



INTERIM REPORT

**THREE MONTHS ENDED MARCH 31, 2017
(UNAUDITED)**

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STATEMENT CONCERNING THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Management has compiled the unaudited interim condensed consolidated financial report as of March 31, 2017 and 2016. The statements have not been audited or reviewed by the Corporation's auditors or any other firm of chartered professional accountants.

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Management's Discussion and Analysis

For the three-month period ended March 31, 2017

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") interim condensed consolidated financial statements for the three-month period ended March 31, 2017 and the annual consolidated financial statements for the two years ended December 31, 2016 and December 31, 2015. This document has been prepared as of May 4, 2017.

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Overview

Globex Mining Enterprises Inc. ("Globex") is a North American focused exploration and development property bank which operates under the project generator model 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 anticipated tax cuts and infrastructure spending plans in the U.S.

In 2016, we also saw a significant number of financings by junior mining companies which enabled Globex to option a number of properties. Junior mining financings have continued in 2017. During the first quarter of 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 the U.K., 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 \$1,228 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, 2012 - 2016)**

Commodities (USD)	Current	December 31,				
	Q1 -2017	2016	2015	2014	2013	2012
Gold (\$/oz)	1,244.85	1,145.00	1,060.00	1,180.00	1,205.00	1,656.00
Silver (\$/oz)	18.06	16.24	13.83	15.70	19.44	30.06
Nickel (\$/pound)	4.51	4.53	4.00	6.68	6.31	7.89
Copper (\$/pound)	2.64	2.50	2.13	2.85	3.35	3.61
Zinc (\$/pound)	1.24	1.16	0.73	0.98	0.92	0.92

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 \$1.17 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 three-month period ended March 31, 2017

- Exploration expenses for the first quarter totalled \$364,523 (2016 - \$304,627) which reflects eligible flow-through expenditures of \$336,894 (2016 - \$239,444) and non-flow through expenditures of \$27,629 (2016 - \$65,183). Further details on pages 5-- 8.
- Revenues for the first quarter of 2017 were \$480,394 as compared to \$55,000 in 2016. The increase reflects the results of receiving option payments under the various agreements completed in 2016. Further details on pages 12.
- Total expenses for the quarter were \$410,009 (2016 - \$306,425). After adjusting for the non-cash items (depreciation, share-based compensation, impairment provisions, and bad debts), the cash operating expenses were \$351,737 (2016 - \$228,901).
- In 2017, Globex reported income of \$143,644 as compared to a loss in the first quarter of 2016. The income in the current quarter is mainly a result of the increased option income.

- At March 31, 2017, cash and cash equivalents totalled \$1,403,352 (restricted funds - \$563,106) compared to \$1,412,273 at December 31, 2016 (restricted funds - \$900,000).
- During the first three months of 2017, Globex spent \$46,139 (2016 - \$10,160) on property acquisitions. The acquisitions in the current period includes \$35,000 related to six cells located in Blondeau Township, Quebec. The cells cover the Kelly Lake copper, nickel, platinum, palladium and cobalt zone. During the comparable period in 2016, the Devil's Pike Gold Property, was acquired by Globex issuing 350,000 Globex shares at a deemed price of \$0.25 per share.
- Proceeds from the sale of investments for the three months ended March 31, 2017 totalled \$49,400 (2016 - \$99,980). Sales in the current quarter consisted of 1,000,000 Secova Metals Corp. and 300,000 Great Thunder Gold Corp. shares.

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 three months ended March 31, 2017 totalled \$364,523 (2016 - \$304,627) which reflects eligible flow-through expenditures of \$336,894 (2016 - \$239,444) and non-flow through expenditures of \$27,629 (2016 - \$65,183).

During the three-month periods ended March 31, 2017 and 2016, exploration expenditures were incurred on the various projects as follows:

Property/Region/Township	2017	2016
	\$	\$
Ontario		
• Timmins Talc-Magnesite (Deloro)	8,282	70,301
• Other projects	68	5,732
	8,350	76,033
Quebec		
• Blackcliff (Malartic)	188	13,094
• Cameron (Grevet, Qc)	2,972	11,486
• Fabie Bay Magusi (Hebecourt, Montbray)	131,392	-
• Francoeur (Beauchastel)	47,895	13,766
• Great Plains (Clermont)	767	15,978
• Lac Ontario (St-Urbain)	20,051	510
• Lac Savignac (Northern Quebec)	28,089	-
• Lyndhurst (Destor / Poularies)	-	8,125
• Pandora-Wood & Central Cadillac (Cadillac)	1,401	5,324
• Pyrox (Clairy)	15,834	679
• Other projects	42,032	103,315
• General exploration	43,516	54,799
	334,137	227,076
Other regions		
• Nova Scotia	500	130
• New Brunswick	12,472	232
• Canada	475	-
• USA	1,156	1,156
• Europe	7,433	-
	22,036	1,518
Total exploration expenditures	364,523	304,627

Table 2

Notes:

1. The Property/Region/Townships are consistent with the groupings as reflected in Schedule A to the December 31, 2016 Audited Consolidated Financial Statements.
2. The Interim Condensed Consolidated Financial Statements report summarized mineral properties and deferred exploration expenses by region in Notes 11 and 12. 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.

The exploration expenditures by type are detailed in note 12 to the Interim Condensed Consolidated Financial Statements. During the three months ended March 31, 2017, the following major types of expenditures were incurred;

- Labour - \$131,769 (2016 - \$193,146),
- Drilling - \$90,000 (2016 - \$Nil),
- Transport and road access - \$48,482 (2016 - \$5,695),
- Mining property tax, permits and prospecting - \$34,107 (2016 - \$14,523),
- Geophysics - \$22,330 (2016 - \$2,500),
- Laboratory analysis and sampling - \$17,787 (2016 - \$44,500),
- Consulting - \$5,964 (2016 - \$8,378),
- Geology - \$3,250 (2016 - \$21,632),
- Reports, maps and supplies - \$7,072 (2016 - \$13,167),
- Other - \$3,762 (2016 - \$1,086).

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.

Project Activities, 2015 - 2017

- In 2015, Globex spent \$91,687 on the project directed towards developing 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 was 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.
- During the first quarter of 2017, \$8,282 was spent on the project completing various analyses in support of the completion of the revised resource estimate late in 2017.
- Globex continues to explore various opportunities for the potential products that could be produced and seek opportunities to realize financial benefits from this project.

Quebec projects

During the first quarter of 2017, exploration expenditures of \$334,137 (2016 - \$227,076) were incurred on Quebec projects. The expenditures include the completion of exploration assessment reports for 2017 work completed in late 2016 on the Francoeur/Arntfield Mines gold project.

Ground geophysics was completed on Lac Savignac and Pyrox projects and airborne geophysics was performed on Lac Ontario property.

Drilling was completed on the eastern part of the Fabie Bay- Magusi property overlaying the Duparquet Lake.

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

Projects on which the largest expenditures were incurred in the first quarter of 2017 are described below:

- **Fabie Bay/Magusi** (Hébécourt, Montbray) – Two drill holes were completed late in March on the eastern extension of the Fabie Bay-Magusi stratigraphy. Drilling was performed from the lake ice with helicopter support. The first hole was abandoned after 96 meters when the casing did not encounter the bedrock in the vicinity of the Smokey Creek Fault. The second hole encountered strongly altered rhyolite and was halted at 135 meters due to poor ice conditions. No base metals were intersected and a downhole pulse EM survey did not record any anomalies.
- **Francoeur and Arntfield Mines** (Beauchastel, Dasserat twps.) – A report was completed for drill hole FS-16-35 which returned 1.19 gpt Au over 74.0 m (true width 40 m) including 4.64 gpt Au over 8 m. Additional drill holes and stripping and trenching are being planned for the area of the discovery and different other historical intersections are being reviewed for new exploration target areas.

