undertake the variability study, having the necessary research facilities and having demonstrated experience to make the required talc quality determinations. SGS-Lakefield and Activation Laboratories provided QEMSCAN mineralogical and chemical analyses. The test program to produce talc flotation concentrate samples for quality measurements was completed in mid-2013 including talc product micronization and preliminary brightness measurements.

In 2014, limited renewed funding for the TTM project was used to advance test work on talc quality and production, including an expanded CTMP testing program, locked cycle tests and Bond Work Index determination. Additionally, an enhanced range of physical quality assessments was conducted on compounded talc-polypropylene formulations produced in a CTMP plastics research facility. Late in 2014, efforts were directed towards reviewing project financing requirements, processing alternatives and development of a business plan. These internal studies were designed to identify production “roll-out” options and project financing strategies.

During 2015, work continued to develop a range of project scenarios and alternate structures which could allow partners to participate in, or acquire, the project. A dedicated consultant has been recently engaged to identify potential parties with related industry knowledge. Discussions at this time are challenging considering the uncertainties in the financial markets and economic outlook.

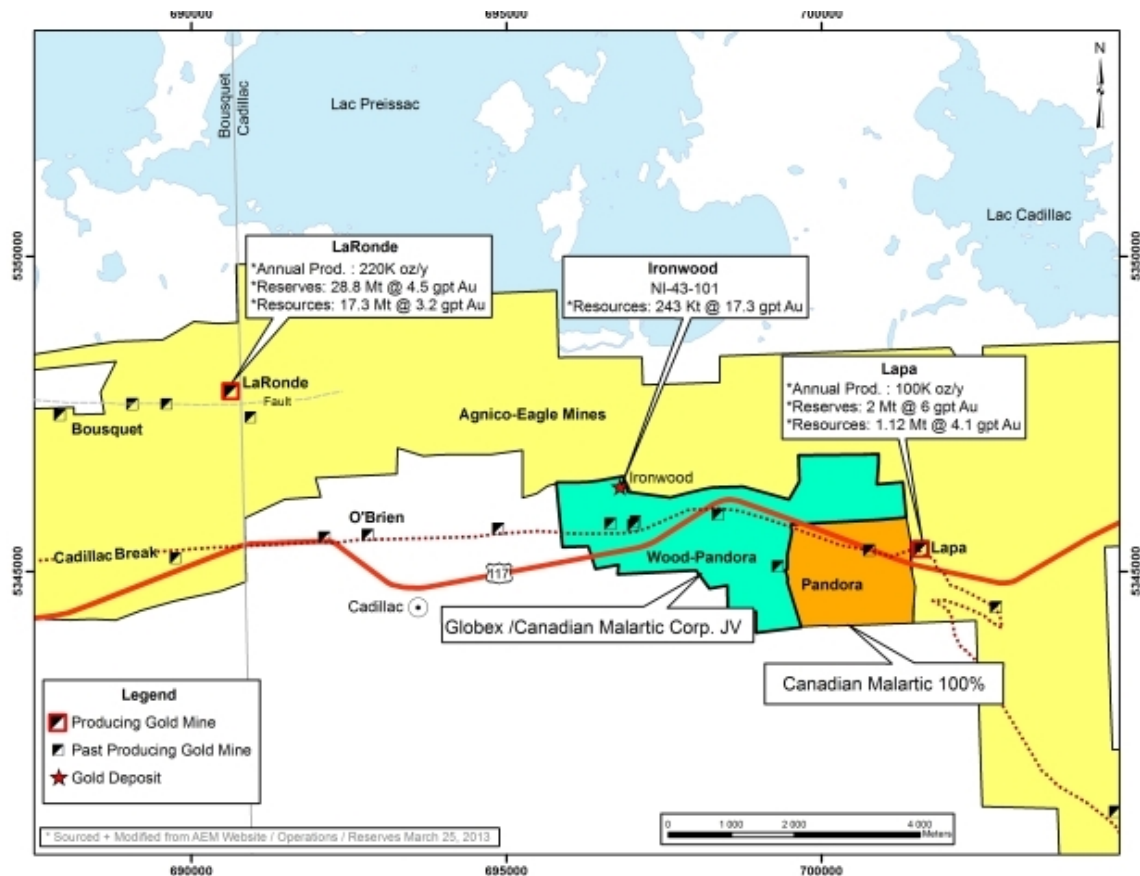
During 2016, exploration expenses of \$114,405 were incurred on the project reviewing and reinterpreting drilling data and sample analysis acquired during the period 2008 - 2014. This analysis and interpretation was mainly designed to gain additional information which could be used in generating an updated resource estimate for potential mine planning and financial modelling. Currently, we anticipate issuing a revised resource estimate late in 2017.

Globex continues to explore various opportunities for the potential products that could be produced and seek senior level financing opportunities for the project.

2. Pandora - Wood & Central Cadillac Mines - Joint Venture

Project Description and Location. The property consists of 24 claims and one mining concession totaling 712 ha straddling Trans-Canada Highway 117 and positioned midway between the mining cities of Rouyn-Noranda, 50 km to the west and Val d’Or, 50 km to the east. Ownership is shared equally between JV partners Globex (50%) and Canadian Malartic Exploration (50%). Eight of the 28 claims located in the west central portion of the property (Wood Claims) are subject to an underlying 2% NSR to five individuals. 18 claims and one mining concession are subject to an underlying 0.5% NSR to Barrick Gold Corporation. 2 mining claims are subject to an underlying 1.5% NSR to KWG Resources Inc.

Globex is the operator of the Joint Venture.



Pandora-Wood Joint Venture - Location Map

History. The property is situated in the heart of Quebec’s premier gold producing district, the Cadillac Gold Camp. Specifically, the property is centered over the prolific Cadillac Break and is located 3.5 km west and along strike from Agnico Eagle’s producing Lapa Gold Mine (prov./prob. reserves of 78,000 oz at 5.49 gpt Au). It is also located 7 km east of Agnico Eagle’s La Ronde Gold Mine (prov./prob. reserves of 3.11 M oz at 5.31 gpt Au (*ref. Agnico Eagle web site- Gold Reserves by Mine, as at December 31, 2015*). La Ronde is Canada’s deepest U/G gold producer, developed along another major east trending mineralized gold structure located 2 km north and parallel to the Cadillac Break.

The property has been well explored and drilled above a vertical depth of 200 m along most of its strike length and has seen gold production on near surface deposits since mining commenced in the region in 1937. Gold was mined at several localities including:

- the Amm Shaft Zone (shaft to 140 m: production reported at 14,490 oz from 83,475 t grading 5.4 gpt Au (*ref. M.E.R.N., report MB88-25, 1989*);
- the No.3 Shaft Zone (shaft to 267 m: production reported at 13,680 oz from 83,418 t grading 5.1 gpt Au: (*ref. M.E.R.N. report, 1981 on behalf of Camflo Mines*) and where an historic mineral resource of 582,859 t grading 6.5 gpt Au (*ref. Queenston Mining, internal report, 1981*);
- The Wood-Cadillac and Central Cadillac Zones. (Wood-Cadillac shaft and internal winze to 305 metres) saw the production of 59,689 oz. from 396,000 t of material grading 4.8 gpt Au (*ref. J. Daigneault & M. Sirois, M.E.R.N. report, 1981*). The Central Cadillac shaft (depth of 305 m) saw the production of 63,160 oz. from 418,870 t of material grading 4.7 gpt Au (*ref. J. Daigneault & M. Sirois, M.E.R.N. report, 1981*) and where an historic resource of 249,000 oz gold from 1.43 Mt of material grading 5.3 gpt Au are reported.

The Amm, Queenston No. 3 zone, Wood and Central Cadillac resources are historic mineral resources not prepared by a Qualified Person under NI 43-101 and cannot be relied upon.

Mineralization. The reader is referred to Globex's 2011 Annual Information Form (AIF) filed on SEDAR (www.sedar.com) and on Globex's website (www.globexmining.com) for details and descriptions of the various categories and styles of gold mineralization found within the Pandora JV Property.

Historic Exploration. The reader is referred to Globex's 2012 Annual Information Form (AIF) filed on SEDAR (www.sedar.com) and on Globex's website (www.globexmining.com) for details concerning the exploration work conducted on the Pandora JV Property for the period 1997 to 2009.

2010 to 2016 JV Exploration Programs. In 2010, the JV completed twelve (12) holes totaling 4,450 m targeting the "South Break" or "South Contact" as well as the "North Break" (structurally and stratigraphically equivalent to the "Contact Zone" described at the Lapa Mine, 5 km to the east along the Cadillac Break. The work examined a one km strike length of the mineralized structure extending 800 m east and 200 m west of the Pandora #3 Shaft in the central portion of the property. Best drill intercepts included: **10.81 gpt Au/3.7 m** (hole W10-81), **3.08 gpt Au/8.4 m** (hole W10-85), **4.32 gpt Au/4.3 m** (hole W10-87), **14.71 gpt Au/2.9 m** (hole W10-82), **12.99 gpt Au/1.3 m** (hole W10-83), **13.96 gpt Au/3.0 m** and **7.71 gpt Au/3.8 m** (hole W10-84).

In 2011, the JV completed five (5) holes totaling 2,405 m. Four of the holes were positioned to follow up on results from the 2010 campaign in the area of the #3 Shaft Zone. Holes W11-89 to 11-92 all intersected gold values within or adjacent to the Cadillac Break. One of the deeper holes of the program, W11-92, intersected an exceptional **28.86 gpt Au/4.9 m** at a vertical depth of approximately 350 m. Other important intercepts include **8.2 gpt Au/1.0 m** (hole W11-89), **4.5 gpt Au/1.5 m**, **3.88 gpt Au/6.5m** (hole W11-91), **3.6 gpt Au/2.8 m** and **6.6 gpt Au/1.0 m** (hole W11-92). A fifth drill hole, W11-88, targeted an interpreted structural feature near the Amm Shaft on the southern portion of the Joint Venture property. This hole did not return any significant gold mineralization.

In 2012 the JV completed nine (9) drill holes totaling 5,600 m. The program focused on searching (along approximately 100 m centres at depths of 350 to 450 m) for significant lateral and down plunge extensions of the deep Pandora #3 zone gold mineralization located in 2011.

Significant gold intercepts from this program included: **7.99 gpt Au/2.0 m**, **7.14 gpt Au/2.0 m** (hole W12-93), **11.73 gpt Au/1.3 m** (hole W12-95), **4.09 gpt Au/4.5 m** (hole W12-96), **22.08 gpt Au/1.0 m** (hole W12-97), **3.8 gpt Au/41.0 m including 4.77 gpt Au/8.4 m** and **12.6 gpt Au/9.1 m** (hole W12-99B) and **3.05 gpt Au/4.0 m** (hole W12-100).

