GLOBEX

Surface Gold Sample
Montalembert Project, Quebec

ANNUAL REPORT 2016

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President's Message to Shareholders

Early in 2016, we saw both significant volatility in the world financial markets and downward pressure on all commodity prices much of which was a result of the declines in economic growth in a number of important world economies. During the latter part of 2016, there was a recognition of the need for rebalancing between supply and demand for a number of commodities including copper and zinc. Following the U.S. election, stock markets and commodities prices reflected an anticipation of global growth fuelled by economic recovery in China and an improved outlook in Europe as well as anticipated US 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 2016, we continued to expand our property acquisition and align our exploration programs in the context, of Globex operating as a property bank. We target to create shareholder value by acquiring mineral properties, undertaking limited exploration and preparing properties for optioning, joint venture, or outright sale with the goal of generating near and long term revenue.

During the year, Globex completed a number of significant property acquisitions including; (i) Devil's Pike Gold Property (New Brunswick), (ii) Francoeur and Arntfield Mines Gold Project (Beauchastel and Dasserat Twps., Quebec), (iii) Cameron Shear Gold Property (Franquet and Grevet Twps., Quebec), (iv) Lithium Claims (Guysborough County, Nova Scotia), as well as (v) Duverny Gold Claims (Duverny Township, Quebec). We also re-acquired the Fabie Bay/Magusi Property ((Hébécourt, Montbray) from Mag Copper Inc.

In the case of the Devil's Pike and the Francoeur and Arntfield properties initial compilation and field work was undertaken which was subsequently followed by drilling which provided significant additional property knowledge including the identification of gold intersections. The results of these drill programs are further described in this annual report.

In our 2015 annual report, we identified a number of property acquisitions including the Montalembert Gold (Montalembert, Quebec) and the Feldspar Project (Johan-Beetz, Quebec). During 2016, option agreements were successfully negotiated on these properties with Natan Resources Ltd (named changed to Enforcer Gold Corp. on February 28, 2017) and Walmer Capital Corp (name change to Enerspar Corp., in process).

We are pleased with our success over the past year in generating net option income of $1,356,989 (2015 - $545,056) from seven (2015 - four) and five ongoing agreements (2015 - three). We did not receive royalties from Nyrstar's Mid-Tennessee operations as it was on "care and maintenance." We have been monitoring these operations and expect that in the latter half of 2017, Globex will begin receiving monthly royalty payments of between $CDN $100,000 and $CDN $120,000.

During the year, private placements generated "hard dollar" gross proceeds of $628,000 and "flow-through" gross proceeds of $945,000. At December 31, 2016, $900,000 of "flow-through" funds were available to fund exploration in 2017.

We are proud of our achievements in 2016, all of which would not have been possible without the contributions of our directors, employees, consultants, professional advisors, contractors and suppliers. Again, this year, I would also like to thank our shareholders for their continued support and appreciation of our combined efforts.

We believe in the long-term value of our diversified portfolio of quality projects and consider the Abitibi region as one of the pre-eminent geological and mining locations in the world.

Management’s Discussion and Analysis

For the year ended December 31, 2016

This Management’s Discussion and Analysis (“MD&A”) is intended to supplement the financial information contained in the Globex Mining Enterprises Inc.’s. (“Globex”, the “Corporation” and “we”) audited annual consolidated financial statements for the two years ended December 31, 2016 and December 31, 2015. This document has been prepared as of February 24, 2017.

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Overview

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.

Currently, we are focused on acquiring properties which meet one or more of the following criteria:

- Have historic or qualified mineral resources,

- Have reported past production,
- Have established drill targets or drill intersections of economic merit and,
- Are located on major geological structures.

Under Globex property option arrangements, the Optionee gains the rights and control of the property and the right to acquire an interest in the property in exchange for:

- a series of annual cash and/or share payments,
- an exploration work commitment, as well as
- a Gross Metal Royalty (GMR).

Upon the satisfaction of the option terms, the property interest is transferred to the Optionee. The option contract will terminate if annual payments and/or work commitments are not met. Globex may retain a GMR or other carried or participating interest in the property when it is transferred. Outright property sales may include cash and/or share payments and a form of royalty interest payable when projects achieve commercial production or another negotiated milestone.

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).

Globex was incorporated in the Province of Quebec and following the approval of shareholders on June 12, 2014, it was continued under the Canada Corporations Act, effective October 28, 2014. The head office is located at 89 Belsize Drive, Toronto, Ontario M4S 1L3 and the principal business office is located at 86, 14th Street, Rouyn-Noranda, Quebec, J9X 2J1, Canada.

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.

Economic environment and corporate focus

Economic environment

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 also 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 fuelled by solid growth in China and an improved outlook in Europe as well as U.S. President Donald Trump's anticipated tax cuts and infrastructure spending plans.

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 $1,258 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	Current	December 31,				
(USD)	2016	2015	2014	2013	2012	2011
Gold ($/oz)	Q1 - 1,229.30 Q2 - 1,320.75 Q3 - 1,322.50 Q4 - 1,145.00	1,060.00	1,180.00	1,205.00	1,656.00	1,563.00
Silver ($/oz.)	Q1 - 15.39 Q2 - 18.36 Q3 - 19.35 Q4 - 16.24	13.83	15.70	19.44	30.06	27.63
Nickel ($/pound)	Q1 - 3.19 Q2 - 4.24 Q3 - 3.95 Q4 - 4.53	4.00	6.68	6.31	7.89	8.23
Copper ($/pound)	Q1 - 2.22 Q2 - 2.19 Q3 - 2.20 Q4 - 2.50	2.13	2.85	3.35	3.61	3.43
Zinc ($/pound)	Q1 - 0.82 Q2 - 0.95 Q3 - 1.08 Q4 - 1.16	0.73	0.98	0.92	0.92	0.87

Table 1

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.

Corporate Focus

The Corporation's strategy is currently focused on:

- Pursuing ongoing business activities including:
  - Sales and optioning of properties;
  - Targeted exploration to broaden our geological understanding of our properties with a view to creating increased value; as well as
  - Selective property acquisitions.

Highlights for the year

- Exploration expenses for the year totalled $1,242,580 (flow-through expenditures - $1,122,113) compared to $1,793,777 in 2015 (flow-through expenditures - $1,605,797). All of the flow-through funds raised in November 2015 were spent prior to December 31, 2016. Further details on pages 6 - 11.

- Revenues for the year were $1,356,989 as compared to $1,160,338 in 2015. The increase in net option income reflects the results of completing seven new option agreements in 2016 as compared to four in 2015. In 2016, no metal royalties were received from Nyrstar Inc. Further details on pages 17.

- On June 14, 2016, 1,320,000 units were issued at a price of $0.40 per unit, for gross proceeds of $528,000. Each unit is comprised of one common share and one common share purchase warrant. Subsequently, on December 16, 2016, 250,000 common shares were issued at a price of $0.40 per share for gross proceeds of $100,000 and 2.1 M. flow-through shares were issued under a private placement at a price of $0.45 per share for gross proceeds of $945,000.

- At December 31, 2016, cash and cash equivalents totalled $1,412,273 (restricted funds - $900,000) compared to $1,276,930 in 2015 (restricted funds - $1,077,113).

- In 2016, the total expenses of $2,003,388 (2015 - $3,985,032) include an impairment provision of $851,386 (2015 - $2,754,258). After adjusting for the non-cash items (depreciation, share-based compensation, impairment provisions, and bad debts), the cash operating expenses were $959,047 (2015 - $939,057).

- In 2016, property acquisitions totalled $250,539 (2015 - $27,978) with the most significant being the Devil's Pike Gold Property, the Beauchemin Claims in Duverny Township and the Francoeur, Arncoeur and Norex properties. Further details are outlined on pages 11 - 13.

- Proceeds from the sale of investments for the year ended December 31, 2016 were $135,080 (2015 – Nil). (Sales consisted of 250,000 Integra Gold Corporation, 100,000 Sphinx Resources Ltd., 700,000 Laurion Mineral Exploration Inc. and 40,000 Mag Copper Ltd. shares).

- 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 lower impairment provisions.

Forward-looking statements

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

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

Qualified person

All scientific and technical information contained in this MD&A was prepared by the Corporation's geological staff under the supervision of Qualified Persons as defined in National Instrument 43-101. The exploration and technical information presented in this MD&A has been reviewed by Jack Stoch, President and CEO of Globex who is a Qualified Person under NI 43-101.

Exploration activities and mining properties

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

When discussing historical resource calculations (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.

Exploration expenditures for the year ended December 31, 2016 totalled $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:

Region/Property/Township	2016[1] $	2015 $
Ontario		
• Timmins Talc-Magnesite (Deloro)	**114,405**	91,687
• Other projects	**14,660**	19,943
	129,065	**111,630**
Quebec		
• Beauchastel-Rouyn (Beauchastel)	**5,593**	24,391
• Blackcliff (Malartic)	**36,132**	5,145
• Cameron (Grevet)	**28,672**	-
• Carpentier (Carpentier)	**11,053**	107,778
• Chubb, McNeely (Lacorne)	**16,238**	-
• Dalhousie (Bourbaux/Berthiaume) (2)	**5,231**	35,236
• Dufresnoy (Dufresnoy/Vauze)	**888**	12,105
• Duvan Copper (Desmeloizes/La Reine)	**12,575**	80,850
• Eagle Mine, Mine Poirier, Soissons (Poirier/Joutel)	**8,794**	193,660
• Fabie Bay Magusi (Hebecourt, Montbray)	**44,340**	-

Region/Property/Township	2016[1] $	2015 $
• Feldspar (Johan-Beetz)	**17,681**	5,576
• Francoeur (Beauchastel)	**116,559**	-
• Great Plains (Clermont)	**17,277**	93,324
• Joutel Mine (including Joubel) (Poirier/Joutel) (2)	**1,401**	49,577
• Lyndhurst (Destor/Poularies)	**26,486**	37,205
• Montalembert (Montalembert)	**193,860**	188,888
• Montgolfier (Orvilliers/Montgolfier/Estrades) (2)	**2,589**	53,856
• Pandora-Wood & Central Cadillac (Cadillac)	**15,422**	193,064
• Pyrox (Clairy)	**23,441**	-
• Rich Lake (Montbray/Rouyn)	**2,876**	81,275
• Rousseau (Rousseau)	**22,130**	2,669
• Tonnancour (Tonnancour, Josselin)	**9,910**	31,384
• Turner Falls (Villedieu/Atwater)	**13,119**	24,318
• Wawagosic (Estrées)	**1,617**	33,083
• Other projects	**200,167**	212,758
• Quebec general exploration	**180,632**	182,887
Total Quebec exploration	**1,014,683**	**1,649,029**
Other regions		
• Nova Scotia	**2,420**	12,099
• New Brunswick	**79,054**	7,235
• Canada (others)	**1,943**	-
• Other including Bell Mountain (USA)	**15,415**	13,784
Total exploration expenditures	**1,242,580**	**1,793,777**
Q1	**304,627**	330,002
Q2	**381,066**	325,747
Q3	**252,156**	451,459
Q4	**304,731**	686,569
Total exploration expenditures	**1,242,580**	**1,793,777**

Table 2

Notes:

1. The Consolidated Financial Statements report summarized mineral property and deferred exploration expenses by region in Notes 14 and 15. Schedule A to these financial statements - Mineral Properties and deferred exploration expenses, reflects the carrying values, additions, and the disposals, impairments provisions and recoveries by region/province and groups of projects within a region.
2. In Schedule A, these projects have been grouped with other regions for presentation purposes.

The exploration expenditures by type are detailed in note 15 to the Consolidated Financial Statements. During the year ended December 31, 2016, the following major types of expenditures were incurred;

- Labour - $762,393 (2015 - $811,048),
- Consulting - $16,589 (2015 – $118,035),
- Laboratory analysis and sampling - $91,566 (2015 - $69,393),
- Drilling - $52,782 (2015 - $327,846),
- Geology - $105,977 (2015 -$72,753),
- Geophysics - $2,685 (2015 - $103,455)
- Line cutting - $Nil (2015 - $85,673),
- Mining property tax, permits and prospecting - $66,887 (2015 - $93,127),
- Reports, maps and supplies - $58,056 (2015 - $25,925),
- Transport and road access – $50,459 (2015 – $74,522)
- Other - $35,186 (2015 - $12,000).

Timmins Talc-Magnesite Project ("TTM")

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 3

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 were estimated at 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.

Quebec projects

During 2016, exploration expenditures totalling $1,014,683 (2015 - $1,649,029) were incurred on Quebec projects. The expenditures include the completion of exploration assessment reports for 2015 work completed in late 2015 including the Pandora-Wood, Carpentier, Francoeur/Arntfield, Moly Hill and Santa Anna gold projects as well as the Lyndhurst, Rich Lake, Duvan, Poirier and Great Plains polymetallic projects.

Compilations and property reviews for several properties in the Globex portfolio include studies related to; the Adanac, Clericy, Duverny, New Richmond, Short Lake, Silidor and Cameron Shear gold projects; as well as the Pyrox, Certac, and Dalhousie polymetallic projects.

Field work including mapping and sampling have been performed on different projects such as Deane-Cadillac, Hardrock, Pandora-Wood Joint Venture (Amm concession), Preissac Moly, Pyrox, Rousseau, Turgeon Lake, and Venus Gold

Environmental studies and follow up activities were undertaken on the Francoeur/Arntfield and Lyndhurst properties.

Security and protection activities on Rousseau, Francoeur/Arntfield, and Magusi/Fabie Bay properties were completed during 2016.

Projects on which the largest expenditures were incurred during 2016 are described below:

- **Blackcliff** (Malartic twp.) – the project drilling database was updated. New sections, long sections and plan views were plotted and mineralized zones have been reviewed and reinterpreted. An exploration program is being developed from this work.

- **Cameron Shear** (Desjardins, Franquet, Grevet twps.) – A Geotic database was built from historical paper logs and others digital data. A compilation report is being completed along with the creation of cross sections and long sections to better evaluate the exploration potential of the project.

- **Fabie Bay/Magusi** (Hébécourt, Montbray) – Different options are being evaluated to obtain all permits (certificate of authorization) necessary for the bulk sample at the Magusi deposit. A certificate of authorization is also being prepared for a geophysical target located on Duparquet Lake to be drilled in winter 2017.

- **Feldspar** (Johan Beetz, Iles et Ilets de Mingan 03 twp.) – An assessment of the resources and other exploration activities was prepared for the newly acquired Feldspar project.

- **Francoeur and Arntfield Mines** (Beauchastel, Dasserat twps.) - Richmont’s database for these projects have been imported into Globex’s database. Areas presenting exploration potential outside of the West resource envelope defined by Richmont Mines Inc. are being compiled. Drill hole FS-16-35 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. Meanwhile installations including the core logging facility at the Francoeur Mine have been updated for future drill programs on this property.