- **Lac Ontario** (St-Urbain) – A 460 linear km high resolution helicopter borne magnetic survey was completed in March and resulted in the definition of a large magnetic anomaly located directly north of ilmenite bearing fragments from glacial debris. The magnetic anomaly could possibly be the source of the ilmenite fragments since the ilmenite within the fragment are associated with some magnetite.
- **Lac Savignac** (Northern Quebec) – A ground magnetic survey on a 50 meter spacing grid was completed over a 700 metres diameter anomalous, circular airborne magnetic feature located on the Lac Savignac property. Based upon the results from the survey, the anomaly will be drill tested in the second quarter.
- **Pyrox** (Clairy) – Ground geophysics consisting in Max-Min and Mag surveys was completed on a 5 km linear grid during this winter. An electromagnetic anomaly from the survey will be drill tested in the second quarter.

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.
- On September 6, 2016 Globex issued a press release outlining that prospecting work had been completed and subsequently on October 24, 2016, Globex announced it had started a three to four-hole drill program on the property.
- 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. 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.

- During the first quarter of 2017, follow up work on the 2016 exploration programs and reporting was undertaken.

Mineral property acquisitions

During the first three months of 2017, Globex spent \$46,139 (2016 - \$10,160) on property acquisitions. The acquisitions in the current year includes \$35,000 related to six cells located in Blondeau Township, Quebec. The cells cover the Kelly Lake copper, nickel, platinum, palladium and cobalt zone. Further details related to this acquisition are outlined in Globex's press released of April 12, 2017 which is posted on Globex's web-site.

In the first quarter of 2016, the major property acquisitions consisted of:

- Francoeur and Arntfield Mine Gold Project (Beauchastel, Dasserat Twps., Quebec),
- Golden Pike Gold Property (also called Devil's Pike, New Brunswick),
- Cameron Shear Gold Property (Franquet and Grevet Twps., Quebec), as well as,
- Several other mineral properties including the Pyrox and Certac properties.

Optioned and royalty properties

The most significant partners' reporting for the period follows:

Johan Beetz Property (Walmer Capital Corp. (name changed to Enerspar Corp. March 30, 2017)- 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 Enerspar Corp. Subsequently, the agreement was modified and it was agreed that upon TSXV Exchange Enerspar would pay Globex \$100,000 and 2 million Enerspar shares to earn a 100% interest in the property subject to a 2.5% Gross Metal Royalty payable to Globex.

An initial \$100,000 cash payment was received on April 2, 2017 and 2 million shares were received on April 7, 2017.

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 (SiO₂) from the drilling.

In the second quarter of 016, Rogue reported that testing by Anzaplan concluded the high-grade silica found at Silicon Ridge is suitable for commercial applications. Anzaplan determined that possible products include silicon-based products, high value applications (glass, ceramics) and a variety of fillers. Rogue also announced that a bulk sample would be extracted at Silicon Ridge and processed by ANZAPLAN into a variety of products to support commercial discussions with potential customers.

On June 7, 2016, Rogue announced by press release a resource estimate completed by Met-Chem Canada which identified Measured and Indicated Resources of 9.7 Mt grading 98.6% SiO₂ and Inferred Mineral Resources estimated at 4.6 Mt grading 98.6% SiO₂. According to the press release, the resource estimate includes resources from 3 zones referred to as the South West, North East and Centre North zones, all zones are open along strike and down dip and have potential for expansion.

On September 14, 2016, Rogue issued a press release announcing a positive Preliminary Economic Assessment for Silicon Ridge Project. The PEA indicates a base case pre-tax NPV (10% discount rate) of \$36.5M and IRR of 40% (after-tax IRR of 33.9% and NPV at 10% of \$23.8M) and pre-production capital requirements of \$10.5M (plus \$2.6M

contingency). The preliminary Economic Assessment was filed on SEDAR on October 26, 2016. Subsequently on November 18, 2016, Rogue announced in a press release the results of a survey to quantify the volume of overburden that will be removed and stockpiled and will form a portion of the project optimization process.

On January 5, 2017, Rogue issued a press release providing an update regarding the further analysis to reduce the amount of overburden need to be stripped for open pit mining and the Board of Director's decision in favour of advancing the Silicon Ridge Project in 2017 by beginning to file the necessary application to secure the required permits, certificates and authorizations to initiate development activities. On February 13, 2017, Rogue issued a press release which outlined the major events anticipated for 2017, as the Company drives towards a development decision. On March 26, 2017, Rogue issued a press release providing an update regarding the positive results of public consultation related to the Silicon Ridge Project.

Maude Lake (Ramp Mine) (Beatty, Carr, Coulson Wilkie Twps) - On February 7, 2017, RJK Explorations Ltd announced assays result from four holes totalling 578 meters of its 5,000 meter drill program to further define the "5 zone." The best result was from drill hole RJK17-04 which intersected 5.37 gpt Au over 14.0 meters from 89.0 to 103.0 meters. On April 19 2017, RJK Exploration announced the beginning of phase 2 drilling targeting down plunge below the 330 meter level where historical drilling had returned high grade gold intersections.

Montalembert (Montalembert twp) - On November 17, 2016, Globex announced that Natan Resources Ltd. (NRL-V) had 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 agreed to 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).

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.

On February 27, 2017, Natan Resources announced that it had changed its name to Enforcer Gold Corp. On March 1, 2017, Enforcer announced the addition of over 4,000 hectares to the Montalembert property increasing its size to 7,293.6 hectares (all subject to terms of the option agreement). On March 28, 2017, Enforcer began a very high resolution aeromagnetic survey over the entire Montalembert property using Geotech's HeliGrad-VLF EM triaxial gradiometer system.

On March 30, 2017, Enforcer released metallic sieve assay results for the high grade Montalembert gold project. Seven out of nine samples returned higher gold grade (up to a 1835% increase) using metallic sieve compared to the previous analytical method using fire assay and gravimetric finish. 2017 exploration program will consist of data compilation, ground and airborne geophysics, stripping of overburden, mapping, prospecting, channel sampling, RC and diamond drilling.

Nordeau (Vauquelin, Pershing and Denain twps.) - On March 7, 2017, Chalice Gold Mines Ltd. has provided an updated mineral resource estimate comprising indicated mineral resources of 225,000 tonnes at 4.17 grams per tonne gold for 30,200 ounces Au contained and an inferred mineral resource of approximately 1,112,000 tonnes at 4.09 g/t Au for 146,3000 ounces Au contained within the Nordeau West gold deposit. On March 13, 2017, Chalice announced that they had commenced its 2,000 metre diamond drilling program.

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, 1,000,000 shares were received. On January 30, 2017, the second payment of \$100,000 was received and an additional 1,000,000 common shares were issued to Globex on April 22, 2017.

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, Press Release) 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 totalling 3,589 meters having intersected core lengths of 87.7 m grading 9.35% MnO and 16.54% Fe₂O₃ (SF-16-01), 78.9 m grading 11.48% MnO and 19.17% Fe₂O₃ (SF-16-02), 85.5 m grading 11.47% MnO and 19.31% Fe₂O₃ (SF-16-04), and 75.6m grading 12.11% MnO and 18.33% Fe₂O₃ (SF-16-04). In March 2017, Manganese X Energy Corp. entered into its next phase of work consisting of an innovative metallurgical project. It is also their intention to produce an inferred resources NI 43-101 technical report by December 2017.

On March 2, 2017, the Company issued a press release providing an update with Technical Insights which highlighted that the Company has entered into an innovative metallurgical project which is developing a process in order to produce a manganese concentrate to be utilized for production of Electrolytic Manganese Dioxide which is also known as EMD, EMD is a high value manganese product which is utilized within various applications especially for lithium ion battery cathode material for electric vehicles. The press release which is filed on www.sedar.com further highlights the analysis approaches being followed and the involvement of Kingston Process Metallurgy in an initial process and test work review.

