



## **ANNUAL INFORMATION FORM**

**For the Fiscal Year Ended**

**December 31, 2012**

**March 28, 2013**

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

**Globex Mining Enterprises Inc.**  
**Annual Information Form**  
**Table of Contents**

	General Matters .....	2
	Cautionary Note Regarding Forward Looking Statements.....	2
	Information Incorporated by Reference .....	3
	Technical Glossary .....	3 - 6
	Conversion Table .....	6
	Disclaimer .....	6
I	CORPORATE STRUCTURE	
	Incorporation.....	7
	Intercorporate relationships .....	7
II	GENERAL DEVELOPMENT OF THE BUSINESS OF GLOBEX.....	7 - 24
III	DESCRIPTION OF THE BUSINESS OF GLOBEX	
	1. Exploration Properties in Canada and the U.S.....	25 - 69
	2. Other Aspects of the Business - Risk Factors .....	70 - 73
IV	DIVIDENDS .....	74
V	CAPITAL STRUCTURE .....	74
VI	MARKET FOR SECURITIES .....	77
VII	ESCROWED SHARES.....	77
VIII	DIRECTORS AND OFFICERS .....	78
IX	AUDIT COMMITTEE INFORMATION .....	79 - 81
X	INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS .....	81
XI	TRANSFER AGENT AND REGISTRAR.....	81
XII	INTERESTS OF EXPERTS .....	81
XIII	ADDITIONAL INFORMATION.....	81
	SCHEDULE A - AUDIT COMMITTEE CHARTER.....	82 - 86

## **GENERAL MATTERS**

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

The Company adopted IFRS in accordance with IFRS 1, First-Time Adoption of International Financial Reporting Standards (“IFRS1”) in its 2011 audited consolidated annual financial statements. The first date at which IFRS was applied was January 1, 2010. All financial information for 2012, 2011 and 2010 has been presented in accordance with these standards.

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

## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This AIF and the documents incorporated by reference herein contain “forward-looking statements.” These forward-looking statements may include, amongst other things, statements with respect to the Company’s business strategy, plans outlook, long-term growth in cash flow, earnings per share and shareholder value, projections, targets and expectations as to reserves, resources, results of exploration (including targets) and related expenses, property acquisitions, drilling activity, sampling and other data, recovery improvements, future production levels, capital costs, expenditures for environmental matters and technology, and completion dates for the various development stages of mines, future mineral prices. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “anticipate”, “project”, “target”, “believe”, “estimate”, “intend”, “should” or the negative thereof or variations thereon or similar expressions. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including:

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

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

## INFORMATION INCORPORATED BY REFERENCE

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

- a) the Company's audited financial statements for the fiscal years ended December 31, 2012 and December 31, 2011, together with the auditor's report thereon;
- b) Management's Discussion and Analysis for the fiscal year ended December 31, 2012; and
- c) All documents, including press releases, material change reports and quarterly and annual financial statements as filed with Canadian Securities Regulatory Authorities.

Each of the above-noted documents is available for viewing at the SEDAR website located at [www.sedar.com](http://www.sedar.com). Copies are also available upon request from the Company's offices.

## TECHNICAL GLOSSARY

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

**"Au"** means gold.

**"Ag"** means silver.

**"Contained gold"** means the total measurable gold or gold equivalent in grams or ounces estimated to be contained within a mineral deposit. A calculation or estimate of contained gold makes no allowance for mining dilution or recovery losses.

**"Cu"** means copper.

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

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

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

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

**"g/t Au"** means grams of gold per metric tonne (2,204 lbs).

**"Grade"** means the amount of valuable mineral in each ton of mineralized material, expressed as troy ounces (or grams) per ton or tonne of gold or as a percentage of copper and other base metals.

**"Historical estimate"** means an estimate of mineral resources or mineral reserves prepared prior to February 1, 2001. A historical estimate is non NI 43-101 compliant: Under the regulation, the issuer must inform the reader of the source, author and date of the historic estimate. As well, the following cautionary language applies to all historical estimates:

- 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. The relevance and reliability of the historical estimate, and any more recent estimates will be given.

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

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

**“Mg”** means magnesium.

**“Mineralization”** means rock containing an undetermined amount of minerals or metals.

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

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

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

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

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

**“Ounce (oz)”** means a Troy ounce.

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

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

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

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

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

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

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

**“Qualified Person”** means all scientific and technical information contained in this annual information form 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 regulations.

**“Resources”** means a deposit or concentration of a natural, solid inorganic or fossilized organic substance, other than natural ground water, petroleum, natural gas, bitumen or related hydrocarbons, in such quantity and at such a grade or quality, that extraction of the material at a profit is currently or potentially possible.

- **“Indicated resources”** means the estimated quantity and grade of that part of a deposit for which the continuity of grade, together with the extent and shape, are so established that a reliable estimate of grade and tonnage can be made.
- **“Measured resources”** means the estimated quantity and grade of that part of a deposit for which the size, configuration and grade have been well established by observation and sampling of outcrops, drill holes, trenches and mine workings.
- **“Inferred resources”** means the estimated quantity and grade of a deposit, or a part thereof that is determined based on limited sampling, but for which there is sufficient geological information and a reasonable understanding of the continuity and distribution of metal values to outline a deposit of potential economic merit.

**“Reserves”** means that part of a resource which can be legally mined at a profit under specified economic conditions that are generally accepted by the mining industry as reasonable under current economic conditions, demonstrated by at least a preliminary feasibility study based on measured resources and indicated resources only. Reserves are categorized as either Probable or Proven Reserves based on the degree of confidence in the estimate of the quantity and grade of the deposit.

- **“Probable reserves”** means the estimated quantity and grade of that part of a measured or indicated resource for which the economic viability has been demonstrated by adequate information on engineering, operating and economic factors, with sufficient accuracy to be used as a basis for decisions on further development and significant capital expenditures.
- **“Proven reserves”** means the part of a deposit which is being mined or developed or which is the subject of a mining plan, the estimated quantity and grade of that part of a measured resource for which the size, grade and distribution of values, together with technical and economic factors, are so well established that there is the highest degree of confidence in the estimate.

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

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

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

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

**“Tonne”** means a metric tonne (2,204.6 pounds).

**“Unpatented mining claim”** means a mining claim located on the public lands of the United States or Canada, for which a patent has not been issued. An unpatented mining claim is a possessory interest only, subject to the paramount title of the United States or Canada. The validity of an unpatented

mining claim depends upon compliance with mining codes and payment of applicable taxes. In Canada, each province has its own mining code and laws.

“**Vein**” means an epigenetic mineral filling of a fault or other fracture in a host rock often composed of quartz and other sulphide or precious metals.

“**Zn**” means zinc.

#### CONVERSION TABLE

<b>Metric system</b>	=	<b>Imperial system</b>
1 metre (m)	=	3.280 feet (ft)
1 kilometre (km)	=	0.621 mile (mi)
1 gramme (g)	=	0.032 ounce troy (oz)
1 tonne (t)	=	1.102 short tonne (t)
1 gramme per tonne (g/t)	=	0.029 ounces per short tonne (oz/t)
1 hectare	=	2.471 acres

#### DISCLAIMER

Many of the reserves or resources that Globex holds were calculated prior to the institution of National Instrument 43-101 and thus do not fall under the now-standard definitions of reserves or resources. Due to the high cost of recalculating this information, Globex has decided not to re-evaluate them, but to advise on its web site, in reports and published information that the figures quoted may not conform to National Instrument 43-101 standards, are historical, have not been confirmed by a qualified person as defined by NI 43-101 and thus are not current reserves or resources, and that they should not be relied upon.

## I CORPORATE STRUCTURE

---

### Incorporation

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

Globex is a Canadian precious metal, base metal and industrial mineral exploration and royalty company engaged in the acquisition, exploration and development of mineral properties in North America. Globex's head office is located at 86-14th Street, Rouyn-Noranda, Quebec, Canada J9X 2J1.

### Intercorporate Relationships

Globex Nevada, Inc. ("Globex Nevada"), a wholly owned subsidiary of Globex, was incorporated on November 4, 1988 under the laws of the State of Nevada (NV). Its local registered agent, National Registered Agents, Inc. of NV is located at Burns, Figa & Will, PC, 6400 Fiddlers Green Circle Suite 1000 Greenwood Village, CO, 80111, USA and Canadian offices are maintained at 86-14<sup>th</sup> Street, Rouyn-Noranda, Quebec, Canada J9X 2J1. Worldwide Magnesium Corporation, incorporated on January 12, 2009 under the Canada Business Corporations Act, has its head office at 86-14<sup>th</sup> Street, Rouyn-Noranda, Quebec, Canada J9X 2J1, and is owned 90% by Globex and 10% by Drinkard Metalox Inc. Eco Refractory Solutions Inc., incorporated on May 17, 2010 under the Canada Business Corporations Act, has its head office at 86-14<sup>th</sup> Street, Rouyn-Noranda, Quebec, Canada J9X 2J1, and is owned 75% by Globex and 25% by Drinkard Metalox Inc. Duparquet Assets Ltd., owned 50% by Globex and with 50% owned by Jack Stoch Geoconsultant Services Limited, was incorporated on February 16, 2010 under the laws of the province of Ontario, with its head office at 333 Bay Street, Suite 2900, Toronto, Ontario M5H 2T4 Canada.

## II GENERAL DEVELOPMENT OF THE BUSINESS

---

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

Mr. Stoch brought in a group of exploration professionals as directors, acquired properties of merit and succeeded in listing the Company on the Montreal Exchange on January 21, 1988. Globex subsequently listed on the Toronto Stock Exchange ("TSX") on December 29, 1995 and delisted from the Montreal Exchange. In 2005, the Company listed in Europe on the Frankfurt, Munich, Stuttgart, Xetra and Berlin exchanges under the symbol G1M. The Company also trades under the symbol GLBXF on the OTCQX International exchange in the United States.

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



Unlike most other junior exploration companies, Globex is the underlying mineral rights owner on most of its properties and thus does not have material financial commitments for option payments which would impact its liquidity. Globex currently holds in excess of 114 early to mid-stage exploration and development properties, all of which have either resource, mineralized drill intersections, mineral showings or untested geophysical targets or a combination thereof.

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

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

### **Three Year History**

#### **Economic Conditions**

##### **Overview of Environment**

The junior mining exploration sector is inherently high risk. It is an historically cyclical business that requires aggressive yet prudent management. In the mid 2000's, a number of factors supported a long term upward cycle for metal prices (high demand, low inventories, and supply reductions). In 2008, these trends were abruptly disrupted by financial market volatility and the lack of liquidity in the financial system. In the latter half of 2010, commodity prices strengthened with the result that a number of Canadian exploration financings were successfully completed.

In 2011, commodity prices started the year strongly with Q1 (Copper - U.S. \$4.26 per pound; Zinc - U.S. \$1.05 per pound), but declined during the latter half of the year. For the year, the average prices were as follows; Gold - U.S. \$1,524 per ounce, Copper - U.S. \$3.79 per pound, and Zinc - U.S. \$0.95.

In 2012, it became apparent that the economic slowdown in China, India and some other Asian countries would take some time to resolve. Europe's ongoing financial crisis and the slow recovery in the United States were also significant factors which have been reflected in precious metals and commodity prices. For 2012, the average prices were as follows; Gold - U.S. \$1,675 per ounce, Copper - U.S. \$3.64 per pound, and Zinc - U.S. \$0.90. As of March 20, 2013, the comparable prices are as follows; Gold - U.S. \$1,605 per ounce, Copper - U.S. \$3.44 per pound, and Zinc - U.S. \$0.87.

Currently, a large number of investors are sitting on the sidelines as they attempt to mitigate market volatility and risks while focusing on deleveraging their debt positions. The combination of these factors contributes to the extreme challenges that Junior Mining Companies face as they attempt to finance high quality projects.

Globex holds a world class talc magnesite deposit which is further described in this document. The Company is working diligently towards developing this property. We monitor the outlook for industrial minerals which are consumed in steel and auto production throughout the world. Some industrial mineral prices are now showing a recovery after a weak period in 2012 caused by uncertainties due to the U.S. election and economic troubles in Europe. Talc is holding its own as automobile-based plastic sales rise, but talc used in paper continues to decline as part of a fundamental structural change. Magnesia producers will face another few years of challenges if the exporting steel producers continue to face a glut of international iron ore as new projects come on stream and the Chinese trade stabilizes and matures. In the short term, downward price pressures are expected, but in the medium term, as the World and North American economies recover, prices will rise from their current bottom.

On March 15, 2013, the Québec Government held a forum on mining royalties which was positioned as the last step in the process before tabling a new mining law in the National Assembly. The legislation is set to introduce a 5% ad valorem royalty on minerals extracted from the ground and an additional tax on profits that could reach 30%. These changes come after the tax rate on profit has been raised to 16% from 12% in 2010.

As reported in the Gazette on March 15, 2013, Mining industry leaders have indicated that these proposed changes will further slow down investments and adversely impact the operations of the 23 active mines in Québec as well the 200 exploration companies, many of which are attempting to raise capital to survive.

### **Globex's Responses and Outlook**

The economic conditions as outlined above and, in particular, the ability to raise funds and potential movements in precious metal and base metals is reflected in the Company's forward planning. If access to capital continues to be a challenge, then the Company's operations, financial condition, financial results of operation and share price could be adversely impacted.

However, in line with its corporate strategy, the Company is focused on:

- Protecting its interest in optioned properties, by monitoring all outstanding option payments and where necessary, is working with Optionees to maximize its returns.
- Carefully defining its capital needs for the Timmins Talc project in light of the challenging markets, but with a view towards moving forward and producing an NI 43 101 compliant prefeasibility study as soon as possible.
- Managing its "hard dollar" expenses within its current resources and revenue sources.
- Undertaking targeted exploration on its Quebec projects to position the properties for optioning, joint venturing, or disposition.

Globex believes that it is well positioned with a combination of assets and the necessary resources to achieve its strategic objectives.

### **Chibougamau Mining Group - Spin-Out of Assets to Chibougamau Independent Mines Inc.**

Over the past few years, Globex acquired a significant land package in the Chibougamau region of Québec, known as the "Chibougamau Mining Camp." The Chibougamau Mining Camp includes five former copper/gold mines, one unmined historical copper/gold deposit, one historical zinc/gold/silver deposit in respect of which two technical reports compliant with NI 43-101 were prepared, a new historical iron-titanium deposit and a large package of partially outlined gold/copper zones and isolated gold intersections as well as volcanogenic massive sulphide targets.

During the year, exploration expenditures of \$221,615 (2011 - \$Nil) representing Consulting, Geologists and Geophysics costs were incurred on the properties. These costs were incurred in preparation for the anticipated spin-out of these properties. The following properties comprise the Chibougamau Mining Camp and reflect the ten properties transferred to Chibougamau Independent Mines Inc ("CBG") under the Plan of Arrangement:

- Bateman Bay Mine, (including a portion of the former Jaculet Mine), (gold, copper);
- Berrigan, Lake (Taché) Property, (gold, silver, zinc);

- Berrigan South Property, (gold, silver, zinc);
- Chibougamau Lake Property, (including S-3 and Tommy Zones, down dip of Henderson 1 & 2 and Portage Mines), (gold, copper);
- Copper Cliff Property, (gold, copper),
- Grandroy Mine, (gold, copper),
- Kokko Creek Mine, (gold, copper),
- Québec Chibougamau Goldfields Mine, (gold, silver, zinc),
- Sulphur Converting (massive sulphide)/Magnetite Bay, (Iron-titanium deposit); and,
- Virginia Property, (gold).

The properties comprising the “Chibougamau Mining Camp” are located within the Abitibi-Chibougamau Mining District in Lemoine, McKenzie, Obalski and Roy Townships, Québec. The properties are immediately E-SE and NW of the town of Chibougamau, Québec. As of the date of this report, the Chibougamau Mining Camp is comprised of 157 mining claims (CL) and 112 cells (CDC) covering an area of approximately 6,319 hectares (16,050 acres) or about 63.19 square kilometres. A large portion of these claims underlies the waters of Lac Chibougamau and Lac Doré and can be reached by boat in the summer and over ice in the winter.

#### **Plan of Arrangement and Transferred Assets**

During the third quarter, management worked with its legal and tax advisors as well as auditors to prepare the Plan of Arrangement, Ruling Request, TSXV Application and Management Information Circular necessary to affect the transfer of mining properties from Globex to CBG on a tax neutral basis.

On September 10, 2012, Globex and CBG entered into an Arrangement which would result in the reorganization of the capital of Globex and CBG, transfer of cash and cash equivalents, certain investments held by Globex as well as the transfer of the ten properties from Globex to CBG, as detailed immediately above, subject to a 3% “gross metal royalty” in favour of Globex.

On October 19, 2012, Globex Shareholders approved the Plan of Arrangement and on November 27, 2012, CBG received conditional listing approval from the TSXV and on December 17, 2012, the company announced that it had obtained a Final Order from the Québec Superior Court in connection with its Plan of Arrangement for the “spin-out” of the shares of CBG. Amended Articles were filed and the Effective Date of the Arrangement was established as December 29, 2012.

On December 29, 2012, Globex completed the reorganization by way of a Plan of Arrangement under the Québec Business Corporations Act, which resulted in the transfer of cash of \$503,006, investments with a fair market value of \$72,903 and ten mining properties with a fair market value of \$6,429,175 to CBG.

Under the Arrangement each Globex shareholder, at the Effective Date was entitled to receive one New Globex Common Share and one common share of CBG, which resulted in the issuance of 27,896,018 CBG commons shares. In the 2012 audited financial statements, the distribution has been reflected as a return of capital of Globex. The CBG shares began trading on the TSXV on January 25, 2013.

Note 6 to the 2012 audited financial statements provides further details with respect to the fair value of the assets transferred, the Gain on “spin-out” of the assets of \$6,103,061, the reduction in share capital of \$7,005,084 and the Dividend payable of \$575,909 (Cash - \$503,006 and Investments of \$72,903) at December 31, 2012. The transfer of the assets on a fair value basis has been recorded in

accordance with the IFRS guidance as outlined in IFRIC 17 - *Distribution of Non-Cash Assets to Owners*. The fair value of the ten mining properties was derived from comparable transactions within the last twenty-eight months, as near as possible, for properties within the same geographical area with a similar geological setting.

## **2012 Fiscal Period**

In 2012, the Company reported income after taxes of \$2,942,677 compared to income of \$358,768 in 2011. In 2012, the total revenues were \$1,189,654 compared to \$3,753,145 in the previous year. In the current year, the Company generated net option income of \$786,388 (2011 - \$3,262,620) with the difference attributable to the challenges that junior mining companies face in financing the optioning or acquisition of properties.

In 2012, the Metal royalty income was \$403,266 as compared to \$490,525 in 2011. The revenue during 2012 was lower than in 2011 mainly as a result of lower zinc average prices in 2012 as compared to 2011 (2012 - average zinc price - U.S. \$0.88 per pound; 2011 – average zinc price – U.S. \$0.98 per pound). No royalty is payable if the zinc price is below U.S. \$0.90 per pound. During 2012, Nyrstar produced 107 M. pounds of Zinc compared to 68.9 M. pounds in 2011; however, the lower price did not result in increased payments to Globex.

In 2012, the total expenses (including other income (expenses)) of \$4,620,450, as compared to \$3,032,656 in 2011 reflect an increase of \$1,587,794. The difference is attributable to an increase in the impairment provision for financial assets of \$1,278,874 (2012 Provision - \$1,699,299; 2011 Provision - \$420,425) as well as variation of \$308,920 in all of the expenses.

In 2012, the Company has recorded a Gain on the spin-out of assets of \$6,103,061, which represents the difference between the fair value of assets transferred to CBG under the Plan of Arrangement and the original carrying value of these assets.

An income and mining tax recovery of \$270,412 for the year ended December 31, 2012 has been recorded as compared to a provision of \$361,721 in the previous year. The overall recovery in 2012 reflects the combined impact of; (a) a current tax expense of \$323,540 (2011 - recovery of \$17,505) and (b) a recovery of deferred income and mining duties of \$50,155 (2011 - provision of \$1,004,222) and a recovery of income and mining taxes related to flow through share benefits renounced of \$543,797 (2011 - \$624,996).

The current tax expense of \$323,540 represents tax payable on option income earned in a joint venture as well as withholding taxes on prior year metal royalty income of \$264,455.

Exploration expenditures for the current year totaled \$3,058,245 (2011 - \$4,004,265) which includes eligible flow-through expenditures of \$2,674,968 and non-flow through expenditures of \$383,277. During the year of 2012, exploration expenditures were incurred on the major projects as outlined in the 2012 Management Discussion and Analysis. A detailed description of the various properties is also contained in Section III of this document (Description of the Business of Globex - Exploration Properties in Canada and the U.S.).

## **Acquisitions, sales and options**

### **Property Acquisitions**

During year, the Company spent \$89,437 (2011 - \$97,581) on mineral property acquisitions mainly in the province of Quebec. Globex is also pursuing the potential acquisition of specific assets outside of North America.

## **Sales and Options**

In 2012, the Company generated net option income of \$786,388 (2011 - \$3,262,620). The net option income consisted of cash of \$766,272 (2011 - \$2,171,104) and shares with an initial fair value on receipt of \$134,500 (2011 - \$1,781,000) with \$114,384 (2011 - \$689,484) being reflected as a recovery of property and exploration costs.

## **Exploration activities carried out by the Company**

*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, we believe the loss of any single Globex property, not already covered by a NI 43-101 report, would have little or no effect on our 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 reasonable, produce NI 43-101 reports and file them on SEDAR.*

## **Timmins Talc-Magnesite project**

The Timmins Talc-Magnesite (“TTM”) project is held under an agreement with Drinkard Metalox Inc. (“Drinkard”), owned 90% Globex and 10% Drinkard. The project is located 13 km south of Timmins, Ontario, Canada. Globex has committed resources to a team composed of Jacobs Engineering Group Inc. and other industry consultants to evaluate processing options and develop preliminary costing estimates. In addition, the team also spent significant efforts testing and evaluating processing alternatives.

During 2012, Globex spent \$1,080,672 (35.3% of total exploration expenditures) on this project. The major elements of the expenditures consist of; (a) consulting costs related to the preparation and publishing of the preliminary economic assessment of \$327,856; (b) consulting and geologist costs of \$448,849 incurred in connection with the evaluation of processing options, water and environmental studies as well as the application for a mining lease which is a critical step toward production; (c) casual labour and drilling costs of \$262,381 related to the infill and geotechnical drilling program announced on December 3, 2012; as well as (d) a variety of other costs totalling \$41,586.

As announced in the December 3, 2012 Press Release, the drill program, which consists of approximately 46 drill holes totalling 7,000 metres is designed to; (a) raise the resource in the proposed open pit area to reserve status; (b) better define the distribution and variability of the principal economic minerals; and (c) undertake rock mechanics studies in order to facilitate design of the open pit.