- **Lyndhurst** (Destor / Poularies) **-** Sampling programs were completed in August on the Lyndhurst concession zone 3, zone 4 and zone 5 to verify the possibility of finding more highly silicified and mineralized material similar to the Lyndhurst zone 1. Rehabilitation work in connection with future exploration plans consisting of seeding and water testing were undertaking as well as water run off control activities. The Ministry of Sustainable Development, Environment and Fight against Climate Change staff reviewed the programs and approved additional minor work proposals for 2017.

- **Montalembert** (Montalembert) – Trenches excavated in 2015 were high-pressure (air/water) cleaned and detailed mapping was completed in June. 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 after Natan Resources Ltd optioned the Montalembert property. 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 from the 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.

- **Pandora-Wood & Central Cadillac** (Cadillac) – 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).

- **Pyrox** (Clairy) – Field visit of different Airborne EM anomalies using a beepmat was performed on the Pyrox property western block during the fall of 2016. Grab sample picked up during the visit returned anomalous Ni-Cr-Pt-Pd values. Ground geophysics consisting in Max-Min and Mag surveys will be completed on a 5 km linear grid during 2017 winter and depending upon results will be drilled before breakup.

- **Rousseau** (Rousseau) – The Rollmac ground opening was secure with a fence following a request by MERN during 2016 summer. The Rousseau property was also revisited and historical trenches were mapped and assayed, with samples returning anomalous gold values from 115 ppb Au to 430 ppb Au. Work is recommended for 2017 including a geophysical mag and VLF airborne survey as well as detailed mapping and systematic sampling of Mercier vein.

New Brunswick projects

During 2016, exploration expenses of $79,054 (net of $40,000 from the New Brunswick Mineral Assistance Program) were incurred on the Devil’s Pike Gold Property, which had been acquired on January 7, 2016. The exploration activities included conducting a property evaluation, soil sampling, geophysical surveys, drill and survey planning, drilling as well as additional claim staking.

In May 2016, Globex received $40,000 from the New Brunswick government through the New Brunswick Mineral Assistance Program for the 2016 exploration work on this property.

On September 6, 2016, Globex issued a press release outlining that prospecting work that had been undertaken on the recently acquired property. Prospecting including rock sampling and soil geochemistry was performed on grids in three different areas: 1-Albright Brook area and 2-Grant Brook area and 3- Devils Pike Northeast area. A 4.6 km line VLF and EM geophysical surveys were completed on the Albright Brook grid followed by five holes, 452.5 meters drilling program.

Subsequently, on October 24, 2016, Globex announced it had started a three to four-hole drill program on the property. The drill program was designed to test a gold-antimony residual soil anomaly with related induced polarization and VLF-EM anomalies. A previous drill hole (DP-36) by Rockport Mining Corp. in 2008 intersected 0.56 gpt Au over 21.52 m. Two angular boulders were located along the target trend which assayed 4.44 gpt Au and 2.14 gpt Au. The mineralization in hole DP-36 was not similar to the mineralization in the angular boulders and was drilled sub-parallel to the current target. (See Globex Press Release dated September 6, 2016).

The best results from the Globex drilling undertaken in October 2016, came from drill hole DPA-16-01 returning 0.91 gpt Au over 37.15 m from 71.35 to 108.50 meters including 1.36 gpt Au over 16.65 m from 91.85 to 108.5 meters including 7.95 gpt Au over 1.5 m from 101.65 to 103.15, also a high-grade antimony intersection grading 12.5 Sb over 0.5 m was encountered from 76.5 to 77.0 meters.

The area being drilled by Globex is separate from the area where Roscoe Postle Associates Inc. reported on inferred gold resource as summarised below:

Resource Classification	Zone	Tonnes	Capped Au (gpt)	Au Oz	Uncapped Au (gpt)	Au Oz
Inferred	Main Zone	78,200	11.47	28,800	17.10	43,000
Inferred	Parallel Zone	136,600	8.54	37,500	11.41	50,100
Inferred	Total	214,800	9.60	66,300	13.48	93,100

Table 4

NI 43-101 Technical Report on the Golden Pike Project, New Brunswick, Canada for Portage Minerals Inc. (Canadian Issuer) by Paul Chamois, MSc (Applied) P. Geo., Tudorel Ciuculescu, M.Sc., P.Geo. and David A. Ross, M.Sc., P.Geo., Roscoe Postle Associates Inc., August 19, 2011 (Posted on SEDAR; see Globex press release dated January 7, 2016 and the NI 43-101 report on Globex's website, at www.globexmining.com). Inferred resources are not mineral reserves and do not have demonstrated economic viability.

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, compromising 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 Richmont 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 Richmont a 1.5% Net Smelter Royalty (NSR) on a portion of the property which includes Richmont's former Francoeur Mine and Arncoeur 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 Arntfiled Gold Mines.

As part of the transaction, Globex transferred title of 11 claims located in Beauchastel Twp. adjoining the East boundary of Richmont's Wasamac gold property to Richmont. 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 bonding at the Francoeur mine of which $471,132 was previously deposited with the Quebec Government by Richmont. Ownership and management of the bonding including Richmont's previous contributions have been be transferred to Globex. Globex funded the remaining closure funding of $157,043. A sterile rock pile on the Francoeur mine property was vended 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: Richmont 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 Richmont 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, 2016, 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.

Duverny Gold Claims - In a July 11, 2016 press release, Globex announced the acquisition and sale of a block of 69 claims located in Duverny 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), Lac Savignac (Diamond) 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.

Optioned and royalty properties

The most significant partner reporting for the period 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 5

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.

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 to 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 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 (SiO_2) 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% SiO_2 and Inferred Mineral Resources estimated at 4.6 Mt grading 98.6% SiO_2. 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 Duverny 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 500m 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")) - 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.

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% Fe_2O_3.

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. ("Opawica") related to 24 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, was 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. These claims adjoin Opawica's Bazooka Gold Property.

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.

Sales and net option income

Sales and net option income for the Year-Ended December 31, 2016

Property, Agreements Summary	Net Option Income $	Recovery of Property Acquisition $	Recovery of Exploration Expenses $
Sales and Options			
• Manganese X Energy Corp., Houlton Woodstock property, New Brunswick, cash payments of $100,000 and 1,000,000 common shares with a fair market value of $180,000.	**277,431**	**160**	**2,409**
• Great Thunder Gold Corp., Chubb and Bouvier properties, Quebec, cash payments of $40,000 and 2,400,000 common shares with a fair market value of $324,000.	**345,820**	**2,019**	**16,161**
• RJK Explorations Ltd. Ramp property, Ontario, $10,000 on initial signing, May 30, 2016, cash payment of $250,000.	**249,620**	-	**10,380**
• Secova Metals Corp., Chenier Property, Quebec, property sale, cash payment of $136,500, and 1,000,000 common shares with a fair market value of $25,000.	**49,302**	**112,000**	**198**
• Opawica Explorations Inc., Beauchastel claims, Quebec, cash payment of $30,000 in 2016 and 500,000 common shares with a fair market value of $62,500.	**71,911**	-	**20,589**
• Galway Metals Inc subsidiary, Montgolfier Property, Quebec, property sale, cash payment of $200,000 and a 1% gross metal royalty.	**110,898**	**8,236**	**80,866**
• Chalice Gold Mines (Quebec), Nordeau East and West Gold property, Quebec, initial $120,000 on signing $470,000 option payments over four years, $2.5 M. of exploration expenditures and 3% gross metal royalty.	**117,522**	-	**2,478**
Option and sale payments under Agreements from prior years			
• Renforth Resources Inc., Parbec property, Quebec, cash payments of $75,000 and 500,000 common shares with a fair market value of $12,500.	-	**138**	**87,362**
• Tres-Or Resources, Fontana property, cash payments of $90,000.	**89,485**	-	**515**
Advance royalties			
• Tres-Or Resources, Duvay (5 claims), Quebec, cash payment of $15,000.	**15,000**	-	-
• MidAtlantic Minerals Inc. Haha property, Quebec, cash payment of $10,000.	**10,000**	-	-
• Eros Resources Corp., Bell Mountain Property, Nevada, cash payment of $20,000.	**20,000**	-	-
Net option income and advance royalties for the year	**1,356,989**	**122,553**	**220,958**

Property, Agreements Summary	Net Option Income	Recovery of Property Acquisition	Recovery of Exploration Expenses
	$	$	$
Q1	**55,000**	**-**	**37,500**
Q2	**475,442**	**113,958**	**21,100**
Q3	**452,305**	**8,374**	**156,821**
Q4	**374,242**	**221**	**5,537**
Total	**1,356,989**	**122,553**	**220,958**

Table 6

In 2016, Globex generated net option income and advance royalties 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 generated net option income and advance royalties from four new option agreements (2014 – two) and three ongoing agreements (2014 - three). The net 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.

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.

(i) Walmer Capital 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.

(ii) Natan Resources Ltd., 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.

(iii) 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.

Royalties

At December 31, 2016, thirty-one royalty arrangements were in effect at various stages. The overall total of royalty arrangements increased by six from December 31, 2015. The Corporation's Annual Information Form and website www.globexmining.com provides Property Descriptions, a list of Royalty Interests, as well as the Optionees of the various properties.

Results of Operations - Selected Annual Information

	2016 $	2015 $	2014 $
Net option and metal royalty income	1,356,989	1,160,338	1,326,640
Management services	42,040	10,000	50,400
Other income (expenses)	(27,810)	(57,275)	(377,576)
Joint venture income (loss)	-	2,781	(526)
Net revenues	1,371,219	1,115,844	998,938
Total expenses	2,003,388	3,985,032	8,542,805
Income (loss) before taxes	(632,169)	(2,869,188)	(7,543,867)
Income and mining tax recovery	(248,413)	(452,155)	(2,201,754)
Income (loss) and comprehensive income (loss) for the year	(383,756)	(2,417,033)	(5,342,113)
Income (loss) per common share			
- Basic and diluted	(0.01)	(0.06)	(0.14)
Total Assets	18,724,603	17,174,211	19,034,080
Other non-current financial liabilities	58,911	132,043	232,823

Table 7

Variation in results

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.

In 2015, Globex reported a net loss of $2,417,033 as compared to a net loss of $5,342,113 in 2014. The reduction in the loss is mainly as a result of a $4,378,725 lower 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.

In 2014, the Corporation recorded a loss of $5,342,113. The total expenses of $8,542,805 included an impairment provision of $7,132,983.

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).

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),
- management services of $10,000 (2014 - $50,400),
- other expenses of $57,275 (2014 - $377,576) mainly representing the decline in the fair market value of investments,
- joint venture income of $2,781 (2014 - loss of $526).

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, 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.

The variations in the income and mining tax recoveries; 2016 - $248,413; 2015 - $452,155; 2014 -$2,201,754 reflect the impact of the level of income as well as non-deductible expenses, recovery of deferred mining duties, changes in the valuation allowance for tax assets, rate variations, and the deferred taxes related to flow-through shares.

Total assets

The $1,550,392 increase in total assets from $17,174,211 at December 31, 2015 to $18,724,603 at December 31, 2016 mainly represents an increase in:

- cash and cash equivalents of $312,456,
- the fair market value of investments of $428,761,
- reclamation bonds of $623,614,
- mineral properties of $118,729,
- deferred exploration expenses of $179,493.

In 2015, the $1,859,869 decrease in total assets from $19,034,080 at December 31, 2014 to $17,174,211 is mainly as a result of the reduction in the carrying value of mineral properties and deferred exploration expenses of $2,754,258 and the offsetting $1,088,050 of flow-through funds raised on November 26, 2015.

In 2014, the total assets decreased by $5,531,253 from $24,565,333 at December 31, 2013 to $19,034,080 mainly as a result of the $7,132,983 impairment of mineral properties and deferred exploration expenses and the offsetting $2,500,999 of funds raised through the private placements which closed on May 5, 2014.

Other non-current financial liabilities

The Other non-current financial liabilities of $58,911 at December 31, 2016 mainly represents related party payables and receivables (December 31, 2015 - $132,043; December 31, 2014 - $232,823).

Within the related party payables, the liability to Duparquet Assets Limited of $83,179 (December 31, 2015 - $169,168; December 31, 2014 - $254,922) represents option payments received directly by Globex whereas the property which had been optioned to Xmet Inc. is held under a joint venture arrangement between Globex and Jack Stoch Geoconsultant Services Limited. This liability is offset by other intercompany receivables of $24,268 (2015 - $37,125).

Fourth quarter transactions

On December 16, 2016, 250,000 common shares were issued at a price of $0.40 per share for gross proceeds of $100,000 and 2,100,000 flow-through shares were issued under a private placement at a price of $0.45 per share for gross proceeds of $945,000. The fair value of these shares was $0.40 per share based on the value of the other common shares issued on the same date.

As a result of completing the financing in the fourth quarter of 2016, management reviewed the budgets and plans for the 2017 exploration programs and as a result of the review recorded an impairment provision against mineral properties and deferred exploration of $526,339 (2015 - $1,636,913).

Summary of quarterly results

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

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	$	$	$	$	$	$	$	$
Total revenues	374,242	452,305	475,442	55,000	20,000	31,569	660,209	448,560
Total expenses	813,314	615,404	268,245	306,425	2,074,489	1,263,982	375,646	270,915
Other income (expenses)	(118,188)	114,703	(79,664)	97,379	(7,299)	(94,323)	(122,166)	179,294
Income (loss)[1]	(240,128)	(71,570)	58,611	(130,669)	(1,610,973)	(945,833)	(47,142)	186,915
Income (loss) per common share - Basic and diluted	(0.01)	(0.00)	0.00	(0.00)	(0.04)	(0.02)	(0.00)	0.00

Table 8

Note:

1. Attributable to common shareholders of the Corporation.

During the last eight quarters, the following trends are reflected in the financial results:

- Globex generates revenue from option arrangements and gross metal royalty income from Nyrstar Inc. if the Zinc price is above USD $0.90 per pound. During the first half of 2015, the revenues mainly reflected Zinc metal royalties from Nyrstar. In the third quarter of 2015, Zinc prices fell below USD. $0.90 per pound and the facilities were put on a "care and maintenance" basis on December 7, 2015. These factors resulted in reduced Globex revenues in the last half of 2015 and first quarter of 2016. In September 2016, Nyrstar announced that it would restart mining operations in the first quarter of 2017 followed by processing in the second quarter.

- During the second, third and fourth quarters of 2016, the revenues have significantly increased as Globex completed a number of option arrangements as a result of the renewed level of financings in the Junior Mining Sector which represents Globex customers.

- The total expenses have declined in each of the quarters through careful expense management with the exceptions in the third and fourth quarters in 2015 and 2016. In these respective periods, additional impairment provisions have been recorded:

    - 2016 - Q4 - $526,339
    - 2016 - Q3 - $233,887
    - 2015 - Q4 - $1,636,913
    - 2015 - Q3 - $1,009,876

  These provisions represent a non-cash reduction in the carrying value of properties and deferred exploration expenditures.

