



**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS OF
GLOBEX MINING ENTERPRISES INC.
THREE AND SIX MONTHS ENDED JUNE 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Globex Mining Enterprises Inc. (the "Company") have been prepared by, and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

GLOBEX MINING ENTERPRISES INC.

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Continuing operations				
Revenues (note 13)	\$ 500	\$ 963,994	\$ 149,944	\$ 1,523,962
Expenses				
Exploration and evaluation expenditures (note 15)	330,809	326,985	714,338	743,479
Professional fees and outside services (note 14)	110,193	94,953	208,230	236,843
Administration (note 14)	79,072	92,871	169,826	339,744
Salaries (note 20)	(66,367)	78,461	18,541	162,309
Depreciation (note 9)	8,093	6,947	16,187	13,894
Bad debt recovery	5,913	-	5,913	-
Share-based compensation (note 17)	-	231,536	-	233,248
Loss (gain) on foreign exchange	82,542	92,607	(95,112)	86,352
	550,255	924,360	1,037,923	1,815,869
Income (loss) from operations	(549,755)	39,634	(887,979)	(291,907)
Other income (expenses)				
Increase (decrease) in fair value of financial assets	1,028,515	(79,426)	835,905	9,524
Other	30,000	-	30,000	1,825
Interest and dividends	7,001	3,623	14,688	10,853
Gain on sale of property, plant and equipment (note 9)	5,000	-	5,000	-
Management services (note 18)	1,886	2,288	3,951	3,133
(Loss) gain on the sale of investments	(75,941)	1,581	(131,916)	1,581
	996,461	(71,934)	757,628	26,916
Income (loss) before taxes	446,706	(32,300)	(130,351)	(264,991)
Income tax recovery (expense)	25,179	(38,332)	19,599	6,321
Income (loss) and comprehensive income (loss) for the period	\$ 471,885	\$ (70,632)	\$ (110,752)	\$ (258,670)
Basic income (loss) per share (note 16)	\$ 0.01	\$ (0.00)	\$ (0.00)	\$ (0.01)
Diluted income (loss) per share (note 16)	\$ 0.01	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding - basic	54,631,852	51,298,898	54,519,560	51,636,267
Weighted average number of common shares outstanding - diluted	55,224,029	51,298,898	54,519,560	51,636,267

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

GLOBAL MINING ENTERPRISES INC.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Six months ended June 30,	
	2020	2019
Operating activities:		
Loss and comprehensive loss for the period	\$ (110,752)	\$ (258,670)
Adjustments for:		
Disposal of mineral properties for investments (note 19)	-	(579,495)
Increase in fair value of financial assets	(835,905)	(9,524)
Depreciation (note 9)	16,187	13,894
Foreign exchange rate variation on reclamation bond	(7,177)	6,224
Loss (gain) on sale of investments	131,916	(1,581)
Gain on sale of property, plant and equipment (note 9)	(5,000)	-
Deferred tax recovery	(50,456)	(177,439)
Fair value of shares issued in connection with mineral property (notes 17 and 19)	68,750	-
Foreign exchange (gain) loss	(71,324)	70,478
Share-based compensation (note 17)	-	233,248
	(863,761)	(702,865)
Change in non-cash working capital items (note 19)	32,584	(300,967)
Net cash and cash equivalents used in operating activities	(831,177)	(1,003,832)
Financing activities:		
Proceeds from exercised options (note 17)	-	15,275
Share repurchased (note 17)	(5,743)	(237,980)
Proceeds from loan payable (note 11)	40,000	-
Increase (decrease) in related party payable (note 18)	25,238	(60,936)
Net cash and cash equivalents provided by (used in) financing activities	59,495	(283,641)
Investing activities:		
Acquisition of property, plant and equipment (note 9)	(3,521)	-
Proceeds from disposition of property, plant and equipment (note 9)	5,000	-
Proceeds from sale of investment	189,939	36,536
Investment in joint venture	(38,058)	-
Net cash and cash equivalents provided by investing activities	153,360	36,536
Net change in cash and cash equivalents	(618,322)	(1,250,937)
Effect of exchange rate changes on cash held in foreign currencies	71,324	(70,478)
Cash and cash equivalents, beginning of period	2,850,512	3,448,199
Cash and cash equivalents, end of period	\$ 2,303,514	\$ 2,126,784
Cash and cash equivalents	\$ 1,494,107	\$ 1,947,488
Cash reserved for exploration	809,407	179,296
	\$ 2,303,514	\$ 2,126,784