To date, Globex has completed: 1) laboratory metallurgical tests, 2) a mini pilot plant study, 3) an internal Scoping Study, 4) diamond drilling and assaying, and 5) mineralogical studies. Environmental baseline studies are ongoing including water quality monitoring from a series of drill holes done for this express purpose. Consultation with stakeholder groups has been initiated. Globex has received, and continues to receive, enquiries from strategic buyers interested in magnesium and talc supplies of the type of products we intend to produce. Test work by potential buyers is ongoing and/or planned for both of our magnesium and talc products.

## **Preliminary economic assessment**

On March 2, 2012, Globex announced in a National Instrument (“NI”) 43-101 Preliminary Economic Assessment (“PEA”) of the TTM project. The full report was filed on SEDAR on April 17, 2012.

The press release commented that the PEA reflects the inputs of Globex’s team of consultants in collaboration with Jacobs Minerals Canada (“Jacobs”) and Micon International Limited (“Micon”). It

also noted on March 2, 2010, Globex received Micon's NI 43-101 Technical Report providing Mineral Resource Estimates of the Timmins Talc-Magnesite Deposit. Based on this mineral resource estimate and the mining rate used in the PEA of 500,000 tonnes per annum, the proposed mine has an identified 60-year mine life within the previously drilled area, subject to the NI 43-101 resource report. Planned infill drilling will update the resource calculation.

The following resource tonnages and grades from the Micon NI 43-101 report:

### Mineral Resource Estimate

Category	Tonnes	Sol MgO (%)	Magnesite (%)	Talc (%)
<b>A Zone Core</b>				
Indicated	12,728,000	20.0	52.1	35.4
Inferred	18,778,000	20.9	53.1	31.7
<b>A Zone Fringe</b>				
Inferred	5,003,000	17.6	34.2	33.4
Sol MgO = Soluble magnesium oxide				

**Table 1**

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

### Community engagement

During 2012, the Company has continued to engage in discussions with Provincial and Municipal authorities, and First Nations and the Métis Nation of Ontario, working cooperatively as the project's scope, impacts and benefits become better understood in the stages leading to production.

### Activities by option partners and sold properties

During 2012, a number of Globex partners have been working on optioned properties and have issued press releases outlining their results. The most significant are:

- In 2012, Xmet ("Xmet") Inc. has been active in acquiring claims which are immediately adjacent to its flagship Duquesne-Ottoman Property in the Province of Quebec which is under option from Globex. On September 20, 2012, Xmet announced that it had entered into a purchase agreement with Clifton Star Inc. to acquire its 100% owned mineral claims known as the Duquesne Mine which are immediately adjacent to its property. The Clifton Star agreement is part of a larger initiative undertaken by Xmet that includes the purchase of the Pitt Resource, located immediately to the west of the Duquesne-Ottoman Property. On May 16, 2012, Xmet announced that it had entered into a purchase agreement with Brionor Resources Inc. ("Brionor") to acquire twenty-four contiguous mineral claims (known as the "Pitt Gold Project") which are also immediately adjacent to the Duquesne-Ottoman Property. Xmet has agreed to issue Brionor a maximum of 10.56% of its outstanding shares after Xmet has exercised its share purchase option from Globex. Completion of this transaction is subject to a number of conditions, including, but not limited to, the exercise of Xmet's option to purchase a 75% in Duquesne-Ottoman Project, obtaining any necessary approvals, as well as the acceptance of the



TSX Venture Exchange.

- On January 17, 2012, Xmet Inc. reported significant assay results from their 2011 drilling program at the Shaft Zone on its Duquesne-Ottoman Property. The announcement also noted that more drilling was planned in 2012. In a press release dated April 12, 2012, Xmet reported the intersection of 12.41 g/t Au over 4.5 metres. On June 7, 2012, Xmet Inc. announced that it had started an important stripping and trenching program at the South Zone on this property. They identified that the work would be carried out in two phases, initially with trenches excavated perpendicular to the gold-bearing structures and once results are received from the laboratory a second phase of trenching will be undertaken parallel to the gold-bearing structures that will completely expose the mineralized system for mapping and additional sampling.

#### **Xmet Inc. share option agreement**

- On March 2, 2012, Globex and Jack Stoch Geoconsultant Services Limited ('GJSL'), a company owned by Jack Stoch, President & CEO and Director of Globex, entered into a share option agreement (the "SOA") pursuant to which Xmet Inc. ("Xmet") may purchase all of the issued and outstanding preferred and common shares of Duparquet Assets Ltd. ("DAL"), a company owned 50% by Globex and 50% by GJSL. The SOA was amended on May 14, 2012, August 8, 2012, and December 17, 2012. The SOA, as amended, provides for two scenarios under which Xmet may acquire all of the issued and outstanding common shares of DAL:
  - A cash payment of \$9 million payable no later than April 30, 2013; or
  - A cash payment of \$6.5 million payable no later than April 30, 2013, to immediately acquire a 75% of all the issued and outstanding common shares and 100% of the preferred shares of DAL, plus an additional option to acquire the remaining 25%, of all issued and outstanding common shares of DAL, for a period of four years, at a price of \$2.5 million in the first year, \$2.6 million in the second year, \$2.7 million in the third year and \$2.8 million in the fourth year.

In both cases, Globex and GJSL will retain the existing sliding scale Gross Metal Royalty from all production from the properties varying from 2% to 3% depending upon the price of gold at the time of production. Should Xmet Inc. not complete either of the above scenarios, then the existing mining option agreement, dated February 18, 2010, among Globex, GJSL, and Xmet will remain in place.

- NSGold Corp. announced, on October 22, 2012, the start of a shallow, targeted, 10 hole drill program in order to test the potential for open pit mining the Mooseland West Gold Zone in the Province of Nova Scotia. Previous drilling tested the gold zone along a 1,000 metre strike length but always below a 75 metre depth. The West Zone contains 57% (259,000 oz Au) of the inferred mineral resource at the Mooseland Property which is now estimated at 454,000 oz Au as follows:

Historical Non-diluted Inferred Mineral Resource Estimate			
Zone	Tonnage	Grade (g/t Au)	Contained Ounces Au
West Zone	1,460,000	5.52	259,000
East Zone	1,060,000	5.72	195,000
Total	2,520,000	5.60	454,000

**Table 2**

The NI 43-101 compliant inferred mineral resource was prepared by Doug Ray, M.Sc, P.Eng., of MineTech International Limited of Halifax, Nova Scotia. (See NSGold press release dated June 5, 2012). "A qualified person has not done sufficient work to classify the historical estimate as current mineral resource or mineral reserve and Globex is not treating the historical estimate as current mineral resources or mineral reserves". NSGold also announced, on December 20, 2012, the results of exploration on two of the 7 Cheticamp, Nova Scotia exploration licences optioned from Globex.

- On January 25, 2013, Rocmec Mining Inc. announced the results of a surface exploration program on the Russian Kid (Rocmec 1) Property. The work consisted of a surface magnetometer survey and re-interpretation of previous exploration results in relation to interpreted and re-compiled geological observations.

### **2011 Fiscal Period**

In 2011, the Company reported income after taxes of \$358,768 compared to a loss of \$2,033,573 in 2010. In 2011, the total revenues were \$3,753,145 as compared to \$626,644 in the previous year. In the current year, the Company generated net option income of \$3,262,620 (2010 - \$501,903) with the majority of the difference attributable to option income from nine different companies including Tres-Or Resources Ltd., Canamara Energy Corporation, Mag Copper Inc., Richmond Mines Inc., Glen Eagle Resources, Laurion Mineral Explorations Inc., NQ Exploration Inc., NSGold Corporation and Xmet Inc.

The Company also received metal royalty income of \$490,525 as compared to \$124,741 last year. Globex is entitled to a gross metal royalty based on the gross value of metal from Nyrstar's Mid Tennessee zinc operations if the price of zinc is greater than U.S. \$0.90 per pound on the shipment date. During the first nine months of 2011, the zinc price was greater than the threshold whereas during the last three months, the price was less than U.S. \$0.90 per pound. During the year, the London Metal Exchange (LME) zinc price averaged U.S. \$1.00 per pound. During 2011, the monthly production averaged 4,879,197 pounds of zinc (2010 - 2,440,481).

In 2011, the total expenses were \$2,874,819 compared to \$3,289,241 in 2010. The favourable variance of \$414,422 reflects the combined impact of increases of \$609,598 (salaries - \$140,580; administration expenses - \$124,201; professional fees and outside services - \$339,662; as well as share-based payments of \$5,155) and the offsetting impact of reductions of \$1,024,020. The reductions reflected as follows; depreciation and amortization - \$2,873, impairment of mineral properties and deferred exploration expenses of \$1,004,386, loss (gain) on foreign exchange of \$15,434 as well as loss on disposal of property, plant and equipment of \$1,327.

The current year net income of \$358,768 reflects an income and mining tax provision of \$361,721 (2010 - recovery of income and mining taxes of \$280,756) representing the impact of non-taxable income, non-deductible expenses, temporary timing differences as well as a recovery of income and mining taxes as a result of the sale of tax benefits to subscribers (qualified exploration expenditures have been incurred and renounced).

The exploration expenditures for 2011, totaled \$4,004,265 (2010 - \$2,401,964) which reflects an increase of \$1,542,684. The expenditures were made mainly in Ontario, Quebec, Nova Scotia, and New Brunswick. Approximately 31% of the total expenditures were made on the TTM Project. Additional information regarding the 2011 expenditures is outlined in the financial results and the 2011 Management Discussion and Analysis. A detailed description of the various properties is also contained in Section III of this document (Description of the Business of Globex - Exploration Properties in Canada and the U.S.).



## Acquisitions, sales and options

### Property Acquisitions

During 2011, the Company spent \$228,447 (2010 - \$65,534) and issued shares with an ascribed value of \$500,000 acquiring various properties. The property carrying value has been reduced by \$585,968 (2010 - \$28,349) representing sales during the year. The more significant acquisitions were as follows:

- **Chibougamau Mining Camp** - As reported in press releases in November 2010 and January 2011, the Company acquired a number of properties in the Chibougamau mining district by staking; the Berrigan gold, silver, zinc deposit in McKenzie township; part of the Jaculet Mine property in Roy township, as well as the Copper Cliff Mine Claims. These properties were in addition to land positions, which Globex previously held including Quebec Chibougamau Goldfields Mine (copper-gold), Kokko Creek Mine (copper), Bateman Bay Mine (copper-gold), S-3 Mine (gold-copper) and Grandroy Mine (copper-gold). Towards year-end, Globex acquired by staking a sizable Iron-Titanium deposit called Magnetite Bay and a large body of massive sulphides called the Sulphur Converting property, which has exposed showings of gold and copper in trenches.
- **Magusi River Deposit and related assets** - Globex re-acquired, from First Metals Inc., a 100% interest in the Magusi River deposit, which contains copper, gold, zinc, and silver as well as an additional 182 claims covering an area of 7,031 hectares. In order to acquire these assets, Globex issued 166,667 shares at a deemed price of \$3.00 per share for a total consideration of \$500,000. On April 28, 2011, these properties were subsequently optioned to Mag Copper Limited. These arrangements will generate Option Payments of \$1.075 M over 3 years and the receipt of 13.5 M common shares (In 2011, Globex received Option Payments of \$125,000 and 13.5 M common shares with a fair value of \$1,687,500).

The Company continued to acquire new claims by competitive staking predominantly in the province of Quebec and to a much smaller extent in Nova Scotia.

### Sales and Options

In 2011, Net option income was derived from the following properties; Duvay - Fontana Properties, Quebec (Tres-Or Resources Ltd - \$502,121); Hematite Lake, Quebec (Canamara Energy Corporation - \$368,835); Magusi River, Quebec (Mag. Copper Limited - \$1,367,761); Beauchastel, Quebec (Richmont Mines Inc. - \$499,925); Chibougamau Properties, Quebec (\$150,000); Bell Mountain, Nevada (Laurion Mineral Exploration Inc. - \$80,000); Lamotte Property, Quebec (Glen Eagle Resources Inc. - \$10,404); Duquesne West, Quebec (Xmet Inc. - \$50,000); Shortt Lake, Quebec (NQ Explorations Inc. - \$28,500); and Mooseland, Nova Scotia (NSGold Corporation - \$199,741).

On January 12, 2012, an option agreement was executed which enables Integra Gold Corp. to acquire Globex's Farquharson property (renamed by Integra as the Donald Property). Under the agreement, Globex will receive cash, shares and a 3% Gross Metal Royalty in exchange for the property.

### Activities by option partners

During 2011, a number of Globex partners have been working on optioned properties and have issued press releases outlining their results. The most significant:

- On September 8, 2011, Globex issued a press release announcing that Xmet Inc. had published a revised NI 43-101 compliant Mineral Resource estimate on the Duquesne West-Ottoman Property optioned from Duparquet Assets Ltd.; a company owned 50% by Globex. The report

highlighted an Inferred Resource Estimate of 4,171,000 tonnes at an average grade of 5.42 g/t Au (6.36 g/t uncut) hosting 727,000 cut ounces Au (853,000 uncut ounces Au). In other news, Xmet also announced the results from stripping and surface sampling on the Shaft Zone. Assays of up to 13.38 g/t Au over 3 metres were reported. On October 18, 2011, Xmet issued a press release outlining the results of additional work. Subsequently on January 17, 2012, Xmet reported significant assay results from their recently 2011 drilling program at the Shaft Zone. The announcement also noted that more drilling is planned for 2012.

- Laurion Mineral Exploration Inc. released an NI 43-101 Mineral Resource Estimate on the Bell Mountain property in Nevada (see Globex press April 7, 2011). The new resource estimate reflects an increase in both the tonnage and in situ ounces of gold and silver over the previous historical resource, which is, now stands at 9.76 million tonnes grading 0.526 gpt Au and 17.63 gpt Ag (containing 165 thousand ounces of gold and 5.5 million ounces of silver).
- On August 31, 2011, Globex issued a press release, which summarized the results of drilling by Richmond Mines Inc. (RIC-TSX), Typhoon Exploration Inc. (TYP-TSX-V), and Plato Gold Corp (PGC-TSX-V). The drilling occurred on properties located near to either Globex properties or properties in which Globex is entitled to future option or royalty payments. In addition to this information, the press release summarized the results of a Preliminary Economic Assessment study on the ScoZine Mine in Nova Scotia issued by Selwyn Resources Ltd. (SWN. TSX-V). Globex maintains a 1% Gross Metal Royalty on the ScoZincs Getty Pb-Zn Deposit. The Economic Assessment Report indicates excellent potential for a seven-plus years mine life with preliminary stripping beginning in the fourth quarter of 2011 and full operation in the second quarter of 2012. Globex looks forward to the realization of a revenue stream from mining and processing of the Getty Deposit.

#### **Exploration activities carried out by the Company**

*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, we believe the loss of any single Globex property, not already covered by a NI 43-101 report, would have little or no effect on our 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 reasonable, produce NI 43-101 reports and file them on SEDAR.*

#### **Timmins Talc-Magnesite Project**

The Timmins Talc-Magnesite Project located in Deloro Township, Ontario 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 until it is spun off into a separate publicly traded vehicle (see press release dated March 17, 2010).

As reported earlier in 2011, Globex has committed significant resources to a team composed of Jacobs Engineering Group Inc. and our group of specialized consultants to evaluate processing options and develop preliminary costing estimates. In addition, the team also spent significant efforts testing and evaluating processing alternatives. Prior to December 31, 2011, a 9 tonne bulk sample was sent for crushing and grinding to facilitate large scale testing of these technologies. The results of this work are currently being evaluated.

To date, Globex has completed extensive laboratory metallurgical tests, a mini pilot plant study, an internal Scoping Study, diamond drilling and assaying, and mineralogical studies were undertaken which outlined a large body of talc-magnesite mineralization. Environmental baseline studies are ongoing including water testing from a series of drill holes done for this express purpose. Consultations with stakeholder groups having an interest in the permitting of the property for production have been initiated. Globex has received enquiries from a number of potential clients interested in supplies of the type of products we intend to produce. Test work by potential clients is ongoing and/or planned for both of our magnesium and talc products.

### Mineral Resource

On March 2, 2010, Globex received Micon's NI 43-101 report Technical Report providing an initial Mineral Resource Estimate for the Timmins Talc-Magnesite Deposit. Planned infill drilling will update the resource estimate.

The following resource tonnages and grades from the Micon NI 43-101 report:

#### Mineral Resource Estimate

Category	Tonnes	Sol MgO (%)	Magnesite (%)	Talc (%)
<b>A Zone Core</b>				
Indicated	12,728,000	20.0	52.1	35.4
Inferred	18,778,000	20.9	53.1	31.7
<b>A Zone Fringe</b>				
Inferred	5,003,000	17.6	34.2	33.4
Sol MgO = Soluble magnesium oxide				

**Table 3**

Note: Additional information is available in the press release dated March 2, 2010 and in the complete report which was filed on [www.Sedar.com](http://www.Sedar.com) on the same date.

The resource is open both along strike to the west and east where it is exposed on surface as well as to depth.

### Community Engagement

The Company will continue to engage with Provincial and Municipal authorities, and First Nations and the Métis Nation of Ontario, working cooperatively as the project's scope, impacts and benefits become better understood in the stages leading to production.

The Company acquired by staking an additional 448 hectares thereby more than doubling the original property size by an expansion to the west and south of the original property perimeter. Globex has presented an application to the provincial government to bring the property claims to lease.

Globex is pleased with the conclusions provided by the PEA and will now consider how to best proceed toward production while generating the best possible benefit for shareholders.

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

As previously reported, Globex has established an arrangement with Drinkard Metalox Inc. ("DMI") through a separate company (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. The joint venture expects to profit through technology contracts which may generate fees and royalties based upon, among possible other things, savings in capital and operating costs as well as a percentage of improved precious metal recoveries from gold deposits.

Globex has done test work for a number of companies on refractory gold ores. In all cases, laboratory test work was successful with gold recoveries as high as 98% being achieved. Unfortunately, we have not succeeded in carrying the test work to the next stage with advanced projects.

The Company is in the process of exploring different marketing strategies based on the experiences gained to date. At that time, the Company was continuing to try to acquire both refractory gold deposits and tailings assets for its own account in order to utilize and highlight the technology.

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 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, of 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.

### **2010 Fiscal Period**

In 2010, the Company reported a net loss after taxes of \$2,033,573 compared to a net loss of \$1,373,576 in 2009. In 2010, the revenues were \$626,644 as compared to \$418,013 in the previous year with the majority of the difference attributable to the increase in the net option income received from Glen Eagle Resources, Laurion Mineral Explorations Inc., Plato Gold Corp, NQ Exploration Inc., Savant Explorations Ltd. and Xmet Inc.

In 2010, the Metal Royalty Income totalled \$124,741 as compared to \$165,747 in the previous year. In 2010, the Metal Royalty Income was mainly received from the Mid Tennessee zinc (Nyrstar) property, which was increasing its production levels following a shutdown of operations whereas in the previous year, the royalty income was mainly received from First Metals Inc., which subsequently suspended its operations.

In 2010, the total expenses (net of other income) were \$2,940,973 which was \$517,224 greater than \$2,423,749 in 2009. The change mainly reflects: increased administration expenses of \$254,018, additional professional fees and outside services of \$160,456, the increase in the write-down of mineral properties and deferred exploration expenses of \$467,564 and the offsetting reduction in other expenses of \$16,546.

The 2010 net loss of \$2,033,573 reflects an income and mining tax recovery of \$280,756 (2009 - \$632,160) representing the loss for the period adjusted for non-deductible items and the net impact of the sale of tax benefits (flow-through shares CEE incurred and renounced to subscribers).

The Company's exploration activities increased from \$1,876,253 in 2009 to \$2,401,964 in 2010. The expenditures were mainly in Quebec, Ontario and Nova Scotia. Approximately 48% of the total expenditures were made on the TTM Project. At that time, the Company was continuing to work on this joint venture, with corporate finance assistance from KPMG Corporate Finance LLP.

For a more in depth discussion of these financial results refer to the 2010 Management Discussion and Analysis which is available online at [www.sedar.com](http://www.sedar.com) or on the Company website [www.globexmining.com](http://www.globexmining.com).

## **Acquisitions, sales and options**

### **Acquisitions**

The more significant acquisitions during 2010 were as follows:

#### **Lunenburg Property**

As reported in a press release on January 20, 2010, Globex acquired 189 claims by staking in Lunenburg County Nova Scotia. The claims were staked as a result of the discovery of a series of large angular quartz veined boulders which assayed 13.9 g/t Au, 5.73 g/t Au and 3.05 g/t Au in grab samples.

#### **Manganese-Iron Asset in New Brunswick**

On August 31, 2010, the Company issued a press release indicating that it had acquired 100% interest in a block of 28 claims covering 588 hectares and a strike length of 6 km in the Woodstock area of New Brunswick.

The claim block covers a horizon of historic manganese-iron mineralization which was previously mined at a small scale for the iron content and is an extension of the horizon containing the historical Plymouth and North and South Hartford manganese-iron zones to the south.

The property covers the Iron Ore Hill, Moody Hill and Sharp Farm Manganese-iron zones which have reported historical, non NI 43-101 resources reported as 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.

#### **Chibougamau Land Position and Spin-off of Chibougamau Independent Mines Inc.**

In November 2010 and January 2011, the Company acquired a number of properties in the Chibougamau mining district by staking the Berrigan gold, silver, zinc deposit in McKenzie township; part of the Jaculet Mine property in Roy township, as well as the Copper Cliff Mine Claims. These properties were in addition to land positions which Globex previously held and included the Quebec Chibougamau Goldfields Mine (copper-gold), Kokko Creek Mine (copper), Bateman Bay Mine (copper-gold), and Grandroy Mine (copper-gold).

On December 13, 2010, as part of its strategy to "spin-off" these assets to Globex shareholders, a newly formed company, Chibougamau Independent Mines Inc was incorporated. At that time, Management was exploring alternatives to provide Globex shareholders with the most value from these assets. Management also noted that the process would take time as it would require the preparation of a qualifying report in accordance with National Instrument 43-101 and approval by the TSX.

## **TTM Acquisitions**

In addition to the acquisitions, outlined above, in the description of the **TTM Project**, a 12 unit-sized claim was staked on behalf of the Company. This claim block is referred to as the "Adam Block."

## **Magusi River Deposit and Other Assets**

As reported in a press release on March 24, 2011, an agreement to acquire a 100% interest in the Quebec mining assets of First Metals Inc. was accepted and approved by the Superior Court of the Province of Quebec. The acquisition included the unmined Magusi River, copper, gold, zinc, silver deposit as well as 136 claims covering an area of 5,415 hectares.

Under the agreement, Globex acquired the assets for aggregate consideration of \$500,000 to be satisfied by the issuance of 166,667 Globex shares at a deemed issue price of \$3.00 per share.

Globex had previously owned this property which was purchased by First Metals Inc. in April 2006.

## **Sales and Options**

### **Malartic - Parbec Gold property**

On January 4, 2010, the Company signed an agreement with Savant Explorations Ltd. to option Globex's Parbec Gold property with the following terms; (i) \$525,000 in cash payments over 4 years, (ii) 750,000 shares of Savant over 4 years, (iii) \$3,850,000 in exploration expenditures over 4 years as well as (iv) a sliding gross metal royalty (GMR) on all metal production.