On April 11, 2017, the Company announced that it had received preliminary results from SGS-Lakefield of chemical analyses, mineralogical characterizations and assessments of the Company's Sharpe Farm and Moody Hill occurrences at its manganese property near Houlton-Woodstock, New Brunswick.

Based on the initial drill assay results, chemical analyses showed manganese contents of 9.42 and 10.45% Mn in the Red and Grey composites respectively. From the X-ray diffraction and QuemScan (Quantitative Evaluation of Materials by Scanning Electron Microscopy) studies it was determined that the manganese occurs in several mineralogical forms including carbonates and silicates where the concentration across the various manganese-bearing species averaged 23% Mn (grey) and 27% Mn (red) with individual values of up to 45% Mn. In addition to the determination of the mineralogical composition of the samples submitted, PMA or particle map analysis was also carried out which permits measurement of individual mineral grain sizes and liberation characteristics. This

information will prove invaluable as the Company moves towards assessing proposals from various research establishments with the goal of upgrading the ore to produce a marketable manganese concentrate.

In addition to a series of outreach proposals to commercial laboratories, the Company has also commenced discussions for a potential collaboration with NRC, the National Research Council Canada, which has expertise in mineral processing within the Energy, Mining and Environment sector and could offer assistance to the Company as it positions itself to be a significant supplier to the North American Li-ion market.

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, Opawica announced that a delay in obtaining the access permit had required it to amend mobilization arrangements with the drill contractor. Drilling at Opawica's 100% owned Bazooka Property commenced in mid February 2017.

This press release reported that it had also obtained a three-month extension on its Option to acquire 100% interest in Globex's claims. The final option payment of \$30,000 and 500,000 Opawica common shares was 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. The \$30,000 cash payment and the issuance of 500,000 Opawica common shares were made effective April 21, 2017.

Sales and net option income

In 2017, the \$480,394 (2016 - \$55,000) represented cash of \$485,000 (2016 - \$80,000) and the fair value of shares in optionee companies of \$419,300 (2016 - \$12,500) minus recovered costs of \$423,906 (2016 - \$37,500).

Sales and net option income for the period March 31, 2017

Property, Agreements Summary	Net Option Income	Recovery of Property Acquisition	Recovery of Exploration Expenses
	\$	\$	\$
Option and sale payments under Agreements from prior years			
<ul style="list-style-type: none"> Enforcer Gold, Montalambert Property, Quebec, cash payment of \$300,000 and 1,500,000 common shares with a fair market value of \$315,000. 	218,722	6,749	389,529
<ul style="list-style-type: none"> Galway Metals, Tower Hill Property, Quebec, acquired for 260,000 common shares with a fair market value of \$79,300. 	78,640	660	-
<ul style="list-style-type: none"> Great Thunder Gold Corp., Chubb and Bouvier properties, Quebec, cash payments of \$20,000. 	18,167	-	1,833

Property, Agreements Summary	Net Option Income	Recovery of Property Acquisition	Recovery of Exploration Expenses
	\$	\$	\$
<ul style="list-style-type: none"> • Manganese X Energy Corp., Houlton Woodstock property, New Brunswick, cash payments of \$100,000. 	99,865	-	135
<ul style="list-style-type: none"> • Opawica Explorations Inc., Beauchastel claims, Quebec, cash payment of \$5,000 and 250,000 common shares with a fair market value of \$25,000. 	30,000	-	-
<ul style="list-style-type: none"> • Other, Fabie Bay, Magusi, Hébecourt & Montbray Twps, Quebec, cash payment of \$25,000. 	-	-	25,000
Advance royalties			
<ul style="list-style-type: none"> • Tres-Or Resources, Duvay (5 claims), Quebec, cash payment of \$35,000. 	35,000	-	-
Net option income and advance royalties for the year	480,394	7,409	416,497

Table 5

Galway Metals Inc., Tower Hill Property

On December 14, 2016, Globex entered into an agreement with Galway Metals Inc. and a 252780 Ontario Inc. for them to acquire the Tower Hill Property located in New Brunswick. The purchase price of 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.

Khalkos Exploration Inc., Deane Property

On April 20, 2017, Globex entered into a purchase agreement whereby Khalkos Exploration Inc. agreed to acquire a 100% legal and beneficial interest in the Deane Property located in Cadillac Township, Quebec comprised of 3 mining claims. Under the agreement, Khalkos agreed to; make a cash payment of \$10,000, issue 175,000 Khalkos common shares and reserve a 2% GMR for Globex.

Royalties

At March 31, 2017, thirty-one royalty arrangements were in effect at various stages. The overall total of royalty arrangements remained unchanged from December 31, 2016. 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.

Summary of quarterly results

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

	2017		2016			2015		
	Q1 \$	Q4 \$	Q3 \$	Q2 \$	Q1 \$	Q4 \$	Q3 \$	Q2 \$
Total revenues	480,394	374,242	452,305	475,442	55,000	20,000	31,569	660,209
Total expenses	410,009	813,314	615,404	268,245	306,425	2,074,489	1,263,982	375,646
Other income (expenses)	166,637	(118,188)	114,703	(79,664)	97,379	(7,299)	(94,323)	(122,166)
Income (loss) ⁽¹⁾	143,644	(240,128)	(71,570)	58,611	(130,669)	(1,610,973)	(945,833)	(47,142)
Income (loss) per common share - Basic and diluted	0.00	(0.01)	(0.00)	0.00	(0.00)	(0.04)	(0.02)	(0.00)

Table 6

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. Based on their May 4, 2017, earnings release they appear slightly ahead of their previously announced schedule.
- During the second, third and fourth quarters of 2016, as well as the first quarter of 2017, 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.
- During the first quarter of 2017, the total expenses increased by \$69,954 over the fourth quarter of 2016, excluding impairment provisions, as a portion of the President and CEO and Executive Vice-President salaries which were reduced in 2014 were reinstated and investor relations expenses increased. In each of the previous seven quarters, the total expenses have declined 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 three-month period ended March 31, 2017

Revenues

During the quarter ended March 31, 2017, revenues totalled \$480,394 which was \$425,394 higher than the \$55,000 reported in the comparable period in 2016. The increase reflects revenues generated from Option agreements negotiated in 2016 which received regulatory approval in the first quarter of 2017 and Globex received cash payments or common shares in the Optionee Company.

Total expenses (March 31, 2017 - \$410,009; March 31, 2016 - \$306,425)

During the three-month period ended March 31, 2017, the total expenses were \$410,009 as compared to \$306,425 in the comparable period in 2016 which represents an increase of \$103,584. The change mainly represents increase in salaries, administration and professional fees.

Salaries

- The increase in salaries from \$85,903 in the first quarter of 2016 to \$125,294 in the period ended March 31, 2017 reflects a partial reinstatement of the President and CEO and Executive Vice-President salary reductions which had been instituted in 2014.

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 17 to the Interim Condensed Consolidated financial statements.
- During the three-month period ended March 31, 2017, the administration expenses totalled \$85,205 as compared to \$60,610 in the comparable period in 2016. The increase of \$24,595 mainly reflects additional translation fees, convention and meeting expenses as well as an increase in the office expenses.

Professional fees and outside services

- The professional fees and outside services represent a combination of services as detailed in note 17 to the Interim Condensed Consolidated financial statements.
- During the three-month period ended March 31, 2017, the Professional fees and outside service costs totalled \$139,719 as compared to \$62,116 in 2016. The increase of \$77,603 is mainly related to the additional investor relations efforts.

Depreciation and amortization

- The decrease of \$5,472 in the depreciation and amortization expense from \$10,664 in 2016 to \$5,192 in 2017 is due to some fixed assets which are now fully amortized.

Share-based compensation and payments

- For the period ended March 31, 2017, no share-based compensation and payments were recorded as compared to \$4,678 in the comparable period in 2016. No options were granted in either this quarter or in the same period in 2016.