In 2013, the JV completed 20 drill holes totaling 11,770 m of drilling, concentrated in the centrally located Pandora #3 shaft area and at the Central Cadillac area in the western portion of the property. A single drill hole was completed in the AMM Shaft area, south of the main Cadillac Break. Drill spacing ranged from 50 to 150 m with vertical depth of investigation averaging 300 m in the Central Cadillac area and 400 m in the Pandora # 3 area. The best gold intercepts are located within moderately to strongly altered biotite/silica rock hosting weak pyrite/arsenopyrite/pyrrhotite (+/-) mineralization and quartz/carbonate veins or veinlets. This mineralization often contains free gold and is best developed in the Cadillac Group sediments adjacent to ultramafic volcanics at or near the "North Break", a major lithological contact. Best gold intercepts for the program included:

- Pandora #3 Area: **6.4 gpt Au/4.27 m** (hole W12-101); **158.5 gpt Au/0.65 m** (hole W13-106), **15.1 gpt Au/11.80 m** including **47.8 gpt Au/3.30 m** and **5.0 gpt Au/4.0 m** (hole W13-107).
- Central Cadillac Area: **3.8 gpt Au/7.56 m** (hole CC13-001); **3.8 gpt Au/9.80 m** (hole CC13-004); **4.8 gpt Au/10.65 m** (hole CC13-006).
- **AMM Shaft area: 2.2 gpt Au/6.90 m** (hole AMM13-01).

The **2013 drill results** continue to indicate excellent discovery potential for outlining a significant high-grade mineral resource at a depth below 400 m in the area of the Pandora-Wood No. 3 Shaft Zone as well as in the less deeply explored Central Cadillac sector.

In 2014 a four-hole drill program totaling 2,637 m was completed. This program targeted possible extensions of some of the better 2012 and 2013 drill campaign gold intersections near the Pandora #3 shaft. One additional hole (W14-113) was drilled in September at the Amm claim. The high-grade gold intersections from the 2012-2013 programs were not repeated (not uncommon with free gold deposits), but the mineralized structures identified in previous drilling were intersected showing continuity at depth. Highlights from the 2014 drilling at Pandora-Wood included; **5.1 gpt Au/1.0 m** (hole W14-109), **1.07 gpt Au/7.6 m** (hole W14-110), **4.88 gpt Au/1.0 m** and **2.47 gpt Au/5.0 m** (hole W14-111), **2.97 gpt Au/2.0 m** (hole W14-112B) and **6.08 gpt Au/1.5 m** (hole W14-113).

In 2015, two phases of drilling were completed. A three-hole Phase 1 drill program totaling 1,802 m was conducted in early April. Drill hole CC-15-10 returned **4.22 gpt Au/2.25 m** from 256.85 to 259.10 m and **3.11 gpt Au/3.0 m** from 510.5 to 513.5 m. Drill hole W-15-114 intersected two mineralized zones of 30 cm and 90 cm length but returned no significant values. Drill hole W-15-115 returned **12.3 gpt Au/2.0 m** from 633.0 to 635.0 m and **2.17 gpt Au/3.0 m** from 652.0 to 655.0 m. Phase 2 consisted of a three-hole drill program totaling 1,638 m and was completed in September. The first hole, W15-116B returned an average of **15.6 gpt Au/5.0 m** including an interval of **24.4 gpt Au/3.0 m**. Drill hole W15-117 intersected a NE-SW major fault which displaced the host lithologies and the mineralized zones where not encountered. Drill hole W15-118 returned **3.30 gpt Au/3.0 m** and **2.29 gpt Au/3.35 m**.

In 2016, \$15,422 was spent on the property. Mapping and sampling was done in detail following up on two anomalous gold values that were sampled during the 2015 program just north of the old Amm shaft on mining concession 289. Several grab samples located within altered Pontiac sediments or within tonalite intrusion returned anomalous gold values, some above 1 gpt Au (4.94 gpt Au, 1.71 gpt Au and 1.54 gpt Au). Exploration activities are anticipated on the property in 2017.

3. Francoeur and Arntfield gold Mines Property

Project Description and Location. On March 3, 2016 Globex informed shareholders that it had signed a Binding Letter of Intent with Richmond Mines Inc. to acquire 100% interest in the Francoeur Mine, Arntfield Mine and a large package of mining concessions, mining leases and claims. The property covers an area of 1,866 ha and approximately a 7 km strike length of the gold localizing Francoeur-Wasa Shear Zone. The purchase includes a modern office building, headframe and hoist, core facility, machine shop and sundry equipment. Globex has agreed to pay Richmond a 1.5% Net Smelter Royalty (NSR) on a portion of the property which includes Richmond's former Francoeur Mine and Arntfield property up to a total of \$1,300,000 after which the NSR will be reduced to 0.5% NSR. On July 28, 2016, in a press release Globex announced that it had finalized the Francoeur and Arntfield Gold Mines.

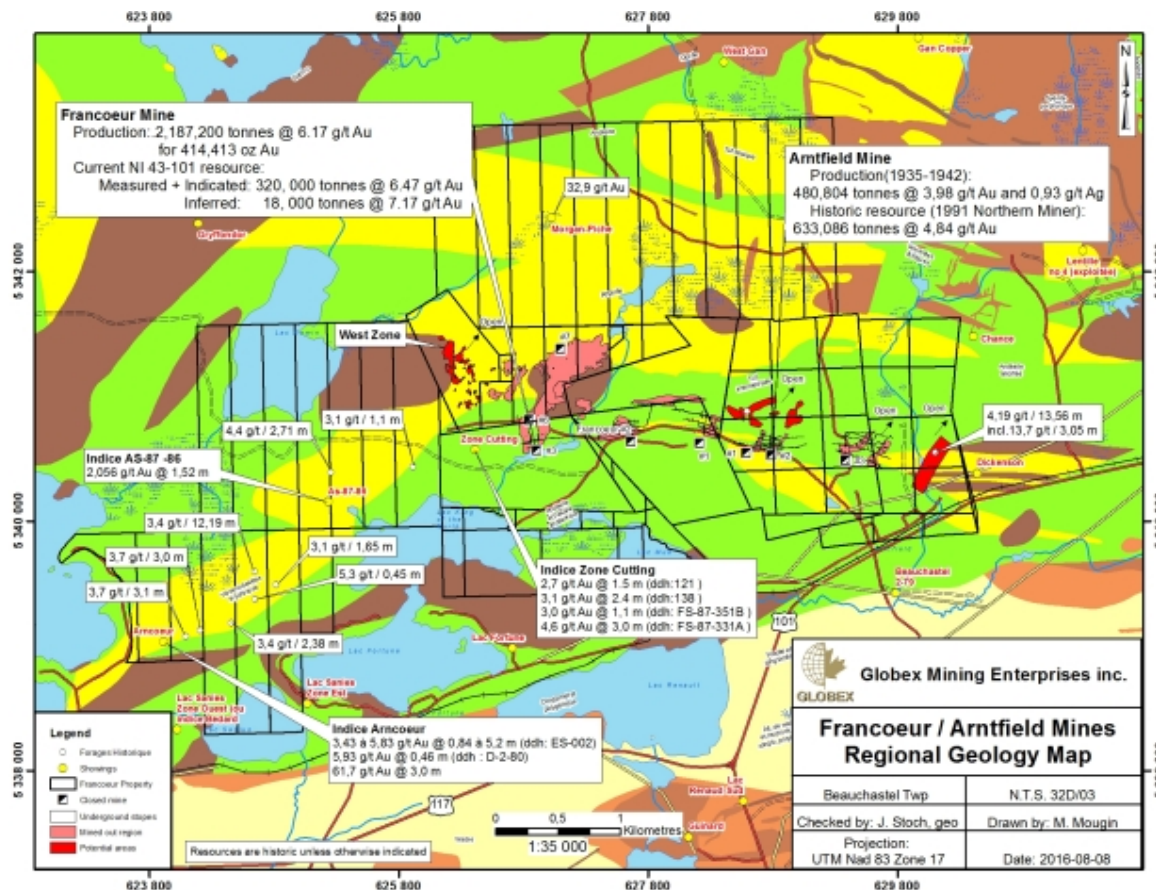
As part of the transaction, Globex transferred title of 11 claims located in Beauchastel Twp. adjoining the East boundary of Richmond's Wasamac gold property to Richmond. These claims will be subject to a 0.5% NSR payable to Globex.

Closing of the transaction was conditional upon approval by the Ministère de l'Énergie et des Ressources Naturelles (MERN) of the transfer of liability for the Closure of the Francoeur mine to Globex. Globex has agreed to assume responsibility for \$628,175 in mine closure and environmental obligations at the Francoeur mine of which \$471,132 was previously funded through funding deposited with the Quebec Government by Richmond. Ownership and management of the bonding including Richmond's previous contributions have been transferred to Globex. Globex funded the remaining closure obligation of \$157,043 which was funded from proceeds from the vending of a sterile rock pile on the Francoeur mine property to a third party as well as other things.

The principal ore body on the Francoeur Mine Property is the Number 3 orebody which contains the "West Zone". It is estimated that 2,187,200 t grading 6.17 gpt Au were mined producing 414,413 oz. (Source: Richmond Mines) from the mine. The adjacent Arntfield Mine is reported to have produced 480,804 tonnes grading 3.98 gpt Au and 0.93 gpt Ag between 1935 and 1942 (Source: Quebec government files).

A mineral resource (Measured and Indicated 320,000 t @ 6.47 gpt Au (66,600 oz. Au) and Inferred 18,000 t @ 7.17 gpt Au (4,150 oz. Au)) has been identified by Richmond in the West Zone of the Francoeur mine using a cut-off grade of 4.3 gpt Au and a gold price of CDN \$1,300 (approx. USD \$965) (Richmond Web Page Disclosure - Mineral Reserve & Resource Table as of December 31, 2015). This resource has not been reviewed by a Qualified Person for Globex under National Instrument 43-101 and is considered by Globex as an historic estimate. The resource remains open at depth and is accessible by shaft and underground ramp. The Northern Miner (1991-09-23) reported an historic resource of 633,086 tonnes grading 4.84 gpt Au (98,512 oz. Au) on the adjoining Arntfield Gold Mine property (Source: SIGEOM.mines.gouv.qc.ca).