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

GLOBEX MINING ENTERPRISES INC.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at June 30, 2020	As at December 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents (note 4)	\$ 1,494,107	\$ 1,610,513
Cash reserved for exploration (note 5)	809,407	1,239,999
Investments (note 6)	1,930,219	1,416,169
Accounts receivable (note 7)	68,566	94,104
Prepaid expenses and deposits	131,544	64,328
Related party receivable (note 18)	8,063	33,301
Current income tax receivable	118,758	149,617
Total current assets	4,560,664	4,608,031
Non-current assets		
Reclamation bonds (note 8)	788,963	781,786
Investment in joint venture	46,522	8,464
Property, plant and equipment (note 9)	386,882	399,548
Total assets	\$ 5,783,031	\$ 5,797,829
LIABILITIES AND EQUITY		
Current liabilities		
Payables and accruals (note 10)	\$ 173,559	\$ 130,156
Total current liabilities	173,559	130,156
Non-current liabilities		
Loan payable (note 11)	40,000	-
Other liabilities (note 12)	94,848	145,304
Restoration liabilities (note 8)	894,490	894,490
Total liabilities	1,202,897	1,169,950
Equity		
Share capital (note 17)	55,953,192	55,901,915
Contributed surplus	4,926,434	4,926,434
Deficit	(56,299,492)	(56,200,470)
Total equity	4,580,134	4,627,879
Total liabilities and equity	\$ 5,783,031	\$ 5,797,829

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

GLOBEX MINING ENTERPRISES INC.**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

Equity attributable to shareholders

	Share capital	Contributed surplus	Deficit	Total
Balance, December 31, 2018	\$ 55,685,745	\$ 4,676,969	\$ (55,809,293)	\$ 4,553,421
Share repurchased	(880,013)	-	642,033	(237,980)
Exercise of stock options	23,381	(8,106)	-	15,275
Share-based compensation	-	233,248	-	233,248
Loss and comprehensive loss	-	-	(258,670)	(258,670)
Balance, June 30, 2019	\$ 54,829,113	\$ 4,902,111	\$ (55,425,930)	\$ 4,305,294
Balance, December 31, 2019	\$ 55,901,915	\$ 4,926,434	\$ (56,200,470)	\$ 4,627,879
Share repurchased	(17,473)	-	11,730	(5,743)
Shares issued for mineral properties	68,750	-	-	68,750
Loss and comprehensive loss	-	-	(110,752)	(110,752)
Balance, June 30, 2020	\$ 55,953,192	\$ 4,926,434	\$ (56,299,492)	\$ 4,580,134

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

GLOBEX MINING ENTERPRISES INC.

Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

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. Globex's current mineral portfolio consists of approximately 190 early to mid-stage exploration, development and royalty properties which contain Base Metals (copper, nickel, zinc, lead), Precious Metals (gold, silver, platinum, palladium), Specialty Metals and Minerals (manganese, titanium oxide, iron, molybdenum, lithium, rare earths and associated elements) and Industrial Minerals (mica, silica, potash, feldspar, pyrophyllite as well as talc and magnesite).

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

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

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. It is not possible for the Corporation to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Corporation's business or ability to raise funds.

2. Basis of Presentation

Basis of Presentation

These unaudited condensed interim consolidated financial statements were prepared on a going concern basis, under the historical cost basis, except for certain assets that are measured at fair value through profit and loss as indicated in note 3 of the Corporation's audited consolidated financial statements for the year ended December 31, 2019. All financial information is presented in Canadian dollars.

Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared by Management in accordance with IAS 34, Interim Financial Reporting ("IAS 34").

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 and estimates made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied (note 4) in the consolidated financial statements as at and for the year ended December 31, 2019. These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Approval of Financial Statements

The Corporation's Board of Directors approved these unaudited condensed interim consolidated financial statements on August 10, 2020.

GLOBAL MINING ENTERPRISES INC.

Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

3. Summary of Significant Accounting Policies

These unaudited condensed interim 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 3) of the Corporation's audited financial statements for the year ended December 31, 2019 with the exception of the IFRS adopted as described below.

The disclosure contained in these unaudited condensed interim consolidated financial statements does not include all the requirements in IAS 1, Presentation of Financial Statements. Accordingly, these unaudited condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019.

New Accounting Standard Adopted

IFRS 3, Business Combinations ("IFRS 3")

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Corporation's unaudited condensed interim consolidated financial statements.

IAS 1, Presentation of Financial Statements ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Corporation's unaudited condensed interim consolidated financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Corporation's unaudited condensed interim consolidated financial statements.

4. Cash and Cash Equivalents

	As at June 30, 2020	As at December 31, 2019
Bank balances	\$ 102,122	\$ 358,350
Short-term deposit	1,391,985	1,252,163
	\$ 1,494,107	\$ 1,610,513

GLOBAL MINING ENTERPRISES INC.

Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

5. Cash Reserved for Exploration

	As at June 30, 2020	As at December 31, 2019
Bank balances	\$ 109,407	\$ 239,999
Short-term deposit	700,000	1,000,000
	\$ 809,407	\$ 1,239,999

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	June 30, 2020		December 31, 2019	
	Number of shares	Fair value	Number of shares	Fair value
Excellon Resources Inc.	226,837	\$ 188,275	226,837	\$ 233,642
Falco Resources Ltd.	350,000	143,500	350,000	117,250
Galway Metals Inc.	200,000	176,000	230,000	77,050
Great Thunder Gold Corp.	272,000	130,560	518,750	31,125
Integra Resources Corp.	128,000	243,200	128,000	153,600
Knick Exploration Inc.	1,000,000	-	1,000,000	5,000
Manganese X Energy Corp.	1,453,000	188,890	1,925,000	144,375
NSGold Corporation	1,745,408	279,265	1,745,408	174,541
Opawica Explorations Inc.	125,000	19,000	125,000	7,500
Pasofino Gold Limited	388,888	69,472	388,888	33,056
Pershimex Resources Corporation	175,000	12,250	175,000	7,000
Renforth Resources Inc.	10,800,000	432,000	10,800,000	378,000
Rogue Resources Inc.	50,000	3,000	50,000	3,500
Sphinx Resources Ltd.	513,000	10,260	513,000	15,390
Other equity investments	-	34,547	-	35,140
		\$ 1,930,219		\$ 1,416,169

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 except for NSGold Corporation.

7. Accounts Receivable

	June 30, 2020	December 31, 2019
Trade receivables	\$ 66,467	\$ 95,700
Bad debt provision	(4,109)	(4,109)
Net trade receivables	62,358	91,591
Taxes receivable	6,208	2,513
	\$ 68,566	\$ 94,104

GLOBEX MINING ENTERPRISES INC.

Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

8. Reclamation Bonds and Restoration Liabilities

Reclamation Bonds

	June 30, 2020	December 31, 2019
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	152,814	145,637
Deposits with Province of Quebec, MERN	628,175	628,175
	\$ 788,963	\$ 781,786

Restoration Liabilities

	June 30, 2020	December 31, 2019
Francoeur Property restoration and rehabilitation liabilities		
Balance, beginning of the period	\$ 894,490	\$ 628,175
Additions during the period	-	266,315
Balance, end of the period	\$ 894,490	\$ 894,490

9. Property, Plant and Equipment

Cost	Land and buildings	Mining equipment	Office equipment	Vehicles	Computer systems	Total
Balance, December 31, 2018	\$ 536,967	\$ 88,210	\$ 146,274	\$ 56,177	\$ 292,733	\$ 1,120,361
Additions	-	-	-	-	10,242	10,242
Dispositions	-	-	-	(56,177)	-	(56,177)
Balance, December 31, 2019	536,967	88,210	146,274	-	302,975	1,074,426
Additions	-	-	-	-	3,521	3,521
Balance, June 30, 2020	\$ 536,967	\$ 88,210	\$ 146,274	\$ -	\$ 306,496	\$ 1,077,947

Accumulated depreciation	Land and buildings	Mining equipment	Office equipment	Vehicles	Computer systems	Total
Balance, December 31, 2018	\$ 143,527	\$ 88,210	\$ 146,274	\$ 56,177	\$ 267,371	\$ 701,559
Depreciation during the year	13,838	-	-	-	15,658	29,496
Disposition during the year	-	-	-	(56,177)	-	(56,177)
Balance, December 31, 2019	157,365	88,210	146,274	-	283,029	674,878
Depreciation during the period	6,919	-	-	-	9,268	16,187
Balance, June 30, 2020	\$ 164,284	\$ 88,210	\$ 146,274	\$ -	\$ 292,297	\$ 691,065

Carrying value	Land and buildings	Mining equipment	Office equipment	Vehicles	Computer systems	Total
Balance, December 31, 2019	\$ 379,602	\$ -	\$ -	\$ -	\$ 19,946	\$ 399,548
Balance, June 30, 2020	\$ 372,683	\$ -	\$ -	\$ -	\$ 14,199	\$ 386,882

During the six months ended June 30, 2020, the Company sold an equipment for cash proceeds of \$5,000 which resulted in a gain on sale of property and equipment of \$5,000.

GLOBEX MINING ENTERPRISES INC.

Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

10. Payable and Accruals

	June 30, 2020	December 31, 2019
Trade payables and accrued liabilities	\$ 103,219	\$ 98,022
Sundry liabilities	45,340	32,134
Advance payment from Electric Royalties Inc. (note 22(ii))	25,000	-
	\$ 173,559	\$ 130,156

11. Loan Payable

During the period, the Corporation applied for the COVID-19 Relief Line of Credit as part of the Government-sponsored Canada Emergency Business Account (CEBA). The credit limit of \$40,000 has an interest rate of 0% until December 31, 2020. On January 1, 2021, the operating line of credit will be converted to a 2-year 0% interest term loan, to be repaid by December 31, 2022 of which \$10,000 of the loan will be forgiven if \$30,000 is repaid in full on or before December 31, 2022. If on December 31, 2022 the loan is not repaid, the Corporation can exercise the option for a 3-year term extension at an interest rate of 5% on the balance over the term extension period. The Corporation expects to pay the loan prior to December 31, 2022.