Impairment of mineral properties and deferred exploration expenses

- The impairment provision is made against properties for which claims have lapsed or no immediate future expenditures are planned as well as general exploration expenses.

- During the first quarter of 2017, there were no significant changes in the exploration plans or budgets which were established at December 31, 2016 and therefore no properties were identified as impaired during the period. The \$53,080 (2016 - \$56,417) represents the expensing of general exploration.

Loss on foreign exchange

- During the three-month period ended March 31, 2017, a loss on foreign exchange of \$1,519 (March 31, 2016 - gain of \$20,272) was recorded which mainly represents the net adjustment of the values of assets and liabilities at the end of the period. The change in the current period reflects the reduction in the Corporation's US dollar net assets.

Bad debt

- During the three-month period ended March 31, 2017, no bad debt expense was recorded (March 31, 2016 – \$5,765).

Other income (expenses) (March 31, 2017 – \$166,637; March 31, 2016 – \$97,379)

- Other income (expenses) reflects interest income, joint venture income (loss), the increase in fair value of financial assets, management services including administrative, compliance, corporate secretarial, risk management support and advisory services provided to CIM.
- In the first quarter of 2017, the Corporation recorded an increase in fair value of financial assets of \$133,032 (March 31, 2016 – \$72,087). The fair value of equity investments is detailed in note 6 to the March 31, 2017 Interim Condensed Consolidated financial statements.
- During the three-month period ended March 31, 2017, the Corporation recorded management services income of \$20,262 (March 31, 2016 - \$2,500) as Chibougamau was active and involved with exploration programs.
- In the first quarter of 2017, the Corporation recorded a gain of \$2,150 on the sale of one million Secova Metals Corp. and 300,000 Great Thunder Gold Corp common shares which had been received under property option agreements. In the first quarter of 2016, we sold 250,000 Integra Gold Corporation shares at \$0.40 per share for net proceeds of \$99,980 and a gain on sale of investments of \$17,480.

Income and mining tax expense (recovery) (March 31, 2017 - \$93,378 March 31, 2016 – (\$23,377))

- An income and mining tax expenses of \$93,378 has been reported in the first quarter of 2017 as compared to a recovery of \$23,377 in the first quarter of 2016. The provision in the current period reflects the earnings in the period and the sale of benefits whereas the recovery in 2016 mainly represents the recovery related to the sale of tax benefits in the first quarter of 2016.
- The deferred income and mining tax provisions in the current year reflects management's best estimate of future tax rates substantially enacted and current tax planning strategies. It also reflects the impact of non-deductible items (share-based payments, impairment provisions on non-financial assets, a decrease in fair value of financial assets) as well as tax planning strategies to minimize the taxable income inclusion for shares received under mining option agreements executed on Globex mineral properties.

Financial position

Total assets

The \$345,589 increase in total assets from \$18,724,603 at December 31, 2016 to \$19,070,192 at March 31, 2017 mainly represents an increase in investments of \$505,082 and mineral properties of \$38,730 and offsetting

reductions in; cash and cash equivalents of \$8,921, deferred exploration of \$105,054 and other assets of \$84,248.,

Total liabilities

At March 31, 2017, the current liabilities were \$419,655 as compared to \$282,123 at December 31, 2016 which represents an increase of \$137,532. The increase in the accounts payable and accruals reflects increased exploration activities involving outside contracts during March 2017.

The related party payable of \$4,946 represents a liability to Duparquet Assets Limited (“DAL”) of \$81,378 (December 31, 2016 - \$83,179) and offsetting other related party receivables of \$76,432 (December 31, 2016 - \$24,268). The liability to DAL represents option payments received directly by Globex for the Duquesne West Gold Property which had been optioned to Xmet Inc. The property is held under a joint venture arrangement between Globex and Jack Stoch Geoconsultant Services 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 March 31, 2017, the liability was \$62,567 (December 31, 2016 - \$100,000) with the reduction in the first quarter of 2017 reflecting the impact of qualified flow-through exploration expenditures during the quarter.

Deferred tax liabilities

The deferred tax liabilities were \$1,375,911 at March 31, 2017 as compared to \$1,245,100 at December 31, 2016. The net increase of \$130,811 reflects the net impact of income generated in the quarter, 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 liability mainly is 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 March 31, 2017, owners’ equity, consisting of share capital, warrants, deficit, and contributed surplus - equity settled reserve totalled \$16,578,938 (December 31, 2016 - \$16,410,294). Details of the changes are provided in the Interim Condensed Consolidated Statement of Equity.

Share capital

At March 31, 2017, the share capital of the Corporation totalled \$55,070,916 which represented an increase of \$27,078 from \$55,043,838 at December 31, 2016 and reflected 48,902,706 common shares outstanding.

Liquidity, working capital, cash flow and capital resources

At March 31, 2017, the Corporation had cash and cash equivalents of \$840,246 (December 31, 2016 - \$512,273) and cash reserved for exploration of \$563,106 (December 31, 2016 - \$900,000). In addition, it had Investments with a fair market value of \$1,250,747 (December 31, 2016- \$745,665) which represents shares received under mining option agreements.

The Corporation’s working capital (based on current assets minus current liabilities) was \$2,428,780 at March 31, 2017 (December 31, 2016 - \$2,147,063).

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, late in the third quarter of 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 three-month period ended March 31, 2017, the operating activities used \$42,600 (March 31, 2016 - \$212,350), the financing activities generated \$25,000 (2016 – Nil) and the Investing activities generated \$8,679 (2016 - used - \$184,391).

The operating, financing, and investing activities during the three-month period March 31, 2017, resulted in a net decrease in cash and cash equivalents of \$8,921 (2016 - \$396,741).

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 matches 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 2016.

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 \$1,403,352 at March 31, 2017 (December 31, 2016 - \$1,412,273). 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 Canadian financial institutions.

The maximum exposure to credit risk was:

	March 31, 2017 \$	December 31, 2016 \$
Cash and cash equivalents	840,246	512,273
Cash reserved for exploration	563,106	900,000
Investments	1,250,747	745,665
Accounts receivable	60,857	104,450
	2,714,956	2,262,388

Table 7

(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 with a current fair market value of \$1,250,747 (December 31, 2016- \$745,665). Based on the balance outstanding at March 31, 2017, a 10% increase or decrease would impact income and loss by \$125,075 (December 31, 2016 - \$74,566).

(d) Currency risk

Globex receives US dollar gross metal royalty payments from 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 three-month periods ended March 31, 2017 and March 31, 2016, Globex received no royalty payments.

At March 31, 2107, Globex had an advance royalty liability of USD \$56,450 (CDN - \$75,203) (December 31, 2016 - USD \$56,450; CDN - \$75,796).

(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).

March 31, 2017	Level 1	Level 2	Level 3	Total Financial
	\$	\$	\$	Assets at fair Value
Financial assets				\$
Cash and cash equivalents	-	840,246	-	840,246
Cash reserved for exploration	-	563,106	-	563,106
Equity investments	1,216,988	33,759	-	1,250,747
Accounts receivable	-	-	60,857	60,857
Reclamation bonds	-	785,520	-	785,520
	1,216,988	2,222,631	60,857	3,500,476

Table 8

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

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

December 31, 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 9

Outstanding share data

At December 31, 2016, the Corporation had 48,852,706 common shares, 3,121,975 warrants, as well as 3,242,500 stock options outstanding which resulted in fully diluted common shares of 55,217,181.

Issued on exercise of warrants

- On March 2, 2017, 50,000 warrants with a fair market value per share of \$0.04156 were exercised at an exercise price of \$0.50 per share.

Issued on exercise of stock options

- On April 3rd and April 4th, 2017, 80,000 and 30,000 respectively stock options were exercised resulting in the issuance of 110,000 common shares at an exercise price of \$0.235 per share.

At March 31, 2017, 48,902,706 common shares were outstanding and at May 4, 2017, 49,012,706 common shares were outstanding.