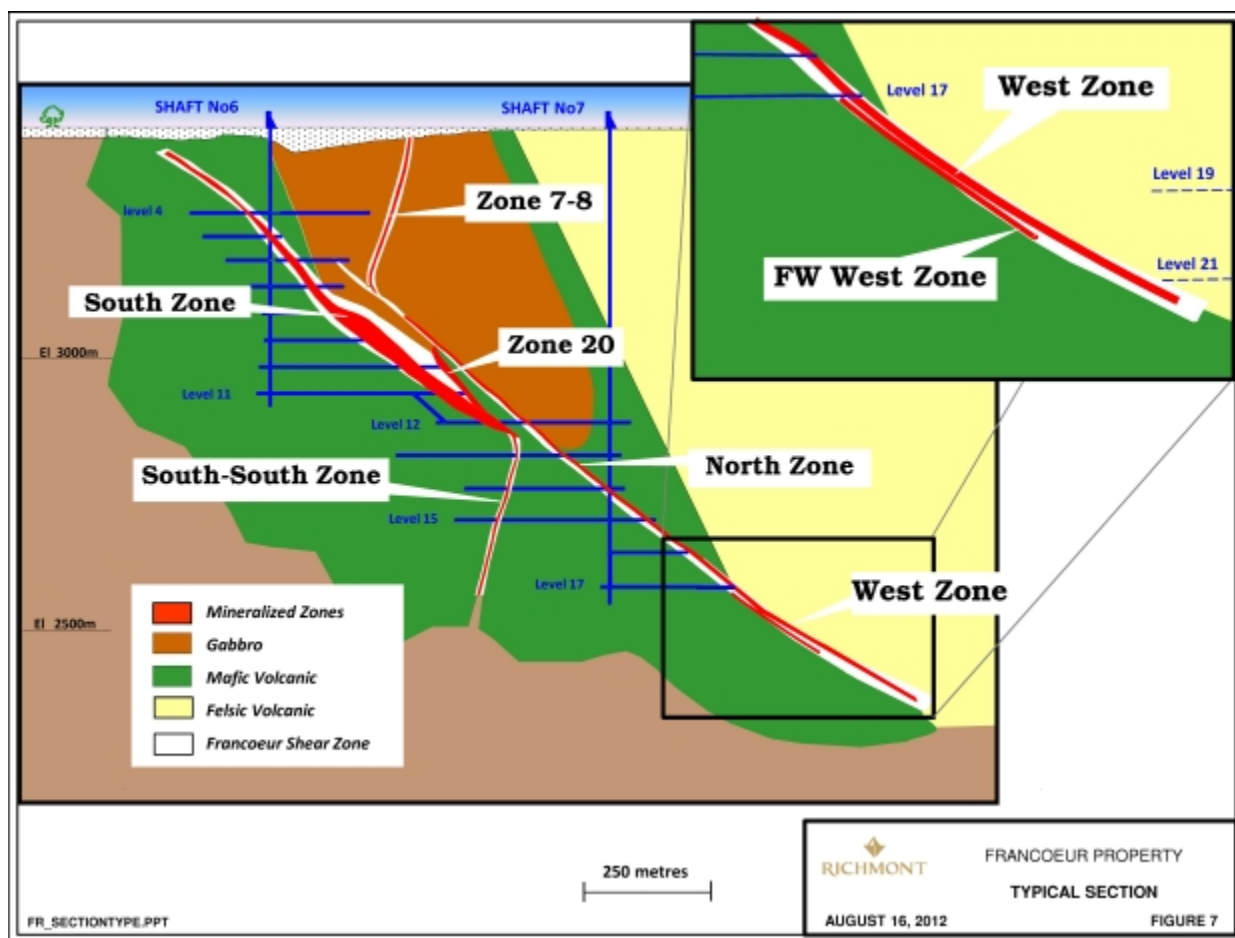
Geological Setting and Mineralization. The Francoeur and Arntfield gold property is situated in the Abitibi Sub-Province in the southern part of the Superior Structural Province. The underlying rocks are part of the Blake River volcanic group consisting of numerous interlayered mafic and felsic volcanic sequences. The volcanic rocks are intruded by diorite and gabbro intrusive masses. Syenite, feldspar porphyry and lamprophyre intrusions and dykes are common, particularly near important faults. Most faults or fractures on the property including the Wasa shear trend roughly east-west and eventually merge with the Cadillac Larder Lake Break to the east of the property.



The properties extend over an area of 1,853 ha traversing approximately 7 km of strike length along the gold localizing Francoeur Wasa Shear Zone. Mineralization at Francoeur is a gold replacement type with close coexistence of gold and pyrite disseminated within and peripheral to altered shear zones. Hydrothermal alteration is well developed, and alteration minerals have distinct zonation from orebody outward: albite-pyrite to carbonate-hematite to muscovite-chlorite. Gold mineralization is closely associated with these alterations, especially albite-pyrite alteration. Several gold zones are found on the property along the Francoeur-Wasa shear zone.

The Francoeur No.3 deposit constitutes the main ore zone of the Francoeur Gold Mine; it was mined until 2001 down to the 17th (>800 m) level by Richmond. The No.3 deposit is hosted in the metavolcanic rocks of the Blake River Group and developed in the ductile Francoeur-Wasa shear zone. It is in contact with the southern margin of a gabbro-diorite stock. The mineralized zone extends down dip from surface to beyond the 17th level. It is a composite orebody consisting of four distinct ore zones, three of which occur within the Francoeur-Wasa shear zone.

The "West Zone" is located to the west of the No.3 Deposit. It is composed of one zone with a variable thickness (0.5 m to 15 m) within the Francoeur-Wasa shear zone and dipping northward at about 35 to 45°. Gold-bearing mineralization is closely associated with albite-silica-pyrite alteration and a brittle fault breccia or mud fault. This zone differs from the No.3 orebody by its apparent NW plunge, instead of the NE plunge generally observed elsewhere in the mine and also by its association with multiple dykes.



Francoeur Mine Property - Generalized Deposit Cross Section
 (ref. Richmond Mines Inc. Technical Report on the Francoeur Gold Mine as of June 15th, 2012)

It is estimated that 2,187,200 t grading 6.17 gpt Au were mined from Francoeur producing 414,413 oz of gold (Source: Richmond Mines). The adjacent Arntfield Mine is reported to have produced 480,804 tonnes grading 3.98 gpt Au and 0.93 gpt Ag between 1935 and 1942 (Source: SIGEOM, Quebec government files).

History of the Arntfield Mine. Part of the history of the Arntfield property is abridged from a report by Alain Tremblay dated March 1986, titled; Cogesco Partnership 1986 and Company, Ltd., Report on Noranda Exploration Company Ltd. The property was first staked in 1923 by F.S. Arntfield. Stripping and some drilling brought to light numerous gold showings all along the Francoeur-Arntfield (Wasa) Shear Zone.

By 1935, three small inclined shafts totalling 2,500 ft were sunk. Extensive drifting permitted the delineation of sufficient reserves to justify production. In 1942, the mine was closed due to wartime restrictions. At the time, only the zone around Shaft #2 appeared to be open at depth.

Between 1942 and 1946, exploration work consisting of drifting and drilling was carried out in the area of Shaft #2 and Shaft #3. This work established the continuity of the #3 Zone. Several holes were drilled from surface to probe new targets but failed to identify continuous zones. However, several interesting intersections with values varying from 6.86 gpt Au over 0.78 m to 8.12 gpt Au over 5.9 m were encountered at vertical depths approaching 270 m.

In 1977, Noranda Exploration staked the property and carried out geological and geophysical surveys (Magnetometer, Radem, HEM, IP). Three holes were drilled to test the extension of the Shaft #2 zone while five other holes tested selected geophysical anomalies.

In 1985, Cogesco funded a \$600,000 surface drilling program aimed at better defining resources in the Main Shear Zone and testing the potential of other gold showings on the property. Thirty two holes were drilled on the Main Shear Zone to a maximum depth of 1,000 ft (300 m). This zone now appears to be about 15 ft (4.6 m) thick and remains open to the east.

In 1988, Nova Cogesco reported mineral resources at the No. 5 zone including 571,500 t grading 4.73 gpt Au and 108,900 t grading 6 gpt in the Main Zone. These resources were reported in the 1988-89 Canadian Mines Handbook and have not been prepared by a qualified person under National Instrument 43-101 and are considered historic and not to be relied upon. The Northern Miner (Sept. 23 1991) later reported Noranda and Nova Cogesco had announced an historic resource of 633,086 tonnes grading 4.84 gpt Au (98,512 oz Au) at the Arntfield Mine property (Source: sigeom.mines.gouv.qc.ca). These resources are also historic in nature.

History of the Francoeur Mine. Information in this section is abridged and excerpted from the “Technical Report on the Mineral Resource and Reserve Estimate for the Francoeur Gold Mine Rouyn-Noranda, Quebec, Canada as of June 15th, 2012 By Daniel Adam, Ph.D., Geo., Marc-André Lavergne, Ing. and Émilie Tremblay-Paquet, M.Sc., Geo.” filed by Richmond Mines Inc. on SEDAR on August 17, 2012 and from other continuous disclosure documents posted by Richmond to SEDAR and their Website. The reader is referred to Richmond’s original report disclosed on SEDAR for complete details.

A mineral resource (Measured and Indicated 320,000 t @ 6.47 gpt Au (66,600 oz Au) and Inferred 18,000 t @ 7.17 gpt Au (4,150 oz Au)) has been identified by Richmond in the West Zone of the Francoeur mine using a cut-off grade of 4.3 gpt Au and a gold price of CDN \$1,300 (approx. USD \$965) (Richmont Web Page Disclosure - Mineral Reserve & Resource Table as of December 31, 2015). This resource has not been reviewed by a qualified person for Globex under National Instrument 43-101 and is considered by Globex as an historical estimate. According to Francoeur’s work, the resource remains open at depth and is accessible by shaft and underground ramp.

Exploration and Development. Information in this section is abridged and excerpted from the “Technical Report on the Mineral Resource and Reserve Estimate for the Francoeur Gold Mine Rouyn-Noranda, Quebec, Canada as of June 15th, 2012 By Daniel Adam, Ph.D., Geo., Marc-André Lavergne, Ing. and Émilie Tremblay-Paquet, M.Sc., Geo.” filed by Richmond Mines Inc. on SEDAR on Aug 17, 2012 and from other continuous disclosure documents posted by Richmond to SEDAR and their Website. The reader is referred to Richmond’s original report disclosed on SEDAR for complete details.

In 2004, Globex Mining Enterprises Inc. acquired part of the Arntfield Property comprised of the historic Block H and a small part of Block O. The property covers the area just east of the inclined Arntfield Mine #2 shaft and includes most of the eastern underground workings of the former mine. Globex completed a small amount of prospecting and compiled historical information on the property. This was followed by a program of 3 short drill holes to test an area of surface alteration and erratic gold mineralization. Globex drilling intersected up to 2.46 gpt Au over 2.84 m and 1.93 gpt Au over 6.62 m.

Further drilling and exploration was warranted when the property was sold to Richmond in 2011. In 2009, Richmond completed a Technical Report which included Probable Reserves of 615,664 t grading 6.91 gpt Au, proposing a total production of 136,000 oz of gold over an initial 4 year period,

or 35,000 oz annually. The mineral reserves were prepared using a gold price of US\$800/oz and a USD/CAD exchange ratio of 1.00. These reserves and resources have not been verified by a qualified person for Globex.

Francoeur Mine Reserves and Resources 2009

	Tonnes (metric)	Grade gpt Au	Ounces contained
Probable Reserves	615,664	6.91	136,749
Indicated Resources	76,449	7.54	18,541
Inferred Resources	202,250	5.95	38,706

In 2010 and 2011 Richmond began re-development of the Francoeur Mine, dewatering the mine's 17 levels and completing 6,238 m of development including a ramp access to the lower portions of the No. 3 and West Zones. Surface and underground infrastructure were re-commissioned and 15,574 m of definition drilling began in November 2010. The company also announced intentions to complete 9,100 m of exploration drilling and 25,000 m of definition drilling at the Francoeur Mine in 2012. 1,265 oz of gold were reported produced in 2011 and 3,401 oz in 2012 from ore treated at the Camflo Mill.

A new reserve and resource calculation was completed at Francoeur Mine in a Technical Report filed on SEDAR on August 17, 2012 using a gold price of US\$1,400/oz (USD/CAD exchange ratio of 1.00).

Francoeur Gold Property Reserves and Resources –June 2012

	Tonnes (metric)	Grade gpt Au	Ounces contained
Proven Reserves	52,626	5.14	8,700
Probable Reserves	452,061	4.74	68,880
Total Proven + Probable	504,687	4.78	77,580
Measured Resources	5,981	4.65	895
Indicated Resources	27,320	4.1	3,604
Total Measured & Indicated Resources	33,301	4.2	4,499
Total Inferred Resources	41,240	4.35	5,771

On November 29, 2012, the Richmond announced the immediate closure of the Francoeur Mine due to high operating costs, low realized grades and difficult mining conditions. Commercial gold production at Francoeur ceased on November 30, 2012.

