Interim Report

Nine months ended September 30, 2010
(Unaudited)

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Statement concerning the Interim Financial Statements

Management has compiled the unaudited interim financial statements as of September 30, 2010 and 2009. The statements have not been audited or reviewed by the Company's auditors or any other firm of chartered accountants.

Table of Contents

Interim Management Discussion and Analysis 2

- Overview 2
- Corporate Focus 2
- Highlights during the first nine months of the current year 3
- Forward-looking Statements 3
- Exploration Activities and Mining Properties 3
- Qualified Person 10
- Results of Operations 10
- Balance Sheet Review 12
- Financial Instruments and Risk Management 13
- Capital Disclosures 14
- Future Accounting Changes (International Financial Reporting) 15
- Critical accounting assumptions, policies and estimates 22
- Outstanding Share Data 24
- Risks and Uncertainties 25
- Related Party Transactions 25
- Disclosure Controls and Procedures 26
- Internal Control over Financial Reporting (ICFR) 26
- Outlook 27
- Additional Information 27
- Authorization 27

Interim Financial Statements 28

Notes to the Interim Financial Statements 32

Management Discussion and Analysis “MD&A”

For the nine (9) month period ended September 30, 2010

Overview

Globex Mining Enterprises Inc. (“Globex”) is a Canadian focused exploration, royalty and development company with a North American mineral portfolio of in excess of 90 early to mid-stage exploration and development properties containing; **Base Metals** (copper, nickel, zinc, lead), **Precious Metals** (gold, silver, platinum, palladium), **Specialty Metals** (rare earths, uranium, lithium) and **Industrial Minerals** (manganese, iron, molybdenum as well as talc and magnesium). The Company currently generates royalty and option income from properties which contain gold, silver and zinc. It is in the early stages of developing precious metals recovery technology which may potentially generate fees and royalty income.

Corporate Focus

The Company seeks to create shareholder value by acquiring properties, enhancing and developing them for optioning, joint venturing or vending, with the ultimate aim of bringing projects into commercial production. Since earlier this spring, the Company has also been evaluating opportunities to generate royalties through patented hydrometallurgical technology transfers to clients looking to improve the recovery and economics of refractory gold properties.

At the present time, the Company is focussing its efforts in a number of broad areas which include:

- Advancing the Timmins Talc Magnesite Project, (See Timmins Talc Magnesite Deposit below);
- Acquiring additional Precious Metal, Base Metal and Specialty Metals properties;
- Exploiting Royalty Income opportunities through the hydrometallurgical technology transfers to clients (See Other Business Opportunities below);
- Gaining additional information related to all of the properties on a targeted basis and;
- Generating Option and Royalty income under existing agreements and new agreements.

Optioning exploration properties is one of the strategies Globex employs to manage its extensive mineral property portfolio as well as to conserve cash. This strategy permits Globex to receive some current income while ensuring its properties are being explored and retaining an interest in any future production. The term option as it relates to Globex properties should be understood as follows: in exchange for a number of annual cash and/or share payments and an annual work commitment on the property, Globex grants the Optionee the right to acquire an interest in the optioned property.

Generally, all conditions of the agreement must be satisfied before any interest in the property accrues to the Optionee. The option contract will terminate if annual payments and/or work commitments are not met. Assuming all conditions of the option agreement are satisfied, Globex may retain a Gross Metal Royalty (GMR) or other carried interest in the property. Outright property sales may also include cash and/or shares and some form of royalty interest payable when projects achieve commercial production or some other negotiated milestone.

Globex Mining Enterprises Inc. trades on the Toronto Stock Exchange under the symbol GMX, in Europe on the Frankfurt, Munich, Stuttgart, Berlin and Xetra exchanges under the symbol G1M and on the OTCQX International in the USA with the symbol GLBXF.

Highlights during the first nine months of the current year

- During this period, the Company has focused significant expenditures and exploration efforts on advancing the Talc-Magnesite project in Timmins, Ontario, and is currently focused on bringing the project's claim group to lease (a process as defined under the Mining Act which is necessary to permit mining), obtaining environmental and regulatory approvals, and demonstrating the feasibility of the proposed technology. The progress is further described in the Exploration Activities and Mining properties section of this report.

- In April 2010, the Company also announced that it had formalized an arrangement with Drinkard Metalox Inc. ("DMI") to form a joint venture designed to commercialize a unique method of refractory gold processing developed by DMI. This arrangement is further described in the Other Business Opportunities of this MD&A.

- In May 2010, the Company completed a private placement of 957,600 flow-through common shares which generated gross proceeds of $1,825,239. On November 3, 2010, the Company completed a private placement by issuing 70,000 "flow-through" common shares to an "accredited investor" in Ontario at a price of $1.87 per share, for gross proceeds of $130,900. Following this latest private placement, the Company had 20,267,674 common shares outstanding (December 31, 2009 - 19,215,074).

- In this period, the Company has also spent a great deal of effort on acquiring gold properties as well as evaluating options to exploit and "unlock" the inherent values in these properties.

- During the current year, the Company completed the Phase 2 and Phase 3 assessment activities related to the conversion to International Financial Reporting Standards (IFRS). Management believes that it is well positioned to report the Q1 2011 results in accordance with these standards. The analysis and status reporting which are contained in this report indicate that the new standards will not have a significant impact on the results reported in the Profit and Loss statement (replacement for statement of operations); however, during the transition, the Company will reclassify a number of items within the equity as currently reported on its balance sheet.

Forward-looking Statements

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

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

Exploration Activities and Mining Properties

The Company conducts exploration activities in compliance with "Exploration Best Practices Guidelines" established by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards with exploration programs planned and managed by "Qualified Persons" who ensure that QA/QC practices are consistent with National Instrument 43-101 standards. On all projects, diamond drill core is marked up by a geologist and subsequently split, with one-half of the core analyzed, in the case of gold, by standard fire assay with atomic absorption or gravimetric finish at an independent, registered commercial assay laboratory. The second-half of the core is retained for future reference. Other elements are determined in an industry acceptable manner, for either geochemical trace signatures or metal ore grades.

According to National Instrument 43-101, the loss of a material property would cause at least a 10% drop in the share price of the Company. At this time, management believes that the loss of any single Globex property, not covered by a NI 43-101 compliant report, would have little or no effect on the Company's share price.

Producing a NI 43-101 report is time-consuming, expensive and simply not warranted on all of our properties. We will, when we determine it is a prudent business decision, produce NI 43-101 reports and file them on SEDAR.

When discussing historical resource calculations available in the public domain regarding our properties, we will include source, author and date, and if appropriate, cautionary language stating that:

- A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or reserves;
- The issuer is not treating the historical estimate as current mineral resources or mineral reserves; and
- The historical estimate should not be relied upon. In addition, the source and date of the historical estimate will be provided.

Exploration expenditures for the third quarter of 2010 totalled $862,188 (2009 - $437,619) and for the nine months, totalled $1,701,013 (2009 - $1,417,422). During this nine month period, $640,783 (38%) was spent on the Timmins-Talc Magnesite project; $345,921 (20%) on the Hunter's Point project, $123,000 (7%) was spent on the MacKinnon Project in NS; $105,821 (6%) on the Cadillac Wood Project and the remaining $485,488 (29%) was spent on general exploration as well as a number of projects. As a result of these expenditures, Globex's 2009 commitment to flow-through spending of $1,015,550 has been fully met. In May 2010, the Company raised $1,825,239 in "flow-through" financing and subsequently incurred $1,138,556 eligible expenditures which resulted in a remaining commitment of $686,683 at September 30, 2010.

During the three month period ended September 30, 2010, mining property taxes totalled $28,950 (2009 - $26,653) and during the nine month period ended September 30, 2010 the mining property taxes totalled $56,144 (2009 - $52,467).

Timmins Talc-Magnesite Deposit

The Timmins Talc-Magnesite ("TTM") project is held under an agreement with Drinkard Metalox Inc. (90% Globex - 10% Drinkard). In January 2010, the Company achieved the US$1.5 million spending threshold as defined in the agreement between Drinkard Metalox Inc. ("DMI") and the Company dated October 23, 2008. On March 5, 2010, the agreement was amended, with Globex increasing its ownership to 90% from 75% in exchange for Globex assuming the complete funding of all costs for the project to that point in time when the project is spun off into a separate publicly traded vehicle (see press release dated March 17, 2010).

In 2009, the Company reported that over half of the Company's exploration resources were directed toward the Talc-Magnesite project. Similarly during Q3 2010, in excess of 29% (Q3 -2009 – 45%) of the total exploration expenditures were incurred on this project. On a year-to-date basis, the Company has spent approximately 38% (2009 – 51%) of its exploration funds on this project.

On September 20, 2010, the Company issued a detailed press release which outlined that it had been diligently advancing the project through detailed hydrometallurgical tests while at the same time the project team was addressing numerous aspects of the project from environmental and mining permitting to project design, and all that entails. Subsequently on October 26, 2010, the Company provided an additional update on the project. The paragraphs which follow provide an update and context with respect to the financial results reported in this MD&A. The press releases provided details related to Testing, Permitting and Environmental, Land, Marketing, and Pre-Feasibility Study as further described below:

Testing

- The pilot test work has begun at a projected cost of US$500,000 and is expected to be completed by year end 2010. It is anticipated that the hydrometallurgical pilot testing will provide the technical information required to complete a prefeasibility study and the design of a demonstration/small production plant.

Permitting and Environmental

- Blue Heron Solutions for Environmental Management Inc. (Blue Heron) has completed the first phase of environmental baseline studies in order to acquire the permits to develop an open pit talc-magnesite mine.

- A series of monitoring water wells have been commissioned in order to study the water table in the area of the proposed open pit. This work and other data collection is ongoing under the second phase of the program managed by Blue Heron with assistance from Golder Associates Ltd.

- In addition, an initial intergovernmental meeting was held on September 16, 2010 at which Globex introduced the project to the various government agencies involved in the approval process for such projects. Aboriginal communities will be consulted to solicit their input regarding the project, estimated to start in early 2011.

Land

The size of the property has been increased through the purchase of 5 claim units that adjoin the property to the south. A request has been filed with the Ministry of Northern Development, Mines & Forestry to convert the exploration claims to lease, an important mineral title step in our march toward production.

Marketing Study and Product Testing

Roskill Consulting Group Limited of London England was engaged to perform market studies on a number of specialty magnesium compounds and talc. The Company has received the results of the studies which have among other things identified the products and markets which appear potentially most advantageous to the Company.

In response to requests from potential clients, samples of both magnesium and finely ground talc have been produced. One potential client in Europe has been testing a mixture of talc and a magnesium compound. Initial indications are that, the material meets their requirements. Additional test work is ongoing.

Pre-Feasibility Study

Many of the project phases as outlined above are defined to advance the overall project through the completion of a Pre-Feasibility Study in accordance with the rules and requirements as outlined in NI 43-101. The efforts will also generate a conformable resource calculation.

As previously reported, the next milestone for the Timmins Talc-Magnesite project is to develop a commercial flow sheet and build a demonstration plant. To that end, Micon International Ltd. completed a NI 43-101 compliant resource report on the project, dated March 2, 2010. Globex's earlier objective was to confirm the existence of a talc and magnesium-bearing resource of at least 20 million tonnes, an amount sufficient to sustain 20 years of mineral production at a mining rate of 1 million tonnes per year. The mineral resource estimate by Micon surpassed the target tonnage by more than 50% using information to a depth of only 100 metres.

The following is the tonnage and grade of the mineral resource as estimated by Micon in the limited portion of the A Zone:

Mineral Resource Estimate

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

Note: Additional information is available in the press release dated March 2, 2010 and in the complete report which is filed on Sedar.com

The resource is open both along strike to the west and east where it is exposed on surface as well as to depth. Additional drilling, trenching and assaying will be undertaken to facilitate raising part of the resource to the reserve category.

The Company is currently focused on bringing the project's claim group to lease, obtaining environmental and regulatory approvals and demonstrating the feasibility of the proposed technology. Last year bench scale test work was completed and a drilled composite sample from section L9+50E was used to carry out a set of tests on larger 100 Kg sized samples. This work concentrated on talc liberation studies and the products that could be produced using proprietary DMI technology.

During early 2010 a second larger drill composite sample of some +600 Kg was processed by standard floating techniques to take off the talc. The magnesite-rich tails of this processing is the subject of a pilot study in Charlotte, North Carolina, using DMI's micro-plant equipment. This test work will collect data to optimise and design a commercial flow sheet and is scheduled to start late summer. Once complete, engineering work will design a scaled up demonstration plant to showcase this DMI technology.