Warrants

At December 31, 2016, 3,121,975 warrants were outstanding and following the exercise on March 2, 2017 of 50,000 warrants, 3,071,975 were outstanding at March 31, 2017 and May 4, 2017.

Warrants Outstanding, March 31, 2017

Issue Date	Expiry Date	Number of Warrants	Exercise Price
1. November 26, 2015	November 26, 2017	1,551,975	\$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
		3,071,975	

Table 10

Stock Options

At December 31, 2016, the Corporation had 3,242,500 stock options outstanding and 1,720,000 options were available for future grants. During the three-month period ended March 31, 2017, there were no changes in the

stock options which resulted in 3,242,500 options outstanding and 1,720,000 were available for grant under all option plans.

On April 3rd and April 4th, 2017, 80,000 and 30,000 respectively stock options were exercised resulting in the issuance of 110,000 common shares at an exercise price of \$0.235 per share. In addition, on April 3, 2017, 5,000 options were cancelled which resulted in 3,127,500 options outstanding and 1,725,000 available for future grant at May 4, 2017.

Fully Diluted Shares

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

On May 4, 2017, the Corporation had 49,012,706 common shares issued, 3,071,975 warrants outstanding and 3,127,500 options outstanding for fully diluted common shares of 55,212,181.

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. Further details with respect to the following risks are outlined in the Corporation's December 31, 2016 Annual Information Form:

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

Related party information

	December 31, 2016	December 31, 2016
Related party payables (receivables)	\$	\$
Jack Stoch Geoconsultant Limited	(6,717)	(6,717)
Chibougamau Independent Mines Inc.	(69,715)	(17,551)
Duparquet Assets Limited	81,378	83,179
	4,946	58,911

Table 11

As reflected in the statement of cash flows there was a net cash decrease of \$53,965 (2016 - \$7,084) in the related party net payables during the period.

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 \$20,262 (March 31, 2016 - \$2,500) for the three-month period ended March 31, 2017 represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement. The fees involve costs related to finalizing the year-end and annual filings and in the first quarter of 2017, CIM was active in undertaking exploration activities resulting in the increased fees.

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:

	March 31, 2017	March 31, 2016
	\$	\$
Management compensation		
Salaries and other benefits	67,628	48,093
Professional fees and outside services ⁽ⁱ⁾	-	10,955
Deferred exploration expenses – consulting and geology fees ⁽ⁱ⁾	-	19,083
Fair value of share-based compensation	-	4,678
	67,628	82,809

Table 12

- (i) The Vice-President Operations was an independent contractor with a portion of his compensation included in Other Professional fees in the Interim Condensed Consolidated Statement of Income (Loss) and Comprehensive Income (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.

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 significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied (Note 5) to the consolidated financial statements as at and for the year ended December 31, 2016.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining adequate disclosure controls and procedures ("DCP") as well as internal controls over financial reporting ("ICFR") as described in our 2016 annual MD&A.

The Corporation's Chief Executive Officer and Chief Financial Officer, with the participation of management last completed an evaluation of the design and operating effectiveness of the Corporation's DCP's and ICFR's as at December 31, 2016. Based on that assessment, management concluded that the Corporation's ICFR were operating effectively at December 31, 2016 which was based on the 2013 COSO Model.

During the three - month period ended March 31, 2017, the CEO and CFO have evaluated whether there were changes to the ICFR that have materially affected, or are reasonably likely to materially affect, the ICFR. No such significant changes were identified through their evaluation which was based on the 2013 COSO Model.

Outlook

The Economic Environment and Strategy sections of this MD&A (pages 2 - 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 December 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. 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. However, at that time, we indicated that we were hopeful that our marketing efforts would generate option agreements.

At December 31, 2016, we had also negotiated option/sale agreements which required regulatory approval or the completion of related financings and we anticipated recording revenues during the first and second quarters of 2017. Pages 12 and 13, Sales and net option income provide further details related to the net option income related to the Montalamber (\$218,722) and Tower Hill (\$78,640) gold properties recorded in the first quarter of 2017. In early April, we received \$100,000 cash and 2 million common Enerspar shares with a fair value of \$100,000 related to the Johan Beetz feldspar property. We are continuing our marketing efforts and are projecting net option revenues of in excess of \$1.0 million for 2017 based on existing contracts. As described under the capital resources section of this MD&A, page 17, Globex anticipates late in the third quarter of 2017, to begin receiving monthly metal royalties from Nyrstar Inc. of between \$CDN \$100,000 and \$CDN 120,000 per month.

While we are currently optimistic, however, we recognize the potential volatility in the economic outlook due to the lack of predictability related to the U.S. administration's governing style, political tensions throughout the world, and upcoming elections in the U.K. France, and Germany.

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 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 2017 and/or 2016 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 May 4, 2017.

GLOBEX MINING ENTERPRISES INC.

Interim Condensed Consolidated Statement of Income (loss)
and Comprehensive Income (loss)
(Unaudited - In Canadian dollars)

	Notes	Three months ended March 31,	
		2017	2016
		\$	\$
Continuing operations			
Revenues	16	480,394	55,000
Expenses			
Salaries		125,294	85,903
Administration	17	85,205	60,610
Professional fees and outside services	17	139,719	62,116
Depreciation	10	5,192	10,664
Share-based compensation and payments	19	-	4,678
Impairment of mineral properties and deferred exploration expenses	11, 12	53,080	56,417
Loss on foreign exchange		1,519	20,272
Bad debt		-	5,765
		410,009	306,425
Loss from operations		70,385	(251,425)
Other income (expenses)			
Interest & dividends		3,074	1,672
Joint venture loss	9	(967)	-
Increase in fair value of financial assets		133,032	72,087
Gain on the sale of investments		2,150	17,480
Management services	20	20,262	2,500
Other		9,086	3,640
		166,637	97,379
Income (loss) before taxes		237,022	(154,046)
Income and mining tax expense (recovery)	15	93,378	(23,377)
Income (loss) and comprehensive income (loss) for the period		143,644	(130,669)
Income (loss) per common share			
Basic and diluted	18	0.00	(0.00)
Weighted average number of common shares outstanding		48,868,817	44,770,783
Shares outstanding at end of period		48,902,706	44,797,706

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

GLOBEX MINING ENTERPRISES INC.

Interim Condensed Consolidated Statements of Cash Flows

(Unaudited - In Canadian dollars)

	Notes	Three months ended	
		2017	March 31, 2016
		\$	\$
Operating activities			
Income (loss) and comprehensive income (loss) for the period		143,644	(130,669)
Adjustments for:			
Disposal of mineral properties for shares	16	(419,300)	(12,500)
Increase in fair value of financial assets		(133,032)	(72,087)
Depreciation	10	5,192	10,664
Foreign exchange rate variation on reclamation bond		1,177	9,732
Impairment of mineral properties and deferred exploration expenses	11, 12	53,080	56,417
Gain on the sale of investments		(2,150)	(17,480)
Deferred income and mining tax expense (recovery)	15	93,378	(23,377)
Income and mining tax refund		-	19,447
Share-based compensation and payments	19	-	4,678
		(401,655)	(24,506)
Share of net loss from investment in joint venture	9	967	-
Changes in non-cash working capital items	21	214,444	(57,175)
		(42,600)	(212,350)
Financing activities			
Proceeds from exercised warrants	19	25,000	-
		25,000	-
Investing activities			
Decrease in related party payable	20	(53,965)	(7,084)
Deferred exploration expenses	12	(364,523)	(304,627)
Mineral properties acquisitions	11	(46,139)	(10,160)
Proceeds from sale of investment		49,400	99,980
Proceeds on mineral properties optioned	11, 12	423,906	37,500
		8,679	(184,391)
Net increase (decrease) in cash and cash equivalents		(8,921)	(396,741)
Cash and cash equivalents, beginning of period		1,412,273	1,276,930
Cash and cash equivalents, end of period		1,403,352	880,189
Cash and cash equivalents		840,246	42,519
Cash reserved for exploration		563,106	837,670
		1,403,352	880,189