In 2013, Richmond reported 9,542 t of ore were milled (1,560 oz) from the discontinued Francoeur Mine operation.

In 2014, Francoeur reserves and resources were restated in 2014 eliminating reserves (or downgrading them to resources). These resources were reported again by Richmond in web disclosure with an effective date of December 31st, 2015.

Francoeur Gold Property Reserves and Resources –December 31, 2014 (and 2015)

	Tonnes (metric)	Grade (gpt Au)	Ounces contained
Measured Resources	40,000	5.89	7,600
Indicated Resources	280,000	6.55	59,000
Total Measured & Indicated Resources	320,000	6.47	66,600
Inferred Resources	18,000	7.17	4,150

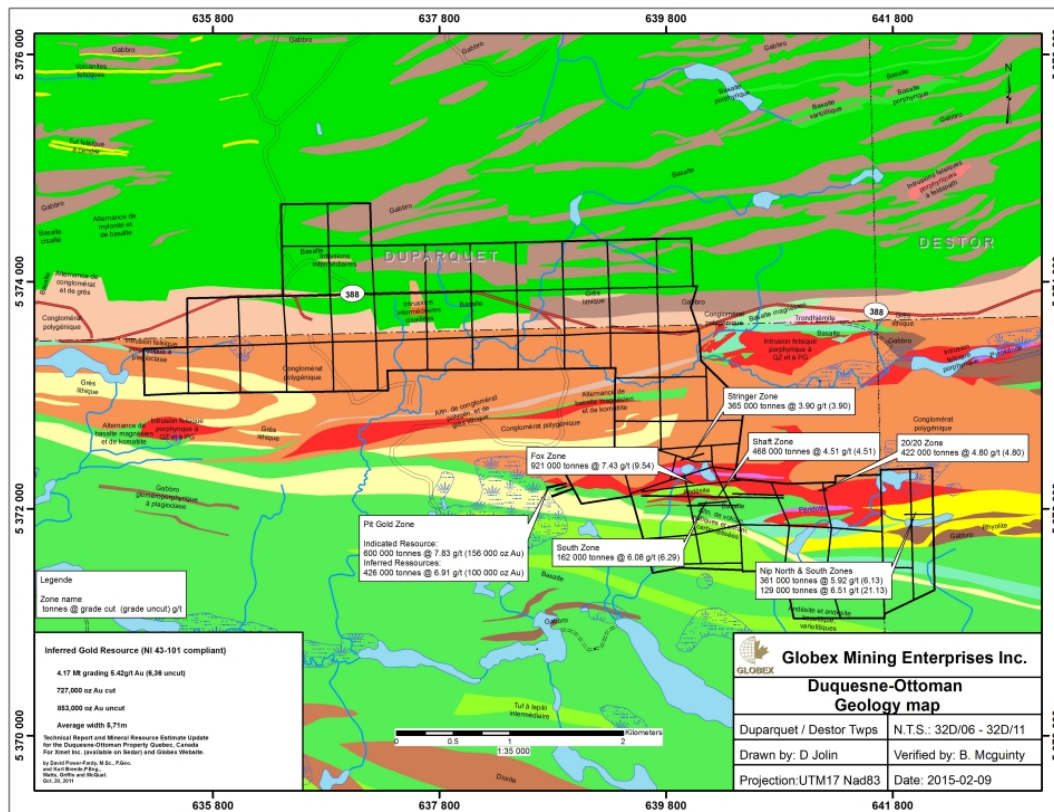
Since the property acquisition, Richmond's database for the project have been imported into Globex's database. Areas presenting exploration potential outside of the West resource envelope defined by Richmond Mines Inc. are being compiled. Two drill holes have been planned and completed by Globex. Hole FS-16-35 drilled in 2016, following-up on historical high grade intersection, encountered a wide, near surface, low grade zone returning 1.19 gpt Au over 74.0 m (true width 40 m) including 4.64 gpt Au over 8 m including 8.01 gpt Au over 4 m. Additional exploration programs will be developed for these targeted areas.

4. Duquesne West Property

Property Description and Location. The Duquesne West (and Ottoman) Property is comprised of 60 claims totalling 929 ha located 32 km northwest of the mining town of Rouyn-Noranda and 10 km east of the town of Duparquet in Duparquet Township, northwestern Quebec. The property is accessed by vehicle along gravel roads originating from Highway 393 roughly 4.5 km west of Highway 101. A series of ATV trails and various drill roads provide further access throughout most of the property. The Property is held 100% by Duparquet Assets Ltd. ('DAL'), a company owned 50% by Globex and 50% by Jack Stoch Geoconsultant Services Limited ('GJSL') a company owned by Jack Stoch, President & CEO and Director of Globex.

History. Public documents show exploration at the Duquesne West property began around 1927. During the 1930's and 1940's, a total of 53 drill holes (6,750 m) were completed by various companies. From 1973-1982, extensive shallow diamond drilling and geophysical surveys were conducted on the property. In 1983, Claremont Mines Limited sank a 25 m shaft and extracted a 385 t bulk sample from the Shaft Zone.

Geological Setting. The reader is referred to Globex's 2011 Annual Information Form (AIF) filed on SEDAR (www.sedar.com) and on Globex's website (www.globexmining.com) for further details regarding the regional, local and property geological setting of the Property. The property is also located 4 km east and along strike from the past producing Beattie and Dorchester mines which respectively produced 8.4Mt @ 3.5 gpt Au and 1.2Mt @ 9.3 gpt Au (ref. MRNF report ET 2005-01, M. Legault, J. Goutier, G. Beaudoin, M. Aucoin, 2005) and 3.5 km west of the past producing high grade Duquesne Mine which produced 199,912 t @ 10.3 gpt Au (ref.: MRNF report ET 2005-01).



Exploration and development. In 1987, Globex acquired 50% interest in the Duquesne West Property and carried out various ground geophysical surveys and geological mapping work. The property was optioned to Noranda Exploration in 1990. Noranda conducted mapping, trenching and completed 13 drill holes totalling 3,708 m. In 1994, Globex carried out an initial drilling program on the property completing 7 drill holes (440 m). The property was then optioned to Santa Fe Canadian Mining Ltd. who carried out further exploration until 1997, including 57 drill holes totaling 26,429 m. Santa Fe also completed an IP survey which identified a new deep anomaly between the Shaft Zone and the Fox Zone. The deepest drill hole to test this anomaly returned **28.5 gpt Au/3.25 m**. A “preliminary inventory” was estimated at the time, describing 1.3 Mt grading 7.8 gpt Au. This estimate cannot be relied upon, as this estimate was not undertaken by a Qualified Person for Globex under NI 43-101 guidelines.

In 2002, Kinross Gold Corporation optioned the property and undertook geochemical, geophysical and geological surveys which culminated in the completion of 14 drill holes totaling 5,300 m and the discovery of the LIZ and the NIP Zones. Drill intercept highlights from this work include; **6.9 gpt Au/11.2 m** (hole DQ-02-02: LIZ Zone), **5.5 gpt Au/11.4 m** (hole DQ-02-10: LIZ Zone) and **9.9 gpt Au/3.5 m** (hole DQ-02-09: NIP Zone). In 2003, Reddick Consulting Inc. (RCI) completed a report which estimated a mineral resource for Kinross Gold Corp. on the Shaft, South Shaft, Fox and LIZ zones. The report indicated a total of approximately 665,000 t grading 11.4 gpt Au (uncut). This resource estimate was not completed for Globex and a Qualified Person has not reviewed the mineral resource for Globex. Kinross terminated its option in 2003.

In late 2003, Queenston Mining Inc. optioned the property and drilled 15 holes (9,783 m) focussed principally on the LIZ Zone. Several holes intersected significant gold values including **4.2 gpt Au/8.0 m** including **6.1 gpt Au/4.5 m** (hole DQ-03-15: LIZ Zone) and **4.5 gpt Au/13.6 m**, including **6.1 gpt Au/9.1 m** (hole DQ-03-16: LIZ Zone). Queenston subsequently returned the property.

In 2006, Diadem Resources Ltd. took an option to earn 50% interest in the property, completing 20 drill holes totalling 12,245 m; increasing the size of the LIZ Zone and testing the NIP and adjacent Pitt zone.

On February 18, 2010, DAL optioned the Duquesne West-Ottoman Fault Property to Xmet Inc. ("Xmet"). Xmet initiated its own diamond drill program with the objective of upgrading resources in future estimates. Xmet also completed a property wide helicopter-borne EM/magnetometer survey and in-hole IP surveys. Drilling continued into 2011 to eventually comprise 33 holes totalling 13,206 m. Significant results from the 2010/2011 drilling are presented in an Xmet press release dated April 28th, 2011 and summarized in Globex's 2011 Annual Information Form.

In 2011, Xmet commissioned Watts, Griffis & McOuat Limited ("WGM") to prepare a mineral resource estimate. The 2011 Inferred mineral resource estimate is described in a press release issued by Xmet Inc. dated September 8th, 2011 and a Technical Report dated October 20th, 2011. Both documents are filed by Xmet on SEDAR (www.sedar.com). The WGM Mineral Resource estimate used a cut-off grade of 3.0 gpt Au over a 2.5 m minimum horizontal width.

WGM's estimate was calculated for 8 gold zones having an average width of 5.71 m for a total of 4,171,000 t grading 5.42 gpt Au (6.36 gpt Au uncut) containing 727,000 oz Au (853,000 oz uncut). Approximately half of the inferred resources are contained in the LIZ and Fox zones. At that time, Xmet was a Canadian reporting issuer and Globex had an option and royalty interest in the property. The report was prepared in accordance with NI 43-101 requirements, and it was reviewed for reasonability by a Globex qualified person; however, Globex recommends the reader review the technical report filed by Xmet Inc. on SEDAR (www.sedar.com).

Also in 2011, Xmet completed channel sampling on the Shaft Zone, which confirmed continuity and grade of the mineralization at surface with significant assays returning **3.18 gpt Au/4.2 m** and **12.3 gpt Au/1.3 m**. Detailed drilling along a strike length of 150 m at 25 m grid spacing and to a depth of 100 m (8,592 m) was undertaken at the Shaft zone. Highlights include; **11.7 gpt Au (uncut)/5.1 m** (hole DO-11-38), **7.84 gpt Au/2.75 m** (hole DO-11-41), **5.18 gpt Au/4.55 m** (hole DO-11-46), **4.0 gpt Au/11.7 m** (hole DO-11-51), **3.65 gpt Au/4.0 m** (hole DO-11-54), **3.4 gpt Au/4.35 m** (hole DO-11-60) and **4.4 gpt Au/4.9 m** (hole DO-11-61). (Reference - Xmet press releases dated December 13, 2011, January 11 and January 17, 2012).

Xmet continued drilling in 2012 at the Fox Zone returning best gold intercepts of **12.4 gpt Au/4.5 m (6.88 gpt Au/4.5 m cut to 30.0 gpt Au)** (hole DQ-04-23w: Fox Zone), **3.2 gpt Au/2.9 m** (hole DQ-12-72: Fox Zone) and **2.96 gpt Au/3.5 m** (hole DO-11-67: Stringer Zone). (ref. Xmet press release Nov. 7, 2012). Geomet Mineralogical studies were completed in 2012 on drill core from the Duquesne West deposit, confirming the gold mineralization to be free milling, non-refractory and not associated with arsenic (ref. Xmet press release April 26, 2012).