### **Duquesne West Property**

As announced in a press release of February 18, 2010, on February 16, 2010, Globex Mining Enterprises Inc. (Globex) and Jack Stoch Geoconsultant Services Limited ("GJSL") as Vendors and On-Strike Gold Inc. ("Optionee") entered into an Option agreement related to the acquisition of 75% interest in the Duquesne West Gold Property owned 50% by Globex and 50% by GJSL, and GJSL's 100% owned Ottoman Fault Property. 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 over the four year option period included 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.

### **Nova Scotia properties**

On April 14, 2010, NSGold Corporation optioned the Nova Scotia properties for \$250,000 on the grant of the option and subsequent payments of \$500,000, a 4% gross metal royalty on the production of all metals and a 5% interest in the share capital of NSGold at the achievement of "commercial production."

### **Bell Mountain, Nevada USA, properties**

On June 28, 2010, the Company entered into option agreement with Laurion Mineral Explorations Inc. whereby Laurion may earn 100% interest in Globex's Bell Mountain Gold Project. At signing, Laurion paid \$10,000 and delivered 1,700,000 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.

### **Shortt Lake Property**

On July 29, 2010, the Company optioned Globex’s Shortt Lake Gold Mine and rare earth exploration project to NQ Exploration Inc. (“NQE-V”). Under the option agreement, Globex was entitled to 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”).

### **La Motte Property**

On October 5, 2010, the Company entered into a sales agreement with Glen Eagle Resources Inc., whereby Glen Eagle purchased 12 claims in the La Motte Township, Quebec for a total of \$50,000 cash and 400,000 shares of Glen Eagle Resources Inc. Globex maintains a 2% gross metal royalty on this property.

### **Activities by option partners during 2010**

#### **Duquesne West Property – Xmet Inc.**

As outlined above and announced in a press release on February 18, 2010, the Duquesne West Property was optioned to Xmet Inc. During the year, Xmet initiated a 7,000 m drill program on the Duquesne West property, the results of which were announced in Xmet’s press release dated September 24<sup>th</sup>, 2010. In November 2010, Xmet announced the drill program was being increased from 7,000 meters to 12,000 meters and a second drill had been added. Xmet also reported an updated NI 43-101 resource calculation on September 21<sup>st</sup>, 2010 that increased the inferred resource by 72%. The results of the drill program mentioned above were not included in the resource estimate. The new inferred resource estimate stands at 2.73 Mt grading 5.29 g/t Au hosting 465,000 ounces.

#### **Bell Mountain, Nevada USA, properties**

Laurion Mineral Exploration Inc. (LME-TSXV) reported in a press release dated December 16, 2010 the results of drilling on the Bell Mountain gold deposit in Nevada optioned from Globex (See press release dated June 29, 2010).

#### **Timmins Talc-Magnesite Project**

The project structure and ownership arrangement is outlined on page 12 of this Annual Information Form. In 2010, the Company spent approximately 48% (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.

#### **Testing**

- At that time, micro-pilot test work had begun at a projected cost of US\$500,000 and was completed by year-end 2010. At year-end, the final report of results was still outstanding. It



was anticipated that the hydrometallurgical pilot testing would provide the technical information required to complete a 2011 prefeasibility study (PFS) and the design of a demonstration/small production plant.

### **Permitting and Environmental**

- Blue Heron Solutions for Environmental Management Inc. (Blue Heron) had 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 had been commissioned and installed in order to study the water table in the area of the proposed open pit. This work and other data collection was 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. At that time, it was planned that Aboriginal communities would be consulted to solicit their input regarding the project. The consultation was planned to start in early 2011.

### **Land**

The property was increased through the purchase of 5 claim units that adjoin the property to the south. A request had 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.

In addition, a 12 unit-sized claim was staked on behalf of the Company, in the adjoining township to the South. This claim block is referred to as the "Adam Block" and straddles the Mountjoy River Road immediately to the east of Pine Street.

### **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 received the results of the studies that had among other things identified the products and markets, which appeared potentially most advantageous to the Company.

In response to requests from potential clients, samples of both magnesium and finely ground talc were produced. One potential client in Europe tested a mixture of talc and a magnesium compound. Initial indications were that, the material met their requirements.

### **Pre-Feasibility Study**

Many of the 2010 project phases as outlined above were defined to advance the overall project through the completion of a Pre-Feasibility Study in accordance with the NI 43-101 requirements. The efforts were designed to generate a conformable resource calculation and contracts were signed with Micon International Ltd. and Jacobs Engineering Group Inc. to prepare a pre-feasibility study expected by September 2011.

At that time, the next milestone for the TTM Project was 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, sufficient tonnage 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.

Following the completion of all of the project phases and activities as described above, management had contemplated migrating the TTM project into Worldwide Magnesium Corporation, a private company (90% owned by Globex and 10% owned by DMI) which would be used to finance and manage the next phases of the project as the project advanced in the exploration phase.

### **Mineral Resource Estimate**

The resource tonnage and grades from the Micon 43-101 resource estimate, published on March 2, 2010 are fully detailed on page 13, Table 1 of this Annual Information Form and have not been repeated in this section.

At that time, additional drilling, trenching and assaying was planned to facilitate raising part of the resource to the reserve category.

The Company was 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.

Early in 2010, a second larger drill composite sample of some +600 Kg was processed by standard floatation techniques to remove the talc. The magnesite-rich tails of this processing was the subject of a pilot study in Charlotte, North Carolina, using DMI's micro-plant equipment. This test work collected data to optimise and design a commercial flow sheet. Engineering work will design a scaled up demonstration plant to display the DMI technology.

### **Other Business Opportunities - Eco Refractory Solutions Inc.**

On April 22, 2010, the Company announced that it had reached an agreement with Drinkard Metalox Inc. to form a new and separate company (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 and operating as well as a percentage of improved 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. (ERS). ERS has completed initial test work for two potential clients with large tonnage low-grade refractory gold deposits. The results demonstrated that significant improvements in gold recovery are possible using the ERS method as well as dramatic improvements in the impact of tailings stability on the environment. Numerous companies have contacted ERS regarding potential test work upon their refractory ores.

## 1. Exploration Properties in Canada and the United States

### Introduction:

The table, which follows on pages 27-30, provides an overview of Globex's portfolio of properties as at March 28, 2013. Globex's portfolio constantly changes because of property acquisitions, exploration activities and sales, releases or optioning of properties. Due to the large number of properties, some that are spatially close have been grouped under a single property name. Further details are available on the Globex Web-site – [www.globexmining.com/properties](http://www.globexmining.com/properties), which is updated on a regular basis.

Within the table, the properties have been grouped in the following categories:

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

For each property, the table provides Globex Interest, Size (hectares), Commodity, Location, Exploration work completed in 2012 or first quarter of 2013. In addition, it indicates whether the property has been Optioned.

### Significant Exploration Properties:

Currently, Globex has no single Property that it considers "material to the issuer" as defined by NI 43-101. However, it currently has a number of properties, which it considers significant based on the results of recent work, and planned activities for 2013. The Company has provided detailed information related to 10 projects as listed below. Until December 29, 2012, the Chibougamau Mining Camp Properties were included in the Globex Portfolio and as a result, detailed information has been provided in this AIF for information purposes. Globex now holds a 3% Gross Metal Royalty in these properties which has been included with the Summary of Globex Royalty Interests as outlined on page 31.

#### *Significant and Early/Intermediate Stage Properties being explored by Globex*

- 1. Timmins Talc Magnesite Project (pages 32 - 35),
- 2. Chibougamau Mining Camp Properties (pages 35 - 48),
- 3. Pandora-Wood, Joint Venture (pages 48 - 51),
- 4. Lyndhurst Mine Property (pages 51 - 54),
- 5. Tiblemont-Tavernier Property (pages 54 - 56),
- 6. Tonnancour Property (pages 57 - 59),
- 7. Turner Falls, Rare Earth Elements (pages 59 - 62).

#### *Significant properties under option or sold*

- 8. Duquesne West Property (pages 62 - 65),
- 9. Mooseland Gold Mine (pages 65 - 67),
- 10. Bell Mountain (pages 67 - 69).

These descriptions include information as to historic mining and exploration activity by third parties, which the Company believes to be reliable, but which has not been confirmed by Globex geological personnel and thus should not be relied upon. There can be no assurance that any of these properties will contain adequate mineralization to justify a decision to construct a mine. See “Other Aspects of the Business - Risk Factors.”, “Exploration Risks”, “Uncertainty of Reserves and Mineralization Estimates.”

### **Important Definitions Pertaining to Following Exploration Properties**

#### **“Historical estimate”**

An estimate of mineral resources or mineral reserves was prepared prior to February 1, 2001. A historic estimate is non-NI 43-101 compliant. Under that regulation, the issuer must inform the reader of the source, author and date of the historic estimate. As well, the following cautionary language must accompany the historic estimate:

- 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. The relevance and reliability of the historical estimate, and any more recent estimates will be given.

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

#### **“Qualified Person”**

All scientific and technical information contained in this annual information form 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 regulations.

**Summary of Globex Properties,  
March 28, 2013.**

Property Descriptive Name (listed alphabetically)	Interest	Size (hectares)	Commodity	Location	Exploration Work 2012 or First Quarter 2013	Optioned (O) Joint Venture (JV)
<b>A. SIGNIFICANT EXPLORATION PROPERTIES</b>						
Bell Mountain	100%	651	Gold	Churchill County, Nevada, USA	√	O
Duquesne West	50%	310	Gold	Destor & Duparquet Twps, Quebec, CA	√	O
Pandora-Wood and Central Cadillac Mines (Ironwood)	50%	710	Gold	Cadillac Twp, Quebec, CA	√	JV
Timmins Talc-Magnesite Deposit	90%	912	Magnesium, Talc	Deloro Twp, Ontario, CA	√	

<b>B. LESS SIGNIFICANT PROPERTIES WITH PAST PRODUCTION OR DRILLED MINERALIZED ZONES</b>						
Blackcliff Deposit	50%	120	Gold	Malartic Twp, Quebec, CA		JV
Donalda Mine	100%	146	Gold	Rouyn Twp, Quebec, CA	√	
Eagle Mine	100%	109	Gold	Joutel Twp, Quebec, CA		
Farquharson	100%	112	Gold	Bourlamaque, Quebec, CA	√	O
Fontana Gold	75%	943	Gold	Duvernay Twp, Quebec, CA	√	O
Gayhurst Deposit	100%	1,440	Molybdenum	Gayhurst Twp, Quebec, CA		
Grand Calumet	100%	400	Uranium, Fluorine	Grand Calumet Twp, Quebec, CA		
Heva	100%	230	Gold	Cadillac Twp, Quebec, CA		
Houlton Woodstock Zone	100%	1,328	Manganese	Carlton, New Brunswick, CA	√	
Hurricane Point/North Star	100%	583	Gold	Guysborough, Nova Scotia, CA		
Joutel Copper Mine	100%	379	Copper	Joutel Twp, Quebec, CA		
Lyndhurst Mine	100%	2,674	Copper, Zinc	Destor & Poularies Twps, Quebec, CA	√	JV (partial)
Magusi River, Fabie Bay Mines (incl. Smokey Bay)	100%	7,049	Copper, Zinc, Silver, Gold	Duparquet, Duprat, Hébecourt & Montbray Twps, Quebec, CA	√	O
Nordeau (East, West & North)	100%	1,271	Gold, Iron	Vauquelin Twp, Quebec, CA	√	
Normetal Mine	100%	155	Copper, Zinc, Gold, Silver	Desmeloizes Twp, Quebec, CA		
Parbec Deposit	100%	220	Gold	Malartic Twp, Quebec, CA		
Poirier (incl. Poirier South)	100%	832	Copper, Zinc, Gold	Poirier & Joutel Twps, Quebec, CA		
Preissac Moly	100%	106	Molybdenum, Bismuth	Preissac Twp, Quebec, CA		
Ramp Mine	100%	1,652	Gold	Beatty, Carr, Coulson & Wilkie Twps, Ontario, CA		
Rousseau	100%	427	Gold	Rousseau Twp, Quebec, CA		
Shortt Lake Mine	100%	812	Gold, Rare Earths	Gand Twp, Quebec, CA	√	

Property Descriptive Name (listed alphabetically)	Interest	Size Hectares	Commodity	Location	Exploration Work 2012 or First Quarter 2013	Optioned (O) Joint Venture (JV)
<b>LESS SIGNIFICANT PROPERTIES WITH PAST PRODUCTION OR DRILLED MINERALIZED ZONES (CON'T)</b>						
Suffield Mine	100%	892	Zinc, Copper, Silver, Lead	Ascot Twp, Quebec, CA		O
Vauze Mine	100%	394	Zinc, Copper	Dufresnoy Twp, Quebec, CA		
Vulcan Deposit	100%	307	Gold, Platinum, Palladium	Ferry County, Washington State, USA		
Wrightbar Mine	100%	217	Gold	Bourlamaque Twp, Quebec, CA		
<b>C. OTHER EARLY/INTERMEDIATE STAGE EXPLORATION PROPERTIES</b>						
Adanac	100%	42	Gold	Rouyn Twp, Quebec, CA		
Beauchastel-Rouyn (incl. BM Property)	100%	4,312	Gold, Copper, Zinc	Beauchastel & Rouyn Twps, Quebec, CA	√	
Beacon #1	100%	14	Gold	Louvicourt Twp, Quebec, CA	√	
Bilson-Cubric	100%	635	Nickel, Platinum, Palladium, Copper, Rhodium	La Motte Twp, Quebec, CA		
Bousquet	100%	208	Gold	Bousquet Twp, Quebec, CA		
Buckell Lake	100%	18	Gold	Scott Twp, Quebec, CA		
Champdoré	100%	225	Rare Earths	Champdoré Twp, Quebec, CA		
Charlevoix	100%	2,384	Gold, Iridium, Osmium	DeSales, Lacoste Twps, Quebec, CA		
Chicobi	100%	725	Zinc, Copper	Guyenne & Languedoc Twps Quebec, CA		
Colnet Lake	100%	676	Gold, Copper, Zinc	Montbray Twp, Quebec, CA		
Courville	100%	1,348	Gold	Courville Twp, Quebec, CA		
Dollier	100%	835	Gold	Dollier Twp, Quebec, CA		
Duverny – Range 10	100%	385	Gold	Duverny Twp, Quebec, CA		
Duvan Zone	100%	1,337	Copper	Desmeloize & LaReine Twps, Quebec, CA		
Eau Jaune Lake	100%	502	Gold	Rale Twp, Quebec, CA	√	
Fecteau Lake	100%	1,467	Gold, Copper, Zinc	Buteux Twp, Quebec, CA		
Fontbonne Lake	100%	211	Copper, Zinc	Preissac Twp, Quebec CA		
Fourniere Lake	100%	806	Gold	Fourniere Twp, Quebec, CA		
Fox West	100%	65	Gold	Beatty Twp, Ontario, CA		

Property Descriptive Name (listed alphabetically)	Interest	Size Hectares	Commodity	Location	Exploration Work 2012 or First Quarter 2013	Optioned (O) Joint Venture (JV)
<b>OTHER EARLY/INTERMEDIATE STAGE EXPLORATION PROPERTIES (CON'T)</b>						
Grandroy (Globex)	100%	128	Gold, Copper, Molybdenum	Roy Twp, Quebec, CA	√	
Guyenne	100%	3,981	Gold, Copper, Zinc	Guyenne & Berry Twps, Quebec, CA	√	
Guyenne (7 claims)	100%	303	Gold, Copper, Zinc	Guyenne & Berry Twps, Quebec, CA	√	O
Hematite Lake Deposit	100%	6,072	Iron	NTS 24C10 Quebec, CA	√	O
Hunters Point	100%	14,871	Gold, Uranium, rare earths	Atwater , Booth, Gaulin, McLachlin & Pommeroy Twps, Quebec, CA	√	
Joubel	100%	450	Copper, Zinc, Gold	Joutel Twp, Quebec, CA		
Laguerre-Knutson-Raven River Mines	100%	62	Gold	Hearst & McVittie Twps, Ontario, CA		
Lamy Mica Deposit	100%	576	Mica	Lamy Twp, Quebec, CA	√	
La Pause	100%	420	Gold	La Pause Twp, Quebec, CA		
MacKinnon	100%	567	Gold	Lunenberg, Nova Scotia. CA		
Monique North	100%	326	Gold	Louvicourt & Pascalis Twps, Quebec, CA		
New Marlon Mine	100%	168	Gold	Rouyn Twp, Quebec, CA		
Osisko East	100%	65	Gold	Fournière Twp, Quebec, CA	√	
Pacaud (incl. Pacaud North)	100%	352	Gold	Pacaud Twp, Ontario, CA		
Railroad	100%	388	Gold	Destor Twp, Quebec, CA		
Ralleau	100%	113	Polymetallic	Ralleau Twp, Quebec, CA	√	
Resenore North	100%	85	Gold	Pascalis Twp, Quebec, CA		
Rich Lake	100%	85	Zinc, Copper, Gold, Silver	Montbray Twp, Quebec, CA	√	
Sheen Lake	100%	467	Platinum, Nickel, Palladium	Guillet Twp, Quebec, CA		
Sigma East	100%	190	Gold	Bourlamaque Twp, Quebec, CA		
Simon Lake	100%	185	Gold	Scott Twp, Quebec, CA		
Siscoe East	100%	62	Gold	Vassan Twp, Quebec, CA		
Smith-Zulapa	100%	1,720	Gold, Copper, Nickel	Tiblemont Twp, Quebec, CA		
Soisson & Maizerets	100%	619	Gold	Maizerets & Soisson, Quebec, CA		

Property Descriptive Name (listed alphabetically)	Interest	Size Hectares	Commodity	Location	Exploration Work 2012 or First Quarter 2013	Optioned (O) Joint Venture (JV)
<b>OTHER EARLY/INTERMEDIATE STAGE EXPLORATION PROPERTIES (CONT'D)</b>						
Suzor Mica Deposit	100%	519	Mica	Suzor Twp, Quebec, CA		
Tarmac	100%	96	Gold	Dubuisson Twp, Quebec, CA		
Tiblemont-Tavernier	100%	5,283	Gold, Copper, Zinc	Tavernier & Tiblemont Twps, Quebec, CA	√	
Titan Iron Project	100%	14,701	Iron	NTS 24F12 & 24F13, Quebec, CA		
Tonnancour	100%	8,945	Copper, Zinc, Gold, Silver	Tonnancour & Josselin Twps, Quebec, CA	√	
Turner Falls	100%	942	Rare Earths	Villedieu & Senezergues Twps, Quebec, CA	√	
Turgeon Lake	100%	170	Gold	Lavergne Twp, Quebec, CA		
Tut	100%	120	Gold	Ligneris Twp, Quebec, CA		
Venus Gold Zone	100%	596	Gold	Barraute Twp, Quebec, CA	√	
Victoria	100%	766	Gold	Clericy Twp, Quebec, CA		
Zeolithe Property	100%	1,085	Zeolithe	Annapolis & Kings, Nova Scotia, CA		

**Summary of Globex Royalty Interests  
March 28, 2013**

Property Descriptive Name (listed alphabetically)	ROYALTY INTERESTS	Optionee	Exploration Work 2012 or First Quarter 2013	Commodities
Arntfield	2.5 % Gross Metal Royalty	Richmont Mines Inc.	√	Gold
Authier - Lithium	2% Gross Metal Royalty	Glen Eagle Resources Inc.	√	Lithium
Chibougamau Mining Camp (incl. Bateman Bay, Berrigan Lake, Berrigan South, Copper Cliff, Grandroy, Kokko Creek, Lake Chibougamau, Magnetite Bay/Sulphur Converting, Quebec Chibougamau GoldFields, Virginia)	3 % Gross Metal Royalty	Chibougamau Independent Mines Inc.	√	Gold, Silver, Zinc, Copper, Molybdenum
Charlevoix (3 claims)	1.5 % Overriding (ORR)	9240-7792 Quebec Inc.		Gold, Iridium, Osmium
Côté/Montbray	2% Gross Metal Royalty	Jeannot Theberge		Gold, Copper, Nickel
Disson	1% Gross Metal Royalty	Jean Robert		Gold
Duvay (incl. Range 7)	1.5% Gross Metals Royalty Gold (Price <US\$800) 2% Gross Metals Royalty Gold (Price >US\$800)	Tres-Or Resources Ltd. Aurizon Mines Ltd.	√	Gold
East Amphi	2% Net Smelter Royalty after 1 <sup>st</sup> 300,000 Au ozs.	Osisko Mining Corporation		Gold
Fayolle	2% Net Smelter Royalty	Typhoon Exploration Inc.	√	Gold
Fontana	3% Gross Metal Royalty 15% Net Profit Interest	Tres-Or Resources Ltd. Aurizon Mines Ltd.	√	Gold
Fourax	2% Net Smelter Royalty after 1 <sup>st</sup> 300,000 Au ozs	Osisko Mining Corporation		Gold
Getty Deposit	1% Gross Metal Royalty	Selwyn Resources Ltd.		Lead, Zinc
King of the North	2 % Gross Metal Royalty	Richmont Mines Inc.		Gold
Massicotte	2.5% Gross Metal Royalty	Adventure Gold Inc.	√	Gold
Mooseland Property (incl Leipsigate, Indian Path, Cheticamp and French Village)	4 % Gross Metal Royalty	NSGold Corporation	√	Gold, Polymetallic, Copper, Lead, Zinc
Raymor	2% Gross Metal Royalty	Knick Exploration Inc.		Gold, Zinc
Russian Kid	5% Net Metal Royalty on first 25,000 ounces of gold production and all other metals until 25,000 ounces of gold are poured 3% Net Metal Royalty on all production from the property after the first 25,000 ounces of gold production	Rocmec Mining Inc.	√	Gold
Standard Gold	1% Net Smelter Royalty	Threegold Resources Inc. Bowmore Exploration Ltd.	√	Gold
Tennessee Zinc Mines	1% Gross Metals Royalty Zinc (Price LME US\$0.90 - \$1.09) 1.4% Gross Metals Royalty Zinc (Price LME over US\$1.10)	Nyrstar NV	√	Zinc
Tiblemont Island	1% Gross Metal Royalty	Iledor Exploration Corp.	√	Gold



## 1. Timmins Talc-Magnesite Project

**Property Description and Location.** On December 31, 2012, the property consisted of 29 mining claims, totalling 57 claim units and covering approximately 912 hectares, in Adams and Deloro townships, Ontario Canada. The property also includes approximately 551 hectares of “severed” or surface-rights-only mining patents, all of which are located in the south half of Deloro Township, Porcupine Mining District, 13 km southeast of the City of Timmins, Ontario. The mineral rights are held 100% by Globex Mining Inc. Certain claims in Deloro Township are in the process of being taken to lease.

Globex acquired the original 19 claims in Deloro Township by purchase in 2000 and staked or bought outright the remaining mining claims since that time. Project ownership is shared with joint venture partner Drinkard Metalox Inc. (DMI) who holds a 10% in the project while Globex Mining Enterprises holds 90% interest in the project.

Vehicular access to the claim group is provided by road from the City of Timmins via Pine Street South and subsequently Naybob Road to kilometer post 10, at which point the Mount Joy River Road is followed eastward from there for 3km to the Wishbone power line and then northward for 3km along a series of seasonal trails to the centre of the property.