Supplementary cash flows information (note 21)

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

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

	Notes	March 31, 2017 \$	December 31, 2016 \$
Assets			
Current assets			
Cash and cash equivalents	4	840,246	512,273
Cash reserved for exploration	5	563,106	900,000
Investments	6	1,250,747	745,665
Accounts receivable	7	60,857	104,450
Prepaid expenses and deposits		133,479	166,798
		2,848,435	2,429,186
Reclamation bonds	8	785,520	786,697
Investment in joint venture	9	49,107	50,074
Properties, plant and equipment	10	397,734	402,926
Mineral properties	11	3,066,093	3,027,363
Deferred exploration expenses	12	11,923,303	12,028,357
		19,070,192	18,724,603
Liabilities			
Current liabilities			
Payables and accruals	13	419,655	282,123
		419,655	282,123
Related party payable	20	4,946	58,911
Other liabilities	14	62,567	100,000
Deferred tax liabilities	15	1,375,911	1,245,100
Restoration liabilities	8	628,175	628,175
Owners' equity			
Share capital	19	55,070,916	55,043,838
Warrants	19	213,524	215,602
Contributed surplus - Equity settled reserve		4,373,377	4,373,377
Deficit		(43,078,879)	(43,222,523)
		16,578,938	16,410,294
		19,070,192	18,724,603

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

Approved by the board

"Jack Stoch"
Jack Stoch, Director

"Dianne Stoch"
Dianne Stoch, Director

GLOBEX MINING ENTERPRISES INC.

Interim Condensed Consolidated Statements of Equity

(Unaudited - In Canadian dollars)

	Notes	Three months ended		Year ended
		2017	March 31,	December 31,
		\$	2016	2016
			\$	\$
Common shares				
Beginning of period		55,043,838	53,592,497	53,592,497
Issued on exercise of options	19	-	-	37,541
Issued on exercise of warrants	19	27,078	-	-
Fair value of shares issued under private placements	19	-	-	1,468,000
Fair value of shares issued in connection with mineral property acquisition	19	-	87,500	199,500
Fair value of warrants	19	-	-	(137,833)
Share issuance costs, net of taxes (December 31, 2016 - \$38,517)	19	-	-	(115,867)
End of period		55,070,916	53,679,997	55,043,838
Warrants				
Beginning of period		215,602	76,298	76,298
Issued in connection with private placement	19	-	-	137,833
Issued to a finder	19	-	-	11,200
Exercised during the period	19	(2,078)	-	-
Expired during the period	19	-	-	(9,729)
End of period		213,524	76,298	215,602
Contributed surplus - Equity settled reserve				
Beginning of period		4,373,377	4,224,466	4,224,466
Share-based compensation	19	-	4,678	152,199
Exercised options	19	-	-	(13,017)
Expired warrants during the period	19	-	-	9,729
End of period		4,373,377	4,229,144	4,373,377
Deficit				
Beginning of period		(43,222,523)	(42,838,767)	(42,838,767)
Income (loss) attributable to shareholders		143,644	(130,669)	(383,756)
End of period		(43,078,879)	(42,969,436)	\$ (43,222,523)
Total Equity		16,578,938	15,016,003	\$ 16,410,294

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

Notes to the Interim Condensed Consolidated Financial Statements
Periods ending March 31, 2017 and 2016
(Unaudited - 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 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, potash, feldspar, pyrophyllite as well as talc and magnesite).

Globex was incorporated in the Province of Quebec and 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

Basis of Presentation

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

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.

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 Interim Condensed 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.

2. Basis of presentation and going concern (continued)

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

Statement of Compliance

These Interim Condensed Consolidated financial statements have been prepared by Management in accordance with IAS 34, Interim Financial Reporting.

The preparation of Interim Condensed Consolidated financial statements in accordance with IAS 34 requires the use of certain critical judgments, estimates and assumptions that effect the applications of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied (Note 5) in the consolidated financial statements as at and for the year ended December 31, 2016.

Approval of Financial Statements

The Corporation's Board of Directors approved these Interim Condensed Consolidated financial statements for the periods ended March 31, 2017 and March 31, 2016 on May 5, 2017.

3. Summary of significant accounting policies

These Interim Condensed Consolidated financial statements have been prepared using the same accounting policies and methods of computation as compared with the most recent annual consolidated financial statements (Note 4) of the Corporation's audited financial statements for the year ended December 31, 2016 with the exception of the International Financial Reporting Standards adopted as described below.

The disclosure contained in these Interim Condensed Consolidated financial statements does not include all the requirements in IAS 1 Presentation of Financial Statements. Accordingly, the Interim Condensed Consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2016.

(a) International Financial Reporting Standards adopted

In preparing these Interim Condensed Consolidated financial statements for the three-month period ended March 31, 2017 and as March 31, 2017, the Corporation has adopted the amendments to *IAS 7 Statement of Cash Flow* which related to the disclosure of changes in liabilities arising from financing activities. The adoption of these standards has not resulted in any material changes in these Interim Condensed 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.

3. Summary of significant accounting policies (continued)

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.

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 and it 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.

4. Cash and cash equivalents

	March 31, 2017 \$	December 31, 2016 \$
Bank balances	840,246	512,273

5. Cash reserved for exploration

	March 31, 2017 \$	December 31, 2016 \$
Bank balances	63,106	-
Short-term deposit	500,000	900,000
	563,106	900,000

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.

6. Investments

Corporation Name	Number of Shares	March 31, 2017	Number of Shares	December 31, 2016
		Fair Value \$		Fair Value \$
Canadian Metals Inc.	200,000	12,000	200,000	24,000
Enforcer Gold Corp.	1,500,000	352,500	-	-
Galway Metals Inc.	260,000	98,800	-	-
Great Thunder Gold Corp.	2,100,000	168,000	2,400,000	84,000
Knick Exploration Inc.	1,000,000	55,000	1,000,000	55,000
Laurion Mineral Exploration Inc.	3,000,000	105,000	3,000,000	120,000
Mag Copper Limited ⁽¹⁾	337,592	33,759	337,592	8,440
Manganese X Energy Corp.	1,000,000	155,000	1,000,000	190,000
Opawica Explorations Inc.	750,000	68,750	500,000	40,000
Renforth Resources Inc.	750,000	37,500	750,000	26,250
Rogue Resources Inc.	100,000	50,000	100,000	65,000
Secova Metals Corp.	-	-	1,000,000	35,000
Sphinx Resources Ltd.	1,100,000	71,500	1,100,000	66,000
Other equity investments		42,938		31,975
		1,250,747		745,665

Notes

(1) On February 2, 2017, Mag Copper Limited completed a five for one share consolidation. The comparative number of shares at December 31, 2016 have been adjusted on the basis of the share consolidation.

These investments were received under various mining option agreements and all of the shareholdings represent less than 10% of outstanding shares of each individual Issuer.

7. Accounts receivable

	March 31, 2017	December 31, 2016
	\$	\$
Trade receivables	46,504	96,609
Bad debt provision	(4,109)	(4,109)
Net trade receivables	42,395	92,500
Taxes receivable	18,462	11,950
	60,857	104,450

Net trade receivables of \$42,395 (December 31, 2016 - \$92,500) 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.

8. Reclamation bonds and restoration liabilities

Reclamation bonds

	March 31, 2017	December 31, 2016
	\$	\$
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	149,371	150,548
Deposits with Province of Quebec, MERN	628,175	628,175
	785,520	786,697

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 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.

On June 30, 2016, Globex acquired the Francoeur Property and related mining infrastructure as well as the Arncoeur and Norex Properties from Richmond Mines Inc.