On July 3, 2013, Xmet dropped its interest in the Duquesne West property and returned it to DAL. Globex through DAL considers the Duquesne West property to be a significant exploration project based on the continued growth of its mineral resource through several option periods and the relatively high grade nature of the recorded resources which compare favourably against current gold prices. Globex and GJSL will continue to promote this project in 2017 to suitable exploration partners.

5. Magusi River and Fabie Bay Mines

In March 2011, Globex acquired 100% interest in the Magusi River and Fabie Bay Mines property from First Metals Inc. In 2011, Globex entered into a Letter of Intent with Mag Copper Ltd. ("Mag")

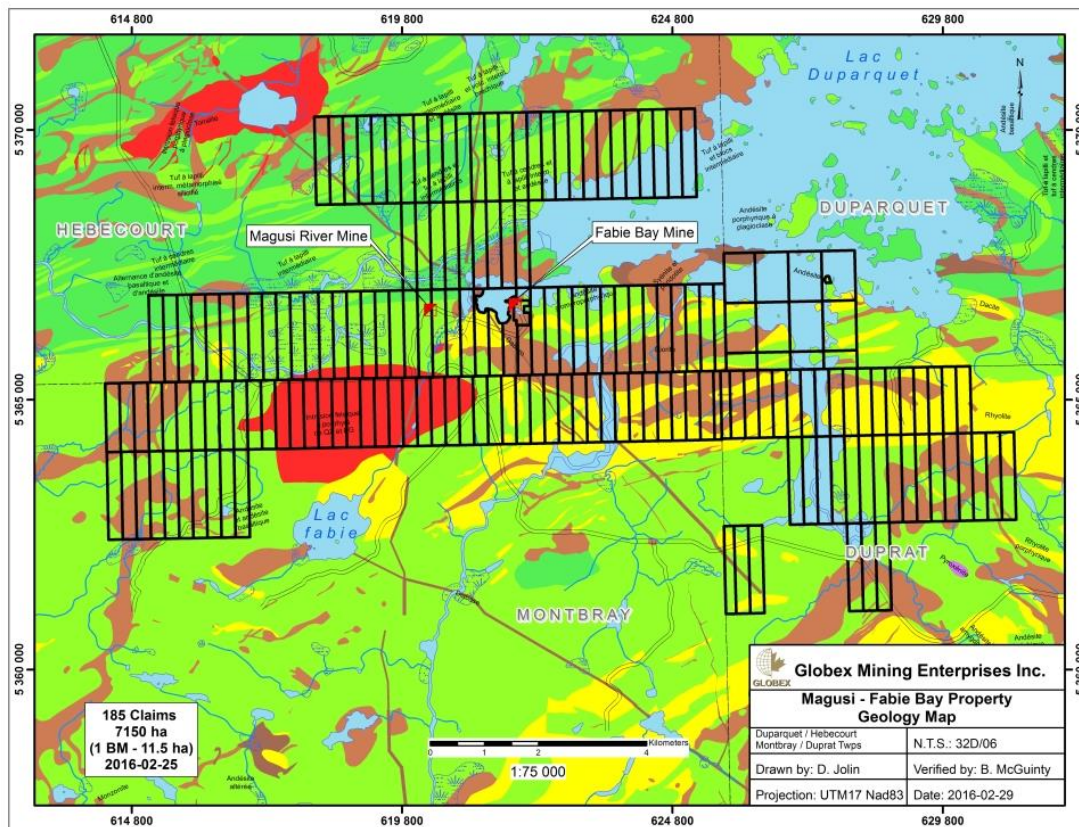
whereby Mag could earn a 100% interest in the Magusi-River and Fabie Bay Mines property by issuing 13,500,000 Mag Copper shares, making cash payments totalling \$1,075,000 over three years, incurring \$10,250,000 in expenditures on the property over a four-year period and reserving a 3% Gross Metal Royalty on production for Globex.

In 2014 and 2015, Mag met with substantial difficulty raising funds to meet its objectives to develop Fabie Bay. Late in 2015, Mag Copper informed Globex that it was encountering difficulty raising the funds to meet its obligations under our option arrangement. In February 2016, Globex terminated the agreement as a result of the outstanding obligations and the property was returned to the Corporation. In March, Globex began discussions with the MERN to secure a 50,000t bulk sample permit and a mining lease application for future operations at Magusi. The bulk sample permit was secured on December 1, 2016. Globex is currently in discussions with a partner to option the property.

Property Description and Location. The Fabie Bay and Magusi River massive sulphide deposits are part of a large property comprised of 184 claims and 1 mining concession (# 872) totalling 7,151 ha in Duparquet, Duprat, Hébécourt and Montbray Townships. The property is accessible by an all-weather gravel road leading to both deposits from highway 101, north of Rouyn-Noranda.

Geological Setting. (Source: October 1989 Feasibility Study by Deak Resources Corporation) The Fabie Bay copper deposit is enclosed in a sequence of overturned, but relatively undeformed mafic pillow lavas, breccias and tuffs. The partially mined ore deposit is a conformable lens of massive sulphide with a strike length of approximately 100 m in an east-northeast direction with a down-dip (70°) extension of approximately 180 m. The ore is composed essentially of massive, fine grained pyrrhotite (30%) disseminated and finely banded chalcopyrite (5%) and pyrite (25%). Sphalerite and galena are associated with oxidized zones and make up less than 1% of the sulphides.

The massive pyrrhotite contains both finely disseminated grains and wispy, discontinuous laminations of chalcopyrite. Finely interspersed fragments of non-sulphide material are inter-laminated with the sulphides. On the stratigraphic foot wall, narrow (less than 1 inch) layers of continuous massive pyrite and chalcopyrite lie at the contact with pillow lavas. This sulphide-volcanic contact is sharp but irregular, with large chloritized pillow fragments up to 3 inches in diameter enclosed within the massive sulphides.



Approximately 30% of the massive pyrrhotite has been subsequently altered by oxidation to pyrite which is distributed throughout the orebody in a grid-like network of conformable layers and cross-cutting veinlets. The pyrite-rich zones are usually bordered by lesser amounts of fine grained iron-rich carbonates, iron oxides and trace amounts of sphalerite and galena.

A siliceous zone, rich in disseminated pyrite, pyrrhotite and chalcocopyrite is inter-layered and broadly conformable with the massive sulphide body along the stratigraphic hanging wall of the orebody. This zone is composed of quartz (70%), disseminated sulphide (20%) and carbonate (10%). Pyrite predominates as the most abundant sulphide (85%) in these layers, followed by chalcocopyrite (10%) and lesser pyrrhotite (5%). Copper values in the sulphide enriched portion of the siliceous zone are approximately the same as in the massive sulphide zone. This zone is interpreted as a sulphide-rich chert, later recrystallized during metamorphism to granulated quartz.

A broad zone of disseminated pyrite (1-10%) envelops the ore zone and contains weakly anomalous copper and zinc. This copper and zinc geochemical halo has been traced by diamond drill holes to a vertical depth of about 400 m, at which point it appears to be cut off.

The Magusi River orebody occurs in a series of acidic to intermediate lava flows which strike about east-west and dip south at 50°. These flows are intruded by bodies of diorite which are probably sills and roughly conform with stratigraphy. A few small dikes of feldspar porphyry also occur, again approximately parallel to the flows. In the vicinity of the ore zone, the rocks are highly sheared and altered to sericite and chlorite schists with varying amounts of talc and quartz. The ore occurs in a large body of massive sulphide within this schist.

The Magusi massive sulphide lens is at least 500 m long and extends to a least 400 m below surface. The western 300 m of strike length has a maximum thickness of 35 m with an average of about 15 m

and contains all of the known resources. This thick part tapers abruptly to a narrow tail to the east averaging less than 3 m in thickness which persists along strike for at least 200 m.

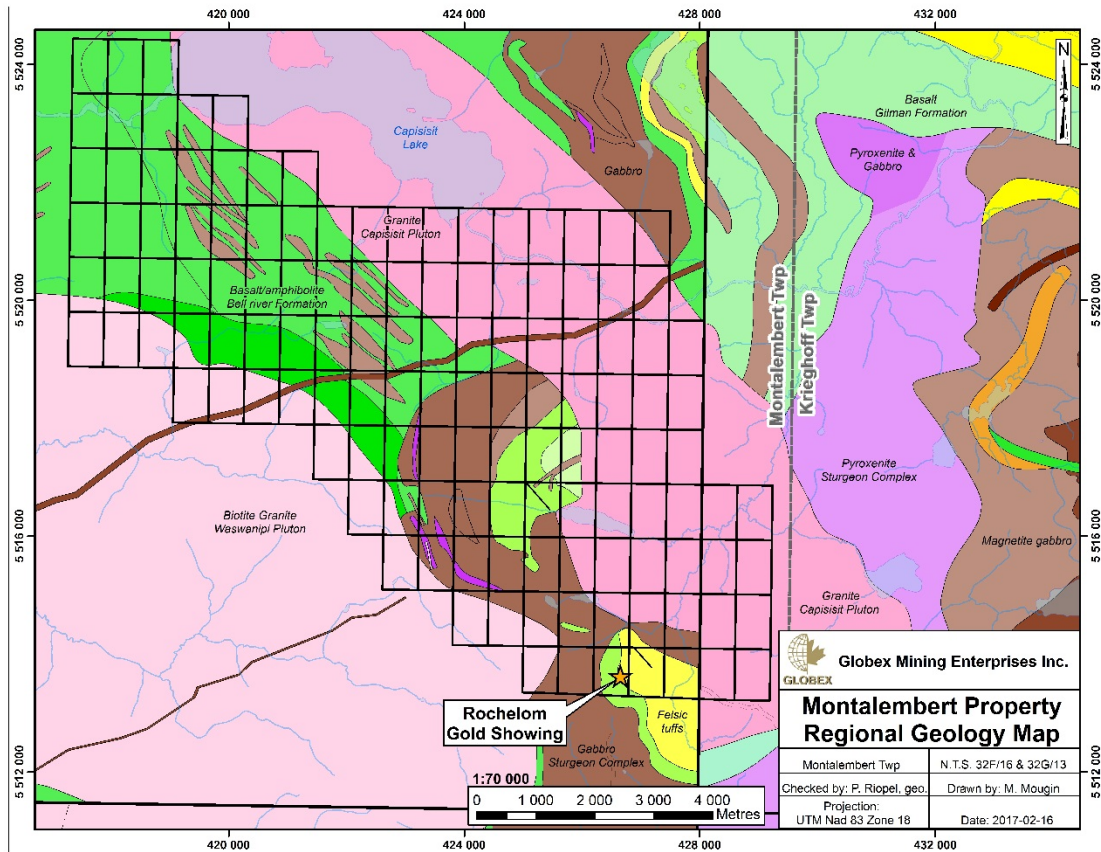
All of the massive sulphide contains values in copper, zinc, gold and silver. The better values are found near the west end of the deposit and along the footwall of the massive sulphide. There are some scattered disseminated sulphides in the schists adjacent to the massive sulphides but values in the disseminated sulphides are low.

Exploration and Development. On May 12, 2012, Mag announced by press release the results of an updated resource estimate for the Magusi River Copper-Zinc-Silver and Gold deposit prepared by Roscoe Postle Associates Inc. (“RPA”) and reported in accordance with National Instrument 43-101 requirements.