  The expenses for the third quarter of 2016 and the fourth quarter of 2015 also include $141,620 and $38,448 respectively for stock based compensation related to stock options that were issued in the period and immediately vested.

- The variations in other income or expenses mainly reflect an increase or decrease in the fair value of equity investments.

Results of operations for the year ended December 31, 2016

Revenues

During the year ended December 31, 2016, revenues totalled $1,356,989 which was $196,651 higher than the $1,160,338 reported in the comparable period in 2015. In 2016, Globex completed a number of option arrangements, as a result of the renewed level of financings in the Junior Mining Sector which represent Globex customers.

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). Further details of the option income are provided in Sales and net option income analysis section of this report on page 17.

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.

Total expenses

In 2016, the total expenses were $2,003,388 as compared to $3,985,032 in 2015 which represents a reduction of $1,981,644 with $1,902,872 related to a reduced impairment provision.

Salaries

- In 2016, the salaries totalled $376,001 as compared to $430,136 in 2015 which represents a reduction of $54,135 mainly reflecting reduced President and CEO as well as Executive Vice-President compensation.

Administration

- Administration expenses represent a combination of office expenses, conventions and meetings, advertising and shareholder information as well as other administrative expenses as detailed in note 20 to the consolidated financial statements.

- In 2016, the administration expenses totalled $291,096 as compared to $323,989 last year. The decrease of $32,893 is mainly related to a decrease in conventions and meetings expenses.

Professional fees and outside services

- The professional fees and outside services represent a combination of services as detailed in note 20 to the consolidated financial statements.

- For the year ended December 31, 2016, the expenses of $283,591 are comparable to the expenses of $281,056 in 2015.

Depreciation

- The depreciation expense for the year ended December 31, 2016 was $30,882 as compared to $59,557 in 2015. The decrease reflects that some fixed assets were fully amortized in 2016.

Share-based compensation and payments

- During the year ended December 31, 2016, the share-based compensation expense of $152,199 compared to $57,160 in 2015 with the increase representing more issuances in the current year. In 2016, the expense of $152,199 represents the fair value of $0.19 per share for 770,000 options granted in the year at a weighted average strike price of $0.40 per share, which vested immediately, as well as amortization related to 300,000 stock options issued on June 16, 2014 which vested at various dates up to June 16, 2016.

- In 2015, the expense of $57,160 represented the fair value of $0.13 per share for 255,000 options issued during the year, which vested immediately, as well as the amortization related to 390,000 stock options issued on June 16, 2014 which vested at various dates up to June 16, 2016.

Impairment of mineral properties and deferred exploration expenses

- At each period end, the Corporation considers the facts and circumstances which suggest that the carrying value of mineral properties and deferred exploration expenditures may exceed the recoverable amounts. IFRS 6, *Exploration for and Evaluation of Mineral Resources,* identifies a number of facts and circumstances which might indicate that Globex should test for impairment. The list is not exhaustive, but includes the expiry of the exploration period as well as the lack of planned or budgeted substantive expenditures. Under the Canadian Viewpoint developed by the Chartered Professional Accountants of Canada and the Prospectors and Developers Association of Canada, it is also recommended that if the market capitalization of the corporation is less than the carrying value of the net assets, then an entity should carefully consider the reasons for this occurrence.

- Globex currently holds a portfolio of approximately 145 exploration and development properties and it targets to enter into option, joint venture or sales agreements mainly with junior mining companies in order to generate option and future royalty payments.

- During the year ended December 31, 2016, an impairment provision of $851,386 (Mineral properties –$9,257; deferred exploration expense - $842,129) (2015 - $2,754,258) (2015 Mineral properties - $82,265; deferred exploration expenses - $2,671,993 was recorded. The provision represents the complete write-off of the carrying value related to various properties on which no expenditures are currently planned.

- The development of management estimates of recoverable amounts and impairment provisions requires a number of assumptions and judgment. As at December 31, 2016 and 2015, if it were determined that the estimated fair value of the property as reflected in the recoverable amounts should have been 20% higher or lower than the carrying value, this would result in an increase or decrease in the impairment charge or recovery by $170,277 (2015- $550,851).

- The resulting impairment charge of $851,386 (2015 - $2,754,258) represents approximately 5.4% (2015 - 15.7%) of the carrying value prior to the recorded impairment for the year-end December 31, 2016.

- While impairment provisions have been made against these properties, management believes that a recovery will take place in the future representing a substantial portion, if not all of the costs. The exact recovery remains subject to significant uncertainty and will be subject to a number of factors including the successful negotiation of option, joint venture, or sale arrangements. The impairment provisions have no impact on the Corporation's cash flow or the cash and cash equivalents.

- A summary of the impairment provisions by significant property follows:

Property/Township/Region	**December 31, 2016**	December 31, 2015
	$	$
Nova Scotia		
Isaac Harbour, NS	**-**	122,074
Quebec		
Turner Falls (Atwater)	**13,119**	210,055
Hunter's Point (Atwater)	**934**	1,086
Beauchastel - Rouyn (Beauchastel)	**140,963**	62,520
Dalhousie (Bourbaux)	**45,104**	-
Carpentier (Carpentier)	**118,886**	-
Great Plains (Val St-Gilles)	**120,541**	-
Wawagosic (Estrées/Chigougamau)	**1,617**	38,274
Lyndhurst (Destor/Poularies)	**-**	1,546,688
Duvan Copper (Desmeloizes/Lareine)	**74,366**	32,236
Nordeau East-West (Vauquelin/Tavernier)	**-**	12,252
Joubel (Poirier/Joutel/Val-d'Or) (2)	**1,401**	77,011
Smith Zulapa (Tiblemont)	**221**	104,442
Guyenne (Guyenne / Berry) (2)	**3,865**	87,090
Lac Ontario (St. Urbain) (2)	**-**	43,089

Property/Township/Region	**December 31, 2016**	December 31, 2015
	$	**$**
Moly Hill (Lamotte) [(2)]	**41,551**	-
Other and general exploration		
Houlton Woodstock (Carleton, NB)	**-**	6,867
Others	**94,374**	221,194
General exploration	**194,444**	189,380
Total	**851,386**	**2,754,258**

Table 9

Notes

1. In Schedule A, recoveries of $122,553 and impairments of $9,257 (2015 - recoveries of $296 plus impairments of $82,265) related to mineral properties have been combined. Deferred exploration recoveries of $220,958 has been combined with impairment provisions of exploration of $842,129 (2015 - recoveries of $114,398 plus impairment provision of $2,671,993).

2. In Schedule A, these projects have been grouped with other regions.

Loss (gain) on foreign exchange

- The loss on foreign exchange of $8,359 (2015 - (gain) $96,124) represents the net adjustment of the values of assets and liabilities at the end of the year. The Corporation held fewer U.S. dominated assets at December 31, 2016 than 2015.

Bad debt

- In 2016, a bad debt expense of $9,874 was recorded as compared to $175,000 in 2015 which related to outstanding option payments from Mag Copper Limited.

Other income (expenses)

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

- In 2016, the Corporation recorded other income of $14,230 compared with other expenses of $44,494 in 2015. The difference of $58,724 is mainly related to the gain on the sale of investments of $24,880 (2015 – Nil) and the increase in the management services to CIM of $32,040 (2016 - $42,040, 2015 - $10,000).

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%).

- The deferred income and mining tax provisions in the current year reflects management's best estimate of future tax rates substantially enacted and current tax planning strategies. It also reflects the impact of non-deductible items (share-based payments, impairment provisions on non-financial assets, a decrease in fair value of financial assets) as well as tax planning strategies to minimize the taxable income inclusion for shares received under mining option agreements executed on Globex mineral properties.

Financial position

Total assets

At December 31, 2016, total assets were $18,724,603 which represents an increase of $1,550,392 from $17,174,211 at December 31, 2015. The net change reflects:

- a reduction in:
    - properties, plant and equipment of $17,644.
- an increase in
    - cash and cash equivalents as well as cash reserved for exploration of $135,343;
    - carrying value of investments of $428,761 (fair value of shares received under options of $604,000, decrease in fair market value of $65,039 and reductions related to dispositions of $110,200);
    - accounts receivable of $26,722;
    - prepaid expenses and deposits of $55,374
    - reclamation bonds of $623,614;
    - mineral properties of $118,729;
    - deferred exploration expenses of $179,493 (net of additions of $1,242,580 and impairment and recoveries of $1,063,087).

Cash and cash equivalents, investments, and accounts receivable totalled $1,362,388 at December 31, 2016, (December 31, 2015 - $594,449) representing 7.3% of total assets. Cash reserved for exploration was $900,000 at December 31, 2016 (December 31, 2015 - $1,077,113).

At December 31, 2016, mineral properties and deferred exploration expenses represented a combined total of $15,055,720 (December 31, 2015 - $14,757,498) which represents an increase of $298,222. The increase reflects the net impact of explorations expenses incurred during the year and the impairment as well as the recovered costs on optioned properties.

Total liabilities

At December 31, 2016, the current liabilities were $282,123 as compared to $460,644 at December 31, 2015 which represents a decrease of $178,521. The reduction in the accounts payable and accruals of $122,918 is a result of a lower level of exploration activities involving outside contracts at December 31, 2016. Current income tax was payable at December 31, 2016 as the prior year liability was discharged and no income was generated in 2016 related to Nyrstar royalties.

The related party payable of $58,911 (December 31, 2015 - $132,043) mainly represents a liability to Duparquet Assets Limited for option payments received directly by Globex. The $73,132 decrease reflects a payment of $85,987 related to Duparquet Assets Limited.

The Other Liabilities represent the excess of the proceeds received from flow-through share issuances as compared to the fair value at the share issuance date. At December 31, 2016, the liability was reported at $100,000 (December 31, 2015 - $251,715) which reflects the impact of qualified flow-through exploration expenditures during the year as well as the impact of December 16, 2016, private placement.

Deferred tax liabilities

The deferred tax liabilities were $1,245,100 at December 31, 2016 as compared to $1,275,315 at December 31, 2015. The net decrease of $30,215 reflects the net impact of the impairment provisions, the renunciation of tax benefits to subscribers under flow-through share arrangements as well as changes in the valuation allowance.

The liability represents management's best estimate of future taxes that will be payable if income is earned, based on substantially enacted legislation as well as current operating plans and tax strategies. The majority of the liability arises as a result of Canadian eligible exploration expenditures which have been renounced to shareholders under flow-through arrangements and therefore not available as a reduction in future taxable income.

Owners' equity

At December 31, 2016, owners' equity, consisting of share capital, warrants, deficit, and contributed surplus - equity settled reserve totalled $16,209,455 (December 31, 2015 - $15,054,494). Details of the changes are provided in the Consolidated Statement of Equity.

Share capital

At December 31, 2016, the share capital of the Corporation totalled $55,043,838 which represented an increase of $1,451,341 from December 31, 2015 and reflected 48,852,706 common shares outstanding.

Liquidity, working capital, cash flow and capital resources

At December 31, 2016, the Corporation had cash and cash equivalents of $512,273 (December 31, 2015 - $199,817) and cash reserved for exploration of $900,000 (December 31, 2015 - $1,077,113). In addition, it had Investments with a fair market value of $745,665 (December 31, 2015- $316,904) which represents shares received under mining option agreements.

The Corporation's working capital (based on current assets minus current liabilities) was $2,147,063 at December 31, 2016 (December 31, 2015 - $1,322,342).

As a result of the announcement by Nyrstar Inc. on September 27, 2016, based on current zinc prices and average production levels prior to the suspension of operations, in 2017, Globex anticipates receiving monthly metal royalties of between $CDN. $100,000 and $CDN $120,000 per month which reflects the production levels in 2015 and Zinc prices over $USD $0.90 per pound.

In addition to this potential source of liquidity, Globex has a number of sale/option agreements in place which are estimated to generate gross option payments of in excess of $1.0 M in 2017. These payments are subject to the Optionee having sufficient funds available to meet the obligations. We monitor the outstanding amounts on an ongoing basis. The Corporation continues to negotiate option and royalty agreements and the potential sale of major properties.

In order to retain its existing portfolio of properties, management has estimated that the claims renewal costs for 2017 would be approximately $50,000 and the exploration work commitments necessary to retain the existing portfolio of properties would be approximately $200,000 in 2017.

The Corporation believes that based on the current cash and working capital position and its access to liquidity sources, it has sufficient resources readily available to meet its current exploration spending commitments and corporate and administrative requirements for the next twelve months.

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

Cash Flow

During the year-ended December 31, 2016, the operating activities used $417,599 (December 31, 2015 – generated $173,272), the financing activities generated $1,454,340 (2015 - $1,010,716) and the Investing activities used $901,398 (2015 - $1,733,631).

The operating, financing, and investing activities during the year-ended December 31, 2016, resulted in an increase in cash and cash equivalents of $135,343 (2015 – decrease of $549,643).

Financial instruments

Capital risk management

The Corporation manages its common shares, stock options and retained earnings (deficit) as capital. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern while it pursues its objective of enhancing projects, properties or the development of properties to the benefit of all stakeholders. As a Canadian exploration corporation, its principal sources of funds consist of; (a) Option income on properties; (b) Metal royalty income; (c) Investment income; (d) proceeds from the issuance of common and flow-through shares and (e) other working capital items. The Corporation manages the capital structure and makes adjustments to it in light of operating results in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation issues shares, enters into joint venture property arrangements or disposes of properties.

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

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

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

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

The Corporation is not subject to any externally imposed capital requirement. The Corporation's overall strategy remains unchanged from 2015.

The Corporation may need additional capital resources to complete or carry out its exploration and development plans beyond the next twelve months. The Corporation continually considers a number of options including the optioning and sale of properties as well as other financing activities.

The fair values of the Corporation's cash and cash equivalents, cash reserved for exploration, accounts receivable, accounts payable and accruals approximate their carrying values due to their short-term nature. The equity investments have been adjusted to reflect the fair market value at the period end based on market quotes.

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, equity market risk, currency risk, and fair value measurements recognized in the statement of financial position.

(a) Credit risk

The Corporation had cash and cash equivalents as well as cash reserved for exploration which totalled $1,412,273 at December 31, 2016 (December 31, 2015 - $1,276,930). These funds are subject to a combination of the $100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation ("CDIC"), a federal Crown Corporation as well as a guarantee of $1,000,000 provided by the Canadian Investors Protection Fund ("CIPF").

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

The maximum exposure to credit risk was:

	Notes	**December 31, 2016 $**	December 31, 2015 $
Cash and cash equivalents	**6**	**512,273**	199,817
Cash reserved for exploration	**7**	**900,000**	1,077,113
Investments	**8**	**745,665**	316,904
Accounts receivable	**9**	**104,450**	77,728
		2,262,388	1,671,562

Table 10

(b) Liquidity risk

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

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

Contractual maturities of financial liabilities are as follows; payables and accruals less than one year; restoration liabilities prior to September 2019; and related party liabilities from future free cash flow. .