**Geological Setting.** The area is underlain by Archean intrusive and extrusive units and sediments including large masses of altered ultramafic lithologies and at least one east-west diabase dyke. Strikes are generally east-west, dips near vertical or steeply to the north or south. The magnesite-talc-quartz rock unit is exposed on surface as large areas of outcrop 3 to 6 metre above a sand plain floor.

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

The property was then acquired by Pamourex and then re-staked by Royal Oak Mines Ltd in 1984-85. The latter carried out limited further diamond drilling (8 holes, totaling 591 metres) and in-situ blasting for bulk sampling (15,000 tons) purposes in the area referred to as the Pamour Pit with the objective to complete further technical and market studies aimed at the eventual production of MgO and magnesium metal. However, control of Pamour was subsequently sold to an Australian company and the property subsequently optioned to Magnesium Refractories Ltd. who worked the Pamourex/Royal Oak Mines property from 1989 to 1994.

Magnesium Refractories carried out numerous economic studies and mineral processing, engineering and financial studies including a Prefeasibility Study in 1991 with the objective of developing a magnesite-talc operation to produce magnesium oxide (MgO) and high quality talc from a deposit estimated to host a global resource of 110Mt grading 54% magnesite (MgCo3), 28% talc, 16% qtz and 3% iron oxides (ref: Magnesium Refractories Ltd, Pre-Feasibility Report, R.A. Elliot, April,1991). This resource estimate is non NI 43-101 compliant and as such, the validity of this estimate cannot be relied upon. In 1999, Pentland Firth Ventures, completed 2 shallow close spaced diamond drill holes totaling 151 metres on the “Deloro Magnesite Deposit” where they report

intersecting “magnesite altered ultramafic intrusive rock”. Subsequent to Royal Oak Mines Inc. going into receivership, Globex purchased the Deloro Magnesite Property in 2000.

Test work by previous owners of the property attempted to produce magnesium refractories by conventional processes available at that time. For the most part, this test work showed that magnesium products could be generated from this deposit, albeit with elevated iron contents that are not necessarily desirable under all market conditions.

**Exploration.** In 2000, Globex initiated a small drill program consisting of 2 shallow holes totaling 163 metres on the western end of the Timmins Magnesite deposit. A similar 2 hole drill program totaling 179 metres was then undertaken in 2001 with the purpose of continuing the confirmation of metallurgical testing of those results from the previous operators as part of Globex’s initial scoping study on the deposit. The stratigraphic drilling by both Pentland Firth and Globex substantially extended the magnesite mineralization to over 250 metres west of the Pamour Pit.

In 2007, preliminary laboratory work by Drinkard Metalox Inc (DMI) indicated that the intersected magnesite mineralization could produce high quality magnesia and magnesia by-products, using hydrometallurgical techniques.

In 2008, Globex drilled an additional 17 angled holes totalling 2,127 metres on three drill fences spaced at 100 metres in the main magnesite zone to; a) better detail the volcanic stratigraphy and its spatial relationship to the magnesite/talc mineralization, b) expand and detail the rock geochemical database and petrographic studies and c) gather sufficient lithological distribution data to support an adequate 3D model for geological solid and grade block modelling. Metallurgical bench scale test work continued at DMI and preliminary engineering studies were initiated. Research studies into talc recovery continued to progress in 2008.

In 2009 and 2010, Globex carried out geological mapping on the Deloro portion of the claim block in conjunction with induced polarization and resistivity survey work as well as a ground magnetometer survey. Other aspects of the on-going metallurgy/process engineering study consisted of continuing base line studies regarding environmental/community/First Nations issues. Micon International Ltd. completed a NI 43-101 compliant initial mineral resources estimate (Ref. Globex internal report by Micon International Ltd, R. Pressacco, D. Hall and P. Ling, February 24, 2010) on the A Zone as detailed below. The following was calculated using diamond drilling information from surface down to 100 metres. At the time of this appraisal, the A Zone was known to be open to depth and along strike in addition to other known magnesite zones on the property.

The following resource tonnages and grades from the Micon NI 43-101 report are all within a limited portion of the A Zone:

**Mineral Resource Estimate**

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

**Table 4**

Note: Additional information is available in the press release dated March 2, 2010 and in the complete report which was filed on [www.Sedar.com](http://www.Sedar.com) on the same date.

The resource is open both along strike to the west and east where it is exposed on surface as well as to depth.

A micro-pilot plant study was completed at DMI to confirm engineering criteria for the production of high-grade magnesite. This program used tailings material generated from the pilot plant talc flotation study.

In 2011:

- a) Jacobs Minerals Canada Inc. was retained to design and engineer a preliminary plant layout that would treat the primary material and produce high-grade talc and magnesite. Mineral industry consultants Micon International Ltd, were originally tasked to deliver a Pre-Feasibility study (PFS) in 2011, but were subsequently directed by Globex to convert the PFS study into a Preliminary Economic Assessment (PEA).
- b) Contractor Blue Heron Environmental continued with their base line environmental studies while Golder Associates Ltd was retained to study waste stream storage requirements and to issue a conceptual pit slope design.
- c) Globex increased the size of the project by staking an additional 448 hectares thereby more than doubling the original property size by an expansion to the west and south of the original property perimeter. Globex also presented an application to the provincial government to bring part of the property claims group in Deloro Township to lease.

In 2012. The newly acquired western claims in Deloro and Adams townships were examined by completing preliminary exploration work. This consisted of line cutting, carrying out 29.7 kilometers of a combined ground magnetometer and VLF-EM survey by Larder Geophysics that was subsequently followed by geological mapping using Globex personnel.

Metallurgical Consideration: An alternative talc processing method of the carbonate ore continued to be investigated. This work was primarily completed by year-end, with only some follow-up magnesite beneficiation tests left to be completed.

Globex as part of its provincial leasing application in Deloro Township bought by outright sale from the City of Timmins, 12 "surface-rights-only" (SRO) patents totalling about 166.9 hectares (412.49 acres), thereby increasing the area of severed SRO mining patents to about 551 hectares.

Micon international Ltd. completed a preliminary economic assessment of the Timmins talc-magnesite deposit. This PEA, as detailed in a press release dated March 2, 2012, indicates a positive after-tax NPV of \$258 M at a discount rate of 8%, an after-tax internal rate of return (IRR) of approximately 20% and a payback period of 5.8 years on the discount cash flow. This technical report is posted on SEDAR ([www.sedar.com](http://www.sedar.com)). The results of the PEA support the conclusion that further work is justified on the project, with an ultimate objective of completing a Feasibility Study.

The additional work includes completing an additional infill-drilling program to update the known resource calculation. To that end, a proposed 6,900m diamond drilling campaign was initiated in December using Timmins based Major Drilling crews. By year-end, 16 boreholes totalling some 2,523 metres had been completed.

The conceptual flow sheet has been the subject of comprehensive bench-scale testing by Globex and DMI. The company contemplates the production of a talc concentrate using conventional flotation technologies. Preliminary testing of the talc flotation concentrate reveals that a commercial grade product can be generated with no impurity issues. The tailings generated from the talc flotation

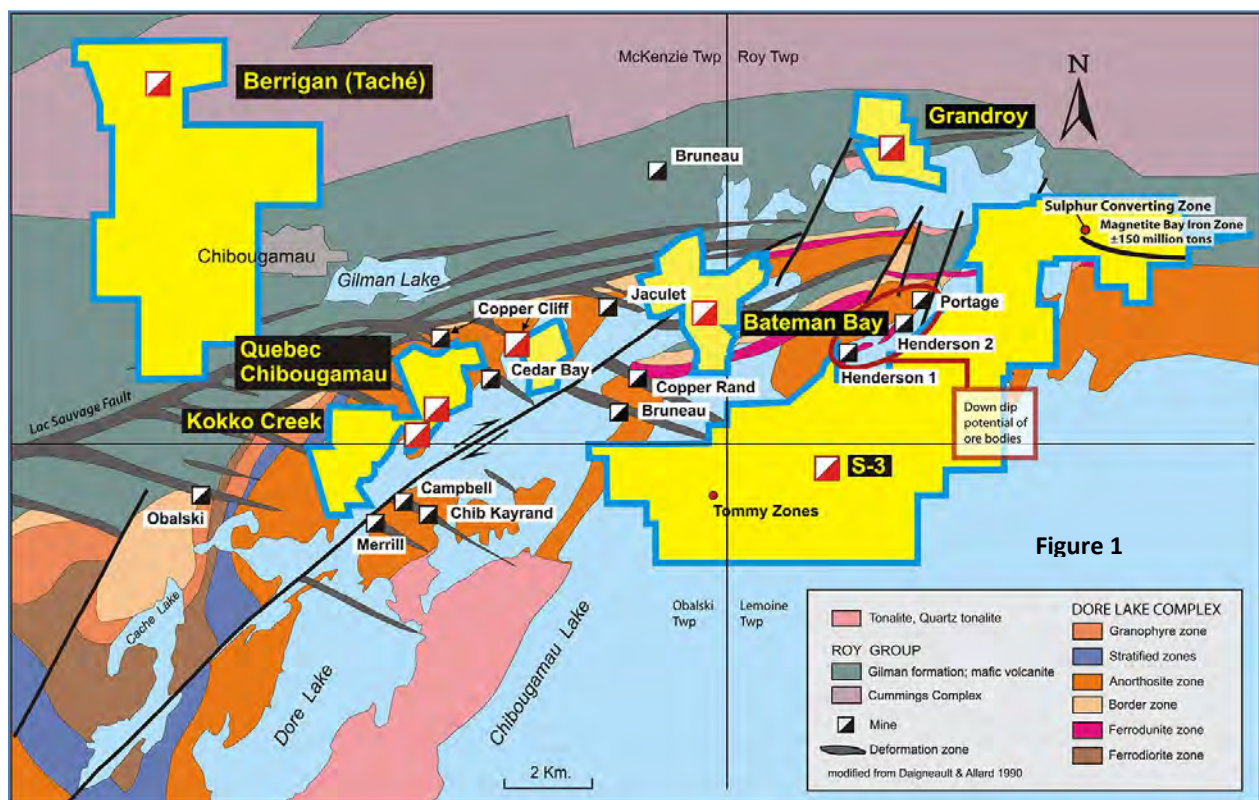
stage will be subjected to a hydrometallurgical process, which will produce a high-grade final product. In this hydrometallurgical process, the iron content of the feedstock is put into solution and is subsequently removed as a ferruginous precipitate that will be stored in a suitable containment area. In this manner the background iron content of the deposit does not pose the same barrier to the production of a commercial grade refractory product as was experienced by previous owners of the property.

**Exploration and Development.** Globex owns a large open pittable magnesite-talc-quartz deposit situated only 13 km from the major mining centre, Timmins, Ontario that offers exceptional infrastructure for mining: roads, electrical power, natural gas, skilled labour and railway shipping service. Testing to date shows, it will be possible to produce both a commercial grade talc product with no impurity issues and a high-grade magnesia product as well.

During 2013, currently Globex is looking to; a) complete the infill drill program, b) finalization of the talc plant design and talc variability testing and c) seek the approval to build a small-scale commercial talc plant.

**2. Chibougamau Mining Camp** (Properties transferred to Chibougamau Independent Mines Inc, effective December 29, 2012).

**An Overview**



**Project Description and Location.** The Chibougamau mining properties consist of ten distinct project sites (described individually further in this report), located within the Abitibi - Chibougamau Mining District in Lemoine, McKenzie, Obalski and Roy Townships (NTS 32G/16). As of December 31, 2012, the aggregate of registered units (claims/cells) held wholly by Chibougamau Independent

Mines (CBG) (areas shown in yellow – figure 1) totalled 287 units and 6,876 hectares. Individual projects include Berrigan (25 cls), Berrigan South (38 cls), Virginia (5 cls), Kokko Creek (8 cls), Quebec Chibougamau (7 cls), Copper Cliff Ext. (7 cls), Bateman Bay (23 cls), Grandroy (19 cls) Sulphur Converting/ Magnetite Bay (27 cls) and Lac Chibougamau (128 cls). Additional staking has been undertaken in 2013 and these additions will form part of the expanded land holdings once the former are registered under Chibougamau Independent Mines Inc. The majority of the properties are located 15 kilometers E-SE from the town of Chibougamau (population >5,000) with some claim groups extending south and east along the west shore of Lake Dore while a larger segment extends approximately 4 km South, East and Northeast of the Henderson Number 1 shaft, over Lake Chibougamau. The Berrigan claim group extends 6 km W and NW from the town of Chibougamau. Under the Plan of Arrangement dated September 10, 2012, between Globex and CBG, the aforementioned properties, were transferred 100% to CBG effective December 29, 2012, from Globex subject to a 3% gross metal royalty in favour of Globex.

This large land position is considered to be at an “advanced stage” of exploration, being located on the inferred lateral and depth extensions of the better copper-gold producers of the mining camp as well entirely encompassing several of camp’s former copper/gold producers.

All mandatory work permits issued by the Provincial Ministry of Natural Resources (MNRF) for land based drilling and the Ministry of the Environment (MDDEP) for ice drilling on lakes, were applied for and obtained by CBG for the completed 2012 work program and initial portion of the larger 2013 work program.

**Accessibility, Climate Local Resources, Infrastructure and Physiography.** Chibougamau is an active mining and forestry centre (pop. >5,000 persons) located on Highway 113 which connects with the large mining community of Val d’Or (pop.> 40,000 persons) 400km to the SW and the agricultural centre of Lac St. Jean 250km to the SE. The area enjoys good infrastructure with railway, hydro power and a good mining work force because of its 60 years of mining activity in the Chibougamau/Chapais district. A dormant but still operative 3,000 tpd mill is available for custom milling. Chibougamau is serviced by regular commercial flights to Montreal, Quebec and serves as the gateway for other mining/forestry activities for the more northern regions of the Province. Climate conditions are typical of the Canadian Shield, averaging -30 degrees Celsius in January/February and an average of + 25 degrees Celsius in July. The ground is generally snow governed from November to March and summers are relatively hot and relatively wet. Topography is generally flat except for local 200-500m high knobby E-W trending hill tops. Many of the mineral claims are underlain by the Chibougamau and Dore lakes. The CBG properties are generally moderately to locally densely forest in black spruce, birch, aspen and tag alders where ground conditions are swampy.

**History.** Since the onset of land acquisition in 2007 by Globex Mining Enterprises, ongoing acquisition by ground staking and/or map designated cells by the latter has resulted in the acquisition of a significant land package in the Chibougamau Mining Camp. Under an Agreement, dated September 10, 2012, between Globex and CBG, the aforementioned properties, were transferred 100% to CBG effective December 29, 2012. The properties are subject to a 3% gross metal royalty in favor of Globex.

Copper and gold were discovered in the early 1900’s and roads and railroad access were completed in the early 1950’s. The town of Chibougamau was established in 1952 and numerous mines were developed along the shores of Lac Doré and Lac Chibougamau. Numerous change of ownerships occurred between 1955 and 2012. The initial miner in the Camp, Campbell Chibougamau Mines became Copper Rand Chibougamau Mines Ltd, which subsequently became Patino Mines Ltd in 1962. In 1981, Northgate Exploration Ltd acquired Patino Mines Ltd. In 1987, Northgate sold its



assets to Westminer (Canada) Ltd. which subsequently sold all of these assets to Resources MSV Inc. in 1993. In 2001, Res. MSV and Geonova Explorations Inc amalgamated to create Resources Campbell which went bankrupt in 2010. In 2012, Nuinsco Resources and Ocean Partners acquired the remaining assets of Resources Campbell Inc, creating a new exploration and development company, C-Bay Resources, now active in the Camp.

The simplified longitudinal section below (Figure 2) gives general production numbers and maximum vertical depth of investigation for the majority of the deposits in the camp with four of the five past Cu/Au producers currently held by CBG identified with a star symbol.

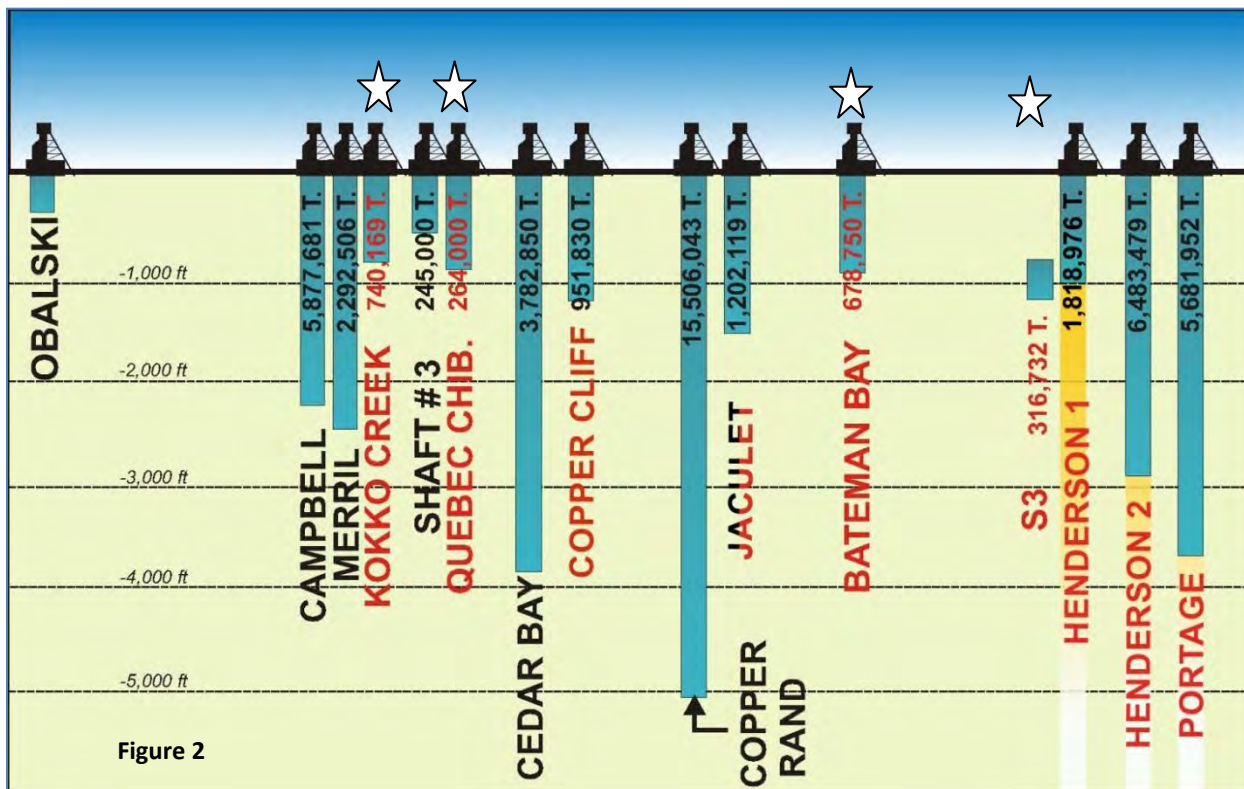


Figure 2

Except for regional geological mapping and airborne surveys carried out by different levels of government, all of the historic available information on the CBG claims originated from the Campbell/Camchib exploration work. This information was compiled and interpreted by SOQUEM. They carried out extensive compilation of geologic, geochemical and geophysical survey data, but limited surface exploration work (geophysics and drilling) during the period 1992 to 2000. Although a number of the SOQUEM drill holes located new copper/gold mineralization, no additional work followed this initial success.

Various airborne geophysical surveys have confirmed the presence of a number of magnetic and electromagnetic anomalies in the area of known mineralized zones and/or along their inferred strike direction. These surveys have helped in the interpretation of the regional geology and general stratigraphic relationships of the volcanic and large intrusive complexes in the Camp. Numerous geophysical anomalies remain yet to be tested by drilling.

## ***Geological Setting***

**Regional Setting.** The Archean rock formations which underlie the Chibougamau Mining Camp form the eastern portion of the Chibougamau-Mattagami segment of the Abitibi Greenstone Belt. The volcanic rocks and associated sediments belong to the Roy Group which is subdivided into the Blondeau, Bruneau, Allard, David and the Obatagamau Formations with the latter being the oldest underlying unit. The Cummings Group mafic intrusive rocks have intruded predominantly at the contact between the Bruneau and the Blondeau volcanic formations. The volcanic formations have been folded about a large regional fold into which the Lac Dore Complex and later the Lac Chibougamau tonalite-trondhjemite Pluton have been intruded. Regional metamorphism is green schist facies. The Opemisca sediments unconformably overlie the aforementioned volcanic units. The Lac Dore Complex (LDC) is a stratiform, layered intrusive complex composed principally of meta-anorthosite with lesser amount of meta-gabbro to anorthositic gabbro and is host to many of the copper/gold deposits of the Camp. The anorthosite represents 70% to 90% (by volume) of the lithologies present within the LDC.

The past producing copper/gold deposits within and adjacent to the CBG properties are generally located within the layered segment of the Lac Dore complex. The “anorthositic” facies of the complex shows evidence of intruding into the older “layered” sequence, thus locally creating large “rafts” of layered peridotite to anorthositic gabbro within the more abundant anorthosite mass. The primitive magmatic layering is often composed (from base to top) of ferro-dunite, ferro-peridotite, ferro-pyroxenite, ferro-gabbro and intern layers of magnetite bearing gabbroic anorthosite. Layered iron-titanium-vanadium mineralization such as at the Mont Sorcier property is also recognized in this environment.

The Lac Dore Fault (LDF) is the most prominent structure in the area. It trends roughly NE, dips 70 degrees to the NW and may have a “thrust” component in its movement. This fault transects and locally displaces numerous of the former producers, which attests, at least in part, to post mineral movement along this fault structure.

Further NW away from the LDC, in the area of CBG’s Berrigan and Berrigan South properties, another series of differentiated mafic to ultramafic sills referred to as the Cummings Complex, are injected predominantly along the contact zones between the Gilman and Blondeau volcanic formations. Zinc/copper/gold/silver mineralization are found at numerous locations within and on the margins of these sills while various occurrences of volcanogenic stringer and massive sulphide (VMS) mineralization (Cu/Zn/Au/Ag) are reported to be present in the aforementioned volcanic sequences.

The central highly sodic Chibougamau Pluton cores the LDC and shows an intrusive contact with the Anorthositic Zone of the LDC on the north flank of the regional anticline. Principal rock types within the Pluton include granodiorite, quartz syenite, hornblende tonalite and hornblende melano-tonalite. Satellite intrusions such as the Grandroy stock and Line Lake Stock may display porphyry style Cu/Au mineralization.

The Chapais-Chibougamau Mining District was subjected to superposed regional deformational events during the Archean which resulted in large scale isoclinal folding and related faulting of the extrusive, intrusive and sedimentary rock units. Five major fracture/shearing systems are recognized. One such set of faults includes the major NE trending, NW dipping regional Gwillim, Lac Dore, McKenzie Narrows and Lac Tache faults, with dextral strike-slip displacement. The Lac Doré structure is metallogenically important because of its displacement of the SE trending “Mine shears” associated with the mined Cu/Au mineralization as occurs at Copper Rand, Copper Cliff, Jaculet, Bateman Bay and Kokko Creek. Elsewhere, N-S structures are well developed in the volcanics and

Cummings Complex and show a close association with some of the important orogenic gold deposits in the Camp.