Other Business Opportunities (Eco Refractory Solutions Inc. ("ERS"))

On April 22, 2010, the Company announced that it had reached an agreement with Drinkard Metalox Inc. to form a new and separate joint venture (75% Globex - 25% DMI) to commercialize, on a worldwide basis, DMI's trade secret and patented hydrometallurgical technologies for the efficient and environmentally friendly recovery of gold, silver and other metals from arsenical and/or refractory ores. Under the agreement, Globex will manage the joint venture and fund its work while retaining a 75% interest. DMI will provide its expertise, patents, trade secrets and perform hydrometallurgical test work to prove its commercial applicability to various refractory gold deposits while maintaining a 25% carried interest in the joint venture.

The joint venture expects to profit through technology contracts which may generate fees and royalties based upon, among possible other things, savings in capital costs and a percentage of precious metal recoveries from gold deposits, which, under conventional technologies, may be uneconomic due to low gold recoveries and/or other environmental considerations that result from conventional processing techniques.

The joint venture will operate through a corporation which was established on May 17, 2010 as Eco Refractory Solutions Inc. To date, ERS has received a number of requests for information about the process. Initial test work on a client's gold refractory ore has been completed. ERS looks forward to a commercial arrangement upon completion of additional process test work.

As outlined in a press release of September 22, 2010, test work was initiated on a sizable sample of refractory gold bearing core from a mining company's large tonnage, low grade gold deposit. Test results indicated gold recoveries in the 95% range are possible.

As a result of this initial success, a technical confidentiality agreement was signed with the mining company and additional test work was initiated upon a 5kg sample of gold bearing concentrate from the refractory gold deposit. This test work indicated gold recoveries of up to 98.5% are possible. The success of the second phase of testing has resulted in the client deciding to proceed with a third phase program involving an even larger sample of refractory gold concentrate. Work will begin upon delivery of the concentrate sample. The new test work will be closely monitored by the client as it will demonstrate, in a step by step manner, all aspects of the process including the superior environmental benefits of the method.

The Company has been engaged by a second client to perform similar test work on their refractory gold ore.

While the Company is encouraged with the results of the laboratory test work completed to date and the potential of the ERS technology to set a new standard for the possible economic recovery of gold from refractory gold ores and/or concentrates, the reader is cautioned that, at this time, the ERS technology is in the development stage. Through continued testing, the "economics" of the recovery process as well as the cost/benefits of both operating and capital costs will be further evaluated. All statements other than statements of historical fact, included herein, including without limitation, statements regarding the potential of the ERS technology are forward looking-statements that involve various risks, assumptions, estimates and uncertainties. These statements reflect the current internal projections of, expectations or beliefs of Globex and are based on information currently available to the Company. There can be no assurances that such statements will prove to be accurate, and actual results and future events could materially differ from those anticipated in such statements.

Options

Parbec Gold property

As previously reported, in late December 2009, an agreement was reached with Savant Explorations Ltd. to option Globex's Parbec Gold property (see press release dated January 11, 2010). Under the option arrangement, in Q1 2010, Globex received 100,000 shares of Savant with a value of $14,000. In addition, the Company received cash payments of $50,000 in the 1st half of 2010. After completing their due diligence, Savant initiated a diamond drilling program in mid-April 2010. The first drill hole returned 19.25 g/t Au over a width of 2.9 m. Additional core logging and assaying is in progress.

Duquesne West Gold Property

On February 18, 2010, Globex announced that on February 5, 2010, a Memorandum of Agreement between Globex Mining Enterprises Inc. (Globex) and Géoconseils Jack Stoch Ltée ("GJSL") as vendors and On-Strike Gold Inc. ("Optionee") was signed. The agreement pertains to the Duquesne West Gold Property (20 claims) located in Duparquet and Destor townships, Quebec owned 50% by Globex and 50% by GJSL (acquired prior to listing of Globex in 1987) and GJSL's 100% owned Ottoman Fault Property (40 claims). The Duquesne West property in Duparquet Township, Quebec is located within the large land package now being worked by Clifton Star and Osisko Mining Corp. In early June 2010, On-Strike Gold Inc. completed a planned merger and was listed on the TSXV under the name Xmet Inc.

Under the agreement, total consideration for the interests over the four year option period includes cash payments of $8,060,000, plus 2,000,000 shares of the Optionee, a work commitment of $10 million on the property and a sliding gross metal royalty of between 2% and 3%, depending upon gold prices, with the potential for a joint venture once the option has been exercised. All proceeds from the option will be shared equally between the Vendors. During the nine month period of the current year, Globex received total cash payments of $50,000 and 1.0 million shares of Xmet Inc.

Bell Mountain Property

On June 29, 2010, Globex and Globex Nevada Inc. announced that they had entered into an option agreement with Laurion Mineral Explorations Inc. (LME-TSXV) whereby Laurion may earn 100% interest in Globex's Bell Mountain Gold Project in Churchill County, Nevada.

Under the agreement, at signing, Laurion paid an initial $10,000 and delivered 1,700,000 Laurion shares. Laurion has the option, over the first 24 months of the agreement, to pay $30,000 and issue 2,000,000 shares and, over 5 years, perform $3,000,000 in exploration and/or development. In addition, Globex maintains a sliding-scale Gross Metal Royalty ("GMR") on all mineral production (gold, silver, etc.) benchmarked against the price of gold (1% GMR at a gold price under US$500/troy oz, 2% GMR at a gold price between US$500 and US$1200/troy oz and 3% GMR at a gold price over US$1200/troy oz). During the 2nd quarter Laurion made an additional cash option payment of $10,000.

Mooseland Gold Property and Other Nova Scotia Gold Properties

With the completion of their initial financing on September 23, 2010 and subsequent TSXV listing, NSGold Corporation paid its second option payment of $250,000. Refer to press release dated June 30, 2010 for additional details.

Shortt Lake Gold/Rare Earth Property

On August 16, 2010, the Company announced that it had optioned its Shortt Lake Gold Mine and rare earth exploration project located near Chapais, Quebec to NQ Exploration Inc. ("NQE-V").

Under the option agreement, Globex will receive $650,000 in cash payments and 4 million NQ exploration shares over a 5 year period. NQE-V will also undertake $5 million in exploration expenditures. Upon the completion of the terms as outlined above, NQE-V will have earned a 100% interest in the property subject to a $50,000 per year advance royalty and a sliding scale gross metal royalty ("GMR") on all mineral production as indicated below. A gross metal royalty is a percentage of mineral production, in cash or kind at Globex's choice, with no deducted costs.

Gold Price ($Cad)	Gross Metal Royalty (GMR)
$ 1 to $1,000	1.0%
> $ 1,000 to $1,250	1.5%
> $ 1,250 to $1,600	2.0%
> $1,600	2.5%

The GMR percentage shall be established based on the prevailing gold price and shall apply to all mineral production including, but not limited to, gold, silver, copper, zinc, rare earths, etc.

Manganese Iron Asset in New Brunswick

On August 31, 2010, the Company announced that it had acquired 100% interest in a block of 28 claims covering 588 hectares along a strike length of 6 km in the Woodstock area of New Brunswick. The property covers the Iron Ore Hill, Moody Hill and Sharp Farm manganese-iron zones which have reported historical, non NI 43-101 resources of 25 million tons, 10 million tons and 8 million tons respectively and possibly the northern end of the South Hartford zone (50 million tons). The resource figures are based upon work by Strategic Materials Corporation ("Stratmat") done in 1957 and reported in "The Mandate Project Woodstock, N.B. dated December 17, 1969 by W.J. Wark available in New Brunswick Government files (Note: A Report by K.O.J. Sidwell titled "The Woodstock, N.B., Iron-Manganese Deposits" published in 1957 also states that the South Hartford deposit contains 50 million tons of manganese –iron mineralization).

The Company believes that the property warrants a modern approach especially in regard to hydrometallurgical applications and finds these claims of interest considering the strategic nature of manganese, the lack of a North

American source and the location of the deposit near skilled labour and rail and highway access.

Turner Falls property

On February 1, 2010 Globex announced the rare earth assay results from surface grab sampling of outcrops and possibly large boulders from the 100% owned Turner Falls property in Villedieu township, Quebec, approximately 45 kilometres east of Kipawa. At that time, the Company had planned drilling on the combined Hunters Point project in the summer.

Over the summer 22.2 kilometres of lines were cut over a small portion of the property and magnetometer and spectrometer surveys were undertaken. The results of the samples were reported in press releases dated August 19, 2010 and August 26, 2010. The Company indicated that they were pleased with the assay results of the initial surface sampling. It also announced that it was in the early stage of exploring this property and additional work was planned for the areas where highly anomalous results had been found.

Royalties

As previously reported in a press release dated September 14, 2009, Nyrstar NV commenced limited operations at Gordonsville Zinc mine complex in the fall of 2009. Under Globex's agreement, the Company is entitled to a gross metal royalty ("GMR") of 1% on all zinc sales between US$0.90 and US$1.10 per pound and 1.4% GMR on all zinc sales over US$1.10 per pound. During the second quarter of 2010, Globex received royalty payments which totalled $33,600; lower than anticipated at the beginning of the year as a result of the recent decline in zinc prices below US$0.90. Nyrstar reported that its Mid-Tennessee mine produced approximately 4,000 metric tonnes of zinc concentrate despite being at only 30% capacity at September 30, 2010.

Work on Globex's Magusi River polymetallic deposit (Ag, Cu, Zn) remains on hold as First Metals Inc. is involved in a proposed merger. Globex's 2% net metal royalty continues to attach to the property.

Other exploration activities

In January 2010, the company completed several lines of geophysical surveys (IP, resistivity, magnetometer and VLF-EM) on an airborne target located in Lac Duparquet, Quebec. The target is 2 kilometres east and on strike with the Fabie Bay Mine. A strong bedrock sourced anomaly was defined that warrants diamond drill testing. Future work on this property is being considered.

The Company continued to acquire ground. The Tiblemont polymetallic claim group increased to 22 claims. Globex also staked 189 claims in Lunenburg County, Nova Scotia as a result of new prospecting that located a zone of gold-rich silicification and quartz stockwork veining. An IP survey has been completed, and results have been compiled. The project known as the MacKinnon Gold project was drilled this summer with mixed results. None of the assays returned gold values as high as those from surface sampling.

In March 2010, Globex acquired additional claims on the Beauchastel - Rouyn Property with the result that the main property now consists of 82 claims covering 2,852 hectares in Abitibi-West, Quebec. The property represents a large land package and previous work has identified numerous gold and base metal showings.

A number of new properties were also acquired including the Venus gold zone near Barraute, Quebec and a large exploration package at Chibougamau, Quebec.

New claims have been staked by the Company in New Brunswick to cover areas of potential specialty metals mineralization.

Plato Gold Corp. and Rocmec Mining Inc. continued drilling on the Nordeau and Russian Kid (Rocmec 1) properties respectively and issued press releases outlining their results.

Qualified Person

All scientific and technical information contained in this management's discussion and analysis was prepared by the Company's geological staff under the supervision of Jack Stoch, President and CEO, who is a qualified Person under NI 43-101.

Results of Operations

Summary of Quarterly Results

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are expressed in Canadian dollars unless otherwise expressly stated.

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

	2010			2009				
	Q3	**Q2**	**Q1**	Q4	Q3	Q2	Q1	Q4
Total revenues	**$ 473,669**	**$ 364,206**	**$ 93,012**	$ 174,299	$ (48,380)	$ 257,065	$ 35,029	$ (578,392)
Total expenses	**362,220**	**528,709**	**599,228**	1,099,681	360,808	517,058	446,202	2,476,186
Net earnings (loss)	**100,767**	**(161,133)**	**(412,560)**	(544,276)	(319,952)	(221,458)	(287,890)	(3,352,001)
Net earnings (loss) per share								
- Basic	**0.01**	**(0.01)**	**(0.02)**	(0.02)	(0.02)	(0.01)	(0.02)	(0.18)
- Diluted	**0.01**	**(0.01)**	**(0.02)**	(0.02)	(0.02)	(0.01)	(0.02)	(0.18)

Note:

In accordance with the CICA Handbook, Section 3500, an entity is required to provide a measure of the interests of each common share in the performance of the enterprise over the reporting period – while giving effect to all dilutive potential common shares that were outstanding during the period. The dilutive impact of share options has not been included in the quarterly periods prior to the quarter-ended September 30, 2010, as the Company reported a loss in each of those periods and the options would be anti-dilutive.

The net earnings of $100,767 in the quarter ended September 30, 2010 are better than the net loss of $161,133 in the quarter ended June 30, 2010 mainly as a result of higher option income on properties and other revenues of $109,464 as well as lower expenses of $166,489 (stock-based compensation and payments lower by $92,476; write-down of exploration properties lower by $37,276 and lower other expenses of $36,737).

The net loss of $161,133 in the quarter ended June 30, 2010 is lower than the net loss of $412,560 in the quarter ended March 31, 2010 mainly as a result of the receipt of additional property option income of $300,000 in the quarter.