(c) Equity market risk

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

The Corporation currently holds investments in a number of Optionee companies which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets and currently these amounts to $745,665 (December 31, 2015- $316,904). Based on the balance outstanding at December 31, 2016, a 10% increase or decrease would impact income and loss by $74,566 (December 31, 2015 - $31,690).

(d) Currency risk

Globex receives US dollar gross metal royalty payments from Nyrstar if the Zinc price is greater than USD $0.90 per pound. It is required to pay U.S. tax on these receipts. Globex's practice is to convert the U.S. dollars to Canadian dollars as the funds are received after retaining sufficient funds to meet its U.S. dollar tax obligations.

During the year ended December 31, 2016, Globex received no royalty payments (2015 USD $715,691; CDN - $887,994) and recorded no current tax expense (2015 USD $117,604; CDN - $162,188).

At December 31, 2016, Globex had an advance royalty liability of USD $56,450 (CDN - $75,796) (December 31, 2015 – USD $56,450; CDN - $78,127) and a foreign tax liability of Nil (2015 - USD $40,175; CDN - $55,603).

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

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

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

December 31, 2016	**Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total Financial Assets at fair Value** **$**
Financial assets				
Cash and cash equivalents	-	512,273	-	512,273
Cash reserved for exploration	-	900,000	-	900,000
Equity investments	737,225	8,440	-	745,665
Accounts receivable	-	-	104,450	104,450
Reclamation bonds	-	786,697	-	786,697
	737,225	2,207,410	104,450	3,049,085

Table 11

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

The level 2 equity investments have been measured using the quoted price of the shares on the market which has been determined to be non-active. For all other financial assets and liabilities, the fair value is equal to the carrying value.

December 31, 2015	Level 1 $	Level 2 $	Level 3 $	Total Financial Assets at fair Value $
Financial assets				
Cash and cash equivalents	-	199,817	-	199,817
Cash reserved for exploration	-	1,077,113	-	1,077,113
Equity investments	265,065	51,839	-	316,904
Accounts receivable	-	-	77,728	77,728
Reclamation bonds	-	163,083	-	163,083
	265,065	1,491,852	77,728	1,834,645

Table 12

Outstanding share data

At December 31, 2015, the Corporation had 44,447,706 common shares, 1,751,975 warrants, as well as 3,017,500 stock options outstanding which resulted in fully diluted common shares of 49,217,181.

Common Shares Issued

During 2016, the Corporation issued common shares as follows:

Issued on exercise of options

- 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.
- 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.

Private Placements

- On June 14, 2016, 1,320,000 units were issued at a price of $0.40 per unit, in accordance with the pricing approved by the TSX on June 7, 2016, resulting in gross proceeds of $528,000. Each unit is comprised of one common share and one common share purchase warrant.
- On December 15, 2016, 250,000 common shares were issued at a price of $0.40 per share for gross proceeds of $100,000.
- On December 15, 2016, the Corporation issued 2,100,000 flow-through shares under a private placement at a price of $0.45 per share for gross proceeds of $945,000. The fair value of these shares was $0.40 per share based on the value of the other common shares issued on the same date.

Shares Issued in connection with Mineral property acquisitions

- On January 7, 2016, Globex acquired a 100% interest in the Devil's Pike Gold Property located in New Brunswick by issuing 350,000 Globex shares at a deemed price of $0.25 per share for a deemed value of $87,500.
- On June 28, 2016, Globex issued 280,000 common shares of the Corporation at a deemed issue price of $0.40 per share as partial consideration for the acquisition of 69 mining claims in Duverny, Township held by seven persons comprising the "Groupe Succession Beauchemin." The shares represented a deemed payment of $112,000.

At December 31, 2016 and February 24, 2017, 48,852,706 shares were outstanding.

Warrants

Issued

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 eighteen 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 and February 24, 2017, 3,121,975 warrants were outstanding.

Warrants Outstanding,

December 31, 2016

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 15, 2016	December 15, 2017	200,000	$0.60 per share
		3,121,975	

Table 13

Stock Options

At December 31, 2015, the Corporation had 3,017,500 stock options outstanding and 50,000 options were available for future grants. On April 21, 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.

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 February 24, 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 and February 24, 2017, 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.

Risks and uncertainties

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. 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 is as follows:

(i) 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.

(ii) 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.

(iii) 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.

(iv) Permits and licences

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.

(v) 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.

(vi) 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.

(vii) 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.

(viii) 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.

(ix) 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.

(x) 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.

Related party information

Related party payables (receivables)	**December 31, 2016 $**	December 31, 2015 $
Jack Stoch Geoconsultant Limited	**(6,717)**	(6,717)
Chibougamau Independent Mines Inc.	**(17,551)**	(30,408)
Duparquet Assets Limited	**83,179**	169,168
	58,911	132,043

Table 14

As reflected in the statement of cash flows there was a net cash decrease of $73,132 (2015 - $5,780) in the related party net payables during the year.

Chibougamau Independent Mines Inc. ("CIM")

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

Management services

On December 29, 2012, Globex entered into a Management Services Agreement with CIM under which the 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 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.

Management compensation

The total compensation for the respective periods paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation (Management personnel includes President and CEO, Executive Vice-President, Vice-President Operations and Chief Financial Officer, Treasurer and Corporate Secretary) are as follows:

	December 31, 2016 $	December 31, 2015 $
Management compensation		
Salaries and other benefits	**212,142**	294,750
Professional fees and outside services (i)	**17,124**	47,974
Deferred exploration expenses – consulting and geology fees (i)	**37,213**	60,538
Fair value of share-based compensation (ii)	**149,416**	57,160
	415,895	460,422

Table 15

(i) The Vice-President Operations was an independent contractor with a portion of his compensation included in Other Professional fees in the Statement of Loss and Comprehensive Loss and the remainder is reported as Deferred exploration expenses – consulting and geologist fees. The Vice-President Operations resigned from the organization effective July 4, 2016.

(ii) In 2016, $149,416 reflects the fair value of share based compensation related to 120,000 stock options issued to Directors and 600,000 issued to the President and CEO on July 25, 2016 at a strike price of $0.39 per share which vested immediately and had a fair value per share of $0.197 per share or $141,620 as well as $7,796 of amortization related to 300,000 stock options issued to the Vice-President Operations on June 16, 2014 which vested on June 16, 2016.

In 2015, $57,160 reflects the fair value of 255,000 options issued to the President and CEO on November 24, 2015, at a strike price of $0.285 per share which vested immediately and had a fair value per share of $0.132 per share or $33,770 of as well as the amortization of $23,390 related to 390,000 stock options issued on June 16, 2014 which vested at various dates to June 16, 2016.

Significant assumptions, judgments, and estimates

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

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

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

(a) Impairment of mineral properties and deferred exploration expenses

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

(b) Estimate of share-based compensation and payments

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

(c) Fair value estimates of investments

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

(d) Useful lives of properties, plant and equipment

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

(e) Refundable tax credit and mining duties

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

(f) Deferred tax balances

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

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management is responsible for the information disclosed in this document and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have evaluated the design and effectiveness of the Corporation's disclosure controls and procedures as defined in the rules of the Canadian Securities Administrators as at December 31, 2016.

Based on that evaluation, they have concluded that the Corporation's disclosure controls and procedures were as of and for the year ending December 31, 2016 appropriately designed and operating effectively.

Internal controls over financial reporting (ICFR)

As outlined in the Board Mandate, it is responsible for overseeing, directly and through the Audit Committee, the process implemented to ensure integrity of the Company's internal control and management information systems. The Corporation's management is responsible for establishing and maintaining adequate ICFR which is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with GAAP.

The Corporation's ICFR includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Corporation's assets;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Corporation; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Corporation's assets that could have a material effect on the financial statements.

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

During the year ended December 31, 2016, and as at December 31, 2016, the CEO and CFO have participated in the evaluation of the design of ICFR based on criteria established in the Committee of Sponsoring Organizations Internal Control Framework (2013).

They have also caused the effectiveness of the ICFR to be evaluated at the financial year end and based on their evaluation, the President and Chief Executive Officer and the Chief Financial Officer has concluded that the internal controls over financial reporting are appropriately designed and operating effectively to ensure that the preparation of financial statements for external reporting purposes are in accordance with the Corporation’s application of IFRS standards.

During the quarter ended December 31, 2016, there have been no material changes in the Corporation’s ICFR that has materially affected, or is reasonably likely to materially affect, the Corporation’s internal controls over financial reporting.

Outlook

The Economic Environment and Strategy section of this MD&A (pages 3 - 4), highlight that management monitors the changes in demand/supply balance and metal price trends. Recently, we have seen a revival in global markets in general and commodity markets in particular.

As we outlined in our March 31, 2016 MD&A, we recognized the challenges that junior exploration optionee companies were facing in raising the financing needed to enter into Option Agreements on our properties. However, at that time, we were hopeful that our marketing efforts would generate option agreements. During 2016, we successfully negotiated ten property sale/option agreements with net option income and advance royalties of $1,301,989 being recorded in the second, third and fourth quarters of the year as compared to $55,000 in the first quarter.

At December 31, 2016, our net option income and advance royalties was reported at $1,356,989 as compared to $545,056 in 2015. At December 31, 2016, we had successfully negotiated three additional option/sale agreements on which we anticipate recording revenues during the first and second quarters of 2017. We have continued our marketing efforts and are projecting net option revenues of in excess of $1.0 M. based on existing contracts.

As described under the capital resources section of this MD&A, page 27, Globex anticipates towards the end of 2017, receiving monthly metal royalties from Nyrstar Inc. of between $CDN $100,000 and $CDN 120,000 per month.

While we are currently optimistic, we also recognize the risks and volatility that currently exist many of which are a result of the uncertainty following the inauguration of Donald Trump as the President of the USA.

On the exploration front, we have developed plans and budgets with a view towards gaining additional project knowledge and leveraging this into sale/option agreements as we did on a number of projects in 2016.

Despite the potential risks and uncertainties, Globex believes it is well positioned with a combination of first class assets as well as the human and corporate resources necessary to achieve our strategic objectives.

Additional information

This analysis should be read in conjunction with the audited annual consolidated financial statements for the years ended December 31, 2016 and December 31, 2015 and additional information, including the Annual Information Form (AIF), which is available on SEDAR at www.sedar.com. Further, the Corporation posts all publicly filed documents, including the AIF and this MD&A, on its website www.globexmining.com in a timely manner.

If you would like to obtain, at no cost to you, a copy of the 2016 and/or 2015 MD&A, then please send your request to:

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

Authorization

The contents and the dissemination of this Management's Discussion and Analysis have been approved by the Board of Directors of the Corporation on February 24, 2017.

Responsibilities for Financial Statements

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

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

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

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

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

"Jack Stoch"
Jack Stoch
President and Chief Executive Officer

"James Wilson"
James Wilson
Chief Financial Officer, Treasurer and Corporate Secretary

Deloitte.

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Independent Auditor's Report

To the Shareholders of
Globex Mining Enterprises Inc.

We have audited the accompanying consolidated financial statements of Globex Mining Enterprises Inc., which comprise the consolidated statements of financial position as at December 31, 2016 and December 31, 2015, and the consolidated statements of loss and comprehensive loss, consolidated statements of equity and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Globex Mining Enterprises Inc. as at December 31, 2016 and December 31, 2015, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

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

(s) Deloitte LLP [1]

February 24, 2017

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[1] CPA auditor, CA, public accountancy permit No. A121501

GLOBEX MINING ENTERPRISES INC.

Consolidated Statement of Loss and Comprehensive Loss

(In Canadian dollars)

	Notes	December 31, 2016 $	December 31, 2015 $
Continuing operations			
Revenues	19	**1,356,989**	1,160,338
Expenses			
Salaries		**376,001**	430,136
Administration	20	**291,096**	323,989
Professional fees and outside services	20	**283,591**	281,056
Depreciation	12	**30,882**	59,557
Share-based compensation and payments	22	**152,199**	57,160
Impairment of mineral properties and deferred exploration expenses	13, 14, 15	**851,386**	2,754,258
Loss (gain) on foreign exchange		**8,359**	(96,124)
Bad debt		**9,874**	175,000
		2,003,388	3,985,032
Loss from operations		**(646,399)**	(2,824,694)
Other income (expenses)			
Interest & dividends		**6,076**	17,159
Joint venture income	11	**-**	2,781
Decrease in fair value of financial assets		**(65,039)**	(88,478)
Gain on the sale of investments		**24,880**	-
Management services	23	**42,040**	10,000
Other		**6,273**	14,044
		14,230	(44,494)
Loss before taxes		**(632,169)**	(2,869,188)
Recovery of Income and mining tax	18	**(248,413)**	(452,155)
Loss and comprehensive loss for the year		**(383,756)**	(2,417,033)
Loss per common share			
Basic and diluted	21	**(0.01)**	(0.06)
Weighted average number of common shares outstanding		**45,796,913**	41,550,983
Shares outstanding at end of year		**48,852,706**	44,447,706

The accompanying notes are an integral part of these consolidated financial statements

GLOBEX MINING ENTERPRISES INC.

Consolidated Statements of Cash Flows

(In Canadian dollars)

	Notes	**December 31, 2016**	December 31, 2015
		$	$
Operating activities			
Loss and comprehensive loss for the year		**(383,756)**	(2,417,033)
Adjustments for:			
Disposal of mineral properties for shares	24	**(604,000)**	(99,750)
Decrease in fair value of financial assets		**65,039**	88,478
Depreciation	12	**30,882**	59,557
Foreign exchange rate variation on reclamation bond		**4,561**	(25,155)
Impairment of mineral properties and deferred exploration expenses	13, 14, 15	**851,386**	2,754,258
Gain on the sale of investments		**(24,880)**	-
Current tax expense	18	**-**	162,188
Deferred income and mining tax recovery	18	**(248,413)**	(614,343)
Income and mining tax payments		**(55,603)**	(182,049)
Share-based compensation and payments	22	**152,199**	57,160
		171,171	2,200,344
Share of net income from investment in joint venture	11	**-**	(2,781)
Changes in non-cash working capital items	24	**(205,014)**	392,742
		(417,599)	173,272
Financing activities			
Issuance of common shares	22	**1,573,000**	1,088,050
Proceeds from exercised options		**24,524**	-
Share capital issue costs	22	**(143,184)**	(77,334)
		1,454,340	1,010,716
Investing activities			
Acquisition of properties, plant and equipment	12	**(13,238)**	(20,790)
Decrease in related party payable	23	**(73,132)**	(5,780)
Deferred exploration expenses	15	**(1,242,580)**	(1,793,777)
Mineral properties acquisitions	14	**(51,039)**	(27,978)
Proceeds from sale of investment		**135,080**	-
Proceeds on mineral properties optioned	14, 15	**343,511**	114,694
		(901,398)	(1,733,631)
Net increase (decrease) in cash and cash equivalents		**135,343**	(549,643)
Cash and cash equivalents, beginning of year		**1,276,930**	1,826,573
Cash and cash equivalents, end of year		**1,412,273**	1,276,930
Cash and cash equivalents		**512,273**	199,817
Cash reserved for exploration		**900,000**	1,077,113
		1,412,273	1,276,930

Supplementary cash flows information (note 24)

The accompanying notes are an integral part of these consolidated financial statements

GLOBEX MINING ENTERPRISES INC.
Consolidated Statements of Financial Position
(In Canadian dollars)

	Notes	**December 31, 2016**	December 31, 2015
		$	$
Assets			
Current assets			
Cash and cash equivalents	6	**512,273**	199,817
Cash reserved for exploration	7	**900,000**	1,077,113
Investments	8	**745,665**	316,904
Accounts receivable	9	**104,450**	77,728
Prepaid expenses and deposits		**166,798**	111,424
		2,429,186	1,782,986
Reclamation bonds	10	**786,697**	163,083
Investment in joint venture	11	**50,074**	50,074
Properties, plant and equipment	12	**402,926**	420,570
Mineral properties	14	**3,027,363**	2,908,634
Deferred exploration expenses	15	**12,028,357**	11,848,864
		18,724,603	17,174,211
Liabilities			
Current liabilities			
Payables and accruals	16	**282,123**	405,041
Current income tax		**-**	55,603
		282,123	460,644
Related party payable	23	**58,911**	132,043
Other liabilities	17	**100,000**	251,715
Deferred tax liabilities	18	**1,245,100**	1,275,315
Restoration liabilities	10	**628,175**	-
Owners' equity			
Share capital	22	**55,043,838**	53,592,497
Warrants	22	**215,602**	76,298
Contributed surplus - Equity settled reserve		**4,373,377**	4,224,466
Deficit		**(43,222,523)**	(42,838,767)
		16,410,294	15,054,494
		18,724,603	17,174,211

The accompanying notes are an integral part of these consolidated financial statements

Approved by the board

"Jack Stoch"
Jack Stoch, Director

"Dianne Stoch"
Dianne Stoch, Director

GLOBEX MINING ENTERPRISES INC.