12. Other Liabilities

	June 30, 2020	December 31, 2019
Balance, beginning of period	\$ 145,304	\$ 233,789
Additions during the period	-	145,305
Reduction related to qualified exploration expenditures	(50,456)	(233,790)
Balance, end of period	\$ 94,848	\$ 145,304

The Other Liabilities represent the excess of the proceeds received from flow-through shares over the fair value of the shares issued. Further details are provided in note 17.

13. Revenues

A summary of the revenues for the respective period-ends follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Option income and advance royalties	\$ 500	\$ 566,995	\$ 25,500	\$ 839,495
Royalties	-	396,999	124,444	684,467
	\$ 500	\$ 963,994	\$ 149,944	\$ 1,523,962

In the three and six months ended June 30, 2020, Globex reported option income and advances royalties of \$500 and \$25,500, respectively (three and six months ended June 30, 2019 – \$566,995 and \$839,495, respectively) which consisted of cash receipts of \$500 and \$25,500, respectively (three and six months ended June 30, 2019 - \$Nil and \$260,000, respectively) and shares in optionee corporations with a fair market value of \$Nil (three and six months ended June 30, 2019 - \$566,995 and \$579,495, respectively).

GLOBAL MINING ENTERPRISES INC.

Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

13. Revenues (Continued)

Six months ended June 30, 2020:

- On March 18, 2020, Globex received a cash payment of \$25,000 from Tres-Or Resources Ltd. in connection with the options of Fontana Property, Duvernay Twp., Quebec.

Six months ended June 30, 2019:

- On January 8, 2019, Globex received a cash payment of \$50,000 from Tres-Or Resources Ltd. in connection with the options of Fontana Property, Duvernay Twp., Quebec.
- On January 8, 2019, Globex received a cash payment of \$10,000 from Tres-Or Resources Ltd. in connection with the options of Duvay Property, Duvernay Twp., Quebec.
- On January 17, 2019, Globex received a cash payment of \$200,000 and 250,000 common shares with a fair market value of \$12,500 from Renforth Resources Inc. in connection with the option of Parbec Property, Malartic Twp., Quebec.
- On March 27, 2019, Globex received 7,500,000 common shares with a fair market value of \$375,000 from Renforth Resources Inc. in connection with the option of Parbec Property, Malartic Twp., Quebec.
- On April 12, 2019, Globex received 1,745,408 common shares with a fair market value of \$191,995 from NSGold Corporation in connection with the option of Mooseland Gold Property, Nova Scotia.

During the three and six months ended June 30, 2020, Globex recorded metal royalty income of \$Nil and \$124,444, respectively (three and six months ended June 30, 2019 - \$396,999 and \$684,467, respectively) from Nyrstar Mid-Tennessee Mines.

14. Expenses by Nature

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Administration				
Office expenses	\$ 62,074	\$ 76,182	\$ 128,734	\$ 275,512
Conventions and meetings	6,493	1,045	18,115	31,495
Advertising and shareholder information	3,525	9,984	12,278	12,335
Transfer agent	5,672	2,815	8,094	16,092
Other administration	1,308	2,845	2,605	4,310
	\$ 79,072	\$ 92,871	\$ 169,826	\$ 339,744

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Professional fees and outside services				
Investor relations	\$ 39,251	\$ 34,044	\$ 70,669	\$ 79,319
Management consulting	30,738	-	49,014	18,476
Audit and accounting fees	14,500	26,526	35,859	65,636
Filing fees	9,900	3,508	20,229	16,188
Legal fees	15,804	10,929	16,665	22,161
Other professional fees	-	19,946	15,794	35,063
	\$ 110,193	\$ 94,953	\$ 208,230	\$ 236,843

GLOBEX MINING ENTERPRISES INC.

Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

15. Exploration and Evaluation Expenditures

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Ontario				
Timmins Talc-Magnesite (Deloro)	\$ 3,746	\$ 5,186	\$ 6,242	\$ 10,736
Laguerre-Knutson (Hearst, McVittie twps)	4,255	-	20,025	-
Other projects	9,771	13,690	15,587	16,659
	\$ 17,772	\$ 18,876	\$ 41,854	\$ 27,395
Quebec				
Blackcliff (Malartic)	\$ 1,202	\$ -	\$ 1,202	\$ -
Depletion (Guyenne)	20,680	10,146	20,680	13,477
Discloflo (Desjardins)	387	6,948	1,860	10,084
Fabie Bay / Magusi (Hebecourt, Montbray)	654	11,675	2,600	22,849
Francoeur (Beauchastel)	43,795	63,992	112,215	296,691
Great Plains (Clermont)	4,385	-	4,385	980
Joutel (Joutel)	151	97	900	10,150
Kelly Lake (Blondeau)	852	198	6,855	1,721
Lac Fortune Gold Mine (Beauchastel)	21,564	-	90,601	-
Lac Ontario (St-Urbain)	-	20,049	969	20,784
Lac Savignac (Northern Quebec)	11	-	2,992	-
Mc Neely (Lacorne)	2,736	1,539	4,165	5,544
Moly Hill (La Motte)	910	1,733	4,325	18,085
New Richmond (New Richmond)	-	-	-	-
Pandora-Wood & Central Cadillac (Cadillac)	-	2,500	94	7,943
Pyrox (Clairy)	778	(64)	7,910	186
Shortt Lake Mine	293	462	455	1,151
Silidor Mine	1,348	-	1,662	-
Smith-Zulapa-Vianor (Tiblemont)	714	9,458	12,944	12,221
Standard Gold (Duvernoy)	713	-	1,022	-
Tarmac (Dubuisson)	4,192	-	4,192	-
Tavernier Tiblemont (Tavernier)	39,128	327	39,128	572
Vauze (Dufresnoy)	10,063	-	10,063	-
Venus (Barraute)	2,630	-	35,538	-
Wrightbar Gold Mine (Bourlamaque)	4,530	-	4,530	-
Other projects	73,414	25,566	160,951	71,998
Quebec general exploration	75,649	45,418	137,516	94,670
	\$ 310,779	\$ 200,044	\$ 669,754	\$ 589,106
Other regions				
Nova Scotia	\$ 27	\$ 1,524	\$ 109	\$ 1,524
New Brunswick	100	4,465	194	4,465
Canada (others)	146	-	146	125
Europe	57	101,051	57	119,389
Other including Bell Mountain (USA)	1,928	1,025	2,224	1,475
	\$ 2,258	\$ 108,065	\$ 2,730	\$ 126,978
Exploration and evaluation expenditures	\$ 330,809	\$ 326,985	\$ 714,338	\$ 743,479

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15. Exploration and Evaluation Expenditures (Continued)

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Exploration and evaluation expenditures				
Consulting	\$ 16,592	\$ 19,192	\$ 38,594	\$ 37,811
Drilling	-	-	-	100,539
Geology	-	650	-	650
Geophysics	2,555	76,423	46,550	142,852
Laboratory analysis and sampling	170	20,941	185	32,756
Labour	246,410	169,931	426,685	344,423
Line cutting	-	-	5,168	5,800
Mineral property acquisitions	30,738	6,009	114,161	21,928
Mining property tax, permits and prospecting	12,868	20,630	39,596	29,507
Reports, maps and supplies	4,728	3,937	21,247	5,275
Transport and road access	16,748	9,272	22,152	21,938
	\$ 330,809	\$ 326,985	\$ 714,338	\$ 743,479

(i) During the three months ended March 31, 2019, Globex cancelled the option agreements on the Magusi/Fabie Bay property as well as on the Normetal and Normetmar properties. Globex also cancelled the option agreement on the Kelly Lake Property.

(ii) During the three months ended March 31, 2019, Globex acquired additional mineral rights in the Joutel gold and base metal mining camp of Quebec.

(iii) On March 19, 2019, Globex announced that it agreed to waive the remaining work requirement by Renforth Resources Inc. on Globex's Parbec Gold property, allowing Renforth Resources Inc. to gain 100% interest in the property package located on the Cadillac Fault, west of the Canadian Malartic Mine, in Quebec. In consideration for waiving the remaining work requirement, Renforth Resources Inc. agreed to the following:

- The previous Gross Metal Royalty ("GMR") which varied between 1% and 2% GMR dependent upon the gold price will henceforth be a stable 3% GMR;
- Renforth Resources Inc. shall issue to Globex 5,000,000 Renforth shares;
- Should Renforth Resources Inc. consolidate its shares within 4 years, an additional 1,500,000 post consolidated Renforth Resources Inc. shares will be issued to Globex;
- Upon the commencement of mining and the transport of the first ore for milling, a one-time payment of \$1,000,000 will be made to Globex subject to inflation and the deduction of any \$50,000 per year advance royalties received by Globex that may commence 8 years from the date of signing of the original option agreement.

Globex has agreed to give Renforth Resources Inc. a one-time first right of refusal to purchase Globex's GMR should Globex decide at any time to sell all or part of its GMR.