The net loss of $412,560 in the quarter ended March 31, 2010 is less than the net loss of $544,276 in the quarter ended December 31, 2009 mainly as a result of a decrease in exploration write-downs of $710,983 and the offsetting impacts of increased administration and professional fees.

In the quarter ended December 31, 2009, the loss of $544,276 was $224,324 greater than the loss of $319,952 in the quarter ended September 30, 2009 mainly as result of increased administrative and professional fees attributed to higher levels of activities.

The September 30, 2009 quarter ended loss of $319,952 was $98,494 greater than the loss of $221,458 in the quarter ended September 30, 2009 mainly as a result of the absence of metal royalty income and a loss on the sale of marketable securities compared to a gain in the quarter ended September 30 which resulted in an overall decrease in revenues of $300,240.

The net loss of $221,458 for the quarter ended June 30, 2009 was lower than the loss of $287,890 for the quarter-end March 31, 2009 by $66,432 as a result of the increase in metal royalties and sales of marketable securities revenues which was somewhat offset by the increase in professional fees and stock option compensation.

The Company reported a net loss in the quarter ended March 31, 2009 of $287,890 which was $3,064,111 lower than the loss of $3,352,001 in the quarter ended December 31, 2009. The loss was lower mainly as the fourth quarter 2008 loss included a write-down of $1,814,331 on the First Metals Inc. investments received as part of the compensation for the disposition of the Fabie Bay and Magusi properties and a loss of on the sale of marketable securities of $717,347.

Results of Operations and Operational Review for the Three and Nine Months Ended September 30, 2010

Revenues

- Revenues in the third quarter of 2010 were $473,669 as compared to a loss of $48,380 in the third quarter of 2009. The increase is mainly the result of an increase in property option income of $397,500 and the elimination of a loss on the sale of marketable securities of $59,765 in the comparable period in the previous year.

- During the nine month period ended September 30, 2010, the revenues of $930,887 were $687,173 greater than the $243,714 recorded in the comparable nine months in the previous year. The increase reflects additional option income of $771,500 which was offset by a reduction in metal royalty income of $107,637 related to the First Metals Inc. operations which were shutdown in January 2009. Option income was received from Laurion Mineral Explorations Inc., NQ Exploration Inc., Savant Explorations Ltd. and Xmet Inc.

Expenses

Administration

- In the three month period ended September 30, 2010, the administration expenses totalled $165,922 as compared to $98,875 in the comparable period in 2009 and the increase of $67,047 mainly represents an increase in wages and benefits due to the hiring of additional personnel, salary increases and a new group insurance plan.

- In the nine months ended September 30, 2010, the administration expenses totalled $546,434 as compared to $369,818 in the comparable period in 2009 with the increase of $176,616 mainly related to the same factors mentioned above and the provision for $44,000 for Part XII.6 tax (interest charges) related to the timing of eligible “flow-through” expenditures which was not recorded in the comparable period last year.

Professional fees and outside services

- In the three month period ended September 30, 2010, the professional fees and outside services totalled $153,269 as compared to $117,946 in the same period in 2009. The increase mainly represents increased activity levels on the evaluation of a couple of major projects.

- In the nine month period ended September 30, 2010, the professional fees and outside services totalled $505,607 as compared to $417,303 in the comparable period in 2009. As outlined above, the increase mainly represents increased activity levels on the evaluation of a couple of major projects.

Amortization

- Amortization relates to the Company’s buildings and mining equipment. The amortization of $12,781 in

the three month period ended September 30, 2010 (September 30, 2009 - $15,427) as well as the charge for the nine month period $37,032 (nine months ended September 30, 2009 - $43,992) is prepared on a consistent basis and reflects the complete amortization of certain equipment.

Write-down of mineral properties and deferred exploration expenses

- During the three month period ended September 30, 2010, a write-down of $26,225 was recorded (September 30, 2009 - $88,818). On a year-to-date basis during the first nine months of the current year, the write-down totalled $135,441 (September 30, 2010 - $155,616). The write-down of mineral properties during the third quarter of 2010 decreased by $62,593 and by $20,175 during the nine month period mainly due to reduced general exploration in Canada.

Stock-based compensation and Stock-based payments

- During the three month period ended September 30, 2010, the stock based compensation and stock based payments totalled $770 as compared to $32,299 in the same period in 2009 which represents a decrease of $31,529 as a result of fewer option grants.

- For the nine months ended September 30, 2010, the total stock compensation and payments was $259,951 (2009 - $188,246) which represented an increase of $71,705. The increase in the expense reflects the granting of 325,000 options (weighted average fair value of $0.79 per share) as compared to 445,000 options (weighted average fair value of $0.43 per share) in the comparable period in the previous year.

Income and mining taxes recovery

- During the three months ended September 30, 2010, a future income tax expense of $10,680 (three months ended September 30, 2009 – recovery of $89,236) was recorded. On a year-to-date basis for the first nine months ended September 30, 2010, a recovery of future income and mining taxes of $86,344 (nine months ended September 30, 2009 - $251,054) has been recorded. The variation in the recovery reflects the differences in non deductible items and lower estimated future tax rates.

Balance Sheet Review

Total Assets

At September 30, 2010, total assets were $17,445,628, an increase of $2,067,797 from December 31, 2009. The increase primarily represents the flow-through financing proceeds received in May 2010 of $1,825,239.

At the period end, cash and cash equivalents as well as marketable securities totalled $2,988,184 (December 31, 2009 - $2,936,343) representing 17.1% of the total assets. During the period ending September 30, 2010, mineral properties increased by $51,810 from $2,870,356 to $2,922,166 at September 30, 2010. During the same period, the deferred exploration expenses increased by $1,565,572 from $8,100,884 at December 31, 2009 to $9,666,456 at September 30, 2010.

Shareholder's Equity

At September 30, 2010, the share capital of the Company was $47,769,372 (December 31, 2009 - $45,900,953) representing 20,197,674 (December 31, 2009 - 19,215,074) common shares outstanding. The increase in the share capital represents the proceeds of a private placement through flow-through financing of 957,600 shares for $1,825,239 and the exercise of 25,000 share options and the related transfers from Contributed Surplus to Share Capital.

The Company recognizes the tax effect of flow-through shares issued when the Company files the renouncement documents with the tax authorities. The tax effect of flow-through shares issued in May 2010 amounts to $437,947 and will be recorded in the fourth quarter of 2010 (2009 - $168,973).

At September 30, 2010, the Company has an accumulated other comprehensive income of $64,062 (December 31, 2009 – loss of $274,521) which represented the unrealized earnings and losses on available-for-sale marketable securities. The change in the current period is mainly a result in the increase in the fair value of equity securities received in the current year.

Liquidity and Working Capital

At September 30, 2010, the Company had cash and cash equivalents of $307,697 (December 31, 2009 - nil) excluding cash restricted for flow-through expenditures of $686,683 (December 31, 2009 - $347,883).

Marketable securities of $2,680,487 include shares with a market valuation of $599,659 and term deposits and treasury bonds of $2,080,828 fully guaranteed by the Canadian government.

At the period ended September 30, 2010, the Company's working capital (based on current assets minus current liabilities) was $3,416,615 (December 31, 2009 - $3,187,490). The Company believes that based on the current cash and working capital position, it has sufficient resources readily available to meet its current exploration spending commitments and corporate and administrative requirements for the next eighteen months.

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

Financial Instruments and Risk Management

Risk management

The Company, through its financial assets and liabilities, has exposure to the following financial risks: credit risk, liquidity risk, foreign exchange risk, and interest rate risk. The following analysis provides a measurement of risks as at the balance sheet date September 30, 2010.

As a result of the volatile economic conditions precipitated by the credit crisis, at September 30, 2010, the Company had $2 million in financial instruments, fully guaranteed by the Canadian Government, classified as marketable securities on the balance sheet. The Company's remaining cash and cash equivalents and cash restricted for flow-through are deposited with a Canadian banking institution, member of the Canadian Deposit Insurance Corporation ("CDIC"): CDIC, a federal Crown Corporation, insures deposits to a maximum of $100,000 per individual institution. In addition, the Company has invested $964,113 in a money market fund which is subject to a $1,000,000 guarantee by the Canadian Investors Protection Fund ("CIPF").

Credit risk

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

The maximum exposure to credit risk as at September 30, 2010 and December 31, 2009 was:

		2010		2009
Cash and cash equivalents	**$**	**307,697**	$	-
Cash restricted for flow-through expenditures		**686,683**		347,883
Accounts receivable		**315,060**		215,621
		1,309,440		563,504

Accounts receivable mainly consist of taxes receivable from government authorities. As the government receivables arise from legislative obligations, they do not represent a high credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company mitigates liquidity risk through the management of its capital structure and financial leverage, as outlined in the following “Capital Disclosures”. It also manages liquidity risk by continuously monitoring actual and projected cash flows. The Board of Directors reviews and approves the Company’s operating and capital budgets, as well as any material transactions outside of the ordinary course of business. The Company has financed its exploration and mining activities through operating cash flows and the utilisation of its liquidity reserves.

Contractual maturities of financial liabilities are all under one year.

Foreign Exchange Risk

As at September 30, 2010, the Company had cash of $1,362 (December 31, 2009 - $6,587) in US dollars. The Company estimates that the impact on earnings of a one percent increase or decrease in the US exchange rate would be insignificant.

Interest Rate Risk

The Company is not exposed to a significant interest rate risk since the Company has no credit facility. The interest revenue arising from the balance of operating cash accounts is subject to interest rate fluctuations. Based on the balances outstanding during the quarter ended September 30, 2010, a 1% increase (decrease) in the interest rate index would have no significant impact on earnings before income taxes.

Capital Disclosures

The Company’s Capital consists of Share Capital, Contributed Surplus, Deficit and Accumulated other comprehensive income (loss).

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders.

As a Canadian exploration company, its principal sources of funds consist of; (a) Options income on properties; (b) Metal royalty income; (c) Investment income; (d) proceeds from the issuance of common and flow-through shares and (e) other working capital items.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements or dispose of properties.

The Company’s investment policy is to invest its cash in highly liquid short-term interest-bearing investments, selected with regards to the expected timing of expenditures from continuing operations. The Company expects its current capital resources will be sufficient to carry its exploration and development plans and operations through its current operating period. The Company is currently not subject to externally imposed capital requirements.

Neither the management of capital nor the objectives have changed during the current year.

The Company monitors capital on the basis of surplus to equity. The components of the surplus are outlined below at September 30, 2010 and December 31, 2009:

		2010		2009
Cash and cash equivalents	$	**307,697**	$	-
Cash restricted for flow-through expenditures		**686,683**		347,883
Marketable securities - term deposits and treasury bonds		**2,085,327**		2,757,864
Accounts receivable		**315,060**		215,621
Quebec refundable tax credit and mining duties		**230,888**		230,888
		3,625,655		3,552,256
Exploration expenditure obligations		**(686,683)**		(347,883)
Surplus		**2,938,972**		3,204,373
Shareholders' equity		**13,966,452**		12,077,114

Future Accounting Changes

International Financial Reporting

i. International Financial Reporting Standards and Revision to CSA Rules

In February 2006, the Canadian Accounting Standards Board (AcSB) published a strategic plan to transition over a period of five years, Canadian Generally Accepted Principles (Canadian GAAP) for public enterprises to International Financial Reporting Standards (IFRS), as adopted by the International Accounting Standards Board (IASB). In March 2008, the timing of the transition was confirmed. IFRS will apply to most Canadian publicly accountable enterprises for financial years beginning on or after January 1, 2011. The AcSB has incorporated IFRS into the Handbook of the Canadian Institute of Chartered Accountants (the Handbook) as Canadian GAAP for publicly accountable enterprises.

On October 1, 2010, the Canadian Securities Administrators (CSA) through National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards issued “Final Materials” which reflect the changeover in Canada to IFRS. At the same time, other amendments to other National Instruments, Forms and Companion Policies to reflect the changeover to IFRS in the disclosure rules, prospectus rules and certification procedures were announced. Many of these changes to instruments such as NI 51-102 (Continuous Disclosure Obligations) and NI 52-109 (Certification of Disclosure in Issuer’s Annual and Interim Filings) reflects changes to principles, terms and definitions used in the IFRS materials. The modifications also provide for a 30 day extension for reporting issuers in filing their first interim financial report in the year of adopting the IFRS rules.

ii. Expected Changes in Accounting Policies relating to Changeover to International Financial Reporting Standards

The reporting requirements as contained in CSA Staff Notice 52-320, require an issuer to provide in its annual and interim MD&A for the financial year beginning one year before the changeover to IFRS, an updated discussion of the key decisions and changes that the issuer has made or will have to make.