Consolidated Statements of Equity

(In Canadian dollars)

	Notes	**December 31, 2016**	December 31, 2015
		$	$
Common shares			
Beginning of year		**53,592,497**	52,882,570
Issued on exercise of options	22	**37,541**	-
Fair value of shares issued under private placements	22	**1,468,000**	833,027
Fair value of shares issued in connection with mineral property acquisition	22	**199,500**	-
Fair value of warrants	22	**(137,833)**	(66,569)
Share issuance costs, net of taxes (December 31, 2016 - $38,517; December 31, 2015 - $20,803)	22	**(115,867)**	(56,531)
End of year		**55,043,838**	53,592,497
Warrants			
Beginning of year		**76,298**	41,902
Issued in connection with private placement	22	**137,833**	66,569
Issued to a finder	22	**11,200**	-
Expired during the year	22	**(9,729)**	(32,173)
End of year		**215,602**	76,298
Contributed surplus - Equity settled reserve			
Beginning of year		**4,224,466**	4,135,133
Share-based compensation	22	**152,199**	57,160
Exercised options	22	**(13,017)**	-
Expired warrants during the year	22	**9,729**	32,173
End of year		**4,373,377**	4,224,466
Deficit			
Beginning of year		**(42,838,767)**	(40,421,734)
Loss attributable to shareholders		**(383,756)**	(2,417,033)
End of year		**(43,222,523)**	(42,838,767)
Total Equity		**16,410,294**	15,054,494

The accompanying notes are an integral part of these consolidated financial statements

Notes to Consolidated Financial Statements
Years ending December 31, 2016 and 2015
(In Canadian dollars)

1. General business description

Globex Mining Enterprises Inc. ("Globex" or the ''Corporation'') is a North American focused exploration and development property bank which operates under the project generator business model. It seeks to create shareholder value by acquiring mineral properties, undertaking limited exploration and therefore readying them for optioning, joint venturing, or outright sale. Our current mineral portfolio consists of approximately 140 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, potash, feldspar, pyrophyllite as well as talc and magnesite).

Globex was incorporated in the Province of Quebec and following the approval of shareholders on June 12, 2014, it was continued under the Canada Corporations Act, 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'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.

2. Basis of presentation and going concern

(a) Statement of Compliance

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

(b) Basis of Presentation

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

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

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

2. Basis of presentation and going concern (continued)

The recoverability of amounts shown for mineral properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Corporation's interest in the underlying mineral claims, the ability of the Corporation to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposal thereof.

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

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

(c) Approval of Financial Statements

The Corporation's Board of Directors approved these consolidated financial statements for the years ended December 31, 2016 and December 31, 2015 on February 24, 2017.

3. New and revised International Financial Reporting Standards

(a) International Financial Reporting Standards adopted

In preparing these consolidated financial statements for the year ended December 31, 2016, the Corporation has adopted the following new standards or amendments.

Effective date	New amendments or interpretations
January 1, 2016	IAS 1 - *Presentation of financial statements (narrow scope amendments).*
	IFRS 10 *Consolidated financial statements and* IAS 28 *Investments in Associates and Joint Ventures.*
	IFRS 11 *Joint Arrangements.*
	IAS 16 *Property, Plant and Equipment and* IAS 38 *Intangible Assets.*

The adoption of these standards has not resulted in any material changes in these consolidated financial statements or reported results.

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

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

IFRS 2 Share based payment (amendments published in June 2016)

On June 20, 2016, the IASB published final amendments to IFRS 2 that clarify the classification and measurement of share-based payment transactions.

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

These amendments deal with variations in the final settlement arrangements including; (a) accounting for cash-settled share-based payment transactions that include a performance condition, (b) classification of share-based payment transactions with net settlement features, as well as (c) accounting for modifications of share-based payment transactions from cash-settled to equity.

These changes are effective for annual periods beginning on or after January 1, 2018. Management is in the process of evaluating the impacts of these changes on the Corporation.

IFRS 9 Financial Instruments (replacement of IAS 39):

In July 2014, the IASB completed the final element of the comprehensive responses to the financial crisis with the publication of IFRS 9 Financial Instruments. The package of improvements introduced to IFRS 9 includes a logical model for classification and measurement, a single, forward – looking "expected loss" impairment model and a substantially reformed approach to hedge accounting.

The IASB had previously published versions of IFRS 9 that introduced new classification and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013).

The July 2014 publication represents the final version of the Standard, replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. Management is in the process of evaluating the impacts of this standard on the Corporation.

IFRS 15 Revenue from Contracts with Customers:

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which establishes the principles that an entity shall apply to report useful information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

IFRS 15 replaces a number of standards and interpretations including IAS 18 Revenue which provides the guidance that the Corporation currently employs in recording Option revenue and Net Metal Royalty Revenues.

IFRS 15 is effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. Management is in the process of evaluating the impacts of this standard on the Corporation, and has recognized that under this standard it will need to consider at the outset all forms of payments of each contract and the likelihood that all of the obligations will be met. This new standard may result in revenue recognition timing differences.

IAS 7 Statement of Cash Flows:

The objective of the amendments is to enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes.

The amendments to IAS 7 respond to investors' requests for information that helps them better understand changes in an entity's debt, which is important to their analysis of financial statements. These amendments are mandatory for annual periods beginning on or after January 1, 2017. Management is in the process of evaluating the impacts of this standard on the Corporation.

4. Summary of significant accounting policies

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

(a) Basis of consolidation

The consolidated financial statements include the accounts of the Corporation, and its controlled subsidiaries Globex Nevada Inc., Worldwide Magnesium Corporation and Eco Refractory Solutions Inc.

All significant intercompany transactions and balances have been eliminated on consolidation. The table which follows outlines Globex's interest in the respective entities:

Corporate Entity	Relationship	December 31, 2016	December 31, 2015
Globex Nevada Inc.	Subsidiary	100%	100%
WorldWide Magnesium Corporation	Subsidiary	90%	90%
Eco Refractory Solutions Inc. Corporation	Subsidiary	75%	75%

The Corporation has control when it holds power over the investee, is exposed, or has right to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the investor's returns. The Corporation must reassess whether it controls the investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All inter-corporation transactions, balances, income and expenses are eliminated on consolidation.

(b) Functional and Presentation Currency

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

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

(c) Interest in joint ventures

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

4. Summary of significant accounting policies (continued)

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

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

(d) Cash and cash equivalents

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

(e) Cash reserved for exploration

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

(f) Refundable tax credits and mining duties

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

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

(g) Financial assets

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

Classification of financial assets

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

Financial Assets	Measurement category under IAS 39
Cash and cash equivalents	Loans and receivables
Cash reserved for exploration	Loans and receivables
Investments	Financial assets at FVTPL
Accounts receivable	Loans and receivables
Reclamation bonds	Available for sale

4. Summary of significant accounting policies (continued)

Financial assets at FVTPL

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

A financial asset is classified as held for trading if:

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

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Corporation's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and IAS 39 (Financial Instruments: Recognition and Measurement) permits the entire combined contract (asset or liability) to be designated as at FVTPL.

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

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

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

Held-to-maturity investments

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

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

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

4. Summary of significant accounting policies (continued)

Fair value is determined in the manner described in note 25. Changes in the carrying amount of AFS monetary financial assets relating to changes in foreign currency rates, interest income calculated using the effective interest method and dividends on AFS equity investments are recognized in income or loss. Other changes in the carrying amount of available-for-sale financial assets are recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve.

When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to income or loss.

Loans and receivables

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

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

Effective interest rate method

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

Impairment of financial assets at amortized cost

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

Derecognition of financial assets

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

Financial liabilities

The Corporation’s financial liabilities include accounts payable and accrued liabilities.

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through the profit and loss that are carried subsequently at fair value with gains or losses recognized in profit or loss.

4. Summary of significant accounting policies (continued)

Derecognition of financial liabilities

The Corporation derecognizes financial liabilities when, and only when, the Corporation's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit and loss.

(h) Reclamation Bonds

Reclamation bonds represent funds that are lodged with government authorities to be held against future reclamation and remediation of environmental disturbances as a result of exploration and development activities. After reclamation and remediation, the funds may be recovered. Where applicable under the arrangement with the government authority, the carrying value is increased by the accrued interest earned during the year.

(i) Properties, plant and equipment

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

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

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

(j) Non-Monetary transactions

All non-monetary transactions are measured at the fair value of the asset surrendered or the asset received whichever is more reliable. When the fair value of a non-monetary transaction cannot be reliably measure, it is recorded at the carrying amount (after reduction, when appropriate, for impairment) of the asset given up.

(k) Mineral properties

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

4. Summary of significant accounting policies (continued)

(l) Deferred exploration expenses

All costs incurred prior to obtaining the legal rights to undertake exploration activities are recognized in the Consolidated Statements of Loss and Comprehensive Loss. Exploration and evaluation costs arising following the acquisition of the right to explore are capitalized on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs incurred include appropriate technical costs and deferred exploration costs, and are carried at historical cost less any impairment losses recognized.

The Corporation classifies exploration and evaluation assets as tangible or intangible according to the nature of the assets acquired.

General exploration costs not related to specific properties and general exploration administrative expenses are charged to the Consolidated Statement of Loss and Comprehensive Loss in the year in which they are incurred.

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

The recoverability of deferred exploration and evaluation costs is dependent upon the discovery of economically recoverable ore reserves and the ability of the Corporation to obtain the necessary financing.

(m) Depreciation

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

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

(n) Impairment of non-financial assets

The carrying amounts of mineral properties and deferred exploration expenses and evaluation assets are assessed for impairment when the facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. Typically, one or more of the following facts and circumstance indicate the need to test for impairment:

(a) The right to explore the property has expired or will expire in the near future with no expectation of renewal.

(b) Substantive expenditures on further exploration for and evaluation of mineral resources is neither budgeted or planned.

(c) No commercially viable quantities of mineral resources have been discovered and it has been decided to discontinue such activities in the specific area.

4. Summary of significant accounting policies (continued)

(d) Sufficient work has been performed to indicate that, the carrying value of the expenditures are unlikely to be recovered in full from successful development or by sale.

If any such indicator exists, then the asset's recoverable amount is estimated at the individual mining property level. The recoverable amount represents the estimated sales value less costs of disposal.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been, net of depreciation or amortization, if no impairment loss had been recognized.

(o) Restoration Liabilities

The Corporation recognizes the fair value of restoration liabilities related to statutory, contractual or legal obligations associated with the retirement of mining claims in the year in which it is incurred when a reasonable estimate of fair value can be made.

The carrying amount of the related mining claim or property is increased by the same amount as the net present value of the restoration liability. Where appropriate, discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The Corporation's estimates of such costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures and changes in the net present value.

(p) Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle, a provision is expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(q) Revenue recognition

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

4. Summary of significant accounting policies (continued)

(i) Sales of mineral properties

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

(ii) Option income

Option income is recognized on an accrual basis in accordance with the substance of the relevant agreements. Shares received under option agreements are valued at fair value which is determined at quoted market prices if the shares are quoted on an active market. If the market for the shares is not active, fair value is established by using a valuation technique. Option income is initially recorded as a credit against the carrying costs of the mineral property and deferred exploration expenses until they are fully recovered.

(iii) Royalty income

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

(iv) Interest and dividend income

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

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

(r) Share-based compensation and payments

Share-based payments to non-employees

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

Share-based compensation

The Corporation grants stock options to buy common shares of the Corporation to Directors, Officers, and Employees. The Board of Directors grants such options for periods up to five years, with vesting periods determined at its sole discretion and at the TSX prices at the close of business on the day prior to the option grant. The fair value of the options is measured at the grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period that the options are earned. The fair value is recognized as an expense with a corresponding increase in contributed surplus. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest.

4. Summary of significant accounting policies (continued)

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

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

(s) Current and deferred taxes

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

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

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

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

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

(t) Flow-through shares

The Corporation raises funds through the issuance of flow-through shares which entitles investors to prescribed resource tax benefits and credits once the Corporation has renounced these benefits to the subscribers in accordance with the tax legislation. The Corporation considers the issuance of flow-through shares in substance; (a) an issue of an ordinary share; and (b) the sale of tax deductions.

4. Summary of significant accounting policies (continued)

The sale of tax deductions has been measured based on the relative fair value method. At the time, the flow-through shares are issued; the sale of tax deductions is deferred and presented as an Other Liability. When the Corporation fulfills its obligation; the liability is reduced and the sale of tax deductions is recognized in the Consolidated Statements of Loss and Comprehensive Loss as a reduction of the deferred tax expense; and a deferred tax liability is recognized, in accordance with IAS 12, Income Taxes, for the taxable temporary differences between the carrying value of eligible expenditures capitalized as an asset in the statement of financial position and its tax base.

(u) Share Capital

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

(v) Valuation of Warrants

The Corporation engages in equity financing transactions necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve the issuance of common shares or units. A unit may consist of a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending upon the terms and conditions of each equity financing agreement, the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement.