**Local Setting.** The local geological setting is addressed on a property by property basis in the following sections of this segment of the report. The Chibougamau Camp scale, land holding can be categorized into three main geologic groups.

**Group 1:** These holdings are located within the layered portion of the Lac Doré mafic to ultramafic Intrusive Complex (LDC) positioned between the volcanic formations of the David Group to the NW and the central tonalite-trondhjemite Chibougamau Pluton to the SE. The majority of the Cu-Au mines in the Camp are found within the layered portion of the Lac Doré Complex. This claim group includes the following deposits and mineralized occurrences: Bateman Bay(Au, Cu) & Jaculet Extension, Copper Cliff Extension (Au, Cu), Kokko Creek (Au, Cu), Quebec Chibougamau Mines (Au, Ag, Zn), "S" Zones(Au, Cu) and "T" Tommy/Yorcan Zones (Au, Cu).

**Group 2:** These holdings straddle the contact between the layered zones of the LDC to the south in contact with the mafic/felsic volcanics to the north. The Grandroy Mine intrusive stock, a satellite body to the Chibougamau Pluton, also straddles this contact. This claim group includes the following deposits and mineralized occurrences: Grandroy Mine (Cu, Au, Mo), Ile Marguerite (Au), Mont Sorcier (Fe-Ti-V) and Sulphur Converting (Cu-Zn).

**Group 3:** These holdings are located NW of the latter within the mafic to felsic volcanics of the Bruneau and Blondeau Formations intruded by the differentiated mafic/ultramafic Cummings Complex. This group includes the Berrigan Lake Mine (Au, Ag, Zn) and the Berrigan South prospect (Zn, Au).

**Mineralization.** The prominent anorthosite facies of the LDC shows numerous "tectonic corridors" serving as conduits for the mineral bearing hydrothermal solutions which streamed through the rock formations resulting in characteristic "wallrock" alteration features and assemblages including typical sericite, chlorite, carbonate and quartz directly associated with the sulphide minerals within these tectonic corridors in which develop mineralized lenses of various dimensions. Mineralization within the "tectonic corridors" generally consists of lenses of 10%-30% sulfides comprised largely of pyrite, chalcopyrite with some pyrrhotite (5% to 15%) along with minor sphalerite and galena. The matrix of the mined lenses is composed of 70%-90% chlorite with lesser quartz and carbonate, which can account for 15% to 20% of the matrix.

The Cu-Au mines may, at certain locations, display concentrations of semi-massive to massive sulphides (pyrite, pyrrhotite, and chalcopyrite) commonly at the contact of felsic to intermediate dykes intruded within larger zones of deformation characterized by chlorite-sericite quartz-carbonate schists, affecting the anorthosite of the Lac Doré Complex. These shear zones, often referred to as the "mine shears", are usually oriented at 110°. However, a large part of the production in Chibougamau came from an earlier N45°E shear structures. These structures show great depth extensions and have been cut and displaced by the Lac Doré Fault, showing an apparent horizontal sinistral displacement of approximately 1.6 km. This regional structure (Lac Doré Fault) trends northeast and dips 50° to 70° to the north-west. The "mine shears" dip SW and the main N-045° shear, dips SE.

The CBG properties include a) the unmined zinc/gold Berrigan Project (NI 43-101 compliant report by C. Larouche, May 17,2011, restated August15, 2012), b) the unmined zinc/gold Berrigan South deposit, c) five past producing copper/gold deposits (including Kokko Creek, Quebec Chibougamau Goldfields, Bateman Bay, S-3 Zone and Grandroy Gold & Copper Mine, d) the inferred lateral and depth extensions of the largest past producing mines in the Camp (Portage/Henderson Mines), e)



the Ile Marguerite (talc zone) and large Mont Sorcier (Fe-Ti-V) deposit as well as a number of other gold/copper zones including the Tommy (T Zones), and K Zones. The north portion of the claim group straddles the contact between the layered zone of the Lac Dore Complex to the south in contact with mafic + felsic volcanic rocks to the north where the “porphyry type exploration model appears to offer attractive discovery potential as exemplified by the Grandroy porphyry Cu/Au deposit.

The following “historical” non NI 43-101 compliant resources have been published on the CBG properties. A qualified person has not performed sufficient work to classify the historical estimates as current mineral resources or mineral reserves and CBG is not treating the historical estimates as current mineral resources or mineral reserves.

Name of Project	Historical Resources	Cu %	Au g/t	Zn %
Bateman Bay	396,665 tons	2.64 %	4.35 g/t	
Berrigan Mine (North Zone)	1,388,915 tons		1.77 g/t	3.17 %
Berrigan Mine (South Zone)	259,637 tons		0.58 g/t	3.05 %
Grandroy Mine	181,000 tons	1.50 %		
Kokko Creek	115,000 tons	1.50 %	0.21 g/t	
Quebec Chibougamau	19,191 tons	1.93 %	2.64 g/t	
T-Zones (T-10)	449,095 tons	0.91 %	2.38 g/t	
T-Zones (T-9)	50,000 tons	2.21 %		
T-Zones (T-8)	440,000 tons		8.48 g/t	

**Exploration.** In 2011, consulting geological engineer Claude Larouche, *ing.* (O.I.Q.) commenced, under the direction of Globex Mining initially and subsequently for Chibougamau Independent Mines (CBG), a comprehensive compilation of the published and assessment file geologic, geochemical, geophysical and mining data relative to CBG’s land holdings. The objective of this study was to provide a functional database to guide and plan systematic exploration to locate and drill test new mineral deposits in the vicinity of past producing and unmined primarily copper–gold or zinc–gold rich deposits in the Camp.

In 2012, the aforementioned study resulted in the completion of two NI 43-101 compliant technical reports by Claude Larouche including respectively the Evaluation and Exploration Potential of the Berrigan Gold/Zinc/Silver Project, McKenzie Twp (initially dated May 17, 2011 & restated August 15, 2012) and the Exploration Potential of the Lac Chibougamau Mining Properties (initially dated August 16, 2012 and restated December 17, 2012). Both of these reports were filed on [www.sedar.com](http://www.sedar.com) in 2012. In these reports, consultant Claude Larouche details a proposed multi-phase work program including respectively an initial Phase I budgeted at \$605,000 for Berrigan and \$1.15M for the Lac Chibougamau Properties for data compilation and exploration drilling and a Phase II program consisting respectively of diamond drilling budgeted at \$2.09M for Berrigan and \$2.97M for Lac Chibougamau Properties to confirm and upgrade historic copper and gold resources into a NI 43-101 compliant category.

Field work in 2012 involved the completion of 22 In-km of a newly designed, deep penetrating geophysical I.P. survey along with 44.5 In-km of conventional complimentary magnetometer coverage and 19.9 In-km of horizontal loop electromagnetic surveys (HEM) over selective portions of the S2/S3 copper/gold zones over Lac Chibougamau. An unusually early spring break up precluded the completion of the larger survey area on the ice of Lac Chibougamau. The partial results of this orientation work did; however, prove successful in generating clear geophysical responds over the known zones of mineralization while indicating the potential for vertical & lateral extensions of the mineralized structures. This field work was carried out during the winter months of February and March 2012.

**Exploration and Development.** In the first Quarter of 2013, the deep penetrating IP survey work on the ice of Lac Chibougamau was continued from the previous year. An aggregate of 40.6 km of dipole-dipole & deep IP along with accompanying ground magnetometer and HEM electromagnetic surveying was completed over the Tommy Zones, the Bateman Bay Zone, the Grandroy South Zone and Kokko Creek from early February to the end of March 2013. The interpretation of the results from these various grid areas is expected in the early part of the second Quarter of 2013.

An eight hole diamond drill program totaling 1,809 metres was also completed on the Berrigan Zn/Au/Ag deposit from February 1 to 15, 2013. The program was designed to directly confirm information on the style and grade of mineralization to guide a subsequent, more comprehensive, drill program to enable a NI 43-101 compliant resource calculation of this deposit. While assay results are pending at the time of this report, visual inspection of the sulphide (sphalerite) mineralization in drill core tentatively suggests a generally good fit (position & grade) between historic zinc intercepts and those generated from the 2013 drill program. Gold and silver content confirmation will however be very dependent on the forthcoming laboratory assay results.

## **2a. Bateman Bay Mine (Part of Chibougamau Independent Mines Inc.)**

**Property.** The Bateman Bay (Au-Cu-Ag) mine & two former mining blocks, the **former Jaculet Mine**, constitute the present property of 23 mining claims totaling 343 hectares which are wholly owned by Chibougamau Independent Mines Inc., subject to a 3% gross metal royalty to Globex.

**History.** Mineral production records show a modest, sporadic production between 1968 to 1977 totaling approximately 25,000 t grading 1.8% Cu, 1.7 gpt Au and 15.7 gpt derived mostly from the A-3 zone. For details of the exploration history spanning the period 1936 to 2006, the reader is referred to the summary table found in Globex's 2011 Annual Information Form (AIF).

**Mineralization.** Numerous mineralized zones were intersected by surface drilling and from underground workings on the Bateman Bay property. Seven lenses have been identified, A1, A-2, main A-3, A-4, A-5, C-north & C south. These zones oriented roughly 110° are represented by intense alteration in sericite + chlorite. The mineralization is concentrated in lenses locally narrow but with a good lateral and vertical continuity. At Bateman Bay, the gold mineralization is found associated to pyrite with minor chalcopyrite. Pyrite is disseminated and also along stringers, it may represent 1.0% to 50% of the rock by volume and the gold does not appear to be directly correlated to the amount of pyrite. The copper (chalcopyrite) mineralization is uniform, but the gold values are more erratic.

The A-3 Zone, the main mineralized lens at Bateman Bay, extends laterally > 600 metres and vertically to 300 metres. This structure has been opened and mined on four levels.

Zone C, located 1.0 km NE of the "Zone A", strikes N138°E and dips 55° to 65° SW. It has been drill tested to a depth of 200 meters and for a strike length of more than 1.0 kilometer. Zone C consists of two parallel branches traced underground for hundreds of metres on different levels. The mineralization consists of pyrite + chalcopyrite with some sections grading up to 1.66% Cu, 1.70 g/t Au/ 3.5 metres for a continuous length of 180 metres and appears to be strengthening with depth.

A non NI 43-101 compliant resource estimate by SIDAM Inc. dated May 26, 1992, is shown below:

Zone	Tons	Average Width	Cu%	Au g/t
A-2	94,714	1.4 m	2.04%	4.52 g/t
A-3 west	159,394	2.1 m	3.01%	4.69 g/t
A-3 east	142,557	2.7 m	2.62%	3.84 g/t
Total	<b>396,665</b>	<b>2.1 m</b>	<b>2.64%</b>	<b>4.35 g/t</b>

The above resources are all historical in nature having been estimated prior to May 30th, 2003 (CIMM current and adopted guidelines). The company is not treating these historical estimates as current mineral resources as defined under NI 43-101.

Examination of the drill logs from the 1992 winter drilling campaign indicates gold values were intersected outside of the main copper zones where no systematic sampling was completed.

**Exploration.** In 2007, an airborne magnetometer/AEM survey was flown by Globex as part of the initial evaluation process on the property following its acquisition in that same year.

**Exploration and Development.** In March, 2013, a geophysical grid was cut and 8 In-km of wide array dipole-dipole IP with complimentary magnetometer/HEM coverage were completed to better geophysically trace the SE trending mineralized structures and the inadequately explored inferred NS gold structures extending SE from the Jaculet workings. Results of the geophysical survey work are currently being interpreted. This property and adjacent claims to the west (Jaculet Extension) represent a significant target for gold exploration drilling where the grade estimated within the previous historical resources is 4.4 g/t Au.

## **2b. Copper Cliff (Part of Chibougamau Independent Mines Inc.)**

**Property.** The property consists of 7 claims totaling 91 hectares and is subject to a 3% gross metal royalty to Globex.

**History.** The claims lie immediately east of the Copper Cliff shaft and cover part of the underground workings going eastward. During the period 1970 to 1974, 864,382 tonnes grading 1.69% Cu, 0.96 g/t Au and 6.5 g/t Ag were mined. Allard (1976) estimates however the total production at Copper Cliff was more likely in the order of 1.2Mt grading 1.8% Cu. Non NI 43-101 compliant 1975 historical resources of 50,600 t grading 1.0% Cu, 0.86 g/t Au are reported.

**Mineralization.** At Copper Cliff, as with most of the Cu-Au mines within the Lac Doré Complex, the mineralization which has been mined is commonly associated to dikes referred to as "Mines Dikes". These pre-mineral dikes are injected into the deformation corridors and include "Grey Dikes" (fine grained, feldspathic) and "Mafic Dikes" (dark green color, usually rich in chlorite). Post mineral sinistral strike slip faults result in very limited horizontal displacement of the mineralized zones.

Two different styles of mineralization have been identified at Copper Cliff and include:

**Type 1:** Highly foliated sulphide rich veins (chalcopyrite, pyrite, magnetite, pyrrhotite, sphalerite and arsenopyrite) which form lenses up to 100 m long and up to 5 m thick.

**Type 2:** Horizontal extension fractures which cross cut the main foliation and which are quite limited in length (20 m) and in thickness (1 cm to 50 cm).

Other sub parallel vein systems are also recognized and include:

**Siderite North Zone:** Located 400 metres north of the shaft, this zone has been mined between levels -122 metre to level -205 metre where it is closely associated with Zone # 1. At this location, anorthositic gabbro of the Lac Doré Complex is in contact with the Lac Sauvage iron formation.

**Zone “Siderite South” or 6-16-10:** Located 275 metres south of the main shaft and is associated with Zone # 2.

**Zone 12-21-36:** Located at level -388 metre, some 600 metres to the south of the main shaft, this zone is also related to Zone # 2. The mineralization encountered at Copper Cliff is represented by Au-Ag-Cu-Zn-Fe.

**Exploration.** No field work was undertaken by Globex in 2012 on this property which continues in 2013 to undergo detailed technical review of its historic exploration and mining data aimed at defining specific drill targets in the current year.

### **2c. Grandroy Mine (Part of Chibougamau Independent Mines Inc.)**

**Property.** The Grandroy Mine property consists of 19 claims totalling 347 hectares which completely covers former mining concession 604 and is located 12 km east of the town of Chibougamau, in the southwest quarter of Roy Township. The claims are subject to a 3% gross metal royalty to Globex.

**History.** Open pit mining started in February 1967 and ceased in May 1968 due primarily to the high stripping ratio. From 1970 to 1975, a spiral decline to a depth of 70metres below the pit floor was used to extract further ore. A total of 345,000 t grading 1.24% copper and 0.70 gpt Au was mined from the altered porphyry. Exploration also identified an additional copper-gold zone located approximately 400 metres south of the open pit.

In 1981, a non NI 43-101 compliant historic resource of 44,000 t grading 2.65% Cu, 1.8 gpt Au was determined. Interestingly, two drill intercepts at the bottom of the decline are reported to have intersected respectively 4.85% Cu, 12.8 gpt Au/3.2 m and 3.01% Cu, 5.9 gpt Au/3.9 m.

In the mid 1960's, Campbell Chibougamau drill tested the area east of the present pit area where best drill intercepts from a 48 hole program returned respectively 15.9 gpt Au, 0.14% Cu/1.3 metres and 4.3 gpt Au, 0.20% Cu/3.4 metres apparently related to a shear structure.

**Exploration.** In 2006, Globex flew an EM and MAG survey over the property and in 2010 completed a magnetometer survey over the principal mine claim and its extension southward into the lake.

**Exploration and Development.** In March 2013, CBG carried out an 8.7 In-km survey of wide array dipole-dipole IP and accompanying magnetometer/HEM coverage on recently acquired claims contiguous and south of the original Grandroy land holdings. The geophysical work aims to define previously poorly explored (inferred) NS trending auriferous structures immediately south of the pit area. The objective of this new geophysical approach is to generate new drill targets to assess the merits for potential (poorly explored) high grade gold zones in addition to expanding the search for a larger porphyry copper system. While geophysical results are currently being processed and interpreted, CBG is confident that attractive drill targets will be defined from this work allowing drill testing later in 2013.

## **2d. Kokko Creek Mine** *(Part of Chibougamau Independent Mines Inc.)*

**Property.** The property consists of 8 claims totaling 172 hectares and is subject to a 3% gross metal royalty to Globex.

**History.** Campbell Chibougamau Mines first opened a drift under Doré Lake at the 120-metre level to join the shaft at the Main Mine with the Kokko Creek deposit. Mining was done from underground and later by open pit. Another drift at the 245-metre level was driven from the Main Merrill Mine. Records indicate that during the period 1959 to 1975, 745,169 tons grading 1.15% Cu and 0.24 g/t Au were mined and that a non NI 43-101 compliant historic resource of 115,000 tons grading 1.48% Cu and 0.21 g/t Au was reported after the closing of the mine.

**Mineralization.** The mineralized zone occurs along a N110°E trending, steeply SW dipping shear zone injected by a quartz-feldspar porphyry dyke. Mineralization extends along strike for > 600 metres and locally reaches widths of up to 12 metres. Sulphide includes chalcopyrite, pyrrhotite, pyrite and minor sphalerite. Chloritization, silicification and carbonatization are the most common types of alteration.

Kirkham (1972) described the original mineralization (Cu-Mo) as porphyry-style. Later, the work done by Ford (1974) (in GM 30763) confirmed the original interpretation. Surface trenches exposing Zn-Cu-Ag-Au-Mo values over widths of 5.0 to 6.0 m, were confirmed by subsequent drilling which intersected wide zones porphyry copper style disseminated copper and molybdenite mineralization, which has developed within the upper part of the Lac Doré Complex in the gabbroic anorthosite and granophyre. Abundant dyke of various compositions (mafic to felsic) and textures (aphyric to porphyritic) with variable amount of quartz are associated with this copper occurrence. The mineralization is present over a surface of 1.5 square kilometers (Ford 1974) and consists of tension fractures with veinlets of quartz-pyrite, quartz-pyrite-chalcopyrite and quartz molybdenite. These veinlets are distributed around Lake Clark, the quartz-molybdenite veinlets occupying the center of the mineralized zone and the veinlets with quartz-pyrite ± chalcopyrite are present within the intermediate zones with quartz-pyrite veinlets in the periphery.

**Exploration.** In 2012, prior to the spinning out of this property to CBG, Globex carried out limited surface prospecting and ground magnetometer geophysics.

**Exploration and Development.** In the first Quarter of 2013, a 3.6 km grid of wide array, dipole-dipole IP surveying with complimentary HEM coverage were completed on the property, as the initial step to defining specific drill targets testing for both structurally related Cu/Au mineralization NW and along strike from the past producing Principale/Merrill Mines, as well as for porphyry Cu/Au style mineralization as recognized in the Clark Lake area of the property. Results of the 2013 survey work are currently being processed and will serve to determine whether drill targets for 2013 are present.

## **2e. Quebec Chibougamau Goldfields Mines** *(Part of Chibougamau Independent Mines Inc.)*

**Property.** The Quebec Chibougamau Goldfields property consists of 7 claims totaling 188 hectares, which lies on the north shore of Doré Lake between Kokko Creek and Cedar Bay Mine Mines and is subject to a 3% gross metal royalty to Globex.

**History.** A shaft was sunk in 1956 and Patino Mining initiated the mining and milling of the ore. In 1970, Campbell Chibougamau Mines acquired the property and put a decline under the surface pillar of the main zone. This surface pillar (H zone) was mined by open cut. Production from 1970 to 1974 is reported at 264,000 tons grading 1.74% Cu and 3.08 g/t Au. A non NI 43-101 compliant

historic resource of 19,191 tons grading 1.93% Cu and 2.64 g/t Au is assigned to this property.

The Quebec Chibougamau Goldfields property extends between the former producer Cedar Bay Mine and the Copper Cliff (Siderite Hill) deposit. The Cedar Bay Mine has documented production from 1958 to 1990 of 3,782,850 tons grading 1.57% Cu and 3.12 g/t Au and a non NI 43-101 compliant historic resource of 248,520 tons grading 5.45 g/t Au and 0.97% Cu above level 732 metre. At Copper Cliff Siderose, non NI 43-101 compliant historic resources of 472,000 tons at 0.46% Cu are reported. Mention is also made of highly anomalous gold and silver values within the Copper Cliff Siderose mineralization.

**Exploration.** No significant amount of exploration work has been undertaken on the property since its acquisition in 2007. Review of its historic data is ongoing and it is expected that specific work recommendations, including diamond drilling will be generated in 2013 within the previously mentioned Phase I exploration program in the Chibougamau Camp.

**2f. Lake Chibougamau (including S-3, Tommy, Ile Marguerite, Ile Marguerite South & K1/K3: Henderson /Portage Depth Extension) (Part of Chibougamau Independent Mines Inc.)**

**Property.** The Chibougamau Lake (including S-3, Tommy Zones, Ile Marguerite & Henderson/Portage Depth Extension) properties comprises the largest single block of 128 claims of the Chibougamau claims portfolio and covers 3,251 hectares extending over portions of Lemoine, McKenzie, Obalski and Roy Townships (NTS 32G/16). The property is subject to a 3% gross metal royalty to Globex.

**History**

**S-3 mine and Tommy Zones.** The past producing S-3 Mine and the unmined Tommy Zones are located under the waters of Lake Chibougamau. The S-3 deposit was partly mined from the Henderson # 1 shaft (through a 2.5 km drift) producing 420,943 tonnes grading 3.91 g/t Au and 0.4% Cu during the period of 1985 to 1989. After the closure of the mine, numerous surface drill holes in the area surrounding the S-3 deposit intersected gold mineralization, such as hole 1119-95-01 which returned 28.0 g/t Au over 0.5 m and 86.7 g/t Au over 1.1 m., confirming the potential of finding additional high grade gold mineralization.

The Tommy or T Zones are a series of partially drill tested gold-copper zones which include, respectively, amongst others, reported non NI 43-101 compliant resource estimates of 449,095 tonnes grading 2.38 g/t Au and 0.91% Cu for the T-10 Zone, 50,000 tonnes grading 2.1% Cu for the T-9 Zone and 440,000 tonnes grading 8.48 g/t Au for the T-8 Zone. The aforementioned estimates are for general reference only and should not be relied upon.

An exploration shaft collared in the late 1990's on Ile Marguerite at the eastern extremity of this large claim group and intended to develop the depth extension of the large Henderson-Portage deposits, was sunk but never used. The Henderson – Portage Mines produced a total of 14,515,389 tons grading 1.69% Cu & 2.50 g/t Au from N30° trending, 45° to 65° SE dipping mineralized structures, inferred to extension at depth onto the CBG ground.

**Ile Marguerite.** Narrow gold mineralized including 3.88 gpt Au/0.7m and 1.59 gpt Au/3.2m is documented in a drill holed completed by SOQUEM in 1994 (ddh # 1119-94-13; GM-53360) located on the eastern part of the island and reportedly hosted by a sheared and altered tonalite of the Chibougamau Pluton. Additionally, a portion of a "layered magnetite zone" of the Lac Doré Complex said to host "magnetite, ilmenite (titanium), pyrrhotite, pentlandite, chalcopyrite and gold, occurs in the vicinity of the aforementioned structurally related gold intercept.