During the initial adoption of IFRS rules, as required under *First-time Adoption of International Financial Reporting Standards* (IFRS 1), an entity will need to prepare, quantify and explain the impact on each line item, the results of the changeover to IFRS. If an issuer has quantified information about the impact of IFRS on the key line items in the financial statements available when it prepares its interim and annual MD&A for the year beginning one year before an issuer’s changeover date, an issuer should include this information in its MD&A. These requirements have been considered in the sections which follow; **Status Update and Key Decisions** and **Explanation of Changes and Impacts on Financial Statement Line Items**.

Status Update and Key Decisions

In the fall of 2009, the Company developed a conversion plan which was based on the following background.

	Sept. 2009	% of Total	IASB Standards[1]
All Financial Statements			IFRS 1, IAS 1, IAS 7.
ASSETS			
Cash and cash equivalents-	$ 292,650	2%	IAS 1
Restricted cash	799,948	5%	IAS 1, IFRS 5
Marketable Securities	2,974,487	18%	IFRS 7, IAS 32, IAS 39
Property, plant & equipment, exploration properties and deferred exploration	11,780,480	72%	IFRS 6, IAS 16, IAS 36
Other assets	406,660	3%	
Total Assets	**16,254,225**	**100%**	
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current liabilities	$ 570,610	4%	IAS 1
Future income and mining taxes	3,098,660	19%	IAS 1, IFRS 5
Share Capital	45,873,409	-	IFRS 7, IAS 32, IAS 39
Contributed surplus	2,987,698	-	IFRS 6, IAS 16, IAS 36
Deficit	(36,020,049)	-	
Accumulated other comprehensive loss	(256,103)	-	
Shareholder's equity	12,584,955	77%	
Total Liabilities and Shareholder's equity	**16,254,225**	**100%**	

Notes:

1. The IASB Standards are defined in the detailed assessment section below.

An updated status as compared to the original plan is summarized in the table which follows. The detailed analysis shows that the Company is well prepared for the conversion to IFRS as a result of the completed activities. The Company has:

- Completed a detailed assessment of all of the relevant IASB standards (includes the standards identified during the planning phase, along with a number of other related standards).
- Developed draft interim IFRS financial statements and supporting notes for the periods ended March 31, 2010, and June 30, 2010,
- Commenced the conversion planning and preparation of client assistance materials for the external audit of opening statement of financial position. (January 1, 2011).

Summary of IFRS Conversion Plan and Current Status

Key Activities	Timing	Current Status
Phase 1		
Overall Project Planning		
• The initial project planning began in the fourth quarter of 2009 and the project planning is updated as key tasks are completed and circumstances change.	• Ongoing until project completion at December 31, 2010.	• Opening statement of financial position and draft notes to financial statements for March 31, 2011 interim draft IFRS statements were completed and subjected to a "high-level" review by the Company's auditors. A set of interim June 30, 2010 interim IFRS statements have been prepared and will be reviewed by the Company's external Auditors as part of the opening financial statement conversion audit.
• Preparation of initial assessment of most significant potential changes as a result of adoption of IASB guidance.	• Completed at December 31, 2009.	• Management has completed a review of all of the relevant standards related to the various conversion streams.

Key Activities	Timing	Current Status
• Progress review with external auditors and preliminary review of opening balance sheet.	• Completed Q2 and Q3, 2010.	• Management has reviewed an initial draft of March 31, 2010 IFRS statements with the Company's auditors who will use this input to plan their conversion audit strategy and provide feedback to the Company.
Staff training and development		
• Participate in additional training sessions to supplement initial training and continue to monitor changes and implementation issues.	• Q2 through Q4 2010.	• Continually monitoring changes in the environment and identifying appropriate training opportunities (webinars, seminars, etc.). • Additional IFRS training provided by CICA is scheduled for Q4.
Phase 2		
Detailed assessment of accounting changes on financial statement presentation		
• Complete a detailed assessment of IFRS accounting guidance where required including IFRS 1 exemptions. • Quantify key differences between IFRS and the Company's Canadian GAAP. • Prepare IFRS consolidated financial statements including first-time adoption equity reconciliations.	• During Q2 and Q3 2010.	• March 31 and June 30, 2010 draft interim IFRS financial statements, have been completed. • All of the activities as described have been completed. • Major differences are further described below.
Information Technology		
• Review information needs, identify gaps and develop alternatives. • Develop additional control procedures where required.	• During Q3 and Q4 2010.	• Changes will have limited impact on Globex's financial systems. • Additional spreadsheets and spreadsheet controls are being finalized.
Disclosure Controls (DC&P) and Internal Controls over Financial Reporting (ICFR)		
• Complete an assessment of risks, procedures and controls required under IFRS. • Develop incremental controls for the review of IFRS comparative financial information.	• During Q4 2010.	• Additional processes and control procedures are being finalized as needed.
Business Activities		
• Review impacts on contracts and joint venture arrangements. • Review impacts on taxation.	• Review to be completed by Q4 2010. • Taxation analysis completed during Q2 2010.	• Initial review of contracts indicates limited impact, further work to be done. • Professional advisors have been contacted and indicated that differences will be addressed in the reconciliation between accounting income and taxable income.
Phase 3		
Develop preliminary financial statements in accordance with IFRS		
• Prepare IFRS consolidated financial statements including first-time adoption reconciliations.	• Preliminary IFRS statements to be prepared during Q2 for review of external auditors.	• Draft June 30, 2010 IFRS statements along with an overview of the IFRS conversion process and key issues have been provided to Audit Committee.
• Provide Audit Committee with preliminary IFRS statements, notes and explanation of changes.	• Early in Q4 2010.	• Material provided to Audit Committee.
• Work with external auditors to develop audit approach to opening balance sheet and equity reconciliations.	• Q4 2010.	• Early stage planning was completed in Q3 and the client prepared assistance for IFRS opening financial statement balances are currently being prepared for review prior to December 31, 2010.

Q4 Planned Activities:

During the last quarter of the current year, the Company will work with the external auditors to plan, organize and undertake the opening balance verification as well as complete other activities such as finalizing the required revisions to internal controls over financial reporting and disclosure controls. Additional training courses focussing on implementation challenges faced by early adopters are also planned for later in this quarter.

Key Decisions Made:

Retrospective application

IFRS 1, sets the stage for the transition from Canadian GAAP to IFRS. The standard sets out the procedures that a first-time adopter must follow as a result of measurement and reporting differences that arise as a result of the transition from GAAP to IFRS. The main principle of IFRS 1 is to present the first IFRS financial statements using the accounting policies effective at the end of the first IFRS reporting period throughout all periods.

The guidance identifies sixteen optional exemptions that a "first-time adopter" may elect to not apply on a retroactive basis. These exemptions apply to items such as; business combinations, employee benefits, cumulative translation differences, borrowing costs, share based payment transactions, and fair value or revaluation as deemed cost. A number of the optional exemptions are beyond Globex's current operations. In addition to the optional exemptions, a first-time adopter may apply, exceptions to the retroactive application to a number of items including; derecognition of financial assets and liabilities, hedge accounting, revisions to accounting estimates, as well as assets classified as held for sale and discontinued operations must be considered.

The Company is in the process of finalizing its decisions, but it anticipates applying the changes as follows:

Share-based payments

- A first-time adopter is encouraged, but not required, to apply IFRS 2, Share-based Payment to equity instruments that were granted on or before November 7, 2002. A first-time adopter is also encouraged, but not required, to apply IFRS 2 to equity instruments that were granted after November 7, 2002 and vested before the later of (a) the date of transition to IFRSs and (b) January 1, 2005.

- *The Company has elected to avail itself of this exemption and apply IFRS for all equity instruments granted after November 7, 2002 that have vested. As a result of this election, at the transition date, the Company will reverse the historical Canadian GAAP share-based compensation charges resulting in a reclassification of contributed surplus to share capital.*

Business Combinations

- A first-time adopter may elect to apply IFRS 3 Business Combination retrospectively to past business combinations that occurred before the transition date to IFRS.

- *Globex has not been involved in any significant business acquisitions and therefore will elect not to apply IFRS 3 to past business combinations.*

Deemed Cost

- IFRS 1 permits an entity to measure an item of property, plant and equipment at the date of transition to IFRSs at its fair value and use that fair value as its deemed cost at that date.

- *The Company has not elected to adopt this option as it believes that the cost method, currently employed, provides more reliable and relevant information.*

Cumulative translation differences

- IFRS 1 provides the option of retrospective application which would require the Company to determine cumulative currency translation differences in accordance with IAS 21, the Effects of Changes in Foreign Exchange Rates, from the date, a subsidiary or equity method investee was formed or acquired. IFRS 1 permits cumulative translation gains and losses to be reset to zero at the transition date.

- *The Company elected to reset all cumulative translation gains and losses to zero in the opening retained earnings at the Transition Date.*

Adoption of IFRS 9 Financial Instrument

- IFRS 9 was issued as part of the IASB's process to implement improvements to the understandability of IAS 39, Financial Instruments. It specifies how an entity should classify and measure its financial assets. It requires all financial assets to be classified on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

- The guidance differentiates between debt instruments and equity instruments.

Debt Investments

- A debt instrument may initially be measured at fair value and subsequently re-measured at amortized cost if the entity meets specified criteria. If either of the two criteria is not met, the financial instrument is classified as fair value through profit or loss (FVTPL). Additionally, even if the asset meets the amortized cost criteria, the Company may chose on initial recognition to designate the financial asset as at FVTPL.

- An entity may, at initial recognition, designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Equity Investments

- Investments in equity instruments are classified and measured as fair value through Profit and Loss (FVTPL). Financial assets at FVTPL are measured at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "other gains and losses" line item in the profit and loss statement.

- The standard is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company has decided to adopt this standard effective January 1, 2011 as part of its IFRS adoption.

Explanation of Changes and Impacts on Financial Statement Line Items

In accordance with the Final Materials and IFRS 1, the Company will be required to include reconciliations and the transition opening statement of financial position in its first interim financial report and the annual financial statements. This disclosure is not required in the second and third interim financial rules under the continuous disclosure rules unless there has been a change in accounting policy. IFRs requires only a statement of cash flows for the year to date period and the corresponding period, whereas current Canadian GAAP requires issuers to present a cash flow statement for each interim period as well as for the year-to-date results. The amendments as reflected in the Final Materials contemplate this change and only require a cash flow statement for the year to date periods.

The differences between Canadian GAAP and IFRS that have been identified as significant to the Company are described below. The list and comments should not be regarded as a final list of all of the changes that will arise from the transitions to IFRS, but rather as a representative list of the most significant changes. Additional items may be identified as a result of the finalization of client assistance audit materials for the external auditors to complete their opening statement of financial position balances as well as a result of their conversion activities.

The table which follows highlights seven critical, accounting areas which will be impacted by the conversion to IFRS. Based on the analysis completed to date, the conversion will have the following impacts on reported results:

Insignificant or no impact on reported operating results, but additional disclosures

- Share-based payments, (IFRS 2),
- Exploration for and evaluation of Mineral Resources, (IFRS 6),
- Property, Plant & Equipment, (IAS 16), revision to an estimate of a consumption pattern - $66,000.
- Impairment of Assets, (IAS 36).

Impacts on Opening Equity as a result of transition provisions of IFRS 1 or the specific standard

- Share-based payments (IFRS-1, IFRS 2), (reversal of share-based compensation expenses to share capital equity prior to January 1, 2011) - current estimate of the adjustment is approximately $3.3 M.
- Cumulative Translation Adjustments (IAS 21, IFRS 1), included in explanation of changes, no impact on operating results,
- Reclassification of share issue costs from deficit to share capital (IAS 32.35) - $2.0 M.,
- Elimination of Other Comprehensive Income (OCI) in accordance with the implementation of IFRS 9, effective January 1, 2011, $64,062.