Warrants that are part of units are valued based on a relative fair value method. The Corporation considers the market value of the common shares issued as fair value, and measures the fair value of the warrant component of the unit using the Black-Sholes option pricing model. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

(w) Income (loss) per common share

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

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

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

5. Significant accounting assumptions, judgments and estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimate is revised if the revision affects only that period,

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

or in the period of the revision and future periods if the revision affects both current and future periods.

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

(a) Impairment of mineral properties and deferred exploration expenses

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

(b) Estimate of share-based compensation and payments

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

The Corporation uses the Black-Scholes valuation model to calculate the fair value of the share-based compensation and payment costs.

(c) Fair value estimates of investments

Globex enters into option agreements for its properties. Under these arrangements, the Corporation typically receives a series of cash option payments over a period of time and it also often receives shares in the Optionee Corporation.

Globex attempts to determine the fair value of the shares on receipt based on published price quotations in an active market. However, in some cases, when received, the shares may not be traded in an active market and as a result Globex must use a valuation technique to determine the fair market value. In some cases, as a result of the strategic nature or volume of trading in the market, the quoted price may also not be representative of the price that these shares could be sold to a willing arm’s length party. These valuation issues could also impact the fair value measurement of financial assets at each period end.

(d) Properties, plant and equipment

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

(e) Refundable tax credits and mining duties

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

(f) Deferred income taxes balances

The Corporation uses the asset and liability method in accounting for deferred income taxes and mining duties. Under this method, deferred income taxes are recognized for the future income tax.

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

In preparing these estimates, management is required to interpret, substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

6. Cash and cash equivalents

	December 31, 2016	December 31, 2015
	$	$
Bank balances	**512,273**	199,817

7. Cash reserved for exploration

	December 31, 2016	December 31, 2015
	$	$
Bank balances	**-**	87,113
Short-term deposit	**900,000**	990,000
	900,000	1,077,113

Globex raises flow-through funds for exploration under subscription agreements which require the Corporation to incur prescribed resource expenditures. The Corporation must use these funds for exploration of mining properties in accordance with restrictions imposed by the financing. If the Corporation does not incur the resource expenditures, then it will be required to indemnify these shareholders for any tax and other costs payable by them.

8. Investments

	December 31, 2016		December 31, 2015	
Corporation Name	**Number of Shares**	**Fair Value**	Number of Shares	Fair Value
		$		$
Canadian Metals Inc.	**200,000**	**24,000**	200,000	20,000
Great Thunder Gold Corp.	**2,400,000**	**84,000**	-	-
Integra Gold Corp.	**-**	**-**	250,000	85,000
Knick Exploration Inc.	**1,000,000**	**55,000**	1,000,000	15,000
Laurion Mineral Exploration Inc.	**3,000,000**	**120,000**	3,700,000	18,500
Mag Copper Limited	**1,687,960**	**8,440**	1,727,960	51,839
Manganese X Energy Corp.	**1,000,000**	**190,000**	-	-
Opawica Explorations Inc.	**500,000**	**40,000**	-	-
Renforth Resources Inc.	**750,000**	**26,250**	250,000	2,500
Rogue Resources Inc.	**100,000**	**65,000**	1,000,000	90,000
Secova Metals Corp.	**1,000,000**	**35,000**	-	-
Sphinx Resources Ltd.	**1,100,000**	**66,000**	1,200,000	6,000
Other equity investments		**31,975**		28,065
		745,665		316,904

These investments were received under various mining option agreements. The 1,687,960 Mag Copper Limited shares represent 7% of that Corporation's outstanding shares at December 31, 2016 (December 31, 2015 - 11%).

9. Accounts receivable

	December 31, 2016	December 31, 2015
	$	$
Trade receivables	**96,609**	199,080
Bad debt provisions	**(4,109)**	(175,000)
Net trade receivables	**92,500**	24,080
Taxes receivable	**11,950**	53,648
	104,450	77,728

Net trade receivables of $92,500 (December 31, 2015 - $24,080) consist primarily of amounts recoverable under joint venture arrangements and royalties. These items are all current and the Corporation anticipates full recovery of these amounts. The taxes receivable represents harmonized and Quebec sales tax ("GST", "HST", "QST") receivable from Canadian taxation authorities.

10. Reclamation bonds and restoration liabilities

Reclamation bonds

	December 31, 2016	December 31, 2015
	$	$
Nova Scotia bond - Department of Natural Resources	**57,974**	57,974
Option reimbursement	**(50,000)**	(50,000)
Nova Scotia bond	**7,974**	7,974
Washington State bond – Department of Natural Resources	**150,548**	155,109
Deposits with Province of Quebec, MERN	**628,175**	-
	786,697	163,083

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

As detailed in note 14, on June 30, 2016, Globex acquired the Francoeur Property and related mining infrastructure as well as the Arncoeur and Norex Properties from Richmont Mines Inc. At that time, Globex also assumed the liabilities for the restoration and rehabilitation of the Francoeur Property mining site of $628,175 which had been included in a 2013 Closure Plan that had been accepted by the Ministère de l'Energie et des Ressources naturelles (MERN). As part of the arrangement with Richmont Inc., the ownership of $471,132 deposited with the MERN was transferred to Globex. The transfer of the Francoeur closure liabilities and deposit was approved by the MERN on July 13, 2016. On November 24, 2016, Globex issued a letter of credit of $157,043 to the MERN resulting in the liability being fully funded. The letter of credit is fully secured by a Globex short-term investment which will remain in place until the letter of credit is withdrawn.

Restoration Liabilities

	December 31, 2016	December 31, 2015
	$	$
Francoeur Property restoration and rehabilitation liabilities	**628,175**	-

11. Investment in joint venture

	$
Balance, January 1, 2015	142,293
Add:	
Globex's 50% share of DAL's net income for the year ended December 31, 2015	2,781
Deduct:	
Globex's 50% share of DAL's common share dividends for the year ended December 31, 2015	(95,000)
Balance, December 31, 2015	**50,074**
Add:	
Globex's 50% share of DAL's net income for the year ended December 31, 2016	-
Balance, December 31, 2016	**50,074**

On February 18, 2010, a mineral option agreement, related to the Duquesne West Gold Property located in Duparquet and Destor townships, Québec, was signed between; (a) Globex and Jack Stoch Geoconsultant Limited ("GJSL", a company owned by Jack Stoch President, CEO and Director of Globex) as vendors, (b) Duparquet Assets Limited ("DAL") and (c) Xmet Inc. as Optionee. The property was owned 50% by Globex and 50% by GJSL. On February 16, 2010, DAL entered into a joint venture agreement with GJSL and Globex. Globex's investment has been recorded using the equity method.

On July 3, 2013, Xmet Inc. dropped its interest in the Duquesne West Gold Property and returned it to DAL. The joint venture is currently inactive.

A summary of the financial assets, liabilities and earnings for the respective year-ends follows.

	December 31, 2016 $	**December 31, 2015 $**
Assets		
Mineral property and deferred exploration expenses	**27,336**	29,534
Due from Globex Mining Enterprises Inc.	**83,179**	169,168
Liabilities		
Due to Jack Stoch Geoconsultant Limited	-	86,987
Other liabilities	-	1,200
Current earnings	-	5,563

12. Properties, plant and equipment

	Land and buildings	Mining equipment	Office equipment	Vehicles	Computer Systems	Total
	$	$	$	$	$	$
Cost						
2015						
January 1,	497,627	88,210	146,274	56,177	234,213	1,022,501
Additions	-	-	-	-	20,790	20,790
December 31,	497,627	88,210	146,274	56,177	255,003	1,043,291
2016						
Additions	-	-	-	-	13,238	13,238
December 31,	**497,627**	**88,210**	**146,274**	**56,177**	**268,241**	**1,056,529**
Accumulated depreciation						
2015						
January 1,	(88,176)	(68,095)	(135,688)	(44,930)	(226,275)	(563,164)
Additions	(13,840)	(13,745)	(10,586)	(8,145)	(13,241)	(59,557)
December 31,	(102,016)	(81,840)	(146,274)	(53,075)	(239,516)	(622,721)
2016						
Additions	**(13,836)**	**(6,370)**	**-**	**(3,102)**	**(7,574)**	**(30,882)**
December 31,	**(115,852)**	**(88,210)**	**(146,274)**	**(56,177)**	**(247,090)**	**(653,603)**
Carrying value						
2015						
January 1,	409,451	20,115	10,586	11,247	7,938	459,337
December 31,	395,611	6,370	-	3,102	15,487	420,570
2016						
December 31,	**381,775**	**-**	**-**	**-**	**21,151**	**402,926**

13. Impairment of mineral properties and deferred exploration expenses

At each period end, the Corporation considers the facts and circumstances which suggest that the carrying value of mineral properties and deferred exploration expenditures may exceed the recoverable amounts. The impairment provisions represent a charge against properties on which claims have lapsed or will be dropped in the near future as well as a charge against deferred exploration expenses on properties on which there are no immediate substantive expenditures budgeted or planned and the Corporation does not have an active option or joint venture agreement.

During the year ended December 31, 2016, an impairment provision of $851,386 (Mineral properties – $9,257; deferred exploration expense - $842,129) (2015 - $2,754,258) (2015 Mineral properties - $82,265; deferred exploration expenses - $2,671,933) was recorded. The provision represents the complete write-off of the carrying value related to various properties on which no expenditures are currently planned.

The development of management estimates of recoverable amounts and impairment provisions requires a number of assumptions and judgment. As at December 31, 2016 and 2015, if it were determined that the estimated fair value of the impaired property as reflected in the recoverable amounts should have been 20% higher or lower than the carrying value, this would result in an increase or decrease in the impairment charge or recovery by $170,277 (2015- $550,851).

13. Impairment of mineral properties and deferred exploration expenses (continued)

The resulting impairment charge of $851,386 (2015 - $2,754,258) represents approximately 5.4% (2015 - 15.7%) of the carrying value prior to the recorded impairment for the year-end December 31, 2016.

14. Mineral properties

	New Brunswick	Nova Scotia	Ontario	Quebec	Other	Total
	$	$	$	$	$	$
Balance, beginning of year	-	40	46,924	2,916,253	-	2,963,217
Additions	-	-	2,250	25,728	-	27,978
Impairment provisions	-	(40)	-	(82,225)	-	(82,265)
Recoveries	-	-	-	(296)	-	(296)
December 31, 2015	-	-	49,174	2,859,460	-	2,908,634
Additions	**98,897**	**550**	**-**	**151,092**	**-**	**250,539**
Impairment provisions	**-**	**-**	**-**	**(9,257)**	**-**	**(9,257)**
Recoveries	**(160)**	**-**	**-**	**(122,393)**	**-**	**(122,553)**
December 31, 2016	**98,737**	**550**	**49,174**	**2,878,902**	**-**	**3,027,363**

On January 7, 2016, the Devil's Pike Gold Property located in New Brunswick was acquired from Rockport Mining Corporation by issuing 350,000 Globex shares at a deemed value of $87,500 (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.

On June 28 2016, Globex issued 280,000 common shares of the Corporation at a deemed issue price of $0.40 per Share 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.

On July 28, 2016, Globex announced that effective June 30, 2016, it had entered into an agreement with Richmont Mines Inc. to acquire its Francoeur Property and related mining Infrastructure, as well as the Arncoeur and Norex Properties for a 1.5% NSR related to production from the Francoeur and Arncoeur Properties. In return, Globex agreed to sell its eleven (11) Beauchastel claims located east of Richmont's Wasamac property subject to a 0.5% NSR and assume the liabilities for the restoration and rehabilitation of the Francoeur Property mining site of $628,175.

The exchange of mineral properties has been considered a non-monetary transaction for which the fair value of the assets received were not reliably measurable. As a result, the original carrying value of the Beauchastel properties given up by Globex, has been allocated to the properties acquired from Richmont Mines Inc. The Beauchastel properties had a gross carrying value of $61,130, but were fully impaired resulting in a Nil net carrying value.

15. Deferred exploration expenses

	New Brunswick	Nova Scotia	Ontario	Quebec	Other	Total
	$	$	$	$	$	$
Balance, beginning of year	-	122,034	6,853,084	5,866,360	-	12,841,478
Additions	7,235	12,099	111,630	1,649,029	13,784	1,793,777
Impairment provisions	(7,235)	(134,133)	(19,943)	(2,496,898)	(13,784)	(2,671,993)
Recoveries	-	-	-	(114,398)	-	(114,398)
December 31, 2015	-	-	6,944,771	4,904,093	-	11,848,864
Additions	**79,054**	**2,420**	**129,065**	**1,014,683**	**17,358**	**1,242,580**
Impairment provisions	**(7,759)**	**(1,895)**	**(3,522)**	**(811,595)**	**(17,358)**	**(842,129)**
Recoveries	**(2,409)**	**-**	**(10,380)**	**(208,169)**	**-**	**(220,958)**
December 31, 2016	**68,886**	**525**	**7,059,934**	**4,899,012**	**-**	**12,028,357**

The impairment provision of $842,129 for the year ended December 31, 2016 (2015 - $2,671,993) reflects the results of management's periodic review of the carrying value of the deferred exploration assets for individual projects considering the current economic environment. The impairment provisions also include the expensing of general exploration costs.

Exploration Expenditures by Type

	December 31, 2016	December 31, 2015
	$	$
Balance - beginning of year	**11,848,864**	12,841,478
Current exploration expenses		
Consulting	**16,589**	118,035
Core shack, storage and equipment rental	**35,186**	11,017
Drilling	**52,782**	327,846
Geology	**105,977**	72,753
Geophysics	**2,685**	103,455
Laboratory analysis and sampling	**91,566**	69,393
Labour	**762,393**	811,048
Line cutting	**-**	85,673
Mapping	**-**	983
Mining property tax, permits and prospecting	**66,887**	93,127
Reports, maps and supplies	**58,056**	25,925
Transport and road access	**50,459**	74,522
Total current exploration expenses	**1,242,580**	1,793,777
Impairment provisions	**(842,129)**	(2,671,993)
Option revenue offset	**(220,958)**	(114,398)
	(1,063,087)	(2,786,391)
Current net deferred exploration expenses	**179,493**	(992,614)
Balance - end of year	**12,028,357**	11,848,864

16. Payables and accruals

	December 31, 2016 $	December 31, 2015 $
Trade payables and accrued liabilities	**154,504**	264,818
Nyrstar Inc., advance royalty liability	**75,796**	78,127
Sundry liabilities	**51,823**	62,096
	282,123	405,041

The Nyrstar Inc. advance royalty liability of $75,796 (2015 - $78,127) represents a provisional payment made in 2015 based on the estimated zinc final settlement price which subsequently declined resulting in an overpayment. The Nyrstar Inc. operations were on "care and maintenance" in 2016, but are scheduled to commence operations early in 2017. The liability will be offset against future metal royalty payments.