Under the arrangement with Richmond Inc., Globex assumed the restoration and rehabilitation liabilities for the Francoeur Property mining site of \$628,175 and the ownership of \$471,132 deposited with the Ministère de l'Énergie et des Ressources naturelles (MERN). The transfers were approved by the MERN on July 13, 2016. On November 24, 2016, Globex issued a letter of credit of \$157,043, fully secured by a short-term investment, to the MERN resulting in fully funding the restoration liabilities.

Restoration Liabilities

	March 31, 2017	December 31, 2016
	\$	\$
Francoeur Property restoration and rehabilitation liabilities	628,175	628,175

9. Investment in joint venture

	\$
Balance, January 1, 2017	50,074
Add:	
Globex's 50% share of DAL's net loss for the three months ended March 31, 2017	(967)
Balance, March 31, 2017	49,107

On February 16, 2010, Globex and Jack Stoch Geoconsultant Limited ("GJSL", a company owned by Jack Stoch President, CEO and Director of Globex) entered into a joint venture agreement with Duparquet Assets Limited ("DAL") related to the Duquesne West Gold Property which was 50% owned by Globex and GJSL respectively.

On February 18, 2010, a mineral option agreement, related to this property was signed between; (a) Globex and (b) GJSL as vendors, (b) Duparquet Assets Limited ("DAL") and (c) Xmet Inc. as Optionee. Globex's investment in DAL 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.

10. Properties, plant and equipment

	Land and buildings \$	Mining equipment \$	Office equipment \$	Vehicles \$	Computer Systems \$	Total \$
Cost						
2016						
January 1,	497,627	88,210	146,274	56,177	255,003	1,043,291
Additions	-	-	-	-	13,238	13,238
December 31,	497,627	88,210	146,274	56,177	268,241	1,056,529
2017						
Additions	-	-	-	-	-	-
March 31,	497,627	88,210	146,274	56,177	268,241	1,056,529
Accumulated depreciation						
2016						
January 1,	(102,016)	(81,840)	(146,274)	(53,075)	(239,516)	(622,721)
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)
2017						
Additions	(3,459)	-	-	-	(1,733)	(5,192)
March 31,	(119,311)	(88,210)	(146,274)	(56,177)	(248,823)	(658,795)
Carrying value						
2016						
January 1,	395,611	6,370	-	3,102	15,487	420,570
December 31,	381,775	-	-	-	21,151	402,926
2017						
March 31,	378,316	-	-	-	19,418	397,734

11. Mineral properties

	New					Total
	Brunswick	Nova Scotia	Ontario	Quebec	Other	
	\$	\$	\$	\$	\$	\$
Balance, beginning of period	-	-	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
Additions	-	-	-	46,139	-	46,139
Recoveries	(660)	-	-	(6,749)	-	(7,409)
March 31, 2017	98,077	550	49,174	2,918,292	-	3,066,093

The acquisitions during the three-month period ended March 31, 2017, includes \$35,000 related to six cells located in Blondeau Township, Quebec. The cells cover the Kelly Lake copper, nickel, platinum, palladium and cobalt zone.

At each period end, the Corporation considers the facts and circumstances which suggest that the carrying value of properties and exploration and evaluation assets 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 planned or budgeted. General exploration expenses not allocated to specific projects are expensed as incurred. The impairment provisions have no impact on the Corporation's cash flow or the cash and cash equivalents. 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 will be subject to a number of factors including the successful negotiation of option or sale arrangements.

12. Deferred exploration expenses

	New					Total
	Brunswick	Nova Scotia	Ontario	Quebec	Other	
	\$	\$	\$	\$	\$	\$
Balance, beginning of period	-	-	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
Additions	12,472	500	8,350	334,137	9,064	364,523
Impairment provisions	-	(500)	-	(43,516)	(9,064)	(53,080)
Recoveries	(135)	-	-	(416,362)	-	(416,497)
March 31, 2017	81,223	525	7,068,284	4,773,271	-	11,923,303

The impairment provision of \$53,080 for the three-month period ended March 31, 2017 (March 31, 2016 - \$56,417) reflects the expensing of general exploration costs.

12. Deferred exploration expenses

Exploration Expenditures by Type

	March 31, 2017 \$	December 31, 2016 \$
Balance - beginning of period	12,028,357	11,848,864
Current exploration expenses		
Consulting	5,964	16,589
Core shack, storage and equipment rental	-	35,186
Drilling	90,000	52,782
Geology	3,250	105,977
Geophysics	22,330	2,685
Laboratory analysis and sampling	17,787	91,566
Labour	131,769	762,393
Line cutting	3,762	-
Mining property tax, permits and prospecting	34,107	66,887
Reports, maps and supplies	7,072	58,056
Transport and road access	48,482	50,459
Total current exploration expenses	364,523	1,242,580
Impairment provisions	(53,080)	(842,129)
Option revenue offset	(416,497)	(220,958)
	(469,577)	(1,063,087)
Current net deferred exploration expenses	(105,054)	179,493
Balance - end of period	11,923,303	12,028,357

13. Payables and accruals

	March 31, 2017 \$	December 31, 2016 \$
Trade payables and accrued liabilities	284,318	154,504
Nyrstar Inc., advance royalty liability	75,203	75,796
Sundry liabilities	60,134	51,823
	419,655	282,123

The Nyrstar Inc. advance royalty liability of \$75,203 (2016 - \$75,796) 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.

14. Other liabilities

	March 31, 2017 \$	December 31, 2016 \$
Balance, beginning of period	100,000	251,715
Additions during the period	-	105,000
Reduction related to qualified exploration expenditures	(37,433)	(256,715)
	62,567	100,000

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.

15. Income taxes

Deferred income and mining tax expense (recovery)

	March 31, 2017 \$	March 31, 2016 \$
Deferred tax expense (recovery) for income and mining duties	130,811	35,121
Recovery of income and mining duties as a result of the sale of tax benefits (flow-through shares)	(37,433)	(58,498)
	93,378	(23,377)

Deferred tax balances

	January 1, 2017 \$	Recognized in income or loss \$	Recognized in equity \$	March 31, 2017 \$
Temporary differences				
Deferred tax assets				
Non-capital losses carry forward	1,533,710	(115,579)	-	1,418,131
Share issue expenses	69,646	(7,553)	-	62,093
Properties, plant & equipment	67,629	(2,734)	-	64,895
Financial assets at FVTPL	121,107	(17,627)	-	103,480
	1,792,092	(143,493)	-	1,648,599
Less valuation allowance	(121,107)	17,627	-	(103,480)
	1,670,985	(125,866)	-	1,545,119
Deferred tax liabilities				
Mining properties and deferred exploration expenses	(2,916,085)	(4,945)	-	(2,921,030)
Deferred tax liabilities	(1,245,100)	(130,811)	-	(1,375,911)

16. Revenues

	March 31, 2017	March 31, 2016
	\$	\$
Net option income and advance royalties	480,394	55,000

In 2017, the \$480,394 (2016 \$55,000) represented cash receipts of \$485,000 (2016 - \$80,000) and the fair value of shares in optionee companies of \$419,300 (2016 - \$12,500) minus recovered costs of \$423,906 (2016 - \$37,500).

17. Expenses by nature

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

	March 31, 2017	March 31, 2016
	\$	\$
Administration		
Office expenses	52,950	35,223
Conventions and meetings	19,323	16,648
Advertising and meetings	4,967	1,782
Transfer agent	1,761	2,905
Other administration	6,204	4,052
	85,205	60,610

	March 31, 2017	March 31, 2016
	\$	\$
Professional fees and outside services		
Investor relations	87,529	14,500
Legal fees	2,383	2,530
Audit and accounting fees	20,500	19,500
Filing fees	14,307	10,955
Other professional fees	15,000	14,631
	139,719	62,116

18. Income (loss) per common share

Basic income (loss) per common share is calculated by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share is calculated by dividing the net income (loss) applicable to common shares by the weighted average number of common shares outstanding during the period, plus the effects of dilutive common share equivalents such as warrants and stock options.

Diluted net income (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 period.