Summary of IFRS Impacts on Reported Results

Key accounting area	Differences from Canadian GAAP, with potential impact for the Company	Impact on Line Items
1. Share-based payments (IFRS 2)	IFRS requires that stock options that may be sequentially acquired, be measured and recognized on the basis of the valuation of each equity acquisition. Under the Company's current policy, the valuation is determined at the outset of the option grant. IFRS 2 also requires that expected forfeitures be accounted for in the recognition of the compensation cost, whereas currently, forfeitures are recognized when they occur. There are differences with respect to the measurement of stock-based payments to non-employees (generally measured at the more reliably measurable amount of either the fair value of the goods or services received, or the fair value of the award at the earlier of performance commitment or completion date). The Company has completed an initial estimate of the transition impacts and the estimate shows that the difference will be insignificant as most of the option grants vest immediately which tends to mitigate the potential impacts. Under the IFRS 1 exemptions, at the transition date, the Company will reverse the historical Canadian GAAP share-based compensation charges resulting in a reclassification of contributed surplus to share capital. The adjustment will be approximately $3.0 M (September 30, 2010 Contributed Surplus balance - $3,246,058 plus fair value of 80,000 options granted in October 2010 which have a fair value of $89,600).	• Minor differences in the reported results as most options vest immediately; however, some additional disclosures required.
2. Cumulative	Normally, an entity would report cumulative translation adjustments net of	• Will be included

Key accounting area	Differences from Canadian GAAP, with potential impact for the Company	Impact on Line Items
Translation adjustments (IAS 21, IFRS 1).	taxes in OCI. However, in Globex`s case, the $US transactions within its wholly-owned subsidiary, Globex Nevada Inc. have been converted to $CA as the transactions were recorded. The $US net monetary assets that were translated to $CA for consolidated reporting purposes were insignificant and recognized in the profit and loss statement as incurred. As a result of this treatment, there are no cumulative translation differences to deem to be zero at the transition date to IFRS in accordance with the Optional Exemptions Under IFRS 1 (D1 (f)).	as an explanation in the IFRS reconciliation and explanation note under IFRS Implementation in the March 31, 2011 interim IFRS financial statements.
3. Exploration for and Evaluation of Mineral Resources (IFRS 6)	This guidance applies to expenditures incurred after legal rights to explore a specific area are obtained and before technical feasibility. It also includes criteria regarding impairment of an asset. In Canada, the accounting guidance is outlined in Property, plant and equipment (3061), Impairment of long-lived asset guidance (3063) as well as in EIC-174 "Mining Exploration Costs". This guidance introduces an impairment testing when certain facts and circumstances indicate that an entity should test the carrying value. These facts include; the right to explore has expired; expenditures are neither budgeted nor planned, expenditures have not led to discoveries and the company has decided to discontinue such activities; and sufficient information exists to indicate a development of the specific area. In such cases, the impairment test is applied and recognized as an expense in accordance with IAS 36. Impairment losses are recognized in profit or loss and they are not reversed as a result of an improvement in circumstances which caused the impairment. The impact of the differences as described above will not be significant as write-downs against the carrying value of exploration properties are currently a result of management decisions regarding future planned activities which is consistent with IFRS 6.	• Since no impact, likely not included in the explanation of the impacts of converting to IFRS in the March 31, 2011 interim IFRS financial statements.
4. Property, Plant & Equipment (IAS 16)	This guidance contains the same basic principles as Canadian GAAP regarding the cost of items; however, there are some differences with respect to the determination of deprecation on significant components of major assets. Based on the analysis completed to date, management anticipates making some revisions to the amortization and depreciation methods to systematically allocate the costs over the remaining useful life of the assets. Management has estimated that the change in the depreciation methods will increase the carrying value of the property, plant and equipment by $66,000 at the transition date and the difference will be amortized to income over an 18 month period which represents the remaining useful life of the related assets. Management believes that the change will enhance the comparability with other exploration and development companies and it will better reflect the consumption patterns of the remaining life of the assets. The change will be treated as a revision to an estimate and therefore, be treated prospectively from the transition date in the first annual audited financial statements at December 31, 2011.	• This change will be included in the explanation of the differences in the March 31, 2010 reconciliation between earnings under Canadian GAAP and IFRS.
5. Impairment of Assets (IAS 36)	As outlined above, the impairment testing will operate in conjunction with IFRS 6. Under IAS 36, a favourable change in circumstances that caused an impairment provision could result in the reversal of a provision which would be recognized in income to the extent the asset had previously been impaired.	• Likely no need to include an explanation in

Key accounting area	Differences from Canadian GAAP, with potential impact for the Company	Impact on Line Items
	Under Canadian GAAP, impairments are not reversed.	the March 31, 2011 interim financial statements as the Company does not anticipate future reversal of impairment provisions.
6. Reclassify share issuance costs from deficit to a deduction against share capital (IAS 32.35)	Under the Company`s current accounting practices, share issuance costs are recorded (net of taxes) directly in the statement of deficit. During the period from 1986 to September 30, 2010, $2,038,881 has been charged to the deficit. In accordance with IAS 32.35, transaction costs of an equity transaction shall be accounted for as a deduction from equity, net of any related income tax benefit. This change is a reclassification within the total equity of the Company.	• At the transition date, January 1, 2011, the Deficit will be reduced by $2.0 M. and the share capital of the company will be offset by the corresponding amount.
7. Financial Instruments. (IFRS 7, IFRS 9, IAS 32, IAS 39).	Under IFRS, like Canadian GAAP, certain types of contracts are treated as financial instruments which require the assets to be measured initially at fair value with subsequent changes in fair value being reflected through ordinary income or comprehensive income. The disclosures require qualitative and quantitative disclosures of an entity's financial risks and its financial risk management objectives and policies. The level of disclosure varies depending on the nature and significance of financial instruments to the entity. In accordance with the transition provisions of IFRS 9, as a result of the reclassification of financial assets, the Company will reverse the Other Comprehensive Income (OCI) against the retained earnings (deficit) at that time. Based on the balance in the account, at September 30, 2010, the adjustment would be approximately $64,000 This change is a reclassification within the total equity of the Company.	• Elimination of OCI and reduction in deficit of $64,000.

Critical accounting assumptions, policies and estimates

The preparation of the Company's interim unaudited financial statements requires management to make certain estimates that affect the amounts reported in the financial statements. Note 4 to the Financial Statements for the period ended September 30, 2010 summarized the significant accounting policies and also identified that certain accounting policies require management to make estimates or assumptions that in some cases are inherently uncertain. In preparing the audited financial statements, management has used the same approaches and methods as were used for the audited financial statements of the Company for the year ended December 31, 2009.

The critical accounting assumptions and estimates used in the preparation of these statements include the Company's assumption that it is a going concern, an estimate of recoverable value of its mineral properties and deferred exploration expenses, and the carrying value of the plant, property and equipment, as well as the value of its stock-based compensation and fair value of financial assets and liabilities and valuation of marketable securities. Key areas of estimation, where management has made difficult complex or subjective judgments include, finite lives and carrying value of property, plant and equipment, the ability to use income tax loss carry forwards and other future income tax assets and the recoverability of mineral interests which require estimates of future cash flows. A description of the relevant accounting policies follows.

Mineral properties and deferred exploration expenses

The Company accounts for mineral properties and deferred exploration expenses in accordance with the Canadian Institute of Chartered accountants ("CICA") Handbook Section 3061, "Property, plant and equipment" ("CICA 3061"), and abstract EIC-174, "Mining Exploration Costs" ("EIC-174") of the Emerging Issues Committee.

CICA 3061 provides for the capitalization of the acquisition and exploration expenses of a mineral property where such costs are considered to have the characteristics of property, plant and equipment. EIC-174 provides that a mining enterprise is not precluded from considering exploration expenses to have the characteristics of property, plant and equipment when it has not established resource reserves objectively and therefore does not have a basis for preparing a projection of the estimated future net cash flow from the property.

The Company capitalizes the acquisition costs of mineral properties and all direct costs relating to exploration on its mineral properties. These costs will be amortized over the estimated productive lives of the properties upon commencement of production using the unit-of-production method. Option income or sales of mineral properties are accounted for by applying the proceeds from such sales to the carrying costs of the property and reducing the carrying costs of the property to zero prior to recognizing any gains. Costs related to abandoned projects are written off. Mineral property interests, where future cash flows are not reasonably determinable, are evaluated for impairment based on results of exploration work, management's intentions and determination of the extent to which future exploration programs are warranted and likely to be funded. General exploration costs not related to specific properties and general administrative expenses are charged to operations in the year in which they are incurred.

Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the resource interests. It is reasonably possible, based on existing knowledge that changes in future conditions could require a change in the recognized amounts. Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Impairment of long-lived assets

The Company follows the recommendations in CICA Handbook Section 3063 - "Impairment of Long-Lived Assets" and the CICA's Emerging Issues Committee ("EIC") emerging extract EIC-174 - "Mining Exploration Costs". Section 3063 requires that the Company review long-lived assets, including mineral properties for impairment. Long-lived assets are assessed for impairment when events and circumstances warrant an assessment. EIC-174 consensus is that a mining enterprise in the development stage is not obliged to conclude that capitalized costs have been impaired due to the absence of a projected estimated future net cash flow from the mining enterprise. Mineral properties in the exploration stage do not have established mineral reserves and a basis for the preparation of a projection of the estimated future net cash flow from the properties does not exist. However, a mining enterprise is required to consider the conditions in Section 3063 for impairment write-down. The conditions include significant unfavorable economic, legal, regulatory, environmental, political and other factors. In addition, management's development activities towards its planned principal operations are a key factor considered as part of the ongoing assessment of the recoverability of the carrying amount of mineral properties. Whenever events or

changes in circumstances indicate that the carrying amount of a mineral property in the exploration stage may be impaired, capitalized costs are written down to the estimated recoverable amount.

The Company has sufficient financing in place to meet its exploration property commitments. Globex has the intent and ability to retain its properties until the business climate improves, and although the adverse change in the business climate may result in a delay in the cash flows from properties, this factor alone may not require an impairment test. We review all of our properties annually to determine whether exploration undertaken has eliminated any further viable targets on a property and if affirmative, the property and all associated exploration costs are written down. Costs related to any property not explored over the past 3 years are also written down.

Stock-based Compensation and Payments

Recognition of contribution to the success of the Company through stock-based compensation and payments conserves cash and acts as an incentive for employees and service providers to maintain their high level of participation. The Company records stock options granted using a fair value based on the Black-Scholes model.

The following weighted assumptions were applied for the period ended September 30, 2010 and 2009:

	2010	2009
Expected dividend yield	**Nil**	Nil
Expected stock price volatility	**78.4%**	85.0%
Risk free interest rate	**2.25%**	2.03%
Expected life	**4.85 years**	3.17 years
Weighted average fair value of options at grant date	**$0.79**	$0.43

During the period ended September 30, 2010, the Company granted 325,000 stock options to service providers, vesting immediately and having an assigned value of $259,181 (September 30, 2009 - $188,246). The option grants are exercisable at a weighted average price of $1.25, with terms of 3 and 5 years. During the period ending September 30, 2009, 445,000 options were granted.

The Company cautions that the Black-Scholes option valuation model was developed for use in estimating the fair value of traded options that are fully transferable and have no vesting restrictions. The Company’s stock options are not transferable and cannot be traded, thus the Black-Scholes model may overestimate the actual value of the options that the Company has granted. Further, the Black-Scholes model also requires an estimate of expected volatility. The Company uses its historical volatility rates to calculate an estimate of expected volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore do not necessarily provide a reliable measure of the fair value of the Company’s stock options.

Outstanding Share Data

As at December 31, 2009, 19,215,074 common shares were issued and outstanding. In February 2010, 25,000 options were exercised for $25,250. On May 21, 2010, the Company issued 957,600 “flow-through” common shares for a gross proceed of $1,825,239 under a private placement. This issuance resulted in 20,197,674 shares issued and outstanding. On November 3, 2010, the Company completed a private placement by issuing 70,000 “flow-through” common shares to an “accredited investor” in Ontario at a price of $1.87 per share, for gross proceeds of $130,900. As at November 8, 2010, 20,267,674 common shares are issued and outstanding and (on October 21, 2010, 80,000 stock options were granted to employees and service providers) 2,780,500 stock options remain outstanding for a fully diluted common share capital of 23,048,174.

Risks and Uncertainties

Risks beyond the control of the Company come from multiple sources.

Metal Prices: World-wide supply and demand for metals determines metal prices. Lower metal prices reduce exploration activity and thus the terms at which Globex can option its properties. The ability of the Company to market and/or develop its properties and the future profitability of the Company are directly related to the market price of metals. Metal prices also directly affect the revenue stream that Globex anticipates from mines in production. Lower metal prices equal lower or no revenue. Higher metal prices equal higher revenue.

Currency Exchange Fluctuations: Metal prices are quoted in US dollars. A strong US dollar exchange rate versus the Canadian dollar enhances metal revenues when translated to Canadian dollars, causing an equivalent increase in net profits. Since the majority of Globex's mining properties are located in Canada, a strong Canadian dollar can have a detrimental effect upon the potential cash flow from one of our Canadian projects and a project's profitability.

Staff Recruitment and Retention: As a result of the cyclical nature of the business and the lack of job security, it is difficult to find and retain experienced, competent individuals required to build a company: Salaries, benefits, working conditions and challenge must be competitive.

Option Revenue: Option contracts taken to term can appear extremely lucrative. However, if exploration results are poor in year 1, the property may be returned after only a single payment. These negative results may further, mean share payments received by the Company lose value. If the main target of a particular property is drilled with negative results, then the property may cease to have exploration potential and thus the ability to generate future option revenue.

Success of Partners: The outcome of efforts by joint venture, option and royalty partners has a significant effect on the Company's profitability. If they are successful in achieving their goals in a timely and cost-efficient manner, then the Company will benefit. Should they fail financially, technically or for other reasons, we will be negatively impacted.

Government Legislation and Taxation: Flow-through financing, combined with provincial tax credits for exploring in Quebec, are potentially important sources of risk capital for financing exploration programs. Any material changes in these programs could adversely affect the Company's operations.