17. Other liabilities

	December 31, 2016 $	December 31, 2015 $
Balance, beginning of year	**251,715**	239,131
Additions during the year	**105,000**	255,022
Reduction related to qualified exploration expenditures	**(256,715)**	(242,438)
	100,000	251,715

The Other Liabilities represent the excess of the proceeds received from flow-through shares over the fair value of the shares issued. The reduction reflects the qualified expenditures incurred in the period. Further details are provided in note 22, Share Capital.

18. Income taxes

Recovery of Income and mining tax

	December 31, 2016 $	December 31, 2015 $
Current tax expense	**-**	162,188
Deferred tax expense (recovery) for income and mining duties	**8,302**	(371,905)
Recovery of income and mining duties as a result of the sale of tax benefits (flow-through shares)	**(256,715)**	(242,438)
	(248,413)	(614,343)
	(248,413)	(452,155)

18. Income taxes (continued)

Tax expense reconciliation

The recovery of income and mining taxes attributable to the loss before taxes differs from the amounts computed by applying the combined federal and provincial tax rate of 26.5% (2015 – 26.9%) as a result of the following:

	December 31, 2016	December 31, 2015
	$	$
Loss before taxes	(632,169)	(2,869,188)
Combined tax rates	26.5%	26.9%
Income and mining tax provision calculated at combined rate	(167,525)	(771,812)
Adjustments for share-based compensation and payments	40,942	15,376
Deferred tax expense related to flow-through shares	389,543	619,773
Non-deductible expenses and other	1,061	12,649
Taxable income at different rates	1,524	75,979
Mining tax recovery	(120,727)	(312,383)
Change in valuation allowance	(208,538)	11,937
Impact of change in future tax rate	13,041	-
Adjustments related to previous taxation years	61,796	132,563
Other	(2,815)	6,201
Provision (recovery) of Income and mining tax	8,302	(209,717)
Other liabilities (sale of tax benefits (flow-through shares))	(256,715)	(242,438)
Recovery of Income and mining tax	(248,413)	(452,155)

At December 31, 2016, the Corporation had non-capital loss carry forwards of $6,775,922 available to reduce future years' income for tax purposes. The non-capital losses will expire as follows:

	$
2027	120,365
2029	847,258
2030	587,360
2031	379,742
2032	2,017,074
2033	838,444
2034	1,128,461
2035	857,218
	6,775,922

18. Income taxes (continued)

Deferred tax balances

	January 1, 2016 $	**Recognized in income or loss $**	**Recognized in equity $**	**December 31, 2016 $**
Temporary differences				
Deferred tax assets				
Non-capital losses carry forward	1,473,130	**60,580**	**-**	**1,533,710**
Share issue expenses	87,480	**(56,350)**	**38,516**	**69,646**
Properties, plant & equipment	66,324	**1,305**	**-**	**67,629**
Financial assets at FVTPL	329,645	**(208,538)**	**-**	**121,107**
	1,956,579	**(203,003)**	**38,516**	**1,792,092**
Less valuation allowance	(329,645)	**208,538**	**-**	**(121,107)**
	1,626,934	**5,535**	**38,516**	**1,670,985**
Deferred tax liabilities				
Mining properties and deferred exploration	(2,902,249)	**(13,836)**	**-**	**(2,916,085)**
Deferred tax liabilities	(1,275,315)	**(8,301)**	**38,516**	**(1,245,100)**

	January 1, 2015 $	Recognized in income or loss $	Recognized in equity $	December 31, 2015 $
Temporary differences				
Deferred tax assets				
Non-capital losses carry forward	1,488,162	(15,032)	-	1,473,130
Share issue expenses	115,926	(49,249)	20,803	87,480
Properties, plant and equipment	53,258	13,066	-	66,324
Financial assets at FVTPL	317,708	11,937	-	329,645
	1,975,054	(39,278)	20,803	1,956,579
Less valuation allowance	(317,708)	(11,937)	-	(329,645)
	1,657,346	(51,215)	20,803	1,626,934
Deferred tax liabilities				
Mining properties and deferred exploration expenses	(3,325,369)	423,120	-	(2,902,249)
Deferred tax liabilities	(1,668,023)	371,905	20,803	(1,275,315)

19. Revenues

	December 31, 2016 $	December 31, 2015 $
Net option income and advance royalties	**1,356,989**	545,056
Metal royalties	**-**	615,282
	1,356,989	1,160,338

In 2016, Globex reported net option income and advances royalties of $1,356,989 (2015 - $545,056) which 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.

19. Revenues (continued)

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

In 2016, Globex received the following net option payments which were greater than 10% of revenues:

- Great Thunder Gold Corp., gross revenues of $364,000 (cash - $40,000; 2,400,000 common shares with a fair value at receipt of $324,000) minus recovery of costs of $18,180 resulting in net option income of $345,820,
- Manganese X Energy Corp., gross revenues of $280,000 (cash - $100,000; 1,000,000 common shares with a fair market value at receipt of $180,000) minus recovery of costs of $2,569 resulting in net option income of $277,431,
- RJK Explorations Ltd., gross cash revenues of $260,000 minus recovery of costs of $10,380 resulting in net option income of $249,620,

In 2015, Globex received cash option payments of $250,000 from a Canadian Corporation with $243,632 reported as in net option income after reflecting recovered costs of $6,368 and it received metal royalty of $605,282 from Nyrstar Inc.

20. Expenses by nature

The nature of administration expenses as well as professional fees and outside services:

	December 31, 2016 $	December 31, 2015 $
Administration		
Office expenses	**189,990**	188,500
Conventions and meetings	**49,209**	80,808
Advertising and meetings	**16,111**	20,714
Transfer agent	**22,344**	21,006
Other administration	**13,442**	12,961
	291,096	323,989

	December 31, 2016 $	December 31, 2015 $
Professional fees and outside services		
Investor relations	**90,560**	92,799
Legal fees	**25,803**	13,763
Audit and accounting fees	**87,218**	78,525
Filing fees	**31,601**	27,018
Other professional fees	**48,409**	68,951
	283,591	281,056

21. Loss per common share

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

Basic and diluted loss per common share

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

	December 31, 2016	December 31, 2015
Numerator		
Loss for the year	**$ (383,756)**	$ (2,417,038)
Denominator		
Weighted average number of common shares - basic	**45,796,913**	41,550,983
Effect of dilutive shares		
Stock options ("in the money") (i)	**-**	-
Weighted average number of common shares - diluted	**45,796,913**	41,550,983
Loss per share		
Basic	$ (0.01)	$ (0.06)
Diluted	$ (0.01)	$ (0.06)

(i) Stock options "in the money" (strike price less than the average common share market price) have not been included in the diluted loss per share at December 31, 2016, and 2015, as they are anti-dilutive.

22. Share capital

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

22. Share capital (continued)

Changes in capital stock

Fully paid common shares	Number of shares	Capital Stock December 31, 2016	Number of shares	Capital Stock December 31, 2015
		$		$
Balance, beginning of period	**44,447,706**	**53,592,497**	41,243,755	52,882,570
Issued on exercise of options[(i)]	**105,000**	**37,541**	-	-
Private placements				
Common shares [(ii, (iii))]	**1,570,000**	**628,000**	-	-
Flow-through shares [(iv)]	**2,100,000**	**840,000**	3,203,951	833,027
Fair value of warrants	**-**	**(137,833)**	-	(66,569)
Shares issued in connection with				
Mineral property acquisitions[(v)]	**630,000**	**199,500**	-	-
Share issuance costs [(vi)]	**-**	**(115,867)**	-	(56,531)
Balance, end of period	**48,852,706**	**55,043,838**	44,447,706	53,592,497

2016 Issuances

Issued on exercise of options

(i) On June 8, 2016, 5,000 stock options with a fair market value per share of $0.108 were exercised at an exercise price of $0.205 per share. Globex's shares closed at $0.40 per share on that date. On July 27, 2016, 100,000 stock options with a fair market value per share of $0.125 were exercised at an exercise price of $0.235 per share. Globex's shares closed at $0.37 per share on that date.

Private Placements

(ii) On June 14, 2016, 1,320,000 units were issued at a price of $0.40 per unit, in accordance with the pricing approved by the TSX on June 7, 2016, resulting in gross proceeds of $528,000. Each unit is comprised of one common share and one common share purchase warrant.

(iii) On December 15, 2016, 250,000 common shares were issued at a price of $0.40 per share for gross proceeds of $100,000.

(iv) On December 15, 2016, the Corporation issued 2,100,000 flow-through shares under a private placement at a price of $0.45 per share for gross proceeds of $945,000. The fair value of these shares was $0.40 per share based on the value of the other common shares issued on the same date.

Shares Issued in connection with Mineral property acquisitions

(v) On January 7, 2016, Globex acquired a 100% interest in the Devil's Pike Gold Property located in New Brunswick by issuing 350,000 Globex shares at a deemed price of $0.25 per share for a deemed value of $87,500.

On June 28, 2016, Globex issued 280,000 common shares of the Corporation at a deemed issue price of $0.40 per share as partial consideration for the acquisition of 69 mining claims in Duverny, Township held by seven persons comprising the "Groupe Succession Beauchemin." The shares represented a deemed payment of $112,000.

22. Share capital (continued)

Share Issuance costs

(vi) $115,867 (2015 - $56,531) (Net of deferred taxes of $38,517; 2015 -$20,803).

In 2016, the share issuance costs totalled $154,384 (2015 - $77,634) In connection with private placements (June 14, 2016 and December 15, 2016), and consisted of cash costs of $143,184 (finder's fees and sales commissions of $82,250, listing fees of $22,384, legal fees of $29,005 and other disbursements of $9,545) and the fair value of warrants of $11,200 issued in connection with the December 15, 2016 private placement as described below.

In connection with the June 14, 2016 private placement, Globex paid Secutor Capital Management Corporation a fee of $30,000 representing 6% of the gross proceeds of $500,000 that it raised in the private placement.

In connection with the December 15, 2016 private placement, Globex paid a finder's fee of $52,250 to First Republic Capital Corporation ("First Republic") representing 5% of the gross proceeds raised in the private placement, and issued 200,000 finder's warrants, each of which entitles First Republic to purchase one Globex common share at an exercise price of $0.60 for a period of twelve months from the closing date of the private placement. The fair value of these warrants has been estimated using the Black Scholes Model at $0.056 per share for a total of $11,200.

2015 Issuances

Private Placement

(vii) On November 26, 2015, the Corporation issued 3,203,951 flow-through units under a private placement with 2,537,285 flow-through units being issued to subscribers in Québec at a price of $0.35 per unit, for gross proceeds of $888,050 and 666,666 flow-through units at a price of $0.30 per unit, for gross proceeds of $200,000. The gross proceeds from the private placement were $1,088,050.

Each of the units is comprised of one flow-through common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share of Globex at a price of $0.50 until November 26, 2017. The fair market value of the shares was $833,027 based on the TSX closing price of the shares on November 25, 2015. In addition, 1,601,975 share purchase warrants were issued with an ascribed value of $66,569 ($0.042 per warrant). The warrants are exercisable at a price of $0.50 per share until November 26, 2017.

Escrow Shares

At December 31, 2016, 36,100 (December 31, 2015 - 36,100) common share are held in escrow. These shares were issued as consideration for a property, which has since been abandoned, thus the shares will remain in escrow.

Warrants

		December 31, 2016		December 31, 2015
	Number of warrants	**Fair value $**	Number of warrants	Fair value $
Balance, beginning of period	**1,751,975**	**76,298**	1,125,000	41,902
Private placements				
June 14, 2016 (i)	**1,320,000**	**137,833**	-	-
December 15, 2016 (ii)	**200,000**	**11,200**		
November 26, 2015 (iii)	-	-	1,601,975	66,569
Expired				
August 27, 2016 (iv)	**(150,000)**	**(9,729)**	-	-
May 5, 2015 (v)	-	-	(975,000)	(32,173)
Balance, end of period	**3,121,975**	**215,602**	1,751,975	76,298

22. Share capital (continued)

Private placements

(i) Under a private placement, which closed on June 14, 2016, 1,320,000 warrants were issued. Each warrant entitles the holder to acquire one additional Globex common share at $0.55 per share for a period of eighteen months (expiry date - 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.

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

Stock price per share	$0.42
Exercise price per share	$0.55
Annual rate of dividends	Nil
Annualized stock volatility %	69.9
Risk free interest rate %	0.63
Expected life - months	18

(ii) Under a private placement, which closed on December 15, 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.

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

Stock price per share	$0.41
Exercise price per share	$0.60
Annual rate of dividends	Nil
Annualized stock volatility %	66.2
Risk free interest rate %	0.69
Expected life - months	12

(iii) Under a private placement, which closed on November 26, 2015, 1,601,975 share purchase warrants were issued. Each warrant entitles the holder to acquire one additional Globex common share at $0.50 per share for a period of twenty-four months (expiry date – November 26, 2017). The fair value of each warrant has been estimated at $0.041 per warrant, which resulted in a fair value of $66,569.

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

Stock price per share	$0.26
Exercise price per share	$0.50
Annual rate of dividends	Nil
Annualized stock volatility %	62.9
Risk free interest rate %	0.54
Expected life - months	24

Expired

(iv) 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 Globex common share at $0.45 per share for a period of twenty-four months. These warrants expired on August 27, 2016.

(v) On May 5, 2014, under a private placement, 975,000 warrants were issued. Each warrant entitled the holder to acquire one additional Globex common share at $0.50 per share warrant for a period of twelve months. These warrants expired on May 5, 2015.

22. Share capital (continued)

Stock options

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

On April 21, 2016, the Board of Directors amended the 2006 Stock Option Plan so as to increase the number of shares that can be issued thereunder from 2,500,000 to 4,500,000. The amendment to the Plan was approved by the shareholders on May 31, 2016 and 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, 2016, 1,720,000 (December 31, 2015 - 50,000) options were available for grant under all option plans (2003 and 2006 Option Plans) in addition to the common share purchase options currently outstanding.

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

		December 31, 2016		December 31, 2015
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Balance - beginning of period	**3,017,500**	**0.25**	3,067,500	0.28
Cancelled [(i)]	**(40,000)**	**0.24**	(55,000)	0.48
Exercised [(ii)]	**(105,000)**	**0.23**	-	-
Expired [(iii)]	**(400,000)**	**0.24**	(250,000)	0.62
Granted - Directors and employees [(iv)]	**720,000**	**0.39**	255,000	0.29
Granted - Consultant [(v)]	**50,000**	**0.60**		
Balance - end of period	**3,242,500**	**0.29**	3,017,500	0.25
Options exercisable	**3,242,500**	**0.29**	2,717,500	0.25

(i) On July 25, 2016, 40,000 options that had been issued to a service provider in 2013 and 2014 were cancelled.

(ii) 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. 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.

(iii) On August 4, 2016, 400,000 options issued to the Vice-President Operations, in 2014, expired.

(iv) 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.

(v) 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.