## K-Zones & Henderson/Portage Depth Extensions

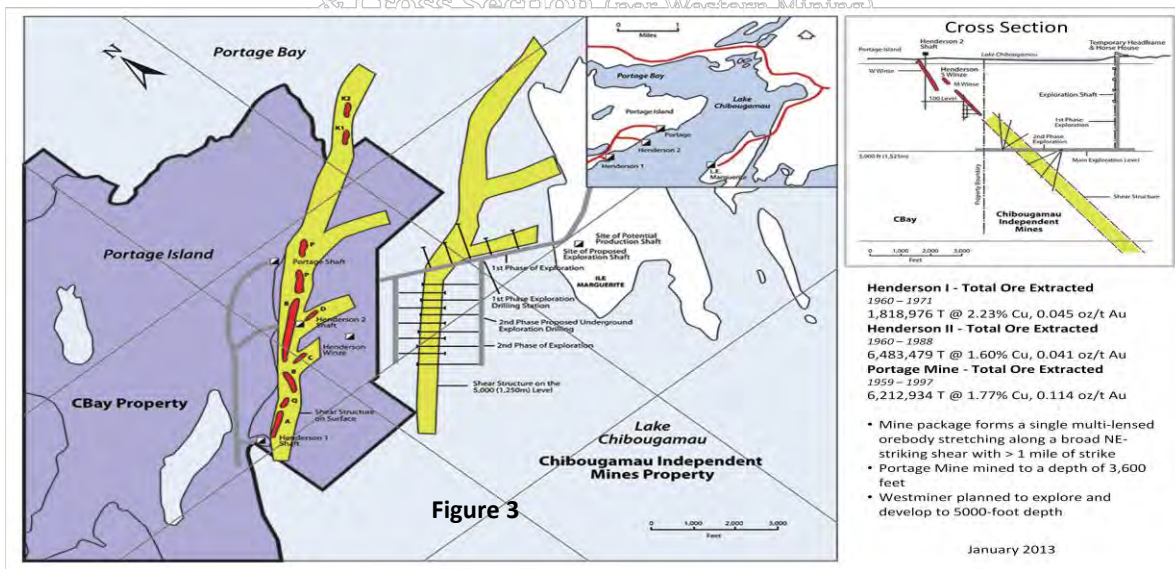
**Property.** The inferred depth extensions of the past producing Henderson I, Henderson II and Portage Mines, are situated along a NE trending 3.5 km long corridor along the northwest central boarder of the Lac Chibougamau 125 claim block approximately 500 to 800m SE of the old head frames.

**History.** This portion of the property was originally part of the Campbell Chibougamau Mines and was explored by surface & underground drilling between 167 and 1996. SOQUEM, who last completed surface drilling, tested certain K Zones intersecting narrow, gold values including 4.6 gpt Au/0.84m & 9.27 gpt Au/0.55m in the K1 and K1 South zones in the NE segment of the property. Development of these deeper zones was to have been accessed by a shaft from the Marguerite Peninsula in the mid 1990's but the shaft was never commissioned. The projected or inferred down dip extension of the Camp's three largest past producers including the Henderson I (1.65Mt @ 1.75% Cu, 1.54 gpt Au: mined to 305m), Henderson II (5.88Mt @ 1.6% Cu, 1.41 gpt Au: mined to 885m) and Portage (5.64Mt @ 1.77% Cu, 3.91 gpt Au: mined to 1,200m).

**Exploration.** Specific drill collar locations for this deep drilling program will not be determined until the extensive historical mining and exploration data have been sufficiently compiled and interpreted in the coming Quarter of 2013. Deep drilling is tentatively planned for the third Quarter of the year. (Figure 3)

### Henderson-Portage Shear Plan Map with Depth Projection

& Cross Section (see Western Mines)



## 2g. Sulphur Converting/Magnetite Bay (including Mont Sorcier) (Part of Chibougamau Independent Mines Inc.)

**Property.** This property consists of 27 irregularly shaped staked claims covering 418 hectares located immediately adjacent to the NE extremity of the Lac Chibougamau claim block and is subject to a 3% gross metal royalty to Globex.

**History.** This magnetite/titanium/vanadium in the layered portion of the LDC has been explored by various major companies including Dome Mines, Noranda Mines, Consolidated Chibougamau Goldfields, Sulphur Converting Corp and Campbell Chibougamau Mines, Campbell Resources and

others during the period 1920 to the present. A 1974, a non NI 43-101 compliant historic resource estimate of 245Mt grading 27.7% Fe and 1.1% TiO<sub>2</sub> in two zones is found in public documents.

**Exploration.** No work is presently planned on this deposit.

## **2h. Berrigan Lake Project** *(Part of Chibougamau Independent Mines Inc.)*

**Property.** This property consists of 25 claims totalling 382 hectares located 4 km NW of the city of Chibougamau and is subject to a 3% gross metal royalty to Globex.

**History.** The surface mineralization was found by local prospectors in 1929 and subsequently explored until 2005 by various mining companies. An estimated 22,000 metres of surface drilling and 1,390 metres of underground drilling are estimated to have been completed over the years. In 2005, a non NI 43-101 compliant resource estimates was determined by Coop Extramine 2000 at 1.39 Mt grading 3.17% Zn and 1.77 gpt Au to a vertical depth of about 250 metres. This resource is historical in nature such that CBG is not treating this estimate as current mineral resources as defined under NI 43-101.

**Geological Setting and Mineralization.** The property is underlain by generally ENE trending, steeply dipping, locally folded and faulted Archean volcanic assemblages of the Roy Group including the Gilman Fm (mafic volcanics, minor felsic volcanics) and the overlying Blondeau Fm (mostly felsic pyroclastic/ volcanoclastic units) all of which have been intruded semi-conformably by the differentiated mafic to ultramafic Cummings Complex composed of dunite, peridotite, pyroxenite and gabbros all of which are affected by several generations of NE, NW, EW and NS trending fault systems.

Several types of mineralization are recognized at Berrigan and include a) VMS type zinc rich pyrrhotite/pyrite with lesser chalcopyrite and galena potentially in part remobilized by the injection of the ultramafic intrusions and structural deformation; b) magmatic Cu/Ni/PGE mineralization associated with the differentiated mafic/ultramafic intrusions and; c) structurally related gold mineralization commonly with important amounts of massive to semi-massive sulphides (Po/Py/Sp/Cp/Gn/Asp).

**Exploration and Development.** In the first Quarter of 2013, an eight hole diamond drill program totaling 1,809 metres was undertaken on the Berrigan Zn/Au/Ag deposit from February 1 to 15, 2013. The program was designed to provide direct confirmation information on the style and grade of mineralization to guide a subsequent, more comprehensive, drill program to enable a NI 43-101 compliant resource calculation of this deposit. While assay results are pending at the time of this report, visual inspection of the sulphide (sphalerite) mineralization in drill core tentatively suggests a generally good fit (position & grade) between historic zinc intercepts and those generated from the 2013 drill program. Gold and silver content confirmation will however be very dependent on the forthcoming laboratory assay results. Once the geologic and assay data of this program have been well assimilated, further drilling of this deposit will soon be undertaken in the current year.

## **2i. Berrigan South Project** *(Part of Chibougamau Independent Mines Inc.)*

**Property.** This block of claims constitutes the second largest block of claims of CBG's Chibougamau holdings and is comprised of 38 claims covering 1,616 hectares located contiguous and south of the Berrigan claims and are subject to a 3% gross metal royalty to Globex.

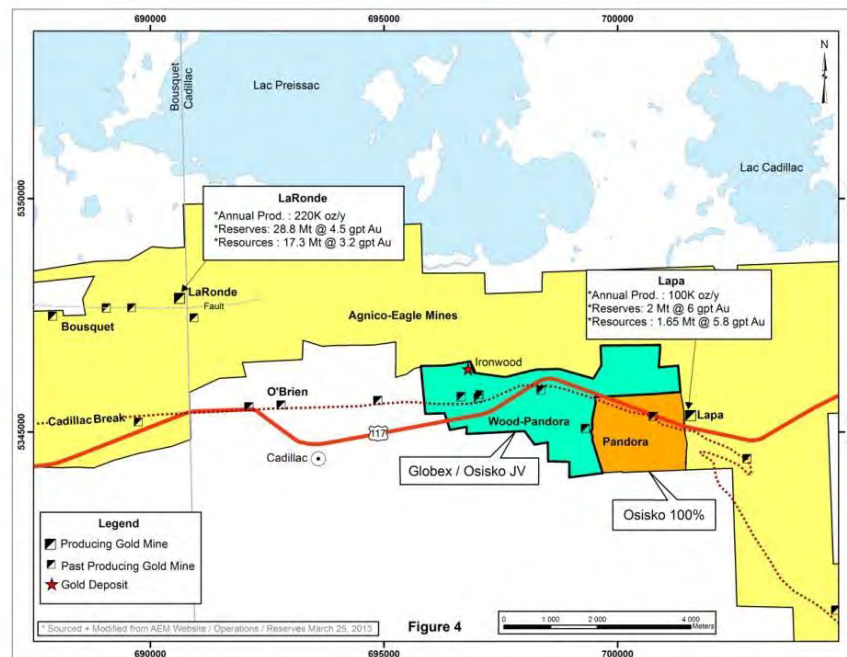
**History.** The Berrigan South mineralization is located about 200 m SE of the Main Berrigan deposit and shows similar geologic, structural and geometric complexities as the Main Zone and is



generally thought to represent VMS style mineralization (pyrrhotite, sphalerite, chalcopyrite, galena) remobilised within an EW fault structure. Historic exploration has consisted predominantly of diamond drilling. A non NI 43-101 compliant historic resource dated 1959 reports an estimate of 285,600 t grading 0.58 gpt Au. Bitech (1987-1990) and Teck Corp (1992-1994) who also drilled the main Berrigan deposit did not attempt to review the resource calculation following their own drilling of this zone.

**Exploration.** No field exploration work has yet been undertaken by CBG although geologic field investigation will be carried out in 2013 once the historic data compilation has been more rigorously interpreted.

### 3. Pandora Wood & Central Cadillac Mines - Joint Venture



**Property.** The property consists of 28 claims and one mining concession totalling 710 hectares straddling the Trans-Canada Highway 117 and positioned midway between the mining cities of Rouyn-Noranda, 50km to the west of Val d'Or, 50km to the east (Figure 4). Ownership is shared equally between JV partners Globex (50%) and Osisko Mining Corp (50%) who took control of former JV partner Queenston Mining on December 28, 2012. Eight of the 28 claims located in the west central portion of the property (the Wood Claims) are subject to a 2% NSR to five individuals.

**History.** The property is situated in the heart of Quebec's premier gold producing district, the Cadillac Gold Camp. The property is situated 3km west and along strike from Agnico Eagle's deep, Lapa Gold Mine (prov./prob. reserves of 2.4Mt @ 6.5 gpt Au: ref: Agnico's website "mines & projects-reserves & resources", February 25, 2013) and both of which occur along the Cadillac Break. It is also located 7km east of Agnico Eagle's La Ronde Gold Mine (prov./prob. reserves of 33Mt @ 4.4 gpt Au + Ag, Cu, Zn and Pb credits: ref. Agnico's website "mines & projects-reserves & resources, February 25, 2013), Canada's deepest U/G gold producer, developed along another major east trending mineralized gold structure located 2km north and parallel to the Cadillac Break.

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

- the Amm Shaft Zone (shaft to 140metres: production reported at 14,490 oz from 83,475 t grading 5.4 g/t, M.E.R.N., report MB88-25, 1989);
- the No.3 Shaft Zone (shaft to 267 metres: production reported at 13,680 oz. from 83,418 t grading 5.1 gpt Au, M.E.R.N. report, 1981 on behalf of Camflo Mines) and where a non NI 43-101 compliant historic resource of 582,859 tonnes grading 6.5 g/t (Queenston Mining, internal report, 1981), is reported;
- The Wood-Cadillac and Central Cadillac Zones. (Wood-Cadillac shaft and internal winze to 305 metres) saw the production of 59,689 oz. from 396,000 t of material grading 4.8 g/t (J. Daigneault & M. Sirois, M.E.R.N. report, 1981). The Central Cadillac shaft (depth of 305 metres) saw the production of 63,160 oz. from 418,870 t of material grading 4.7 g/t (J. Daigneault & M. Sirois, M.E.R.N. report, 1981) and where a non NI 43-101 compliant historic resource of 249,000 oz gold from 1.43M t of material grading 5.3 gpt Au, are reported.

**Mineralization.** The reader is referred to Globex's 2011 Annual Information Form (AIF) on Globex's website for details concerning the descriptions of the various categories and styles, which characterize this orogenic quartz lode gold mineralization found within the Pandora JV Property.

### **Exploration**

1997-1998: Globex initiated its exploration efforts during this period, completing 9 drill holes in the Wood Shaft #4 where visible gold was encountered in 8 of the 9 holes generating high grade but narrow intercepts such as **68.23 gpt Au/ 1.71 m and, 28.1 gpt Au/ 2.30 m** as well as an additional 8 holes in the Amm and No. 3 Shaft Zones, with limited success.

### **The Globex/Queenston JV Programs (2004 to 2012)**

During this nine (9) year period, a total of 100 drill holes (with an approximate valued expenditure of \$6M) have been completed, the details of which are summarized below.

2004-2005: This initial joint program saw the completion of nineteen (19) holes, testing the 1.5 km segment of the Cadillac Break between the Wood Cadillac Shaft and the No. 3 Shaft where the target was defined as the high-grade Lapa model. Half of the holes intersected significant gold mineralization with grades ranging from **4-6 gpt Au** over widths of **3 to 5 metres** with several much higher grade or wider width intercepts including: **8.5 gpt Au/28.5m** (hole W05-09), **38.8 gpt Au/4.2m** (hole W05-12), **6.6 gpt Au/2.0m** (hole W05-13) and **16.4 gpt Au/3.2m** (hole W05-20)

2006: Twenty six (26) holes were completed: the drill testing of a ground electromagnetic anomaly located 500 metres north of the Cadillac Break in the fold nose of a banded iron formation resulting in the discovery of the **Ironwood Zone**. The discovery hole, W06-17, intersected a mineralized iron formation assaying **2.2 gpt Au/11.4 m** including **6.3 gpt/2.0 m**. The second hole, W06-22, intersected a spectacular **22.6 gpt Au/ 45.8 m (22.9 m true width)**. The mineralization consists of disseminated to semi-massive sulphides (arsenopyrite, pyrrhotite, and pyrite) with visible gold in a banded-magnetite iron formation. A total of 26 holes were subsequently completed on the Ironwood Zone and in 2008, a NI 43-101 compliant mineral resource calculation indicating an inferred mineral resource of **243,200 tonnes grading 17.3 gpt Au for a total of 136,000 ounces** of gold was determined by Qualified Person Reno Pressacco, M.Sc., P. Geo on behalf of the Globex/Queenston Joint Venture JV.

2007: Eleven (11) drill holes were completed: five on the Ironwood deposit with two deep holes unable to demonstrate the vertical continuity of the gold mineralization at a depth of approximately 500 metres below surface and seven holes drilled in the area beneath the Central Cadillac deposit located 700 metres southwest of the Ironwood deposit along the Cadillac Break.

2008: An additional fourteen (14) holes were drilled on the Ironwood deposit to confirm the geological interpretation of the deposit as well as to provide geotechnical information for future mine development. Metallurgical test work on the mineralization was undertaken by Consultant Peter W. Godbehere (B.Sc., A.R.S.M.). Tests demonstrated gold recoveries in excess of 90% could be achieved. Elsewhere, a single drill hole on the Amm property returned 5.8 gpt Au/0.6 m (hole W08-74).

2009: Additional metallurgical test work was completed on the Ironwood mineralization as well as very limited additional drilling of two (2) holes beneath the Amm Shaft Zone.

2010: Twelve (12) holes totaling 4,450 metres targeted the "South Break" or "South Contact" as well as the "North Break" (structurally & stratigraphically equivalent to "Contact Zone" at the Lapa Mine, 5 km to the east) along the Cadillac Break for 800 metres east of Shaft #3 and 200 metres west of Shaft #3. Best drill intercepts included: **10.81 gpt Au/3.7 m** (hole W10-81), **3.08 gpt Au/8.4 m** (hole W10-85), **4.32 gpt Au/4.3 m** (hole W10-87), **14.71 gpt Au/2.9 m** (hole W10-82), **12.99 gpt Au/1.3 m** (hole W10-83), **13.96 gpt Au/3.0 m** and **7.71 gpt Au/3.8 m** (hole W10-84)

2011: Five (5) holes totaling 2,405 metres were completed between mid-July and early September with four of the holes positioned to follow up on results from the 2010 campaign in the area of the #3 Shaft Zone. Holes W-11-89 to -92 intersected, without exception, gold values within or adjacent to the Cadillac Break. One of the deeper holes of the program, W-11-92, intersected an exceptional **7.5 gpt Au/21.5 m** including **28.86 gpt Au/ 4.9 m** at approximately 350 metres below surface. Other salient intercepts from this program include: **8.2 gpt Au/1.0 m** (hole W-11-89), **4.5 gpt Au/1.5 m**, **3.88 gpt Au/6.5 m** ( hole W-11-91), **3.6 gpt Au/2.8 m** and **6.6 gpt Au/1.0 m** (hole W-11-92).

A fifth drill hole, W-11-88, targeting an interpreted structural feature near the Amm Shaft on the southern portion of the joint venture property did not return any significant mineralization.

### ***Exploration and Development***

2012: The latest JV exploration program was carried out between July 11 and November 11, 2012 and consisted of nine (9) drill holes totaling 5,600.6 metres of NQ diamond drilling. The program focused on searching, (at approximately 100 metre centres) for significant lateral and down plunge extensions of gold mineralization up to several hundred metres west and east and below at vertical depths of respectively 350 and 450 metres peripheral to the aforementioned 2011 JV gold intercept of **7.5 gpt Au/ 21.5 m** intersected at a vertical depth of approximately 350 metres, below the inferred potential down plunge extension of a mineralized zone located 300 metres west of the past producing Pandora #3 former head frame.

Significant gold intercepts encountered in 2012 include: **7.99 gpt Au/2.0 m** and **7.14 gpt Au/ 2.0 m** (hole W12-93), **11.73 gpt Au/1.3 m** (hole W12-95), **4.09 gpt Au/4.5 m** (hole W12-96), **22.08 gpt Au/1.0 m** (hole W12- 97), **3.8 gpt Au/41.0 m including 4.77 gpt Au/8.4 m & 12.6 gpt Au/9.1 m** ( hole W12-99B) and **3.05 gpt Au/4.0 m** ( hole W12-100).

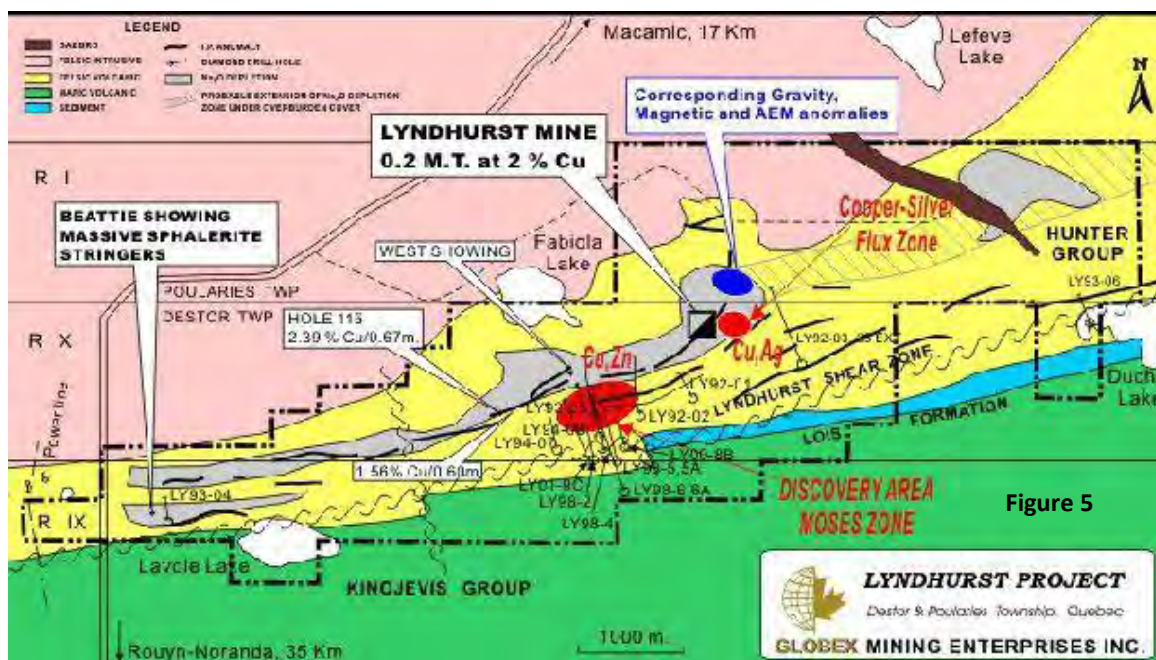
These results as well as those derived from the previous two years in this same sector, suggest excellent potential for the eventual outlining of a significant mineral resource in the area of the Pandora-Wood No. 3 Shaft Zone. . It should be recalled that during the nine-year period of the

Globex/Queenston JV, nearly fifty notably significant gold intercepts were discovered primarily in the Pandora #3 sector of the Cadillac Break within the Property. The exploration model invoked for the JV property is that of Agnico Eagle's deep seated producing Lapa Gold Mine located 5 km east and along strike from the No.3 Shaft Zone where current prov./prob. reserves are reported at 2.38 Mt grading 6.55 gpt Au (ref.: Agnico Eagle's website: "Operating Mines-Lapa-Overview", March 6, 2013). The top of the sub vertical Lapa ore body occur at a vertical depth of approximately 450 metres below surface and extends vertically for at least 1500 metres where it remains open to depth. Of importance, is the recognition that the minable grade at Lapa is developed nearly 200 metres directly below a shallower zone of gold mineralization, which extends from subsurface to a depth of approximately 300 metres, the Tonawanda Zone. This specific deposit characteristic readily points to the strong potential for discovery of a new gold deposit at depth on the Pandora Wood JV Property.

The recently published structural, stratigraphic and metallogenic features recognized at Lapa, as presented in M. Simard's Ph.D. study of the Lapa deposit, allow for a compelling direct analogy between the style of gold mineralization at the Lapa Gold Mine to the east and the gold mineralization encountered thus far in the Pandora # 3 sector of the Pandora JV Property. The auriferous smoky quartz vein systems with the commonly associated strong biotite/silica alteration and finely disseminated arsenopyrite/pyrite whether developed within the Cadillac sediments or nearby sheared Piche Group ultramafic volcanics, serve as confident vectoring towards significant gold mineralization both at Lapa and on the Pandora JV ground.