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

Other risks the Company faces are: Renegotiation of contracts, permitting, reserves estimation, environmental factors, governments not enforcing access laws and various other regulatory risks.

Related Party Transactions

All transactions are in the normal course of operations and are measured at the exchange value, that is, the amount of consideration established and agreed to by the related parties which approximates the arm's length equivalent value and do not include any mark-up.

During the period ending September 30, 2010, the Company made the payments described below to two shareholders, both of whom are officers and directors of the Company, and to a company controlled by a shareholder. A summary of related party transactions including all remuneration paid out for services provided follows:

		2010		2009
Compensation - Jack Stoch, President and CEO	$	**119,997**	$	119,997
Compensation - Dianne Stoch, Corporate Secretary		**90,000**		90,000
		209,997		209,997

Disclosure Controls and Procedures

Management is responsible for the information disclosed in this document and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have evaluated the design and effectiveness of the Company's disclosure controls and procedures as defined in the rules of the Canadian Securities Administrators as at September 30, 2010. Based on that evaluation, they have concluded that the Company's disclosure controls and procedures were as of and for the period ending September 30, 2010 appropriately designed and operating effectively.

Internal Control over Financial Reporting (ICFR)

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with GAAP.

The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Company; and (ii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

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

During the period ended September 30, 2010, and as at the quarter end, the CEO and CFO have participated in the evaluation of the design of internal controls over financial reporting based on criteria established in Internal Control over Financial Reporting – Guidance for Smaller Public Companies issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). They have also caused the effectiveness of ICFR to be evaluated at the financial quarter-end and based on their evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that internal controls over financial reporting are appropriately designed and operating effectively to ensure that the preparation of financial statements for external reporting purposes are in accordance with the Company's application of Canadian GAAP. During the quarter ended September 30, 2010 there have been no material changes in the Company's ICFR.

Outlook

Globex is pleased with the achievements to date on the **Timmins Talc-Magnesite** project and anticipates that the project will continue to advance during the remainder of the year. The rebound in base metal, rare earths and precious metal prices has changed the psychology within our sector and attractive projects are now receiving attention although investors in general are still unsure as to whether or not it is the appropriate time to return to the junior mining sector. Globex will continue to advance its projects and opportunities. In addition, the Company anticipates that it will continue to receive option payments and begin to receive royalty payments. On an overall basis, the Company believes that it is well positioned with a combination of ground breaking technological applications and the resources necessary to continue to advance its strategic objectives.

Additional Information

This analysis should be read in conjunction with the most recent financial statements. Financial information about the Company is contained in its comparative financial statements for the quarter ended September 30, 2010 and the fiscal year ended December 31, 2009 and additional information about the Company, including the Annual Information Form (AIF), is available on SEDAR at www.sedar.com. Further, the Company posts all publicly filed documents, including the AIF and the Management Discussion and Analysis, 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 2010 and/or 2009 Management Discussion and Analysis, please send your request to:

Globex Mining Enterprises Inc.
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Telephone: 819.797.5242 Telecopier: 819.797.1470
Email: dstoch@globexmining.com

Authorization

The contents and the dissemination of this Management's Discussion and Analysis have been approved by the Board of Directors of the Company.

"Jack Stoch"
Jack Stoch, Director

"Dianne Stoch"
Dianne Stoch, Director

DATED at Rouyn-Noranda, Quebec
November 8, 2010

GLOBEX MINING ENTERPRISES INC.

Interim Consolidated Balance Sheets

As at September 30, 2010 and December 31, 2009

	2010 (Unaudited)	2009 (Audited)
Assets		
Current assets		
Cash and cash equivalents (note 5)	**$ 307,697**	$ -
Cash restricted for flow-through expenditures (note 5)	**686,683**	347,883
Marketable securities	**2,680,487**	2,936,343
Accounts receivable	**315,060**	215,621
Quebec refundable tax credit and mining duties	**230,888**	230,888
Prepaid expenses	**27,924**	34,031
	4,248,739	3,764,766
Reclamation bonds (note 6)	**122,818**	125,320
Properties and equipment (note 7)	**485,449**	516,505
Mineral properties	**2,922,166**	2,870,356
Deferred exploration expenses (note 8)	**9,666,456**	8,100,884
	17,445,628	15,377,831
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**832,124**	577,276
	832,124	577,276
Future income and mining taxes (note 9)	**2,647,052**	2,723,441
Shareholders' equity		
Share capital		
Authorized: Unlimited common shares with no par value		
Issued and fully paid: 20,197,674 common shares		
(2009 - 19,215,074 common shares) (note 10)	**47,769,372**	45,900,953
Contributed surplus	**3,246,058**	3,004,037
Deficit	**(37,113,040)**	(36,553,355)
Accumulated other comprehensive income (loss) (note 11)	**64,062**	(274,521)
	(37,048,978)	(36,827,876)
	13,966,452	12,077,114
	17,445,628	15,377,831

Approved by the Board

"Jack Stoch"
Jack Stoch, Director

"Dianne Stoch"
Dianne Stoch, Director

GLOBEX MINING ENTERPRISES INC.

Interim Consolidated Statements of Operations and Comprehensive Income (loss)

Periods ended September 30, 2010 and 2009

	Three months		Nine months	
(Unaudited)	**2010**	2009	**2010**	2009
Revenues				
Option income	**$ 397,500**	$ -	**$ 771,500**	$ -
Metal Royalty income	**15,333**	322	**48,933**	156,570
Gain (loss) on sale of marketable securities	**38,293**	(59,765)	**48,196**	37,019
Interest income	**8,975**	10,297	**26,543**	45,947
Other	**13,568**	766	**35,715**	4,178
	473,669	(48,380)	**930,887**	243,714
Expenses				
Administration	**165,922**	98,875	**546,434**	369,818
Professional fees and outside services	**153,269**	117,946	**505,607**	417,303
Amortization	**12,781**	15,427	**37,032**	43,992
Write-down of mineral properties and deferred exploration expenses	**26,225**	88,818	**135,441**	155,616
Loss (gain) on foreign exchange translation	**1,928**	7,443	**4,365**	30,719
Loss (gain) on disposal of property and equipment	**1,327**	-	**1,327**	-
Stock-based compensation (note 10)	**770**	7,916	**2,310**	15,626
Stock-based payments (note 10)	**-**	24,383	**257,641**	172,620
Other-than-temporary impairment on marketable	**-**	**-**	**-**	118,374
	362,222	360,808	**1,490,157**	1,324,068
Earnings (loss) before income and mining taxes	**111,447**	(409,188)	**(559,270)**	(1,080,354)
Income and mining taxes				
Future	**10,680**	(89,236)	**(86,344)**	(251,054)
Net earnings (loss)	**100,767**	(319,952)	**(472,926)**	(829,300)
Net earnings (loss) per common share (note 12)				
Basic	**0.01**	(0.02)	**(0.02)**	(0.05)
Diluted	**0.01**	(0.02)	**(0.02)**	(0.05)
Other comprehensive income (loss), net of taxes				
Changes in unrealized gains (loss) on available-for-sale marketable securities				
Unrealized gains (loss) arising during the period, net of taxes of $9,955	**347,340**	21,325	**386,779**	191,246
Reclassification to earnings of losses or (gains) realized from available-for-sale marketable securities, net of taxes	**(38,293)**	59,765	**(48,196)**	(37,019)
Reclassification to earnings of other-than-temporary impairment on marketable securities	**-**	-	**-**	118,374
	309,047	81,090	**338,583**	272,601
Net earnings (loss)	**100,767**	(319,952)	**(472,926)**	(829,300)
Comprehensive income (loss)	**409,814**	(238,862)	**(134,343)**	(556,699)

GLOBEX MINING ENTERPRISES INC.

Interim Consolidated Statements of Contributed Surplus and Deficit

Periods ended September 30, 2010 and 2009

	Three months		Nine months	
(Unaudited)	**2010**	2009	**2010**	2009
Contributed surplus				
Balance, beginning of period	**$ 3,245,288**	$ 2,955,399	**$ 3,004,037**	$ 2,799,452
Stock-based compensation costs (note 10)	**770**	7,916	**2,310**	15,626
Stock-based compensation payments (note 10)	**-**	24,383	**257,641**	172,620
Fair value of stock options exercised (note 10)	**-**	-	**(17,930)**	-
Balance, end of period	**3,246,058**	2,987,698	**3,246,058**	2,987,698
Deficit				
Balance, beginning of period	**$(37,213,807)**	$(35,659,316)	**$(36,553,355)**	$(35,149,968)
Net earnings (loss)	**100,767**	(319,952)	**(472,926)**	(829,300)
Share issue expenses	**-**	(40,781)	**(86,759)**	(40,781)
Balance, end of period	**(37,113,040)**	(36,020,049)	**(37,113,040)**	(36,020,049)

GLOBEX MINING ENTERPRISES INC.

Consolidated Statements of Cash Flows

Periods ended September 30, 2010 and 2009

	Three months		Nine months	
(Unaudited)	**2010**	2009	**2010**	2009
Operating activities				
Net earnings (loss)	**100,767**	$ (319,952)	**$ (472,926)**	$ (829,300)
Items not affecting cash:				
Option income received in marketable securities (note 13)	**(127,500)**	-	**(141,500)**	-
Other-than-temporary impairment on marketable securities	**-**	-	**-**	118,374
Amortization of properties and equipment	**12,781**	15,427	**37,032**	43,992
Foreign exchange rate variation on reclamation bond	**4,021**	9,126	**2,502**	14,362
Loss (gain) on sale of marketable securities	**(38,293)**	59,765	**(48,196)**	(37,019)
Loss (gain) on sale of property and equipment	**1,327**	-	**1,327**	-
Write-down of mineral properties and deferred exploration expenses	**26,225**	88,818	**135,441**	155,616
Amortization of bonds premium	**1,159**	2,204	**3,451**	8,164
Future income and mining tax recovery	**10,680**	(89,236)	**(86,344)**	(251,054)
Stock-based compensation	**770**	7,916	**2,310**	15,626
Stock-based payments	**-**	24,383	**257,641**	172,620
	(108,830)	118,403	**163,664**	240,681
Changes in non-cash operating working capital items (note 13)	**51,622**	30,167	**161,516**	(124,462)
	43,559	(171,382)	**(147,746)**	(713,081)
Financing activities				
Issuance of share capital	**-**	1,015,550	**1,850,489**	1,015,550
Share capital issue expenses	**-**	(40,781)	**(86,759)**	(40,781)
	-	974,769	**1,763,730**	974,769
Investing activities				
Proceeds on disposal of property and equipment	**443**	-	**443**	-
Acquisition of properties and equipment	**(1,909)**	(12,569)	**(7,746)**	(20,085)
Deferred exploration expenses	**(862,188)**	(437,619)	**(1,701,013)**	(1,417,422)
Mineral properties acquisitions	**(2,086)**	(5,654)	**(51,810)**	(15,902)
Proceeds on sale of marketable securities	**73,211**	484,050	**840,784**	1,685,095
Acquisition of marketable securities	**(1,061)**	(200,769)	**(50,145)**	(1,101,867)
Cash restricted for flow-through expenditures variation	**786,319**	(619,898)	**(338,800)**	(238,909)
	(7,271)	(792,459)	**(1,308,287)**	(1,109,090)
Net decrease in cash and cash equivalents	**36,288**	10,928	**307,697**	(847,402)
Cash and cash equivalents, beginning of period	**271,409**	281,722	**-**	1,140,052
Cash and cash equivalents, end of period	**307,697**	292,650	**307,697**	292,650

Supplementary cash flow information (note 13)

Notes to the Consolidated Financial Statements

September 30, 2010 (Unaudited)

1. Description of the business

Globex Mining Enterprises Inc. ("Globex") is a Canadian exploration company with a North American portfolio of properties with gold, copper, zinc, silver, platinum, palladium, uranium, rare earth, nickel, magnesium and talc potential. Globex trades on the Toronto Stock Exchange under the symbol GMX, in Europe on the Frankfurt, Munich, Stuttgart, Berlin and Xetra exchanges under the symbol G1M and GLBXF on the OTCQX International, USA. The Company seeks to create shareholder value by acquiring mineral properties, enhancing them and either optioning, selling or joint venturing them or developing them to production.

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

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

2. Basis of presentation

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and follow the same account principles and methods of application as used in the latest annual consolidated financial statements for the year ended December 31, 2009. These unaudited interim consolidated financial statements should be read in conjunction with the Company's audited annual consolidated financial statements and the accompanying notes included in the 2009 Annual Report.