18. Income (loss) per common share

Basic and diluted income (loss) per common share

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

	Three months ended	
	2017	March 31, 2016
Numerator		
Income (loss) for the period	\$ 143,644	\$ (130,669)
Denominator		
Weighted average number of common shares - basic	48,868,817	44,770,783
Effect of dilutive shares		
Stock options ("in the money") ⁽ⁱ⁾	1,457,263	-
Weighted average number of common shares - diluted	50,326,080	44,770,783
Income (loss) per share		
Basic	\$ 0.00	\$ (0.00)
Diluted	\$ 0.00	\$ (0.00)

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

19. 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.

Changes in capital stock

	Number of shares	March 31,	Number of shares	December 31,
		2017		2016
		Capital Stock		Capital Stock
		\$		\$
Balance, beginning of period	48,852,706	55,043,838	44,447,706	53,592,497
Issued on exercise of options	-	-	105,000	37,541
Issued on exercise of warrants ⁽ⁱ⁾	50,000	27,078	-	-
Private placements				
Common shares	-	-	1,570,000	628,000
Flow-through shares	-	-	2,100,000	840,000
Fair value of warrants	-	-	-	(137,833)
Shares issued in connection with Mineral property acquisitions	-	-	630,000	199,500
Share issuance costs	-	-	-	(115,867)
Balance, end of period	48,902,706	55,070,916	48,852,706	55,043,838

2017 Issuances

Issued on exercise of warrants

(i) On March 2, 2017, 50,000 warrants with a fair market value per share of \$0.04156 were exercised at an exercise price of \$0.50 per share.

19. Share capital (continued)

Escrow Shares

At March 31, 2017, 36,100 (December 31, 2016 - 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

	March 31, 2017		December 31, 2016	
	Number of warrants	Fair value \$	Number of warrants	Fair value \$
Balance, beginning of period	3,121,975	215,602	1,751,975	76,298
Private placements				
June 14, 2016	-	-	1,320,000	137,833
December 15, 2016	-	-	200,000	11,200
Exercised				
March 2, 2017 ⁽ⁱ⁾	(50,000)	(2,078)	-	-
Expired				
August 27, 2016	-	-	(150,000)	(9,729)
Balance, end of period	3,071,975	213,524	3,121,975	215,602

Exercised

- (i) On March 2, 2017, 50,000 warrants with a fair market value per share of \$0.04156 were exercised at an exercise price of \$0.50 per share.

Warrants Outstanding, March 31, 2017

	Issue Date	Expiry Date	Number of Warrants	Exercise Price
1.	November 26, 2015	November 26, 2017	1,551,975	\$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
			3,071,975	

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. 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.

19. Share capital (continued)

At March 31, 2017, 1,720,000 (December 31, 2016 – 1,720,000) options were available for grant under all 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:

	March 31, 2017		December 31, 2016	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance - beginning of period	3,242,500	0.29	3,017,500	0.25
Cancelled	-	-	(40,000)	0.24
Exercised	-	-	(105,000)	0.23
Expired	-	-	(400,000)	0.24
Granted - Directors and employees	-	-	720,000	0.39
Granted - Consultant	-	-	50,000	0.60
Balance - end of period	3,242,500	0.29	3,242,500	0.29
Options exercisable	3,242,500	0.29	3,242,500	0.29

The following table summarizes information regarding the stock options outstanding and exercisable as at March 31, 2017:

Range of prices \$	Number of options outstanding	Number of options outstanding and exercisable	Number of options outstanding and contractual life (years)	Weighted average exercise price \$
0.18 - 0.21	192,500	192,500	2.47	0.21
0.22 - 0.24	1,855,000	1,855,000	2.21	0.24
0.25 - 0.29	255,000	255,000	3.65	0.29
0.39 - 0.42	780,000	780,000	4.07	0.39
0.50 - 0.60	160,000	160,000	1.20	0.56
	3,242,500	3,242,500	2.74	0.29

Stock-based compensation and payments

During the three-month period ended March 31, 2017, no expense related to stock-based compensation costs and payments has been recorded and presented separately in the Interim Condensed Consolidated Statements of Income (loss) and Comprehensive Income (loss) (March 31, 2016 - \$4,678).

19. Share capital (continued)

Restricted Share Unit Plan

On April 11, 2012, the Board of Directors adopted a Restricted Share Unit Plan (the “RSU Plan”) for the 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.

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.

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). On April 18, 2017, the Board of Directors approved amending and restating the existing plan which will require TSX approval and shareholder approval at the Corporation’s May 31, 2017 Annual Meeting.

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.

20. Related party information

	March 31, 2017	December 31, 2016
Related party payables (receivables)	\$	\$
Jack Stoch Geonconsultant Limited	(6,717)	(6,717)
Chibougamau Independent Mines Inc.	(69,715)	(17,551)
Duparquet Assets Limited	81,378	83,179
	4,946	58,911

As reflected in the statement of cash flows there was a net cash decrease of \$53,965 (2016 - \$7,084) in the related party net payables during the period.

20. Related party information (continued)

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 \$20,262 (March 31, 2016 - \$2,500) for the three-month period ended March 31, 2017 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:

	March 31, 2017 \$	March 31, 2016 \$
Management compensation		
Salaries and other benefits	67,628	48,093
Professional fees and outside services ⁽ⁱ⁾	-	10,955
Deferred exploration expenses – consulting and geology fees ⁽ⁱ⁾	-	19,083
Fair value of share-based compensation	-	4,678
	67,628	82,809

(i) The Vice-President Operations was an independent contractor with a portion of his compensation included in Other Professional fees in the Statement of Income (loss) and Comprehensive Income (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.

21. Supplementary cash flows information

Changes in non-cash working capital items

	March 31, 2017 \$	March 31, 2016 \$
Accounts receivable	43,593	38,783
Prepaid expenses and deposits	33,319	41,412
Payables and accruals	137,532	(137,370)
	214,444	(57,175)

21. Supplementary cash flows information

Non-cash financing and investing activities

	March 31, 2017 \$	March 31, 2016 \$
Acquisition of mineral properties for shares and warrants	-	87,500
Disposal of mineral properties for shares	419,300	12,500

22. 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 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 2016.

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.

22. Financial instruments (continued)

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 \$1,403,352 as at March 31, 2017, (December 31, 2016 - \$1,412,273). 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. The maximum exposure to credit risk was:

	Notes	March 31, 2017 \$	December 31, 2016 \$
Cash and cash equivalents	4	840,246	512,273
Cash reserved for exploration	5	563,106	900,000
Investments	6	1,250,747	745,665
Accounts receivable	7	60,857	104,450
		2,714,956	2,262,388

(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 \$1,250,747 (December 31, 2016 - \$745,665). Based on the balance outstanding at March 31, 2017, a 10% increase or decrease would impact income and loss by \$125,075 (December 31, 2016 - \$74,566).

22. Financial instruments (continued)

(d) Currency risk

Globex receives US dollar gross metal royalty payments from 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 three-month periods ended March 31, 2017 and March 31, 2016, Globex received no royalty payments and recorded no current tax expense.

At March 31, 2017, Globex had an advance royalty liability of USD \$56,450 (CDN - \$75,203) (December 31, 2016 – USD \$56,450; CDN - \$75,796).

(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).

March 31, 2017	Level 1 \$	Level 2 \$	Level 3 \$	Total Financial Assets at fair Value \$
Financial assets				
Cash and cash equivalents	-	840,246	-	840,246
Cash reserved for exploration	-	563,106	-	563,106
Equity investments	1,216,988	33,759	-	1,250,747
Accounts receivable	-	-	60,857	60,857
Reclamation bonds	-	785,520	-	785,520
	1,216,988	2,222,631	60,857	3,500,476

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

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

22. Financial instruments (continued)

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

22. Commitments and contingencies

At the period-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 5. At this time, Management anticipates meeting that obligation and as a result, no additional disclosures are required.