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15. Exploration and Evaluation Expenditures (Continued)

(iv) On April 15, 2019, Globex announced that 1,745,408 common shares were issued by NSGold Corporation pursuant to an Amendment dated March 19, 2019 to a Purchase Agreement dated April 14, 2010 between NSGold Corporation and Globex, whereby NSGold Corporation acquired 100% ownership of the Mooseland Gold Property in Nova Scotia and certain secondary properties from Globex. Pursuant to the Amendment, a GMR payable by NSGold Corporation to Globex on the properties was reduced from 4% to 2% and a share issuance by NSGold Corporation to Globex conditional upon commencement of commercial production on any of the properties was eliminated. As consideration for the Amendment, NSGold Corporation issued 1,745,408 common shares to Globex (the "Transaction").

Immediately prior to the closing of the Transaction, Globex did not hold any securities of NSGold Corporation. Immediately following the closing of the Transaction, Globex holds 1,745,408 common shares of NSGold Corporation, representing approximately 11.1% of the issued and outstanding common shares of NSGold Corporation.

(v) On March 16, 2020, the Corporation acquired 100% interest in the Lac Fortune Gold Mine Property located in Beauchastel Township, Quebec for 250,000 Globex shares (valued at \$68,750) and a 2% NSR of which 1% may be purchased by Globex for \$200,000 at any time.

16. Income (Loss) Per Common Share

Basic income (loss) per common share is calculated by dividing the net income (loss) by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share is calculated by dividing the net loss applicable to common shares by the weighted average number of common shares outstanding during the 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 (loss) are assumed to be used to purchase common shares of the Corporation at the average market price during the period.

Basic and diluted loss per common share

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

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Numerator				
Income (loss) for the period	\$ 471,885	\$ (70,632)	\$ (110,752)	\$ (258,670)
Denominator				
Weighted average number of common shares				
- basic	54,631,852	51,298,898	54,519,560	51,636,267
Effect of dilutive shares				
Stock options ("in the money")	505,000	-	-	-
Shares assumed to be repurchased	87,177	-	-	-
Weighted average number of common shares				
- diluted	55,224,029	51,298,898	54,519,560	51,636,267
Income (loss) per share				
Basic	\$ 0.01	\$ (0.00)	\$ (0.00)	\$ (0.01)
Diluted	\$ 0.01	\$ (0.00)	\$ (0.00)	\$ (0.01)

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17. 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

	June 30, 2020		December 31, 2019	
	Number of shares	Capital stock	Number of shares	Capital stock
Fully paid common shares				
Balance, beginning of period	54,389,852	\$ 55,901,915	52,078,077	\$ 55,685,745
Issued in connection with mineral property acquisition (i)(viii)	250,000	68,750	160,000	60,000
Issued on exercise of options (v)(vi)(vii)	-	-	65,000	23,381
Private placements - Flow-through shares (iii)(iv)	-	-	2,927,775	1,094,695
Share issuance costs (ix)	-	-	-	(62,646)
Share repurchase (ii)(x)	(17,000)	(17,473)	(841,000)	(899,260)
Balance, end of period	54,622,852	\$ 55,953,192	54,389,852	\$ 55,901,915

2020 issuances

Shares issued in connection with mineral property acquisitions

(i) On March 23, 2020, Globex acquired a 100% interest in the Lac Fortune Gold Mine Property located in Beauchastel Township, Quebec by issuing 250,000 Globex common shares at a deemed price of \$0.275 per share for a deemed value of \$68,750.

Normal course issuer bid

(ii) During the six months ended June 30, 2020, 17,000 common shares were repurchased for cash consideration of \$5,743 in accordance with the Normal course issuer bid ("NCIB"). The amount by which the repurchased amount was less than the stated capital of the shares has been credited to deficit.

2019 issuances

Private placements

(iii) On July 10, 2019, Globex issued 1,500,000 flow-through common shares at a price of \$0.40 per share to subscribers outside Quebec and 666,666 flow-through common shares at a price of \$0.45 per share to subscribers in Quebec, for gross proceeds to Globex of \$900,000. The fair value of these shares was \$801,667 (\$0.37 per share) based on the TSX closing price on July 9, 2019. The \$98,333 difference between the gross proceeds and the fair value of the shares at issuance has been reflected as an increase in other liabilities.

Jack Stoch, director and Chief Executive Officer ("CEO") of Globex, purchased 150,000 flow-through shares for a total consideration of \$60,000 in the private placement.

(iv) On July 19, 2019, Globex issued 50,000 flow-through common shares at a price of \$0.40 per share to subscribers outside Quebec and 711,109 flow-through common shares at a price of \$0.45 per share to subscribers in Quebec, for gross proceeds to Globex of \$340,000. The fair value of these shares was \$293,028 (\$0.385 per share) based on the TSX closing price on July 18, 2019. The \$46,972 difference between the gross proceeds and the fair value of the shares at issuance has been reflected as an increase in other liabilities.