The press release summarizes the resources identified as indicated resources of 1,309,000 tonnes grading 4.12% Zn, 1.99% Cu, 42.8 gpt Ag and 1.27 gpt Au and an inferred resource of 355,000 tonnes at 0.39% Zn, 3.41% Cu, 24.2 gpt Ag and 0.26 gpt Au. The RPA report entitled “Technical Report on the Mineral Resource Estimate for the Magusi Project, Abitibi Region, Canada for Mag Copper Ltd.”, prepared by Bernard Salmon, ing., Holger Krutzmann, P.Eng. - Roscoe Postle Associates Inc. March 21, 2012 was filed on SEDAR by Mag on May 12, 2012. At that time, Mag Copper was a Canadian Issuer and Globex had an option agreement and royalty arrangement in place. The report was prepared in accordance with NI 43-101 requirements, and it was reviewed for reasonability by a Globex qualified person; however, Globex recommends the reader review the technical report filed by Mag on SEDAR (www.sedar.com).

6. Montalembert Gold Property

Project Description and Location. In 2015, Globex acquired 100% interest by staking 58 cells in the Montalembert high grade gold property located approximately 10 km northwest of the Cree Village of Waswanipi, Quebec in Montalembert Township. More cells have been staked and added to the property following an Option Agreement with Natan Resources Ltd. The property consists of 132 cells totalling 7,293 ha.



Geological Setting and Mineralization. The Montalembert property is situated in the Northern Volcanic Zone (NVZ) of the Archean Abitibi Subprovince. Regionally, the property is located between the Waswanipi and the Casipisit syntectonics plutons. These plutons of granitic composition intruded the volcano-sedimentary Rivere Bell and Dessieux Formations to the west and Gillman Formation to the east. Mafic and ultramafic sills from the Esturgeon Complex also intruded the volcano-sedimentary units which are metamorphosed to the amphibolite facies. Most of the primary structures were affected during the syntectonic plutons and most of the structures (dykes, shear zones, quartz veins) observed are striking NNW.

The most significant mineralization on the property is the high grade gold associated with quartz veining inside several parallel shear zones including the Galena and No. 2 veins. Gold has been observed and sampled over in similar context sporadically over a distance of close to 3 km.

Historic Exploration. Gold was discovered on the property in 1949 by N.A. Timmins. Prospecting followed by trenching and limited diamond drilling located four quartz veins (Galena, Number 1, Number 2 and Rabbit veins) of varying widths up to 1.5 m and with strike lengths of 90 m to 365 m, within multiple north-south shears observed along a corridor 1,280 m long and 183 m wide.

Sampling of the Galena quartz vein returned 17.2 gpt Au over a 61 m sample length and an average width of 0.75 m. Gold was reported as coarse free gold principally within the quartz veins but also within the enclosing rocks. A drill hole located 105 m to the southwest of the trenched area returned values of up to 61.3 gpt Au over a true width of 1.2 m and 19 gpt Au over 0.6 m.

In 1973, a grubstake syndicate stripped and cleared the Galena, Rabbit and Number 2 veins. The property was then acquired by Rochelom Mines Ltd., which undertook a detailed trenching and analysis of the Galena vein system over a near continuous strike length of 123 m, an average sample

width of 0.65 m and to a depth of 0.6 m. Seventy eight samples collected from fine blast material over continuous 1.5 m lengths and two 2.3 m lengths weighing approximately 3.6 kg each were reported to have returned an average of 20.8 gpt Au (28.9 gpt Au uncut).

Rejects from the 80 samples were combined into seven samples weighing 345 kg, bagged and sent to the Quebec government assay lab as an outside check due to the high grade nature of the mineralization. The government assay lab average for the combined sample assays returned 18.4 gpt Au, confirming previous samples.

Subsequently, a five ton bulk sample of vein material representing different lengths along the Galena quartz vein was grouped into bags with each lot being weighed, crushed, ground and split. The calculated average of the bulk samples excluding sample L-6 at the north end of the trench gave 11.5 gpt Au over a sample length of 108 m and average width of 0.65 m.

Based upon the assay results, a decline was proposed to follow and sample the Galena vein for a length of 170 m along with a 78 m cross cut to the Number 2 vein to be followed by 210 m of additional drifting north and south along the Number 2 vein. It was noted that the cross cut would intersect the Rabbit vein affording additional sampling of this structure. The decline was never started and there is no record of additional work on the gold zones since the trench sampling in 1973, some 42 years ago. Although 210 m of drifting was proposed along Number 2 vein, there is no record of surface assays from this vein although a report references free gold.

Properties with occurrences of coarse free gold are particularly difficult to explore. While gold may be present in significant quantities, it is difficult to assess the quantity or grade by grab sampling, channel sampling or even diamond drilling. Large volume sampling such as that undertaken by Rochelom Mines Ltd. in 1973 is required.

Exploration and Development. In 2015, preliminary exploration by Globex included line cutting, mapping, prospecting, rock sampling and a magnetic survey. Globex cut a 46 line km grid on the property, performed a detailed magnetometer survey and a grid geological survey. During the exploration, all old trenches were located and found to be extensively overgrown. Samples of either loose or in-place country rock taken where exposed have been assayed and, for the most part, returned anomalous gold values. One outcrop exposure north of the Galena vein returned 33.5 gpt Au in a grab sample from sheared and altered rock which contained up to 4% fine disseminated pyrite and no quartz veining.

The areas of the Galena and Number 2 veins as well as two areas across the veins' strike were stripped before freezing conditions prevented power washing, channel sampling or detailed mapping of the vein structures could be completed.

Assays of 84.0 gpt Au, 64.5 gpt Au, 36.3 gpt Au and 17.3 gpt Au as well as other anomalous values have been received to date. Work has expanded the area of known gold mineralization on the property as previous historic data only provided gold assays on the Galena Vein.

Trenches excavated in 2015 were high-pressure (air/water) cleaned and detailed mapping was completed in June 2016. A presentation to the local Waswanipi Cree Council and tallyman took place in August. A major channel sampling program to evaluate Vein no. 2 and to confirm mineralization within the gold bearing Galena vein was completed late in the fall. Best assays reported from vein No 2. channel sampling are 8.88 gpt Au over 0.75 m, 39.35 gpt Au over 1.10 m, 5.07 gpt Au over 0.95 m and 4.56 gpt Au over 0.9 m. Best assays reported for Galena vein are 119.94 gpt Au over 1 m, 438.23 gpt Au over 1m, 4.64 gpt Au over 1.65 m and 1.58 gpt Au over 0.9 m.

Additional Early Stage Exploration Properties

In addition to the properties described above, Globex owns numerous other early stage exploration properties all of which are referenced in the "Exploration Properties in Canada & USA" table at the beginning of this section. Globex has varying degrees of information on these properties. These properties are in the early stages of exploration and any future potential production from these properties is highly speculative at this time. More information on Globex exploration properties can be found at Globex's website at (www.globexmining.com).

2. Other Aspects of the Business - Risk Factors

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

(a) Financing Risk

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

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

(b) Financial Market Risk

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

(c) Volatility of Stock Price and Limited Liquidity

Globex's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol GMX, in Europe under the symbol G1MN on the Frankfurt, Stuttgart, Berlin, Munich, Tradegate, Lang & Schwartz Stock Exchanges and trades under the symbol GLBXF on the OTCQX International Exchange in the United States.

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

(d) Permits and licenses

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

(e) Government Laws and Regulations

The Corporation's operations and exploration activities are subject to the laws and regulations of federal, provincial, and local governments in the jurisdictions in which the Corporation operates. These laws and regulations are extensive and govern prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, environmental protection, mine safety and other matters. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, constructing, operating, closing, reclaiming and rehabilitating mines and other facilities. New laws, regulations or taxes, amendments to current laws, regulations or taxes governing operations and activities of mining corporations or more stringent implementation or interpretation thereof could have a material adverse impact on the Corporation, cause a reduction in levels of production and delay or prevent the development of new mining properties.

The Canadian mining industry is subject to federal and provincial environmental protection legislation. This legislation sets high standards on the mining industry in order to reduce or eliminate the effects of waste generated by extraction and processing operations and subsequently emitted into the air or water. Compliance with applicable environmental legislation and review processes, as well as the obtaining of permits, particularly for the use of the land, permits for the use of water, and similar authorizations from various governmental bodies increases the costs of planning, designing, drilling, as well as exploration and operating activities.

Some of the Corporation's operations are subject to reclamation, site restoration and closure requirements. Costs related to ongoing site restoration programs are expensed when incurred. It is possible that the Corporation's estimates of its ultimate reclamation liability could change as a result of possible changes in laws and regulations and changes in cost estimates.

Failure to comply with applicable laws and regulations may result in enforcement actions thereunder, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

(f) Aboriginal rights and duty to consult

The Corporation operates and does exploration on properties, which are subject to Aboriginal rights or titles. The Corporation, under its Corporate Social Responsibility program, and local laws and regulations, consults with First Nations about any impact of its activities on such rights, titles or claims, which may cause delays in making decisions or project start-ups. Further, there is no assurance of favourable outcomes of these consultations. The Corporation may have to face adverse consequences such as significant expenses on account of lawsuits and loss of reputation.

(g) Environmental Risks

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

(h) Title Matters

The staked mining claims in which the Corporation has an interest have not been surveyed and, accordingly the precise location of the boundaries of the claims and ownership of mineral

rights on specific tracts of land compromising the claims may be in doubt. Although, the Corporation has taken all possible measures to ensure proper title to its properties and royalty interests, including filing of necessary documents and payments to local regulatory authorities, there is no guarantee that the title of any of its properties will not be challenged.

The provincial governments are currently working to convert mining claims to a map designated cells which should mitigate this risk.

(i) Metal Prices

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

(j) Key Personnel

The management of the Corporation rests on some key personnel and mostly on its President and Chief Executive Officer. The loss of the President and Chief Executive Officer could have a negative impact on the development and the success of its operations.

IV DIVIDENDS

The Corporation has not paid any dividends since its incorporation. The current intention of the Corporation is to reinvest all future earnings in order to finance the growth of its business. As a result, the Corporation does not intend to pay dividends in the near future. Any future determination to pay cash dividends will be at the discretion of the Board of Directors of the Corporation and will depend on the Corporation's financial condition, operating results, capital requirements and such other factors that the Board of Directors deems relevant.

V CAPITAL STRUCTURE

In accordance with the Certificate of Continuance, under the Canada Business Corporations Act, effective October 28, 2014, the Corporation is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

Common Shares

At December 31, 2016, the Corporation had 48,852,706 common shares issued and outstanding which represented an increase of 4,405,000 from the 44,447,706 common shares outstanding at December 31, 2015. On March 2, 2017, 50,000 warrants were exercised which increased the number of shares outstanding to 48,902,706 at March 29, 2017.

Globex's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol GMX, in Europe under the symbol G1MN on the Frankfurt, Stuttgart, Berlin, Munich, Tradegate, Lang & Schwartz Stock Exchanges and trades under the symbol GLBXF on the OTCQX International Exchange in the United States.

Warrants

Issued

Under the private placement which closed on November 26, 2015, 1,601,975 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 expire on November 26, 2017.