22. Share capital (continued)

The following table summarizes information regarding the stock options outstanding and exercisable as at December 31, 2016:

Range of prices	Number of options outstanding	Number of options outstanding and exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
$				$
0.18 - 0.21	192,500	192,500	2.71	0.21
0.22 - 0.24	1,855,000	1,855,000	2.46	0.24
0.25 - 0.29	255,000	255,000	3.90	0.29
0.39 - 0.42	780,000	780,000	4.32	0.39
0.50 - 0.60	160,000	160,000	1.45	0.56
	3,242,500	3,242,500	2.98	0.29

Stock-based compensation and payments

The Corporation uses the fair value method for stock options granted to directors, officers, employees and non-employees. Accordingly, the fair value of the options at the date of grant is charged to operations, with an offsetting credit to contributed surplus, over vesting periods (which can vary from immediate vesting to 5 years).

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

	December 31, 2016	December 31, 2015
Expected dividend yield	**Nil**	Nil
Expected stock price volatility	**62.9%**	59.6%
Risk free interest rate	**0.61%**	0.70%
Expected life	**4.7 years**	5.0 years
Weighted average fair value of granted options	**$ 0.19**	$ 0.13

During the year ended December 31, 2016, the total expense related to stock-based compensation costs and payments amounting to $152,199 has been recorded and presented separately in the Consolidated Statements of Loss and Comprehensive Loss (December 31, 2015 - $57,160).

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 (CEO) of the Corporation, may grant RSUs to executives and key employees in lieu of a bonus or other similar arrangements.

22. Share capital (continued)

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.

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

Shareholders' Rights Plan

On June 12, 2014, the Shareholders approved the adoption of a new Shareholder Rights Plan (the "Rights Plan"). The Rights Plan was adopted to: (i) provide shareholders and the Board of Directors with adequate time to consider and evaluate any take-over bid made for the outstanding shares of the 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.

23. Related party information

Related party payables (receivables)	December 31, 2016 $	December 31, 2015 $
Jack Stoch Geonconsultant Limited	**(6,717)**	(6,717)
Chibougamau Independent Mines Inc.	**(17,551)**	(30,408)
Duparquet Assets Limited	**83,179**	169,168
	58,911	132,043

As reflected in the statement of cash flows there was a net cash decrease of $73,132 (2015 - $5,780) in the related party net payables during the year.

Chibougamau Independent Mines Inc. (CIM)

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

Management services

On December 29, 2012, Globex entered into a Management Services Agreement with CIM under which the 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 ended December 31, 2016 represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement.

Management compensation

The total compensation for the respective periods paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation (Management personnel includes President and CEO, Executive Vice-President, Vice-President Operations and Chief Financial Officer, Treasurer and Corporate Secretary) are as follows:

	December 31, 2016 $	December 31, 2015 $
Management compensation		
Salaries and other benefits	**212,142**	294,750
Professional fees and outside services (i)	**17,124**	47,974
Deferred exploration expenses – consulting and geology fees (i)	**37,213**	60,538
Fair value of share-based compensation (ii)	**149,416**	57,160
	415,895	460,422

23. Related party information (continued)

(i) The Vice-President Operations was an independent contractor with a portion of his compensation included in Other Professional fees in the Statement of Loss and Comprehensive Loss and the remainder is reported as Deferred exploration expenses – consulting and geologist fees. The Vice-President Operations resigned from the organization effective July 4, 2016.

(ii) In 2016, $149,416 reflects the fair value of share based compensation related to 120,000 stock options issued to Directors and 600,000 issued to the President and CEO on July 25, 2016 at a strike price of $0.39 per share which vested immediately and had a fair value per share of $0.197 per share or $141,620 as well as $7,796 of amortization related to 300,000 stock options issued to the Vice-President Operations on June 16, 2014 which vested on June 16, 2016.

In 2015, $57,160 reflects the fair value of 255,000 options issued to the President and CEO on November 24, 2015, at a strike price of $0.285 per share which vested immediately and had a fair value per share of $0.132 per share or $33,770 of as well as the amortization of $23,390 related to 390,000 stock options issued on June 16, 2014 which vested at various dates to June 16, 2016.

24. Supplementary cash flows information

Changes in non-cash working capital items

	December 31, 2016 $	December 31, 2015 $
Accounts receivable	**(26,722)**	217,978
Prepaid expenses and deposits	**(55,374)**	(49,508)
Payables and accruals	**(122,918)**	224,272
	(205,014)	392,742

Non-cash financing and investing activities

	December 31, 2016 $	December 31, 2015 $
Acquisition of mineral properties for shares and warrants	**199,500**	-
Restoration liability (note 10)	**157,043**	-
Disposal of mineral properties for shares	**604,000**	99,750
Dividend from investment in joint venture	**-**	95,000

25. Financial instruments

Capital risk management

The Corporation manages its common shares, stock options and retained earnings (deficit) as capital. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern while it pursues its objective of enhancing projects, properties or the development of properties to the benefit of all stakeholders. As a Canadian exploration corporation, its principal sources of funds consist of; (a) Option income on properties; (b) Metal royalty income; (c) Investment income; (d) proceeds from the issuance of common and flow-through shares and (e) other working capital items. The Corporation manages the capital structure and makes adjustments to it in light of operating results in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation issues shares, enters into joint venture property arrangements or disposes of properties.

25. Financial instruments (continued)

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

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

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

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

The Corporation is not subject to any externally imposed capital requirements. The Corporation's overall strategy remains unchanged from 2015.

The Corporation may need additional capital resources to complete or carry out its exploration and development plans beyond the next twelve months. The Corporation continually considers a number of options including the optioning and sale of properties as well as other financing activities.

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

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, equity market risk, currency risk and fair value measurements recognized in the statement of financial position.

(a) Credit risk

The Corporation had cash and cash equivalents as well as cash reserved for exploration which totalled $1,412,273 as at December 31, 2016, (December 31, 2015 - $1,276,930). These funds are subject to a combination of the $100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation ("CDIC"): CDIC, a federal Crown Corporation as well as a guarantee of $1,000,000 provided by the Canadian Investors Protection Fund ("CIPF").

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

25. Financial instruments (continued)

The maximum exposure to credit risk was:

	Notes	**December 31, 2016 $**	December 31, 2015 $
Cash and cash equivalents	**6**	**512,273**	199,817
Cash reserved for exploration	**7**	**900,000**	1,077,113
Investments	**8**	**745,665**	316,904
Accounts receivable	**9**	**104,450**	77,728
		2,262,388	1,671,562

(b) Liquidity risk

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

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

Contractual maturities of financial liabilities are as follows; payables and accruals less than one year; restoration liabilities prior to September 2019; and related party liabilities from future free cash flow.

(c) Equity market risk

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

The Corporation currently holds investments in a number of Optionee companies which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets with a current fair market value of $745,665 (December 31, 2015 - $316,904). Based on the balance outstanding at December 31, 2016, a 10% increase or decrease would impact income and loss by $74,566 (December 31, 2015 - $31,690).

(d) Currency risk

Globex receives US dollar gross metal royalty payments from to Nyrstar's Zinc operations in Tennessee if the Zinc price is greater than USD $0.90 per pound. It is required to pay U.S. tax on these receipts. Globex's practice is to convert the U.S. dollars to Canadian dollars as the funds are received after retaining sufficient funds to meet its U.S. dollar tax obligations.

During the year ended December 31, 2016, Globex received no royalty payments (2015 USD $715,691; CDN - $887,994) and recorded no current tax expense (2015 USD $117,604; CDN - $162,188).

At December 31, 2016, Globex had an advance royalty liability of USD $56,450 (CDN - $75,796) (December 31, 2015 – USD $56,450; CDN - $78,127) and a foreign tax liability of Nil (2015 - USD $40,175; CDN - $55,603).

25. Financial instruments (continued)

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

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

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

December 31, 2016	**Level 1**	**Level 2**	**Level 3**	**Total Financial Assets at fair Value**
	$	**$**	**$**	**$**
Financial assets				
Cash and cash equivalents	-	512,273	-	512,273
Cash reserved for exploration	-	900,000	-	900,000
Equity investments	737,225	8,440	-	745,665
Accounts receivable	-	-	104,450	104,450
Reclamation bonds	-	786,697	-	786,697
	737,225	2,207,410	104,450	3,049,085

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

The level 2 equity investments have been measured using the quoted price of the shares on the market which has been determined to be non-active. For all other financial assets and liabilities, the fair value is equal to the carrying value.

December 31, 2015	Level 1	Level 2	Level 3	Total Financial Assets at fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents	-	199,817	-	199,817
Cash reserved for exploration	-	1,077,113	-	1,077,113
Equity investments	265,065	51,839	-	316,904
Accounts receivable	-	-	77,728	77,728
Reclamation bonds	-	163,083	-	163,083
	265,065	1,491,852	77,728	1,834,645

26. Commitments and contingencies

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

Schedule A - Mineral properties and deferred exploration expenses

Region		2015 Balance January 1, 2015	2015 Additions	2015 Disposals, impairments, and recoveries	2015 Balance December 31, 2015	2016 Additions	2016 Disposals, impairments, and recoveries	2016 Balance December 31, 2016
		$	$	$	$	$	$	$
New-Brunswick								
Devil's Pike	Mineral property	-	-	-	-	96,897	-	96,897
	Exploration	-	-	-	-	68,886	-	68,886
Other properties	Mineral property	-	-	-	-	2,000	(160)	1,840
	Exploration	-	7,235	(7,235)	-	10,168	(10,168)	-
	Mineral property	-	-	-	-	98,897	(160)	98,737
	Exploration	-	7,235	(7,235)	-	79,054	(10,168)	68,886
Nova Scotia								
Other properties	Mineral property	40	-	(40)	-	550	-	550
	Exploration	122,034	12,099	(134,133)	-	2,420	(1,895)	525
Ontario								
Deloro	Mineral property	46,924	2,250	-	49,174	-	-	49,174
	Exploration	6,853,084	91,687	-	6,944,771	114,405	-	7,059,176
Other properties	Mineral property	-	-	-	-	-	-	-
	Exploration	-	19,943	(19,943)	-	14,660	(13,902)	758
	Mineral property	46,924	-	-	49,174	-	-	49,174
	Exploration	6,853,084	111,630	(19,943)	6,944,771	129,065	(13,902)	7,059,934
Quebec								
Atwatter	Mineral property	-	-	-	-	-	-	-
	Exploration	186,823	24,318	(211,141)	-	14,053	(14,053)	-
Beauchastel	Mineral property	-	-	-	-	-	-	-
	Exploration	200,455	24,391	(68,888)	155,958	5,593	(161,551)	-
Cadillac	Mineral property	2,683,652	-	-	2,683,652	-	-	2,683,652
	Exploration	3,099,733	193,064	(6,192)	3,286,605	15,422	-	3,302,027
Carpentier	Mineral property	-	55	-	55	-	(55)	-
	Exploration	-	107,778	-	107,778	11,053	(118,831)	-
Destor & Poularies	Mineral property	1,187	488	(1,675)	-	-	-	-
	Exploration	1,992,973	37,205	(1,545,013)	485,165	26,486	-	511,651
Dufresnoy, Vauze	Mineral property	972	-	-	972	-	-	972
	Exploration	142,833	12,105	-	154,938	888	-	155,826
Duvan Copper	Mineral property	-	1,041	(1,041)	-	119	(119)	-
	Exploration	12,017	80,850	(31,195)	61,672	12,575	(74,247)	-
Francoeur	Mineral property	-	-	-	-	238	-	238
	Exploration	-	27,159	-	27,159	116,559	-	143,718
Great Plains	Mineral property	494	308	-	802	-	(802)	-
	Exploration	9,138	93,324	-	102,462	17,277	(119,739)	-
Malartic	Mineral property	192	-	(192)	-	-	-	-
	Exploration	446,478	5,145	(32,999)	418,624	36,132	(87,362)	367,394
Montalembert	Mineral property	-	6,536	-	6,536	213	-	6,749
	Exploration	-	188,888	-	188,888	193,860	-	382,748
Poirier & Joutel	Mineral property	-	-	-	-	-	-	-
	Exploration	224,324	193,660	(6,443)	411,541	8,794	(513)	419,822
Rouyn	Mineral property	3,553	139	(3,243)	449	-	-	449
	Exploration	150,302	81,275	(27,994)	203,583	12,979	(168)	216,394
Santa Anna	Mineral property	141,124	32	-	141,156	-	-	141,156
	Exploration	11,190	27,298	-	38,488	2,454	-	40,942
Tavernier	Mineral property	-	-	-	-	-	-	-
	Exploration	337,579	19,640	(12,252)	344,967	9,626	(2,478)	352,115
Tiblemont	Mineral property	342	-	-	342	-	-	342
	Exploration	102,727	1,715	(104,442)	-	221	(221)	-
Tonnancour	Mineral property	-	221	-	221	-	-	221
	Exploration	175,821	31,384	-	207,205	9,910	-	217,115
Other properties	Mineral property	84,737	16,908	(76,370)	25,275	150,522	(130,674)	45,123
	Exploration	217,274	499,830	(564,737)	152,367	520,801	(440,601)	232,567
Less: Quebec refundable tax credits	Exploration	(1,443,307)	-	-	(1,443,307)	-	-	(1,443,307)
	Mineral property	2,916,253	25,728	(82,521)	2,859,460	151,092	(131,650)	2,878,902
	Exploration	5,866,360	1,649,029	(2,611,296)	4,904,093	1,014,683	(1,019,764)	4,899,012
Other regions	Mineral property	-	-	-	-	-	-	-
	Exploration	-	13,784	(13,784)	-	17,358	(17,358)	-
Total mineral properties		2,963,217	25,728	(82,561)	2,908,634	250,539	(131,810)	3,027,363
Total exploration		12,841,478	1,793,777	(2,786,391)	11,848,864	1,242,580	(1,063,087)	12,028,357

CORPORATE INFORMATION

Board of Directors

Jack Stoch
Director
Toronto, Ontario Canada

Dianne Stoch
Director
Toronto, Ontario Canada

Independent Directors

Ian Atkinson (1) (2) (3)
The Woodlands,
Texas, USA

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

Johannes H.C. van Hoof (1) (2) (3)
Director
Buenos Aires, Argentina

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

Stock Exchange Listings

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

Germany - Trading Symbol: **G1MN**
Frankfurt Stock Exchange
Stuttgart Stock Exchange
Berlin Stock Exchange
Munich Stock Exchange
Tradegate Stock Exchange
Lang & Schwartz Stock Exchange

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

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

CUSIP No. 379900509

Officers

Jack Stoch
President and Chief Executive Officer

Dianne Stoch
Executive Vice President

James Wilson
Chief Financial Officer, Treasurer and Corporate Secretary

Auditors

Deloitte LLP "Comptables Professionnels agréés"
Montreal, Quebec Canada

Legal Counsel

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

Transfer Agent & Registrar

Computershare Investor Services Inc.
Montreal, Quebec Canada

Head Office

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Annual Meeting of Shareholders

May 31, 2017 at 11:00 a.m.
Best Western Plus Hotel Albert
84, Principale Avenue
Rouyn-Noranda, Quebec Canada