LOBEX MINING ENTERPRISES INC.

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17. Share Capital (Continued)

Changes in capital stock (continued)

2019 issuances (continued)

Issued on exercise of options

(v) On March 11, 2019, 30,000 stock options with a fair value per share of \$0.124 were exercised at an exercise price of \$0.235 per share. Globex's shares closed at \$0.295 per share that date.

(vi) On May 23, 2019, 30,000 stock options with a fair value per share of \$0.124 were exercised at an exercise price of \$0.235 per share. Globex's shares closed at \$0.345 per share that date.

(vii) On June 3, 2019, 5,000 stock options with a fair value per share of \$0.124 were exercised at an exercise price of \$0.235 per share. Globex's shares closed at \$0.355 per share that date.

Shares issued in connection with mineral property acquisitions

(viii) On July 22, 2019, Globex acquired a 100% interest in the Standard Gold Property located in Duverny Township, Quebec by issuing 160,000 Globex common shares at a deemed price of \$0.375 per share for a deemed value of \$60,000.

Share issuance costs

(ix) During the year ended December 31, 2019, the share issuance costs totalled \$62,646.

Normal course issuer bid

(x) During the year ended December 31, 2019, 841,000 commons shares were repurchased for cash consideration of \$244,325 in accordance with the NCIB. The amount by which the repurchased amount was less than the stated capital of the shares has been credited to deficit.

Stock options

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

	June 30, 2020		December 31, 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of period	2,870,000	\$ 0.36	2,912,500	\$ 0.30
Exercised	-	-	(65,000)	0.24
Expired/cancelled	-	-	(1,277,500)	0.23
Granted to employees (i)	-	-	1,300,000	0.35
Balance - end of period	2,870,000	\$ 0.36	2,870,000	\$ 0.36
Options exercisable	2,870,000	\$ 0.36	2,870,000	\$ 0.36

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17. Share Capital (Continued)

Stock options (continued)

(i) On March 2, 2019, 10,000 stock options with a fair value per share of \$0.1712 were granted at an exercise price of \$0.285 per share. Globex's shares closed at \$0.285 per share on the day before. On June 17, 2019, 1,160,000 stock options with a fair value per share of \$0.1996 were granted at an exercise price of \$0.35 per share. Globex's shares closed at \$0.35 per share on the day before. On November 28, 2019, 130,000 stock options with a fair value per share of \$0.1871 were granted at an exercise price of \$0.34 per share. Globex's shares closed at \$0.34 per share on the day before.

The following table summarizes information regarding the stock options outstanding and exercisable as at June 30, 2020:

Range of prices	Number of options outstanding	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$0.22 - \$0.24	110,000	110,000	3.54	\$ 0.24
\$0.25 - \$0.29	265,000	265,000	0.53	0.29
\$0.30 - \$0.38	1,690,000	1,690,000	3.77	0.36
\$0.39 - \$0.42	720,000	720,000	1.07	0.39
\$0.44 - \$0.50	85,000	85,000	2.59	0.44
	2,870,000	2,870,000	2.75	\$ 0.36

Stock-based compensation and payments

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

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

	June 30, 2020	December 31, 2019
Stock price	-	\$0.35
Expected dividend yield	-	Nil
Expected stock price volatility	-	68.27%
Risk free interest rate	-	1.36%
Expected life	-	5 years
Weighted average fair value of granted options	-	\$0.20

During the three and six months ended June 30, 2020, an expense of \$Nil (three and six months ended June 30, 2019 - \$231,536 and \$233,248, respectively) related to stock-based compensation costs has been recorded and presented separately in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

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17. Share Capital (Continued)

NCIB

On March 11, 2020, the Corporation announced that TSX approved the renewal of the NCIB. Under the original NCIB, Globex was entitled to repurchase for cancellation up to 1,000,000 common shares, representing 1.84% of Globex's issued and outstanding shares as of March 1, 2020, over a twelve-month period starting on March 13, 2020 and ending on March 12, 2021. The purchases by Globex will be effected through the facilities of the TSX and on other alternative trading systems in Canada and will be made at the market price of the shares at the time of the purchase.

During the six months ended June 30, 2020, 17,000 common shares of Globex were purchased for cash consideration of \$5,743 in accordance with the NCIB.

18. Related Party Information

Related party receivable	June 30, 2020	December 31, 2019
Jack Stoch Geoconsultant Limited ("GJSL")	\$ -	\$ 1,084
Chibougamau Independent Mines Inc. ("CIM")	8,063	32,217
	\$ 8,063	\$ 33,301

The receivables due from related parties bear no interest, are without specific terms of repayment and are not secured.

As reflected in the unaudited condensed interim consolidated statement of cash flows there was a net cash increase of \$25,238 (six months ended June 30, 2019 - decrease of \$60,936) in the related party net payables during the six months ended June 30, 2020.