On June 14, 2016, 1,320,000 warrants were issued in connection with a private placement. Each warrant entitles the holder to acquire one additional common share of Globex at a price of \$0.55 for a period of 18 months. These warrants expire on December 14, 2017. The fair value of each warrant has been estimated at \$0.104 per warrant, which resulted in a fair value of \$137,833 for the 1,320,000 warrants.

Under a private placement, which closed on December 16, 2016, 200,000 share purchase warrants were issued. Each warrant entitles the holder to acquire one additional Globex common share at \$0.60 per share for a period of twelve months from the closing of the financing. The fair value of each warrant has been estimated at \$0.056 per warrant, which resulted in a fair value of \$11,200 for the 200,000 warrants.

Expired

On August 27, 2014, 150,000 share purchase warrants were issued in connection with a property acquisition. Each warrant entitled the holder to acquire one additional common share at an exercise price of \$0.45 per warrant for a period of twenty-four months. These warrants expired on August 27, 2016.

Outstanding

At December 31, 2016, 3,121,975 warrants were outstanding.

Issue Date	Expiry Date	Number of Warrants	Exercise Price
1. November 26, 2015	November 26, 2017	1,601,975	\$0.50 per share
2. June 14, 2016	December 14, 2017	1,320,000	\$0.55 per share
3. December 16, 2016	December 16, 2017	200,000	\$0.60 per share
		3,121,975	

On March 2, 2017, 50,000 warrants which had been issued on November 26, 2015 at an exercise price of \$0.50 per share were exercised which reduced the number of warrants outstanding to 3,071,975 and increased the number of common shares by 50,000 shares.

Stock Options

The Corporation currently has three stock options plans in effect, the 1995 Stock Option Plan, 2003 Stock Option Plan and 2006 Stock Option Plan. The terms and conditions of each of the stock option plans were fully described in Corporation's Management Information Circular, dated May 31, 2016 and filed on SEDAR.

In April 2012, the Board of Directors amended the 2006 Stock Option Plan to increase the number of shares that could be issued there under from 1,500,000 to 2,500,000. The amendment to the Plan was approved by shareholders on June 1, 2012 and on June 19, 2012; the Toronto Stock Exchange confirmed the receipt of the necessary documentation to approve the transaction. The amendments resulted in 1,129,600 options being available for future grants.

On April 22, 2016, the Board of Directors approved a resolution to amend the 2006 Stock Option Plan to increase the maximum number of shares to be issued under the plan from 2,500,000 common shares to 4,500,000. The amendment was approved by shareholders at the May 31, 2016. On June 20, 2016, the Toronto Stock Exchange approved the listing and reservation of an additional 2,000,000 common shares for issuance upon exercise of stock options granted.

At December 31, 2015, the Corporation had 3,017,500 stock options outstanding and 50,000 options were available for future grants.

During 2016, the following stock option transactions occurred:

- (i) On June 8, 2016, 5,000 options were exercised at an option price of \$0.205 per share. Globex's shares closed at \$0.40 per share on that date.
- (ii) On July 25, 2016, 40,000 options that had been issued to a service provider in 2013 and 2014 were cancelled.
- (iii) On July 25, 2016, 720,000 options which vested immediately were issued at a strike price of \$0.39 per share to Directors. These contracts expire on July 25, 2021.
- (iv) On July 27, 2016, 100,000 options were exercised at an option price of \$0.235 per share. Globex's shares closed at \$0.37 per share on that date.
- (v) On August 4, 2016, 400,000 options issued to the Vice-President Operations, in 2014, expired.
- (vi) On December 16, 2016, 50,000 options which vested immediately were issued at a strike price of \$0.60 to a Consultant. These options will expire on December 16, 2017.

At December 31, 2016 and March 29, 2017, 3,242,500 (December 31, 2015 – 3,017,500) stock options were outstanding and 1,720,000 (December 31, 2015 – 50,000) were available for future grant.

Fully Diluted Shares

At December 31, 2016, the Corporation had 48,852,706 common shares issued, 3,121,975 warrants outstanding and 3,242,500 options outstanding for fully diluted common shares of 55,217,181. At March 29, 2017, the Corporation had 48,902,706 common shares issued, 3,071,975 warrants outstanding and 3,242,500 options for fully diluted common shares of 55,217,181.

Restricted Share Unit Plan

On April 11, 2012, the Board of Directors adopted a Restricted Share Unit Plan (the "RSU Plan") for the Corporation'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 Corporation 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 Corporation, 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 Corporation, 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 Corporation for issuance under the Plan. Currently, 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 Corporation; (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 Corporation; 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 Corporation (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 Corporation 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 Corporation's shareholders will be treated equally and fairly in connection with any take-over bid for the Corporation.

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 Corporation'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 Corporation.

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 Corporation'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.

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 Corporation'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 offer or to proceed by way of a Permitted Bid or to approach the Board of Directors with a view to negotiation.

VI MARKET FOR SECURITIES

The following table sets forth the monthly high and low sale prices and trading volume of Globex's common shares traded on the Toronto Stock Exchange ("TSX") for the calendar year 2016.

PRICE PER SHARE (IN CANADIAN DOLLARS) AND VOLUMES TRADED

2016	High	Low	Volume
January	\$ 0.24	\$ 0.19	264,979
February	0.29	0.20	247,607
March	0.32	0.25	965,383
April	0.34	0.26	1,488,064
May	0.50	0.30	1,846,687
June	0.51	0.34	3,020,828
July	0.43	0.36	2,027,868
August	0.44	0.33	1,864,787
September	0.37	0.29	1,513,795
October	0.32	0.28	1,174,965
November	0.43	0.30	2,903,794
December	0.44	0.38	2,014,735

Source: TSX

Significant volumes of the Corporation's shares are also traded on other exchanges in the U.S. (OTCQX International Exchange) and Europe (Frankfurt, Stuttgart, Berlin, Munich, Tradegate, Lang & Schwartz Stock Exchanges).

VII ESCROWED SHARES

At December 31, 2016, 36,100 (December 31, 2015 – 36,100) common shares are held in escrow. These shares represent 0.07% of the Corporation's common shares are held in escrow. The shares, originally issued as consideration for a property since abandoned, will never be released from escrow.

VIII DIRECTORS AND OFFICERS

Globex's directors and senior officers and their respective holdings are presented below.

Names and Municipality of Residence	Position with the Corporation, Principal Occupation and Office Held	Director since	Number of shares beneficially owned or over which control is exercised as March 29, 2017.
Jack Stoch, Toronto, Ontario, Canada	<i>Director, President and Chief Executive Officer of the Corporation</i>	1983	3,058,444

Names and Municipality of Residence	Position with the Corporation, Principal Occupation and Office Held	Director since	Number of shares beneficially owned or over which control is exercised as March 29, 2017.
Dianne Stoch ⁽²⁾ Toronto, Ontario, Canada	<i>Director, Executive Vice President of the Corporation</i>	1985	1,114,647
Chris Bryan ⁽¹⁾ Cambridge, Ontario, Canada	<i>Director, Mining Analyst (retired)</i>	1983	72,500
Ian Atkinson ^{(1) (3)} The Woodlands, Texas, USA.	<i>Director, Kinross Gold Corporation (mining company), Argonaut Gold Inc. (mining company), former President and Chief Executive Officer Centerra Gold Inc. (mining company)</i>	1986	-
Johannes H. C. van Hoof ^{(1) (4)} Buenos Aires, Argentina	<i>Chairman and Chief Executive Officer NSGold Corp. (mining exploration executive)</i>	2014	164,000
James Wilson ⁽⁵⁾ Markham, Ontario, Canada	<i>Chief Financial Officer, Treasurer and Corporate Secretary of the Corporation</i>	-	-

⁽¹⁾ The independent members of the Board of Directors are each members of the Audit Committee, Corporate Governance Committee and Compensation Committee.

⁽²⁾ In March 2011, the Board appointed Mrs. Stoch to the position of Executive Vice President of the Corporation.

⁽³⁾ Mr. Atkinson was appointed President and Chief Executive Office, Centerra Gold Inc. effective May 17, 2012 and retired effective December 2015. Over the preceding five (5) year period, Ian served as Senior Vice President Global Exploration and Vice-President Exploration for Centerra Gold Inc.

⁽⁴⁾ Mr. Van Hoof is a Director and President and Chief Executive Officer of NSX Silver Inc. and Executive Chairman and director of NSGold Corporation, companies listed on the TSX Venture Exchange.

⁽⁵⁾ Appointed Chief Financial Officer and Treasurer on November 26, 2009 at which time Mr. Wilson was also Vice-President Finance and Chief Financial Officer of First Metals Inc., a TSX listed junior mining company. He assumed that role in July 2008 and in the previous five years, as a Chartered Professional Accountant, Mr. Wilson provided independent financial consulting to a variety of private and public organizations. The Board of Directors appointed, Mr. Wilson as Corporate Secretary as of January 1, 2012.

Each director holds office until the next annual general meeting of shareholders or until the election of his or her successor, unless he or she resigns or his or her office becomes vacant by removal, death or other cause.

As of March, 29 2017, all directors and senior officers as a group beneficially own directly or indirectly or exercise control or direction over 4,409,591 or 9.02% of the common shares (March 29, 2017 shares outstanding - 48,902,706) of the Corporation on a non-diluted basis.

Cease Trade Orders or Bankruptcies

Except as disclosed below, to the best knowledge of the Corporation, no director or officer or principal shareholder of the Corporation is, as at the date hereof or has been within the last ten years prior to the date hereof, (a) subject to a cease trade order, an order similar to a cease trade order or an order that denied a company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued while the director or officer of the Corporation was acting in the capacity as director, chief executive officer or chief financial officer of that company; (b) subject to a cease trade order, an order similar to a cease trade order or an order that denied a company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued after the director or officer ceased to be a director, chief executive officer or chief financial officer of that company and which resulted from an event that occurred while that person was acting in such capacity; (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (d) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Jack Stoch was a director of Strategic Resource Acquisition Corporation when it filed for protection in the United States under Chapter 11 of the U.S. Bankruptcy Code and under the Companies' Creditors Arrangement Act (Canada) in January 2009. On August 17, 2009, Strategic Resource Acquisition Corporation successfully completed its restructuring and emerged from protection under the Companies' Creditors Arrangement Act (Canada).

James Wilson, prior to joining the Corporation, was the Chief Financial Officer of First Metals Inc. (FMA) which on January 7, 2009, filed an Notice of Intention to file a proposal under the Bankruptcy and Insolvency Act which it subsequently did. On May 12, 2009, FMA provided a Notice of Default further to National Policy 12-203 ("NP 12-203") advising that it was not able to file its annual financial statements for the year ended December 31, 2008 on or before the prescribed deadline of March 31, 2009. The Corporation's failure to file its audited financial statements within the prescribed period was due to ongoing restructuring proceedings. As a result, a Management Cease Trade Order (MCTO) was issued against Mr. James G. Wilson, Chief Financial Officer as well as the Chief Executive Officer. Subsequently, the MCTO was removed against Mr. Wilson once all of the outstanding annual and interim filings were current.

IX AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The text of the Audit Committee charter is set out as Schedule A to this Annual Information Form.

Audit Committee Composition

The Audit Committee is composed of Messrs. Ian Atkinson, Chris Bryan and Hans VanHoof. Each member of the Audit Committee is independent and financially literate within the meaning of Multilateral Instrument 52-110 *Audit Committees*.