3. Future accounting changes

International Financial Reporting Standards

In February 2006, the Canadian Accounting Standards Board (AcSB) published a strategic plan to transition over a period of five years, Canadian Generally Accepted Principles (Canadian GAAP) for public enterprises to International Financial Reporting Standards (IFRS), as adopted by the International Accounting Standards Board (IASB). In March 2008, the timing of the transition was confirmed. IFRS will apply to most Canadian publicly accountable enterprises for financial years beginning on or after January 1, 2011.

The AcSB has incorporated IFRS into the Handbook of the Canadian Institute of Chartered Accountants (the Handbook) as Canadian GAAP for publicly accountable enterprises.

On October 1, 2010, the Canadian Securities Administrators (CSA) through National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards issued Final Materials which reflect the changeover in Canada to IFRS.

The Company has completed a detailed assessment of the differences between Canadian GAAP and IFRS relevant to Globex. The initial assessment identified that changes were required to accounting systems and business processes mainly related to capitalization of exploration expenses and the need to test for impairment of mineral properties. The Company has prepared an internal set of financial statements and supporting notes and has also identified a number of additional disclosure items. Further training and development are ongoing for 2010.

4. Accounting policies

Principles of consolidation

The consolidated financial statements of Globex are prepared in accordance with Canadian generally accepted accounting principles. The consolidated financial statements include the accounts of the Company, Globex Nevada Inc. and World Wide Magnesium Corporation. In addition, the Company has a joint venture that is consolidated using proportionate consolidation. All significant intercompany transactions and balances have been eliminated on consolidation.

Translation of foreign currencies

Integrated foreign operation and accounts denominated in foreign currency are translated as follows: monetary assets and liabilities are translated at the exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates for the year except for amortization, which is translated at historical rates. Translation gains or losses are included in earnings.

Cash and cash equivalents

Cash and cash equivalents include cash funds, bank balances and short-term investments in money market instruments with an original term of less than three months.

Cash restricted for flow-through expenditures

Cash restricted for flow-through expenditures is composed of cash funds, bank balances and short-term investments in money market instruments with an original term of less than three months. The cash is restricted to pay prescribed resource expenditure in the province of Quebec.

Marketable securities

Marketable securities consist of investments in money market instruments with an original term of more than three months, but no longer than one year. Also included in marketable securities are the shares of public companies, which are not subject to any trading restrictions.

Quebec refundable tax credit and mining duties

The Company is entitled to a 35% refundable tax credit on qualified mining exploration expenses incurred in the province of Quebec. The Company is also entitled to a refund of mining duties of the lesser of 12% of qualified mining exploration or operating losses during the period, net of the refundable tax credit. The credits or refunds are recorded based on management's best estimates once the necessary information is available and management believes that the amounts are collectible. Refundable tax credits are offset against the exploration expenses incurred in the balance sheet and the mining duties refunds are recorded for as current mining taxes in the statement of operations.

Properties and equipment

Property and equipment are recorded at cost. Amortization is based on their estimated useful lives using the diminishing balance method and rates as follows:

Buildings	4%
Mining equipment, office equipment and vehicles	30%
Computer systems	30 - 100%

Mineral properties and deferred exploration expenses

The Company accounts for mineral properties and deferred exploration expenses in accordance with the CICA Handbook Section 3061, "Property, plant and equipment" ("CICA 3061"), and abstract EIC-174, "Mining Exploration Costs" ("EIC-174"). CICA 3061 provides for the capitalization of the acquisition and exploration expenses of a mineral property where such costs are considered to have the characteristics of property, plant and equipment. EIC-174 provides that a mining enterprise is not precluded from considering exploration expenses to have the characteristics of property, plant and equipment when it has not established resource reserves objectively and therefore does not have a basis for preparing a projection of the estimated future net cash flow from the property.

The Company capitalizes the acquisition costs of mineral properties and all direct costs relating to exploration on its mineral properties. These costs will be amortized over the estimated productive lives of the properties upon commencement of production using the unit-of-production method. Options or sales of mineral properties are accounted for by applying the proceeds from such sales to the carrying costs of the property and reducing costs to zero prior to recognizing any gain. Costs related to abandoned projects are written off. Mineral property interests, where future cash flows are not reasonably determinable, are evaluated for impairment based on results of exploration work, management’s intentions and determination of the extent to which future exploration programs are warranted and likely to be funded. General exploration costs not related to specific properties and general administrative expenses are charged to operations in the year in which they are incurred.

Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the resource interests. It is reasonably possible, based on existing knowledge that changes in future conditions could require a change in the recognized amounts. Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Goodwill and intangible assets

The Company follows the Canadian Institute of Chartered Accountants ("CICA") Section 3064, Goodwill and Intangible Assets, as well as the Accounting Guideline ("AcG") 11, Enterprises in the Development Stage. These standards establish guidance for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. In particular, the new standard sets out specific criteria for the recognition of intangible assets and clarifies the application of the concept of matching costs with revenues, so as to eliminate the practice of recognizing as assets items that do not meet the definition of an asset or satisfy the recognition criteria for an asset. The adoption of this section had no impact on the consolidated financial statements.

Impairment of long-lived assets

The Company follows the recommendations in CICA Handbook Section 3063 – "Impairment of Long-Lived Assets" and the CICA's emerging extract EIC-174 – "Mining Exploration Costs". Section 3063 requires that the Company review long-lived assets, including mineral properties for impairment. Long-lived assets are assessed for impairment when events and circumstances warrant an assessment. EIC-174 consensus is that a mining enterprise in the development stage is not obliged to conclude that capitalized costs have been impaired due to the absence of a projected estimated future net cash flow from the mining enterprise. Mineral properties in the exploration stage do not have established mineral reserves and a basis for the preparation of a projection of the estimated future net cash flow from the properties does not exist. However, a mining enterprise is required to consider the conditions in Section 3063 for impairment write-down. The conditions include significant unfavorable economic, legal, regulatory, environmental, political and other factors. In addition, management's development activities towards its planned principal operations are a key factor considered as part of the ongoing assessment of the recoverability of the carrying amount of mineral properties. Whenever events or changes in circumstances indicate that the carrying amount of a mineral property in the exploration stage may be impaired, capitalized costs are written down to the estimated recoverable amount.

Income taxes

The Company uses the asset and liability method in accounting for income taxes. Under this method, future income taxes are recognized for the future income tax consequences attributed to differences between the financial statement carrying values of assets and liabilities and their respective tax bases. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the year of the rate change. The amount of future income tax assets recognized is limited to the amount that is more likely than not to be realized.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the Company's designation of such instruments. Settlement date accounting is used.

Classification	
Cash and cash equivalents	Held for trading
Cash restricted for flow-through expenditures	Held for trading
Marketable securities	Available-for-sale
Accounts receivable	Loans and receivables
Reclamation bonds	Available-for-sale
Accounts payable and accrued liabilities	Other liabilities

The Company has adopted EIC-173 Credit risk and the fair value of financial assets and financial liabilities which requires that an entity's own credit risk (for financial liabilities) and the credit risk of the counterparty (for financial assets) should be taken into account in determing the fair value of financial assets and financial liabilities, including derivative instruments. The Company also follows CICA Section 3862, Financial instruments - Disclosures whereby an entity classifies and discloses fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy requires the following levels :

Level 1: valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: valuation techniques based on inputs other than quoted prices included in 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: valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The required disclosures are included in note 14.

Flow-through shares - tax benefits renounced

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through shares are renounced to investors in accordance with tax legislation. Under the liability method of accounting for income taxes, the future income taxes related to the temporary difference arising at the later of renunciation and when the qualifying expenditures are incurred, are recorded at that time together with a corresponding reduction to the carrying value of the shares issued.

Revenue recognition

Partial sales of mineral properties are accounted for by applying the proceeds from such sales/options to the carrying costs of the property and reducing these costs to zero prior to recognizing any gain. Realized gains or losses on marketable securities are recorded when sold. Interest income is recorded on the accrual basis. Shares received under option agreements are valued at fair value which is determined at quoted price if the shares are quoted in an active market and if the market for the shares is not active, fair value is established by using a valuation technique. Royalty income is recorded on an accrual basis.

Stock-based compensation and payments

The company uses the fair value method for stock options granted to directors, officers, employees and non-employees. Accordingly, the fair value of the options at the date of grant is charged to operations, with an offsetting credit to contributed surplus, over vesting periods. If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to capital stock.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Realization of assets

Realization of the Company's assets is subject to various risks including permitting, reserves estimation, metal prices and environmental factors.

5. Cash and cash equivalents and cash restricted for flow-through expenditures

	September 30, 2010	December 31, 2009
Cash and cash equivalents		
Bank balances	**$ 307,697**	$ -
	307,697	-
Cash restricted for flow-through expenditures		
Bank balances	**$ 686,683**	$ 300,622
Guaranteed investment certificates	**-**	47,261
	686,683	347,883

Flow-through common shares require the Company to spend the proceeds of the issue on prescribed resource expenditures. If the Company does not incur the resource expenditures, then it will be required to indemnify these shareholders for any tax and other costs payable by them as a result of the Company not making the required resource expenditures. As at September 30, 2010, the Company's remaining commitment with respect to unspent resource expenditures under flow-through common share agreements was $686,683 (December 31, 2009 - $347,883).

6. Reclamation bonds

	September 30, 2010	December 31, 2009
Nova Scotia bond - Department of Natural Resources	**$ 57,974**	$ 57,974
Option reimbursement	**(50,000)**	(50,000)
Net Nova Scotia bond	**7,974**	7,974
Washington State bond - Department of Natural Resources	**114,844**	117,346
	122,818	125,320

Reclamation and environmental bonds were posted by the Company to secure clean-up expenses in the event of mine closure or property abandonment. An environmental bond, posted with the Nova Scotia Department of Natural Resources, the original cost of this bond, $50,000, was reimbursed to the Company as part of the now defunct Azure option agreement.

Reclamation bonds, posted at the request of Department of Natural Resources, Washington State, concern the Vulcan Mountain property located in Washington State, USA. The decrease in value reflects the stronger Canadian dollar at the end of September 2010.

7. Properties and equipment

September 30, 2010	**Cost**	**Accumulated amortization**	**Net book value**
Land	**$ 116,730**	**$ -**	**$ 116,730**
Buildings	**298,382**	**32,055**	**266,327**
Mining equipment	**33,388**	**29,043**	**4,345**
Office equipment	**142,927**	**80,253**	**62,674**
Vehicles	**23,462**	**18,076**	**5,386**
Computer systems	**194,148**	**164,161**	**29,987**
	809,037	**323,588**	**485,449**

December 31, 2009	Cost	Accumulated amortization	Net book value
Land	$ 116,730	$ -	$ 116,730
Buildings	298,382	23,819	274,563
Mining equipment	36,889	28,997	7,892
Office equipment	140,857	69,395	71,462
Vehicles	23,462	16,512	6,950
Computer systems	188,472	149,564	38,908
	804,792	288,287	516,505

8. Deferred exploration expenses

The following table presents exploration expenses for the period ended September 30, 2010 and the year ended December 31, 2009:

	2010	2009
Balance - beginning of period	**$ 8,100,884**	$ 7,136,945
Current exploration expenses		
Consulting	**142,001**	188,229
Core shack and storage	**1,700**	4,780
Drilling	**378,889**	18,355
Environment	**33,625**	29,998
Equipment rental	**17,390**	3,051
Geology	**203,507**	246,563
Geophysics	**75,663**	156,935
Laboratory analysis	**315,919**	768,099
Labour	**224,554**	287,283
Line cutting	**61,568**	20,770
Mining property tax	**56,144**	68,241
Permits	**730**	14
Prospecting	**102,101**	42,645
Reports and maps	**7,268**	11,781
Sampling	**-**	16,760
Supplies	**11,070**	5,612
Surveying	**13,695**	6,189
Transport and road access	**55,189**	48,763
Total current exploration expenses	**1,701,013**	1,924,068
Exploration expenses written down	**(135,441)**	(912,314)
Quebec refundable tax credit expense (recovery)	**-**	(47,815)
	(135,441)	(960,129)
Current net deferred exploration expenses	**1,565,572**	963,939
Balance - end of period	**9,666,456**	8,100,884

9. Income and mining taxes

Future income taxes reflect the net tax effects on losses carried forward and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts for tax purposes.