CIM

CIM is considered a related party as Globex Management consisting of the President and CEO and a Director 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 \$1,886 and \$3,951, respectively for the three and six months ended June 30, 2020 (three and six months ended June 30, 2019 - \$2,288 and \$3,133, respectively) represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement.

All related party transactions disclosed above were at the agreed amounts that approximate fair value.

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18. Related Party Information (Continued)

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, Chief Financial Officer, Treasurer and Corporate Secretary) are as follows:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Management compensation				
Salaries and other benefits	\$ 44,875	\$ 44,729	\$ 91,231	\$ 92,122
Professional fees and outside services (i)	20,738	16,028	49,014	38,238
Fair value of share-based compensation	-	135,728	-	135,728
	\$ 65,613	\$ 196,485	\$ 140,245	\$ 266,088

(i) In the three and six months ended June 30, 2020, management consulting fees of \$20,738 and \$49,014, respectively (three and six months ended June 30, 2019 - \$16,028 and \$38,238, respectively) were paid to the Chief Financial Officer and the Corporate Secretary. They were appointed on September 20, 2017. As at June 30, 2020, the balance due to Chief Financial Officer and Corporate Secretary is \$2,889 (December 31, 2019 - \$12,815) which is included in payables and accruals due under normal credit terms.

19. Supplementary Cash Flows Information

	June 30,	June 30,
Changes in non-cash working capital items	2020	2019
Accounts receivable	\$ 25,538	\$ (112,006)
Prepaid expenses and deposits	(67,216)	(22,243)
Current tax receivable	30,859	-
Payables and accruals	43,403	(38,350)
Current tax payable	-	(128,368)
	\$ 32,584	\$ (300,967)

	June 30,	June 30,
Non-cash operating and investing activities	2020	2019
Disposal of mineral properties for investments	\$ -	\$ 579,495
Shares issued for mineral properties	68,750	-
	\$ 68,750	\$ 579,495

20. Canada Emergency Wage Subsidy

In response to COVID-19, the Government of Canada announced the Canada Emergency Wage Subsidy ("CEWS") program in April 2020. CEWS provides a wage subsidy on eligible remuneration, subject to a maximum per employee, to eligible employers based on meeting certain eligibility criteria. The Corporation has determined that it has qualified for this subsidy. The Corporation has recognized the government grant as there is reasonable assurance that it will comply with the eligibility criteria and that the subsidy will be received. Included in salaries expense for the three and six months ended June 30, 2020 is \$138,501 relating to the CEWS program in order to reduce the expense that the grant is intended to offset.

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21. Commitments and Contingencies

At year end, the Corporation had no outstanding commitments other than its commitment to incur qualified exploration expenditures to meet its flow-through obligations as described in notes 5 and 12. At this time, management anticipates meeting that obligation and as a result, no additional disclosures are required.

22. Subsequent Events

(i) On July 2, 2020, the Corporation announced it acquired the final claim covering the southern half of the New Marlon Gold Mine property which consolidates the Silidor and New Marlon Mines assets located in Rouyn township, Quebec, immediately northwest and adjoining the town of Rouyn-Noranda.

(ii) On July 13, 2020, the Corporation announced that it sold a number of noncore specialty mineral royalties to a new energy centric royalty company, Electric Royalties Ltd. ("Electric"). In exchange for the royalties or portions of royalties Globex will receive \$500,000 and 3,000,000 Electric shares, representing 6.93% of Electric issued capital. Should the Authier Lithium deposit reach commercial production within 6 years of agreement, Globex will receive an additional \$250,000 cash payment adjusted for inflation.

(iii) On July 21, 2020, the Corporation announced that it sold 91 claims totaling 4,960 hectares comprising of the Rosario, Lac Testard Ouest, Pyrox, Lac De Maurès Est, Claudette Zone, Boulder Lake, Boulder Gold, and Lac Chix properties located approximately 80 km north of Chibougamau, Quebec to Troilus Gold Corp. In exchange for 100% interest in the claims, Troilus Gold Corp. has paid Globex 350,000 Troilus common shares and granted Globex a 2% GMR, 1% of which may be purchased at any time for \$1,000,0000.

(iv) On August 10, 2020, the Corporation announced that it sold 100% interest in the Normetal/Normetar copper, zinc and silver property, the Rousseau gold project and the Turgeon Lake gold property located in Northern Quebec, to Starr Peak Exploration. ("Starr Peak"). In exchange, Globex will receive \$150,000 in cash payments (\$50,000 on signing, \$50,000 at 6 months and \$50,000 at one year), 1.2 million Starr Peak shares and a 2.5% GMR, 1% of which may be purchased by Starr Peak prior to commercial production for \$1.5 million. Starr Peak will acquire 100% interest in the properties subject to the royalty (GMR).