In the First Quarter of 2013, a detailed plan, cross sectional and longitudinal interpretation of the historic and new drill data by JV operator Globex has resulted in a proposal for further drilling in the Pandora #3 sector where drilling to date has intermittently traced significant gold mineralization along a strike length of nearly one kilometre. A minimum program of ten (10) drill holes totaling 7,200 metres is to be presented to the joint venture partner of the project, who, on December 28, 2012, changed in favor of Osisko Mining Corp when the latter took control of Queenston Mining Inc, the historic JV partner on the Pandora Wood Property.

#### 4. Lyndhurst Mine Project





**Property Description and Location.** The Lyndhurst property consists of 107 claims and one mining concession (443) totaling 2,674 hectares and is located 35 km north of Rouyn-Noranda, Quebec immediately east of Highway 101 which connects Rouyn-Noranda with La Sarre (Figure 5). These claims are wholly owned by Globex and are not subject to any underlying royalties or third party interest except for a portion of the Lyndhurst mining concession which is jointed ventured with local entrepreneur Agregat R-N Inc. The property saw limited mineral production in the mid 1950's when 148,000 t of massive and stringer sulphides grading 1.93% Cu, were extracted from underground workings to a maximum depth of 205 metres. Waste rock and mineralized material surround the former mine site where the head frame and mine buildings have been removed, the area secured and is being reclaimed.

**Access, Climate, Local Resources, Infrastructure and Physiography.** The Lyndhurst property is accessible via Highway 101 which connects with the mining town of Rouyn-Noranda, 45 km south of the property. Access directly onto the property is possible via two respectively east and southeast trending secondary dirt roads originating from Highway 101 in Range IX, Destor Twp. The area is characterized by low relief with slow running streams and small lakes and ponds. The ground cover consists of a mixture of muskeg swamp with peripheral zones of tag alders and elsewhere, large patches of second/third generation trees including poplar, birch, balsam fir and black spruce. The average annual precipitation is about 900 mm of which two thirds falls as snow and one third as rain. This general area has a long history of mining and resource extraction and consequently enjoys a good source of power, water and mining personnel.

**History.** The Lyndhurst property hosts have been explored intermittently by various exploration companies since the late 1920's. In 1955, Lyndhurst Mining Co. Ltd. sank a 215 metre shaft, carried out some development on five levels and proceeded with limited mineral production after completing an underground exploration diamond drill program which indicated a non NI 43-101 compliant historic resource of 347,000 t grading 1.95% Cu from two sulphide lenses. It is reported that 148,000 t of material grading 1.93% Cu was extracted between 1956 and 1957 following which surface exploration including trenching and mostly shallow drilling was carried out by various companies until 1988. Exploration efforts by major companies included Minnova in 1988 which completed an airborne EM (INPUT) survey and follow up work including DEEP-EM ground electromagnetic surveys, geological and lithogeochemical sampling, stripping and some diamond drilling. From 1991 to 1993, Noranda Exploration carried out geological mapping, outcrop stripping, induced polarization and horizontal-loop electromagnetic surveys, and diamond drilling without encountering any significant new VMS mineralization.

**Geological Setting.** The reader is referred to Globex's 2011 Annual Information Form document for full details on the regional and local geology of the Lyndhurst Property

**Exploration.** The property remained dormant for several years and was subsequently optioned by Vancouver junior Amblin Resources Inc. in 1997 who completed, under the operatorship of Globex, an airborne magnetic/electromagnetic survey and follow up ground gravity surveying. This ground geophysics outlined three gravity anomalies located within highly altered felsic volcanics 1,500 metres west and along strike of the original Lyndhurst copper deposit as well as 500 metres north of the Lyndhurst deposit. The gravity anomaly west of the Lyndhurst deposit was drilled at a shallow depth in 1998 and complimentary borehole geophysics identified further anomalies warranting more drilling. Six additional drill holes lead to the discovery of the deep seated (1,150 metres from surface) volcanogenic massive sulphide Moses Zone in 1998 which intersected interesting but generally narrow Cu/Zn/Ag mineralization including **3.6% Cu, 58.3 gpt Ag/ 1.2 m, 3.7% Zn/ 1.9 m** and **5.7% Zn/3.6 m** (discovery hole LY-98-05); **3.6% Cu, 2.9% Zn, 159.3 gpt Ag/ 2.6 m** (hole LY-98-05A, a 110m undercut to hole LY-98-05) and two other deeper massive sulphide intercepts grading respectively **3.9% Cu, 34.9 gpt Ag/6.4 m** and **2.6% Zn, 13.7 gpt Ag/ 8.4 m** (hole LY-

98-06, a 90 metre undercut to hole LY-98-05A) suggesting improvement in thickness of the sulphide lenses with depth.

In 2000, Globex limited additional drilling in the Moses Zone area where hole L00-8B a 100 metre east step out from LY98-05 intersected 2 narrow zones of massive sulphides including 6.8% Zn, 33.0 gpt Ag/ 0.5 m and 5.2% Zn, 35.6 gpt Ag/ 2.9 m.

Limited additional, mostly shallow drilling in 2001 and 2004 by Globex in the Moses Zone and No.1 (250 metres east of the original Lyndhurst deposit), intersected mostly narrow Cu/Zn/Ag/Au values with the better widths in the No.1 Zone including 1.36% Cu, 26.5 g/t Ag/ 7.38 m at a vertical depth of 35 metres in a brecciated high silica sulphide stringer flood zone hosted in rhyolite within a larger envelope of mineralization grading 0.825% Cu, 16.42 gpt Ag/ 17.2 m.

In 2007, twenty-one shallow holes totaling 2,000 metres were drilled and assayed to assess the merits of a potential small open pit operation of the #1 Copper-Silica Zone (located 250 metres east of the main Lyndhurst deposit) in joint venture partnership with Agregat R-N Inc. Results did not prove sufficiently encouraging to move forward on this concept. From 2008 to 2010, further deep penetrating geophysical orientation tests were undertaken including IP, magnetotellurics, an airborne gravity survey in the vicinity of the Lyndhurst deposit, the #1 Copper –Silica Zone and Moses Zone, all of which culminated with an eight (8) hole relatively shallow drill program of 2,942 metres without encountering any significant new VMS mineralization.

In 2011, a 56.5 In-km dipole-dipole IP survey at 100 metre line separating was completed over the western half of the property covering a strike length of approximately 4.5 km extending westward immediately along strike from the known Lyndhurst/Moses Zone VMS occurrences. This survey work was successful in tracing several known mineralized trends including the historic Beattie zinc stringer zone where selective historic grab samples assayed best values of 31.6% Zn, 3.0% Pb, 200 gpt Ag; 8.8% Zn, 33 gpt Ag and 6.6% Zn, 31 gpt Ag. The wide array IP in this area suggested geophysical continuation to depth (>200m) of the disseminated and stringers sulphides found at surface at both the main Beattie Zinc showing and Beattie North zinc stinger zone, thus identifying a priority drill target.

In 2012, from November 26 to December 9, a single deep, 997 metre long drill hole (Lyn-12-01) was completed to test for the presence of volcanogenic massive sulphides down dip from the surface rhyolite hosted disseminated and stringer sphalerite zones referred to as the Beattie Zinc Showing and Beattie North Stringers at vertical depths of respectively 325 metres and 650 metres from surface. No significant zones of copper/zinc bearing massive sulphides were encountered although intermittent and wide (75-100 metre core length) haloes of weak chalcopyrite or sphalerite, pyrite-quartz stringers, with local intense black chlorite alteration were intersected at both anticipated down dip projections of the surface sulphide occurrences within the thick sequence of hydrothermally altered quartz phyric rhyolite flows and pyroclastic units. A subsequent borehole survey in Lyn-12-01, while responding to the multiple narrow Cpy stringers, confirmed the absence of any significantly sized conductive massive sulphide lens within an estimated 100 metre of the drill hole.

**Exploration and Development.** The deepest exploration drilling to date on the property including the western Beattie Zinc sector (tested in 2012) and the central Moses Zones (tested from 1998 to 2004) and as supported by results of the deeper penetrating geophysical tests, indicate the remaining exploration potential for blind VMS deposits within the hydrothermally and extensively strongly altered Lyndhurst felsic volcanic complex lies at depth below approximately 800 metres.

In the light of these findings, ongoing compilation/interpretation in 2013 of the historic and more recent exploration data will look to determine whether the yet untested gravity/magnetic anomaly 500 metres northeast of the Lyndhurst deposit as well as the geophysically inferred depth extensions of the Lyndhurst deposit itself, constitute viable exploration drill targets to locate yet undiscovered large, deep seated high grade VMS Cu/Zn/Ag/Au deposits in this attractive volcanogenic setting.

## 5. Tiblemont Tavernier Property

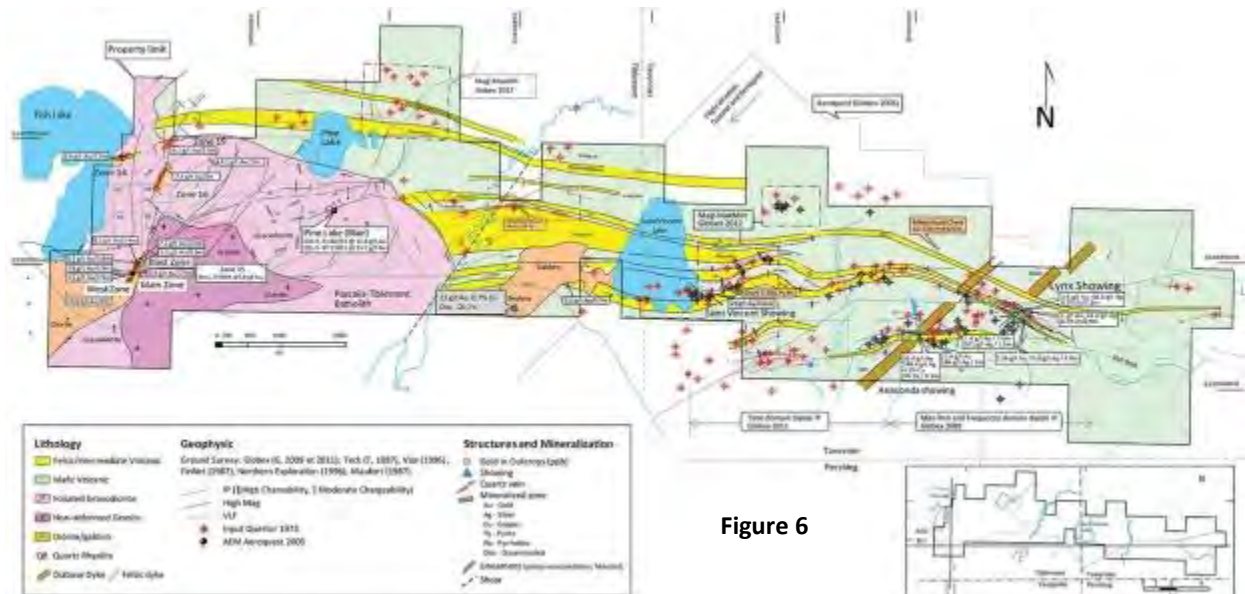


Figure 6

**Property Description and Location.** The Tavernier-Tiblemont property consists of 99 claims totaling 5,282 hectares extending east west across 18 km and straddling the aforementioned township boundaries. The property is located 16 km east of Highway 113, which joins Senneterre (25 km to the north) with Val d'Or (45 km to the west-southwest), (Figure 6). This property is wholly owned by Globex and is not subject to royalties or agreements except for a 13 claim internal block in the centre of the property which is subject to a 2.5% Gross Metal Royalty to Adventure Gold Inc.

**Accessibility, Climate, Local Resources, Infrastructure and Physiography.** Topography of the area is very flat to very gently rolling with a local relief of approximately 25 metres. The area has an average elevation of approximately 325 metres above mean sea level. The vegetation is boreal forest with local stands of black spruce and poplar but being more characterized for its large and dominant expanses of muskeg swamp in the central and eastern portion of the property which render access whether summer or winter, somewhat complicated. The area has and continues to undergo logging activity, which improves road access to certain areas. Land access is via 28 km of gravel logging roads and then secondary dirt roads originating from the forest industry town of Senneterre located 25 km NNW of the property. Geophysical grid areas can be reached by ATV trails which connect with the aforementioned forestry roads.

**History.** Exploration in this extensively overburden covered property dates back to the late 1960's when Anaconda outlined a zone of precious metal bearing volcanogenic disseminated and stringer sulphide mineralization referred to as the Anaconda zone as a result of follow up drilling of airborne/ground geophysical anomalies. Assessment records for core assays are incomplete. The best single base metal assay of massive sulphides reported, graded **4.03% Cu, 9.13% Zn, 585.7 gpt Ag and 26.4 gpt Au/ 0.3 m** (hole 615), along with other gold/silver sulphide intercepts of **1.4 gpt Au, 86 gpt Ag/ 3 m** and **1.4 gpt Au, 10 gpt Ag/ 1.5 m** and elsewhere, near the east shore of St. Vincent Lake

where a historic sulphide gold intercept of **27.0 gpt Au/ 0.62 m** (hole 614) is reported in the same area where a boulder of black chlorite with chalcopyrite stringers is also reported to have been found. Lynx-Canada Explorations Ltd conducted systematic exploration work on the property in the early 1980's. Blanket ground magnetometer/VLF surveys at 120 metre line spacing, extended 15 km from Lake Des Pins in the West, to Lake Tavernier in the East. Follow up humus and basal till sampling was done over selected magnetic/VLF anomalies and subsequently investigated with IP and HEM geophysical coverage over the highest priority anomalies for drill target selection. The drilling which followed led to the discovery of the precious metal bearing Lynx volcanogenic stringer sulphide zone (**2.6 gpt Au, 48.4 gpt Ag, 0.7% Zn/7.3 m; 1.0 gpt Au, 14.2 gpt Ag, 0.2% Zn/ 2.9 m; 1.3 gpt Au, 75.8 gpt Ag/4.9 m; 2.1 gpt Au, 1.2% Zn/0.95 m; 1.4 gpt Au, 48.8 gpt Ag/3.3 m and 7.2 gpt Au, 70.6 gpt Ag, 1.3% Zn/ 0.4 m** ) located 1.5 km east-north east of the Anaconda zone, on a separate time horizon.

Further exploration work by a number of junior companies during the mid and late 1980's including Resource Onyx, Exploration Omega and Exploration Oz failed to encounter any significant base or precious metal mineralization in their drilling.

In 1990, Teck Exploration Ltd drilled eight holes totaling approximately 1,200 metres, testing primarily the area in the vicinity of the Lynx stringer Zone and the Anaconda sulphide Zone. Drilling was guided by the location of historic drilling and geophysical results from Teck's surface and down hole EM surveys. This work led to the discovery of the "Central Zone", a small stringer zone of Py/Po & Sp located between the Anaconda and Lynx Zones, all of which together define a general east to south-east trending area approximately 1.5 km in length which encompass several, likely distinct or possibly structurally related, volcanic hosted sulphide mineralized zones.

In 2001, Géola Ltée carried out limited IP and ground magnetometer survey work several kilometers west of the Anaconda zone. One of the IP anomalies was drilled tested with a single hole and found to be caused by several zones of disseminated barren Po/Py mineralization in dacitic volcanics.

**Western, Gold Portion of the Property.** This portion of the property is underlain by the large syntectonic Pascalis –Tiblemont granodiorite Batholith which hosts numerous quartz lode gold showings where historic exploration has focused. In the late 1980's junior company Maufort Resources Inc completed a considerable amount of shallow exploring drilling (in efforts to outline preliminary gold resource estimates) at five principal locations (Main Zone, Zones 14, 15, 16, & 19) dispersed along a 2.5 km long NNE trending corridor within the intrusion east of Fish Lake as well as in another structure 2 km east of the former referred to as the Pine Lake occurrence. A total of 76 holes are reported and non 43-101 compliant historic resources of 87,000 t grading 5.8 gpt Au (Main Zone) and respectively 6,670 t at 16.8 gpt Au and 1,260 t at 33.7 gpt Au for the Pine Lake zones, are reported. Of the 45 drill holes within the Main Zone which was drilled to a vertical depth of 125 metres, 23 of the holes contained visible gold. The better gold intercepts from this zone returned: **15.8 gpt Au/ 3.0 m, 5.9 gpt Au/ 7.5 m, 3.8 gpt Au/ 5.9 m, 5.3 gpt Au/ 9.5 m and 3.5 gpt Au/ 7.5 .**

**Geological Setting and Mineralization.** The reader is referred to the 2011 Annual Information Form for further details regarding the regional and local geologic settings of the project area as well as more detailed descriptions of the mineralization reported from the historic work.

**Exploration.** The majority of the claims in Tavernier Township were acquired by staking by Globex in 2005 and the land position was expanded during 2010, 2011 and 2012 into Tiblemont Township to constitute the holdings as previously described. In 2005, Globex commissioned a 311 In-km helicopter-borne magnetic /electromagnetic survey at 100 metre line spacing, over the Tavernier portion of the property.



During the period 2009 to 2011, this was followed up with prospecting/mapping and systematic IP coverage totaling 191 In-km which included both frequency domain survey work (east end of claims) and continued with wide array time domain IP in the central portion of the property. Selective ground magnetic and horizontal loop EM survey work in areas of known mineralization was also included to compliment the large ground survey database.

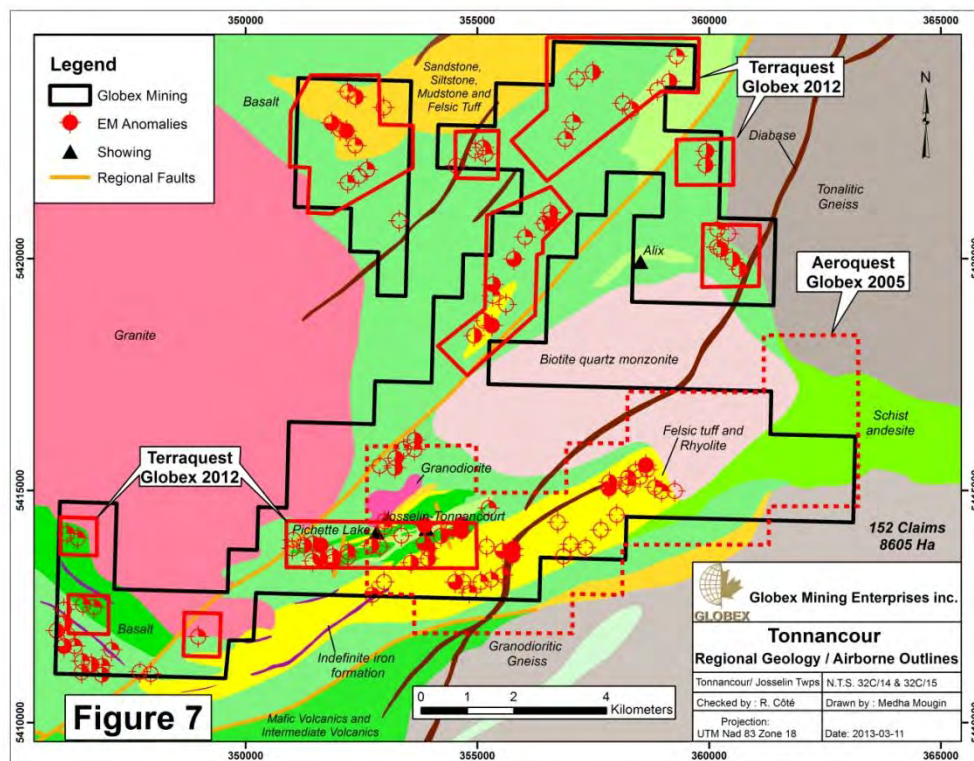
In 2012, an overall compilation and interpretation of the historic geological and geophysical data was completed by Globex. In October, a total of 551 In-km of close spaced, high-resolution aeromagnetics/ VLF surveying (in two blocks with different flight directions) were completed by contracted Terraquest Ltd over the central and western portions of the property to compliment the airborne coverage from Globex's 2005 eastern airborne survey. These data have assisted in the selection and prioritization of an initial eight drill targets, which were inspected in the field for outcrop exposure. Although the complete drill selection process is not complete, the aforementioned sites were permitted prior to year-end 2012, for eventual drilling. Detailed mapping and sampling of a number of the gold zones (Maufort Zones, Pine Lake, Realore Zones and others) were carried out by Globex during the summer, confirming the gold mineralization where the best of 27 grab samples returned respectively 13.5 gpt Au; 4.9 gpt Au, 0.14% Cu (Realore showing) and 13.3 gpt Au; 36.4 gpt Au, 14 gpt Ag (Pine Lake) while gathering firsthand information on the style of vein systems associated with these historic showings. A small, but important residual portion of in-fill geophysical ground coverage was identified for completion during the winter of 2013.

**Exploration and Development.** In the first Quarter of 2013, the residual in-fill ground geophysics (magnetic & electromagnetic surveys) over Lake St. Vincent were completed and the interpretation/final imaging of Terraquest's airborne magnetic and VLF information (completed by senior consulting geophysicist) were presented to Globex thus permitting the finalization of Globex's drill target selection.

**Gold.** The quality of the 2012 airborne data has been found to significantly enhance the structural interpretation particularly in the context of the new gold targets being developed within the intrusion complex in the western portion of the Property. This new, detailed airborne magnetic/VLF information has identified new areas for follow up prospecting and geological mapping and anticipated drilling in 2013.

**Base and Precious metals VMS.** In the central and western portion of the Property, the potential for encountering new mineralized zones in the vicinity of known precious metal rich volcanogenic sulphide occurrences as exemplified by the Anaconda Zone (4.0% Cu, 9.1% Zn, 585.6 gpt Ag and 26.4 gpt Au/0.62 m) and 3.5 km further west, the St. Vincent Lake volcanic hosted Py/Po mineralization (27.1 gpt Au/0.60 m), is regarded as unequivocally attractive. Previously undrilled ground conductors identified from Globex's airborne and ground geophysical surveys are scheduled to be drill tested when ground access conditions permit.