	September 30, 2010	December 31, 2009
Future tax assets		
Non-capital losses carried forward	**$ 410,231**	$ 375,907
Share issue expenses	**47,393**	43,106
Property and equipment	**37,978**	28,481
Marketable securities	**321,860**	367,200
Total gross future tax assets	**817,462**	814,694
Less valuation allowance	**(321,860)**	(366,744)
Net future tax assets	**495,602**	447,950
Future tax liabilities		
Mining properties and deferred exploration expenses	**(3,142,654)**	(3,171,391)
Total gross future tax liabilities	**(3,142,654)**	(3,171,391)
Net future tax liabilities	**(2,647,052)**	(2,723,441)

10. Share capital

Authorized and issued

Authorized, unlimited number of common shares, no par value

	September 30, 2010		December 31, 2009	
Balance, beginning of period	**19,215,074**	**$ 45,900,953**	18,338,074	$ 45,026,832
Stock options exercised	**25,000**	**25,250**	20,000	20,200
Transferred from contributed surplus	**-**	**17,930**	-	7,344
Private placement (i)	**957,600**	**1,825,239**	857,000	1,015,550
Tax benefits renounced - flow-through (ii)	**-**	**-**	-	(168,973)
Balance, end of period	**20,197,674**	**47,769,372**	19,215,074	45,900,953

(i) In May 2010, Globex issued 957,600 flow-through shares for a cash consideration of $1,825,239 before share issuance expenses. In July 2009, Globex issued 857,000 flow-through shares for a cash consideration of $1,015,550 before share issuance expenses. Jack Stoch, a significant shareholder of the Company, purchased 20,000 common shares (equal to 2.3% of the total number issued) and Dianne Stoch purchased 30,000 common shares (equal to 3.5% of the total number issued), both of whom are officers and directors of the Company.

(ii) In accordance with EIC-146, the Company recognizes the tax effect of flow-through shares issued when the Company files the renouncement documents with the tax authorities. The tax effect of flow-through shares issued in May 2010 amounts to $437,947 and will be recorded in the fourth quarter of 2010 (2009 - $168,973).

As at September 30, 2010, 36,100 (2009 - 36,100) common shares are held in escrow. These shares were issued as consideration for a property, which has since been abandoned, thus the shares will remain in

Shareholder rights plan

In 2008, the Company adopted a shareholder rights plan (the "Rights Plan"). The Rights Plan has been adopted to ensure the fair treatment of shareholders in connection with any take-over offer for the Company and is not intended to prevent take-over bids that treat shareholders fairly. The Rights Plan will also provide the Board with more time to fully consider any unsolicited take-over bid and to pursue, if appropriate, other alternatives to maximize shareholder value in the event of a takeover bid. The Rights Plan was not adopted in response to any proposal to acquire control of the Company. Under the Rights Plan, those bids that meet certain requirements intended to protect the interests of all shareholders are deemed to be Permitted Bids. Permitted Bids must be made by way of a take-over circular prepared in compliance with applicable securities laws and, among other conditions, must remain open for sixty days. In the event a take-over bid does not meet the Permitted Bid requirements of the Rights Plan, the rights will entitle shareholders, other than any shareholder or shareholders making the take-over bid, to purchase additional common shares of the Company at a substantial discount to the market value at the time. The Rights Plan was presented for ratification by the shareholders at Globex's 2008 Annual General Meeting held on May 2, 2008. The shareholders approved the Rights Plan and the plan has an initial term of three years.

Stock option plan

Under the Company's stock option plan (the "Plan"), the Board of Directors may from time-to-time grant stock options to directors, officers and employees of, and service providers to, the Company and its subsidiaries. Stock options granted under the Plan may have a term of up to ten years, as determined by the Board of Directors at the time of granting the stock options. Accordingly, 695,000 options may be granted in addition to the common share purchase options currently outstanding. Options are granted at an exercise price equal to or greater than the closing quoted market price of the common shares of the Company on the Toronto Stock Exchange for the day immediately preceding the grant date.

A summary of changes in Globex's stock options is presented below:

	September 30, 2010		December 31, 2009	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Balance - beginning of period	**2,855,500**	**$ 1.17**	2,630,500	$ 1.17
Expired	**(150,000)**	**1.01**	(200,000)	4.25
Exercised	**(25,000)**	**1.01**	(20,000)	1.01
Granted - Directors and employees	**-**	**-**	35,000	0.97
Granted - Service providers	**325,000**	**1.25**	430,000	2.25
Cancelled	**(250,000)**	**3.10**	(20,000)	1.01
Balance - end of period	**2,755,500**	**1.24**	2,855,500	1.12
Options exercisable	**2,745,500**	**1.24**	2,835,500	1.12

The following table summarizes information about the stock options outstanding and exercisable as at September 30, 2010:

Range of prices	Number of options outstanding	Number of options outstanding and exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
$ 0.20	83,000	83,000	0.47	$ 0.20
0.25 - 0.34	1,100,000	1,100,000	1.03	0.32
0.75 - 0.88	510,000	510,000	4.98	0.79
1.00 - 1.65	860,000	850,000	3.71	1.15
2.00 - 4.73	202,500	202,500	5.09	3.94
	2,755,500	2,745,500	2.88	0.93

Stock-based compensation and payments

The Company uses the fair value method for stock options granted to directors, officers, employees and non-employees. Accordingly, the fair value of the options at the date of grant is charged to operations, with an offsetting credit to contributed surplus, over vesting periods (which can vary from immediate vesting to 3 years). If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to capital stock. The Company granted 325,000 stock options to service providers during the period ending September 30, 2010 (September 30, 2009 - 445,000 options were granted). Globex uses the Black-Scholes model to estimate fair value using the following weighted average assumptions:

	September 30, 2010	September 30, 2009
Expected dividend yield	**nil**	nil
Expected stock price volatility	**78.4%**	85.0%
Risk free interest rate	**2.25%**	2.03%
Expected life	**4.85 years**	3.17 years
Weighted average fair value of granted options	**$0.79**	$0.43

During the first half of 2010, the total expense related to stock-based compensation costs and payments amounting to $259,951 has been recorded and presented seperatly in the statement of operations (2009 - $188,246).

11. Accumulated other comprehensive income (loss)

	September 30, 2010	December 31, 2009
Unrealized gains (losses) on available-for-sale marketable securities		
Balance, beginning of period	**$ (274,521)**	$ (528,704)
Net change during the period	**338,583**	254,183
Balance, end of period	**64,062**	(274,521)

12. Net earnings (loss) per common share

Basic earnings (loss) per common share is calculated by dividing the net earnings (loss) by the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per common share is calculated by dividing the net earnings (loss) by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive securities had been issued during the year.

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

	Three months		Nine months	
	2010	2009	**2010**	2009
Numerator				
Net earnings (loss) for the year	**$ 100,767**	$ (319,952)	**$ (472,926)**	$ (829,300)
Denominator				
Weighted average number of common shares - basic	**20,197,674**	19,061,704	**19,699,518**	18,581,935
Effect of dilutive shares [(i)]				
Stock options	**2,755,500**	-	**-**	-
Weighted average number of common shares - diluted	**22,953,174**	19,061,704	**19,699,518**	18,581,935
Net earnings (loss) per share				
Basic	**$ 0.01**	$ (0.02)	**$ (0.02)**	$ (0.05)
Diluted	**$ 0.01**	$ (0.02)	**$ (0.02)**	$ (0.05)

(i) The stock options are not included in the computation of diluted loss per share as their inclusion would be anti-dilutive.

13. Additional information to the cash flows statement

Changes in non-cash working capital items	**September 30, 2010**	September 30, 2009
Accounts receivable	**(99,439)**	$ 301,036
Quebec refundable tax credit and mining duties	**-**	50,289
Prepaid expenses	**6,107**	9,629
Accounts payable and accrued liabilities	**254,848**	(485,416)
	161,516	(124,462)

Non-cash financing and investing activities	**September 30, 2010**	September 30, 2009
Disposal of mineral properties for marketable securities	**$ 141,500**	$ -
Transfer of contributed surplus to share capital on exercise of stock option	**17,930**	-
Quebec refundable tax credit and mining duties	**-**	183,073

14. Financial Instruments and risk management

Fair value of financial instruments

The carrying value of cash and cash equivalents, cash restricted for flow-through expenditures, reclamation bonds, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term nature. The fair value of marketable securities is based on quoted market prices.

Fair value hierarchy

Financial instruments recorded at fair value on the Consolidated Balance Sheet are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities (see risk management below);

Level 2: valuation techniques based on inputs other than quoted prices included in 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: valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following table presents the financial instruments recorded at fair value in the Consolidated Balance Sheet, classified using the fair value hierarchy described above:

	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Cash and cash equivalents	$ 307,697	$ -	$ -	$ 307,697
Cash restricted for flow-through expenditures	686,683	-	-	686,683
Marketable securities	2,080,828	599,659	-	2,680,487
Accounts receivable	315,060	-	-	315,060
Reclamation bonds	-	122,818	-	122,818
Total financial assets	3,390,268	722,477	-	4,112,745

During the year, there has been no significant transfer of amounts between level 1 and level 2.

Risk management

The Company, through its financial assets and liabilities, has exposure to the following financial risks: credit risk, liquidity risk, foreign exchange risk, and interest rate risk. The following analysis provides a measurement of risks as at the balance sheet date of September 30, 2010.

As a result of continued volatile economic conditions precipitated by the credit crisis, at September 30, 2010, the Company had $2 million in financial instruments, fully guaranteed by the Canadian Government, classified as marketable securities on the balance sheet. The Company's remaining cash restricted for flow-through expenditures is deposited with a Canadian banking institution, member of the Canadian Deposit Insurance Corporation (CDIC): CDIC, a federal Crown Corporation, insures deposits to a maximum of $100,000 per individual institution. In addition, the Company has invested $964,000 in a money market fund which is fully guaranteed by the Canadian Investors Protection Fund ("CIPF").

Credit risk

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

The maximum exposure to credit risk as at September 30, 2010 and December 31, 2009 was:

		2010		2009
Cash and cash equivalents	**$**	**307,697**	$	-
Cash restricted for flow-through expenditures		**686,683**		347,883
Accounts receivable		**315,060**		215,621
		1,309,440		563,504

Accounts receivable is mainly made up of taxes receivable from government authorities. As the government receivables arise from legislative measures they do not represent a high credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in note 15 "Capital Disclosures". It also manages liquidity risk by continuously monitoring actual and projected cash flows. The Board of Directors reviews and approves the Company's operating and capital budgets, as well as any material transactions out of the ordinary course of business. The Company has financed its exploration and mining activities through flow-through shares, operating cash flows and the utilization of its liquidity reserves.

Contractual maturities of financial liabilities are all under one year.

Foreign exchange risk

As at September 30, 2010, the Company has US$1,362 in cash (December 31, 2009 - $6,587). The Company estimates that the impact on earnings of a one percent increase or decrease in the US exchange rate would be insignificant.

Interest rate risk

The Company is not exposed to a significant interest rate risk as the Company has no credit facility.

The large majority of the cash and cash equivalents and cash restricted for flow-through expenditures is invested in Canadian dollar denominated short term instruments with fixed interest rates.

Only the interest revenue arising from the balance of operating cash accounts is therefore subject to interest rate fluctuations.

Based on the balances outstanding during the year ended September 30, 2010, a 1% increase or decrease in the interest rate index would have no significant impact on earnings before income taxes.

15. Capital Disclosure

The Company's Capital consists of Share Capital, Contributed Surplus, Deficit and Accumulated other comprehensive income (loss). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of stakeholders. As a Canadian exploration company, its principal source of funds consist of; (a) Options income on properties; (b) Metal royalty income; (c) Investment income; (d) proceeds from the issuance of common and flow-through shares and (e) other working capital items.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements or dispose of properties. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments, selected with regards to the expected timing of expenditures from continuing operations. The Company expects its current capital resources will be sufficient to carry its exploration and development plans and operations though its current operating period. The Company is currently not subject to externally imposed capital requirements. Neither the management of capital nor the objectives have changed during the year.

The Company monitors capital on the basis of surplus to equity. The components of the surplus are outlined below:

	September 30, 2010	December 31, 2009
Cash and cash equivalents	**$ 307,697**	$ -
Cash restricted for flow-through expenditures (note 5)	**686,683**	347,883
Marketable securities - term deposits and treasury bonds	**2,085,327**	2,757,864
Accounts receivable	**315,060**	215,621
Quebec refundable tax credits and mining duties	**230,888**	230,888
	3,625,655	3,552,256
Exploration expenditure obligations	**(686,683)**	(347,883)
Surplus	**2,938,972**	3,204,373
Shareholders' equity	**13,966,452**	12,077,114

16. Related party transactions

The Company made the payments described below to two shareholders, both of whom are officers and directors of the Company, and to a company controlled by a shareholder. A summary of related party transactions including all remuneration paid out for services provided follows:

	September 30, 2010	September 30, 2009
Compensation - Jack Stoch, President and CEO	**$ 119,997**	$ 119,997
Compensation - Dianne Stoch, Corporate Secretary	**90,000**	90,000
	209,997	209,997

Other related party transactions are disclosed elsewhere in these consolidated financial statements (Share Capital, Authorized and issued (note 10(i)).

All transactions are in the normal course of operations and are measured at the exchange value, that is, the amount of consideration established and agreed to by the related parties which approximates the arm's length equivalent value and do not include any mark-up.

17. Comparative consolidated financial statements

Certain comparative figures have been reclassified to conform to the presentation adopted in 2010.