Relevant Education and Experience

Each member of the Corporation's Audit Committee has a good command of generally accepted accounting principles and has the ability to understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. This section describes at greater length how these members acquired their financial literacy.

Ian Atkinson, M.Sc, A.K.C., D.I.C, a geologist, is currently a Director of Globex as well as Kinross Gold Corporation following his appointment in February 2016 and Argonaut Gold Inc. following his appointment in May 2016. Mr. Atkinson was previously President and CEO of Centerra Gold before retiring in 2015. He has more than 40 years of experience in the mining industry with extensive background in exploration, project development and mergers and acquisitions. Prior to his ten-year tenure at Centerra, Mr. Atkinson held various senior leadership positions with Hecla Mining Company, Battle Mountain Gold, Hemlo Gold Mines and the Noranda Group. Mr. Atkinson has contributed to the discovery of several major mineral deposits and been involved in a number of large global mining projects in his career. Mr. Atkinson holds a Bachelor of Science degree in geology from King's College, University of London and a Masters degree in geophysics from the Royal School of Mines, University of London. Mr. Atkinson is the current *Chair of the Compensation Committee*.

Chris Bryan, B.Sc. Geology, B. Comm., now retired, was formerly President of CBIM, an OSC-registered investment counsel. From 1994 to 1995, he was President of Ophir Capital, an investment management company. Prior to that, from 1989 to 1994, Mr. Bryan was Vice-President, Director and Portfolio Manager of Bolton-Tremblay Inc. He was also a mining analyst/ portfolio manager at the Caisse de Dépôt et Placement du Québec from 1985 to 1989. The seven previous years were spent as a mining analyst with Lévesque Beaubien Inc. and Nesbitt Thompson Bongard Inc. Mr. Bryan is the current *Chair of the Corporate Governance Committee*.

Johannes H.C. van Hoof is a Director and Chairman and Chief Executive Officer of NSGold Corp. He has held senior positions at various European financial institutions, including PVF Pension Funds, Paribas Capital Markets and Bankers Trust. His roles during the past 22 years include senior Portfolio Manager, senior Risk Manager, Deputy Head of global equity derivatives, Managing Director responsible for M&A arbitrage, derivatives arbitrage and venture capital investments as well as Chairman and Senior Executive Officer of Soros Funds Limited in London. In 2002, Mr. van Hoof founded VHC Partners alternative investment management group, active in hedge fund management, corporate and project finance advisory services, private equity investments and charitable projects. Mr. van Hoof is the current *Chair of the Audit Committee*.

Pre-approval Policies and Procedures for Audit Services

The Audit Committee must pre-approve all non-audit services to be provided to Globex or any of its subsidiaries by Globex's external auditor. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services in satisfaction of the above, provided that the pre-approval by any member to whom authority has been delegated must be presented to the Committee at its first scheduled meeting following such pre-approval.

External Auditor Service Fees (by Category)

The table below represents all fees billed to the Corporation by its external auditor, Deloitte LLP, for the years ended December 31, 2016 and 2015.

	Year ended December 31	
	2016	2015
	Estimated	Actual
Audit fees	\$ 79,000	\$ 69,000
Audit-related fees ⁽¹⁾	9,300	5,250
Tax fees ⁽²⁾	8,335	9,500
All other fees ⁽³⁾	-	680
TOTAL.....	\$ 96,635	\$ 84,430

- (1) Audit-related fees were billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's annual financial statements and are not reported as part of audit fees, including review of Management Discussion and Analysis for consistency with audited financial statements and assistance during the year on quarterly financial statements.
- (2) Tax fees were billed for professional services related to tax advice and planning, involvement with Federal, U.S. and Quebec tax returns, Quebec Mining Duties return and U.S. tax returns for Globex Nevada, Inc.
- (3) These fees were billed for products and services other than audit fees, audit-related fees and tax fees, principally for assistance with continuous disclosure reviews and other accounting and reporting issues.

X INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Interest of Informed Persons in Material Transactions of the Corporation were discussed in the Notice of Special Meeting held on May 31, 2016 and Management Information Circular, dated April 22, 2016, page 29, and incorporated by reference in this Annual Information Form.

Related Party Transactions are detailed in note 23 to the 2016 and 2015 Consolidated Financial Statements, incorporated by reference in this Annual Information Form.

XI TRANSFER AGENT AND REGISTRAR

The Corporation's transfer agent and registrar for its common shares is Computershare Investor Services Inc., 1500 University Street, Suite 700, Montreal, Quebec H3A 3S8 Canada (1-800-564-6253).

XII INTERESTS OF EXPERTS

Deloitte LLP has prepared the Independent Auditor's Report on the audited consolidated financial statements of Globex as at December 31, 2016 and December 31, 2015. None of the designated professionals of Deloitte LLP beneficially owns, directly or indirectly, any of the Corporation's outstanding shares.

XIII ADDITIONAL INFORMATION

- (a) Additional information relating to the Corporation may be found on SEDAR at www.sedar.com.
- (b) Additional information is provided in our comparative financial statements and Management's Discussion and Analysis for the year ended December 31, 2015. Copies of these documents are available upon request from the Corporate Secretary.
- (c) Unless otherwise stated, information contained herein is as at March 29, 2017.

SCHEDULE A

GLOBEX MINING ENTERPRISES INC.

AUDIT COMMITTEE CHARTER

PURPOSE

The Audit Committee (the "Committee") is a standing committee of the Board of Directors (the "Board") of Globex Mining Enterprises Inc. ("Globex") charged with assisting the Board in fulfilling its oversight responsibilities in relation to; (a) the external auditor, (b) financial reporting, (c) compliance with legal and regulatory requirements related to financial reporting and certain corporate policies, and (d) internal controls over financial reporting and disclosure controls.

COMMITTEE MEMBERSHIP

The members of the Audit Committee and its Chair shall be appointed annually by the Board on the recommendations of the Corporate Governance Committee. The Audit Committee shall consist of at least three members. Each member will be independent and financially literate (as such terms are defined in National Instrument 52-110 - Audit Committees, as amended from time to time).

MEETINGS

The Audit Committee will meet at least four times annually and as many additional times as the Audit Committee deems necessary to carry out its duties effectively. The Audit Committee will meet privately with each of the external auditor and management at each regularly scheduled meeting.

Notice of every meeting will be given to each member, the Chair of the Board and the external auditor.

A majority of the members of the Audit Committee shall constitute a quorum. No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present.

The Audit Committee may invite such officers, directors and employees of the Corporation and such other persons as it may see fit from time to time to attend meetings of the Audit Committee and assist in the discussion and consideration of any matter.

A meeting of the Audit Committee may be convened by the Chair of the Audit Committee, a member of the Audit Committee or the external auditor.

DUTIES AND RESPONSIBILITIES

Financial Reporting

1. Review and recommend to the Board for approval the audited annual financial statements and related management's discussion and analysis.
2. Review and recommend to the Board for approval all interim financial statements and quarterly reports and related management's discussion and analysis.
3. Before the release of financial statements and related disclosures to the public, obtain confirmation from the CEO and CFO as to the matters addressed in the certifications required by the securities regulatory authorities.

4. Review and recommend to the Board for approval all press releases containing financial information, if applicable.
5. Review and recommend to the Board for approval all other financial statements that require approval by the Board before they are released to the public, including financial statements for use in prospectuses or other offering or public disclosure documents and financial statements required by regulatory authorities.
6. Review status of significant accounting estimates and judgments and special issues (e.g., major transactions, changes in the selection or application of accounting policies, as well as effect of regulatory and financial initiatives).
7. Review management's assessment and management of financial risks (e.g., hedging, insurance, debt).
8. Review any litigation, claim or other contingency that could have a material effect on the financial statements.
9. Discuss with the external auditor the quality, not just the acceptability, of the Corporation's accounting principles as applied in its financial reporting.
10. Discuss with the external auditor any (i) difference of opinion with management on material auditing or accounting issues and (ii) any audit problems or difficulties experienced by the external auditor in performing the audit.
11. Discuss with management and the external auditor any significant financial reporting issues considered and the method of resolution.
12. Review procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls, or auditing matters and for confidential anonymous submission by Globex employees regarding questionable accounting or auditing matters.

External Auditors

1. Recommend to the Board the external auditors to be nominated for appointment or re-appointment by the shareholders.
2. Communicate to the external auditors that they are ultimately accountable to the Board and the Committee as representatives of the shareholders.
3. Evaluate the external auditor's qualifications, performance and independence.
4. Obtain and review an annual report prepared by the external auditors describing: the firms' internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
5. Review the Corporation's policies for hiring employees and former employees of the external auditor.
6. Review and approve the external auditor's plans for the annual audit and interim reviews including the auditor's fees.

7. Review and pre-approve all non-audit service engagement fees and terms in accordance with applicable law.
8. Consider any matter required to be communicated to the Audit Committee by the external auditor under applicable generally accepted auditing standards, applicable law and listing standards, including the auditor's report to the Audit Committee (and management's response thereto).

Compliance

1. Review procedures adopted by the Corporation to ensure that all material statutory deductions have been withheld by the Corporation and remitted to the appropriate authorities.
2. Review with legal counsel any legal matters that could have a significant effect on the Corporation's financial statements.
3. Review with legal counsel the Corporation's compliance with applicable laws and regulations and inquiries received from regulators and governmental agencies to the extent they may have a material impact on the financial position of the Corporation.
4. Review and approve financial risk management programs.

Internal Controls and Disclosure Controls

1. Oversee management's review of the adequacy of the internal controls that have been adopted by the Corporation to safeguard assets from loss and unauthorized use and to verify the accuracy of the financial records.
2. Review any special audit steps adopted in light of material control deficiencies.
3. Review the controls and procedures that have been adopted by the Corporation to confirm that material information about the Corporation and its subsidiaries that is required to be disclosed under applicable law or stock exchange rules is disclosed.

Other

1. Review the appointment of the CFO and review with the CFO the qualifications of new key financial executives involved in the financial reporting process.
2. Review on an annual basis expenses submitted for reimbursement by the CEO.
3. Provide orientation for new members and continuing education opportunities for all members to enhance their expertise and competencies with finance and accounting.

Reporting

The Audit Committee will report regularly to the Board on all other significant matters it has addressed and with respect to such other matters that are within its responsibilities.

Review and Evaluation

The Audit Committee will annually review and evaluate the adequacy of its mandate and recommend any proposed changes to the Nominating and Corporate Governance Committee. It will also participate in an annual performance evaluation by the Nominating and Corporate Governance Committee.

Chair

Each year, the Board will appoint one member to be Chair of the Audit Committee. If, in any year, the Board does not appoint a Chair of the Audit Committee, the incumbent Chair will continue in office until a successor is appointed.

Removal and Vacancies

Any member of the Audit Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Audit Committee upon ceasing to be a director. The Board may fill vacancies on the Audit Committee by appointment from among its members. If and whenever a vacancy shall exist on the Audit Committee, the remaining members may exercise all its powers so long as a quorum remains in office. Subject to the foregoing, each member of the Audit Committee shall remain as such until the next annual meeting of shareholders after that member's election.

Access to Outside Advisors

The Audit Committee may, without seeking approval of the Board or management, select, retain, terminate, set and approve the fees and other retention terms of any outside advisor, as it deems appropriate. The Corporation will provide for appropriate funding, for payment of compensation to any such advisors, and for ordinary administrative expenses of the Audit Committee.