## 6. Tonnancour Project - Polymetallic



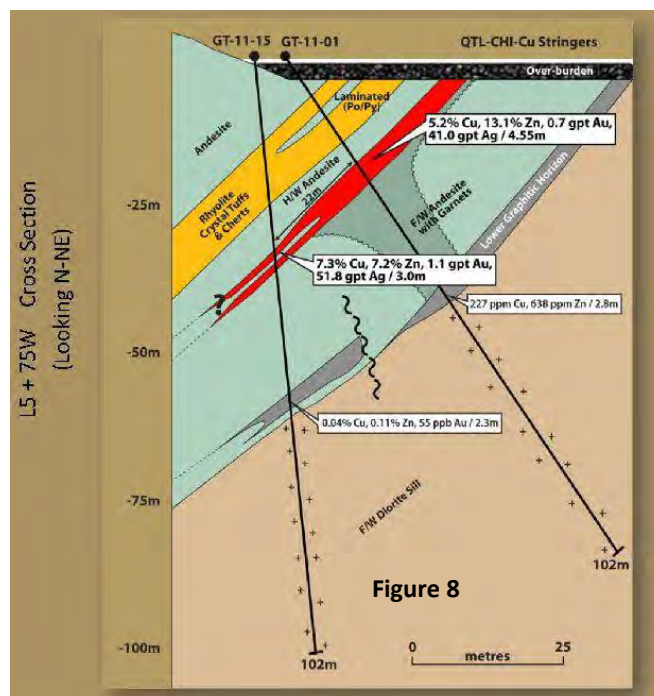
**Property Description and location.** Tonnancour is comprised of 158 claims totalling 8,945 hectares which are composed of one main block which originates immediately east of the north flowing main tributary Bell River and a smaller peripheral claim blocks to the northwest all of which occupy the southwest quadrant of Tonnancour Township and the northeast portion of Josselin Township, Quebec, approximately 20 km south by active logging roads from the forest industry town of Lebel-sur-Quevillon. This property is wholly owned by Globex and is not subject to any underlying royalties or third party agreements. There has not been any mineral production in the area but a small, sub-cropping VMS deposit found in the early 1970's by Noranda Exploration with a reported non NI 43-101 compliant historic resource of 55,000 t grading 2% Cu, 3% Zn and 26 gpt Ag based on 4,100 metres of drilling (Josselin Prospect), is located in the south central portion of the main claim block as shown in Figure 7.

**History.** The property was initially mapped by the provincial government in the late 1930's and subsequently prospected in the late 1960's which lead to the discovery of the Tom Lake chalcopyrite showing. The area was subsequently optioned by Noranda Exploration who proceeded to outline by geophysics and drilling, the VMS mineralization over the copper showing, which became known as the Josselin Prospect with its drill indicated, non NI 43-101 compliant historic resource of 55,000 t grading 2% Cu, 3% Zn and 26 gpt Ag. The best hole in the sulphide zone at the time reportedly returned **4.4% Cu, 8.2% Zn, 0.34 gpt Au and 51.1 gpt Ag/ 3.7 m**. The Josselin prospect was next worked by SOQUEM from 1972 to 1973, drilling an additional 15 holes for 1,694 metres without upgrading the resource estimate. Other explorers which followed, focussing primarily on the Josselin deposit, include Onitap Resources (1983), Finneth Exploration Inc (1984:4 drill holes), VSM Exploration Inc (1984: 4 drill holes), Teck Corp. (1992: EM ground geophysics and 4 drill holes with borehole surveying), Inmet (2001: compilation but no drilling) without considerably enhancing the earlier interpretation suggested by Noranda.

**Geological Setting and Mineralization.** The reader is referred to the 2011 Annual Information Form for details regarding the regional, local geologic setting of this greenstone belt along with more detailed description of the volcanogenic massive sulphide mineralization developed at the Josselin sulphide zone.

**Exploration.** Globex acquired the Tonnancour property by staking in 2004. In October 2005, Globex completed a 381 In-km helicopter-borne AEM survey followed by 53 In-km of ground magnetometer and horizontal loop EM surveys (seven separate grids) over ten separate target areas dispersed at various localities along a 10 km east west trending segment of the greenstone belt considered as prospective for hosting VMS mineralization across the full width of the property. This work lead to the selection of 15 drill targets based on the strength and, apparently, “discrete” character of the electromagnetic conductors with direct magnetic association. Selected targets included the Josselin VMS prospect in addition to untested interpreted to occur along strike from the felsic volcanic horizon associated with the Josselin VMS prospect. During the summer of 2011, Globex carried out a diamond drill program consisting of 27 drill holes totalling an aggregate of 3,100 metres of N.Q. drilling. A large portion of the drill program was devoted to close space drilling of the Josselin VMS prospect with the balance testing various conductors along a 10 km strike length of the favourable volcanic stratigraphy of the Tonnancour Volcanic Belt. In addition to the Cu/Zn/Ag/Au mineralization at the Josselin prospect, narrow to moderately wide zones of massive, semi-massive and stringer sulphides hosted within metamorphosed volcano-sedimentary units, were found to be associated with the majority of the previously untested conductors.

Significant base and precious metal mineralization was however confined to the Josselin VMS deposit where better intercepts returned exceptional values of **4.55 m of 5.23% Cu, 13.12% Zn, 41.0 gpt Ag and 0.718 gpt Au** (Hole GT-11-01) as well as **3.0 m of 7.3% Cu, 7.27% Zn, 51.8 gpt Ag and 1.1 gpt Au** (Hole GT-11-15): see Figure 8. Based on these significant drilling results within the known VMS zone and the identification of new areas of semi-massive/stringer mineralization elsewhere within the Tonnancour Greenstone Belt, additional staking of 77 claims totalling 4,359 hectares was undertaken in 2011 immediately SW and NE of the original Tonnancour property to cover published aeromagnetic and electromagnetic anomalies situated along the inferred extensions of the Belt.



In 2012, Globex commissioned Terraquest Ltd to carry out detailed high resolution aeromagnetics and VLF EM surveys over ten (10) discrete and apparently not yet drill tested government input anomalies interpreted from published airborne magnetics and regional geology and thought to represent potential lateral stratigraphic extensions of the favorable felsic volcanic package associated with the high grade VMS mineralization typified to the east by the Josselin VMS occurrence. The airborne survey work was completed in October 2012, generating a total of 980 In-km of survey data from ten separate grids flown at 50 metre line spacing and respectively in north-west, east-west or north-south flight directions depending on the indicated strike of the geologic formations. Imaging and interpretation of the processed data was made available to Globex at year-end 2012.

**Exploration and Development.** During the first Quarter of 2013, results of the 2012 airborne data were integrated with the historic exploration information for the ten previously selected areas to plan and prioritize the 2013 summer field investigation including prospecting, mapping, sampling and subsequent ground geophysics to determine whether viable VMS and possibly gold drill targets can be outlined and be tested in 2013 or during the winter of 2014, depending on ground access conditions.

## 7. Turner Falls Property – Rare Earth Elements (REE)

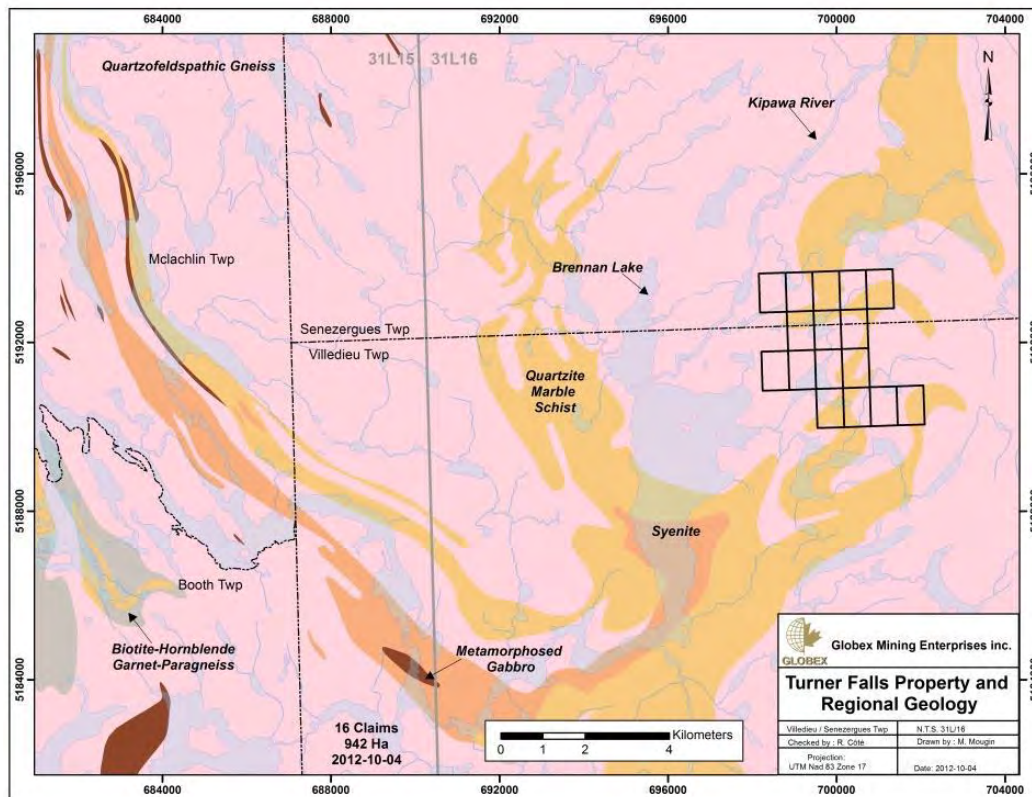


Figure 9: Property location/regional geology map

**Property Description and Location.** The Turner Falls property consists of 16 contiguous claims totaling 942 hectares located in Villedieu and Senezergues Townships, approximately 140 km south of Rouyn-Noranda in the Kipawa area of the Temiscamingue District in southwestern Quebec. The claims are wholly owned by Globex and are not subject to any underlying royalty or third party agreements.



**Accessibility, Climate, Local Resources, Infrastructure and Physiography.** The property is located 2 km northeast of Sairs Lake and is accessible from the town of Temiscamingue by traveling 65 km on all-weather logging roads, followed by 5 km by boat across Sairs Lake and finally 2-3 km along an ATV trail to Globex's exploration camp on a small lake located approximately in the centre of the property.

Topography of the area is characterized as gently rolling with local steep cliffs and situated between 290 and 340 metres above mean sea level. There are several small lakes on the property and numerous streams and creeks draining southwest into the south flowing Kipawa River, which eventually discharges into the Ottawa River 60 km to the south which demarks the provinces of Ontario and Quebec. The vegetation is typical of the mixed, mature forests in southwestern Quebec with large expanses of tall mature deciduous (maple, birch, poplar, oak, elm) and majestic coniferous (white pine, red pine, cedar, balsam, spruce) trees with generally clear underbrush and relatively well-drained, sandy soil. The property is also located 62 km east of the Algonquin First Nation's Kipawa Reserve, an important site for fishing/hunting tourism in the area.

**History.** Documented historic exploration dates back to the mid 1950's when Turner Falls Mining Ventures reports having collected surface chip samples from a pegmatite dike on the shore of a small lake (500 metres west of Globex's exploration camp) which returned 0.13% - 0.35%  $U_3O_8$ ; 0.85% - 1.44%  $ThO_2$ ; 1.05% - 4.06%  $Nb_2O_5$  and where a mixture of equal parts of each sample returned 2.04%  $Nb_2O_5$  and 8.05% total Rare Earth Oxides (GM 06623A). This location is referred to as the "Old Turner Falls Showing". Turner Falls Mining Ventures subsequently drilled six holes in 1958 totalling 558 metres in this area and report intersecting pegmatite and granitic rocks with subordinate amphibole and mica schist however assay results are not published (GM 06623 B).

**Geological Setting.** The reader is referred to the 2011 Annual Information Form for details concerning the regional and local geological features of the Kipawa Alkaline Complex (K.A.C.) underlying the Property.

**Exploration.** Globex acquired the Turner Falls property by staking in 2007 and began fieldwork in 2009.

2009-2010: Following initial prospecting and cursory scintillometer checking in 2009, work in 2010 included the establishment of a geophysical grid at 100 metre line spacing and the undertaking of 20 In-km of systematic ground magnetic and scintillometer surveying along with geological mapping with local sampling and trenching. This work led to the discovery of several new rare earth showing with anomalous values in the light rare earths including lanthanum (up to 4,980 ppm), cerium (up to 12,800 ppm), praseodymium (up to 1,440 ppm), neodymium (up to 4,400 ppm) and samarium (up to 1,450 ppm) while heavy rare earth values included: europium (up to 3.3 ppm), Gadolinium ( up to 1,260 ppm), terbium ( up to 263 ppm), dysprosium (up to 1,770 ppm), erbium (up to 1,150 ppm), thulium (up to 174 ppm) and ytterbium ( up to 1,100 ppm). Better high field strength (H.F.S.) metal values included: yttrium (up to 6,700 ppm), zirconium (up to 41,600 ppm) and hafnium (up to 1,060 ppm).

Grid mapping by Globex in 2010 confirmed the presence of a granitic to quartzo-feldspathic gneiss, syenitic gneisses and coarse-grained pink pegmatite within the Kipawa Alkaline Complex as well as local bands of amphibolites, and uncommon iron rich gneissic schists. The pegmatites host some, but not all of the high-grade samples collected in 2010. Grab samples from the Old Turner Falls Showing returned values up to 2.2%  $Y_2O_3$ , 4.8%  $ZrO_2$ , 3.7% LREO, 1.0% HREO and 4.8% TREO. Globex's New Turner Falls Showing, located 1 km southeast of the former showing, displaying anomalous punctual REE values over a general area of approximately 65 metres by 140 metres and

where best grab samples returning 0.85% Y<sub>2</sub>O<sub>3</sub>, 5.6% ZrO<sub>2</sub>, 3.2% LREO, 0.6% HREO, 3.7% TREO and 1.2% Nb.

2011: Additional ground geophysical surveys including approximately 50 In-km of scintillometer and magnetometer coverage along with detailed grid surface outcropping mapping and bedrock/bolder sampling, limited stripping and prospecting were undertaken by Globex to compliment the field work undertaken in 2010. A total of 230 rock samples were collected and analysed. Ten (10) new sites of rare earth bearing mineralized outcrops were identified. The table below summarizes the analytical results of selective grab from these various sites and highlights the very anomalous nature of the REE mineralization.

<b>Light Rare Earths</b>	<b>Outcrop</b>	<b>Boulders</b>
Lanthanum Oxide (La <sub>2</sub> O <sub>3</sub> )	2.93%	3.62%
Cerium Oxide (Ce <sub>2</sub> O <sub>3</sub> )	5.26%	>5.85%
Praseodymium Oxide (Pr <sub>2</sub> O <sub>3</sub> )	0.58%	>0.58%
Neodymium Oxide (Nd <sub>2</sub> O <sub>3</sub> )	2.03%	3.25%
Samarium Oxide (Sm <sub>2</sub> O <sub>3</sub> )	0.29%	0.36%
<b>Heavy Rare Earths</b>		
Europium Oxide (Eu <sub>2</sub> O <sub>3</sub> )	0.02%	0.05%
Gadolinium Oxide (Gd <sub>2</sub> O <sub>3</sub> )	0.17%	0.40%
Terbium Oxide (Tb <sub>2</sub> O <sub>3</sub> )	0.02%	0.04%
Dysprosium Oxide (Dy <sub>2</sub> O <sub>3</sub> )	0.32%	>0.57%
Holmium Oxide (Ho <sub>2</sub> O <sub>3</sub> )	0.01%	0.17%
Erbium Oxide (Er <sub>2</sub> O <sub>3</sub> )	0.31%	0.54%
Thulium Oxide (Tm <sub>2</sub> O <sub>3</sub> )	0.03%	0.08%
Ytterbium Oxide (Yb <sub>2</sub> O <sub>3</sub> )	0.29%	>1.14%
Lutetium Oxide (Lu <sub>2</sub> O <sub>3</sub> )	0.02%	0.04%
<b>Other Elements</b>		
Yttrium Oxide (Y <sub>2</sub> O <sub>3</sub> )	2.23%	4.25%
Zirconium Oxide (ZrO <sub>2</sub> )	> 6.75%	17.36%
Hafnium Oxide (HfO <sub>2</sub> )	0.14%	0.26%
Niobium Pentoxide (Nb <sub>2</sub> O <sub>5</sub> )	1.60%	4.98%
<b>Summary - (Highest Individual Samples)</b>		
TREO (Total Rare Earth Oxides)	9.29%	--
HREO (Heavy Rare Earth Oxides)	1.32%	--
TREO + Y <sub>2</sub> O <sub>3</sub>	10.12%	--
HREO + Y <sub>2</sub> O <sub>3</sub>	3.55%	--
HREO + Y <sub>2</sub> O <sub>3</sub> /TREO + Y <sub>2</sub> O <sub>3</sub>	0.37%	--

The samples were assayed by ALS Minerals in Vancouver, British Columbia using the inductively Coupled Plasma-Mass Spectroscopy (ICP-MS) method. All analytical and mapping information were subsequently compiled to provide a preliminary exploration model for the REE-Y-Zr mineral occurrences on the property. Detailed petrographic studies including microscope petrography on 42 thin sections and EMPA X-ray spectral analyses on certain samples were also undertaken to provide an initial mineral characterization of the REE mineralization.

2012: An initial five (5) hole orientation helicopter-supported drill program totaling 968 metres was carried out in early July in the vicinity of selected geophysical/ bedrock geochemical anomalies. The program which included four, relatively wide spaced, vertical holes and one angled hole, tested the

bedrock formations to depths of 150 to 220 metres and at drill hole spacings of 300- 800 metres. The program was not however successful in confirming similar REE grades to those encountered in the surface sampling. Drill holes were sampled in their entirety, generating a total of 550 samples. These core samples were processed for high-grade multi-element ICP-REE determinations at ActLabs in Ontario. Detailed core logging and cross sectional interpretation of these five initial drill holes was completed and the new data will serve to guide the next phase of exploration work on the property.

**Exploration and Development.** No field work was carried in the first Quarter of 2013, although a program of detailed surface mapping, sampling/trenching and site specific structural analysis is in preparation and will be undertaken during the summer months to a) provide needed reconciliation of the contrasting assaying results between the surface, (very strongly anomalous) sampling and drill hole sampling(very weakly anomalous) and b) gather the additional petrographic and structural data to successfully guide the next phase of diamond drilling in this structurally and geologically complex and challenging exploration environment for these special commodity metals.

## 8. Duquesne West Property

**Property Description and Location.** The Duquesne West Property is comprised of 20 claims totalling 310 hectares located 32 km northwest of the mining town of Rouyn-Noranda and 10 km east of the town of Duparquet in Duparquet Township, northwestern Quebec. The property is readily accessed by vehicle along gravel roads originating from Highway 393 about 4.5 km west of Highway 101. A series of ATV trails and various drill roads provide further access throughout most of the property.

The Property is held 100% by Duparquet Assets Ltd (DAL), a company owned 50% by Globex and 50% by Jack Stoch Geoconsultant Services Limited ((GJSL). In 2010, Globex and GJSL optioned, the Duquesne West and the adjoining Ottoman Fault Property (40 claims totalling 629 hectares, held 100% by GJSL) to Duquesne-Ottoman Mines Inc, a wholly owned subsidiary of Toronto based Xmet Inc. The original option agreement, allowed Xmet to earn a 75% interest in the combined Duquesne West-Ottoman Fault Property (60 claims, 929 hectares) prior to May 31, 2017 subject to; a) combined cash and dividend payments totalling \$8.81M, b) total exploration expenditures of \$10M and c) the issuance of 2 million Xmet shares (which was completed in June 2010.).

On March 2, 2012, Globex and Jack Stoch Geoconsultant Services Limited ('GJSL'), a company owned by Jack Stoch, President & CEO and Director of Globex, entered into a share option agreement (the "SOA") pursuant to which Xmet Inc. ("Xmet") may purchase all of the issued and outstanding preferred and common shares of Duparquet Assets Ltd. ("DAL"). Further details of the arrangement are included on page 14 of this document.

Despite, the share option arrangement, Globex and Jack Stoch Geoconsultant Services Limited will retain the existing sliding scale Gross Metal Royalty from all production from the properties. At production, the property will be subject to a sliding scale Gross Metal Royalty of 2% to 3% depending on the gold price ranging from <US\$1,000 (2% GMR), >\$US\$1,000 but <\$US1,250 per oz (2.5% GMR) and >US\$1,250 per oz (3% GMR). Xmet has the right to purchase 0.5% Gross Metal Royalty for \$1.5 million prior to commercial production.

Should Xmet Inc. not exercise and complete either of the above scenarios, then the existing mining option agreement will remain in place.

**Geological Setting.** The reader is referred to the 2011 Annual Information Form for further details regarding the regional, local and property geological setting of the Property Mine. The property is also located 4 km east and along strike from the past producing Beattie and Dorchester mines which respectively produced 8.4Mt @ 3.5gpt Au and 1.2Mt @ 9.3 gpt Au (ref. MRNF report ET

2005-01, M. Legault, J. Goutier, G. Beaudoin, M. Aucoin, 2005) and 3.5 km west of the past producing high grade Duquesne Mine which produced 199,912 t @ 10.3 gpt Au (ref.: MRNF report ET 2005-01).

**History.** Public documents show the property has been subject to exploration since 1927. During the 1930's and 1940's, a total of 53 drill holes and 6,750 metres of drilling were completed by various companies. From 1973-1982, extensive shallow diamond drilling and geophysical surveys were conducted on the property. In 1983, Claremont Mines Limited sank a 25-metre shaft and extracted a 385 t bulk sample from the Shaft Zone.

**Exploration.** In 1987, Globex acquired the Duquesne West Property and carried out various ground geophysical surveys and geological mapping work. The property was optioned to Noranda Exploration in 1990 who conducted mapping, trenching and 13 drill holes totalling 3,708 metres. In 1994, Globex carried out its initial drilling on the property amounting to 7 holes and 440 metres. The property was then optioned to Santa Fe Canadian Mining Ltd who carried out further exploration until 1997, including 57 drill holes for 26,429 metres as well as an IP survey, which identified a new deep anomaly between the Shaft Zone and the Fox Zone. The deepest drill hole on this anomaly returned **28.46 gpt Au/3.25 m**. A non NI 43-101 compliant "preliminary inventory" was estimated at the time at 1.3 Mt grading 7.8 gpt Au however, this estimate cannot be relied upon, as this estimate does not meet the current CIM Standards for Resource reporting.

The property remained dormant from 1998 to 2001.

In 2002, Kinross Gold Corporation optioned the property and undertook geochemical, geophysical and geological surveys which culminated in the completion of 14 drill holes and 5,300 metres of drilling and the discovery of the Liz and the NIP Zones as highlighted by the drill intercepts including **6.9 gpt Au/11.2 m** (hole DQ-02-02: Liz Zone), **5.5 gpt Au/11.4 m** (hole DQ-02-10:LIZ Zone) and **9.9 gpt Au/3.5 m** (hole DQ-02-09:NIP Zone).

In 2003, Reddick Consulting Inc. (RCI) completed a **\*\*NI 43-101 conformable mineral resource estimate** for Kinross Gold Corp. on the Shaft, South Shaft Fox and Liz Zones which indicated a total of approximately 665,000 t grading 11.4 gpt Au (uncut).

In late 2003, Queenston Mining Inc. optioned the property and drilled a 15 hole, 9,783 metres drill program focussed principally on the Liz Zone. Several holes intersected significant gold values including 4.2 gpt Au/8.0 m including 6.1 gpt Au/4.5 m (hole DQ-03-15: LIZ Zone) and 4.5 gpt Au/ 13.6 m including 6.1 gpt Au/ 9.1 m (hole DQ-03-16: LIZ Zone). In 2006, Diadem Resources Ltd. took an option to earn 50% interest in the property. Between August 14, 2006 and January 25, 2007, Diadem completed 20 NQ drill holes totalling 12,245 metres, increasing the size of the Liz Zone and testing the Nip and Pitt zone. Results of the better drill intercepts from this program can be found in Globex's 2011 Annual Information Form. In 2010, Xmet optioned the Duquesne West-Ottoman Fault Property and proceeded to have Reddick Consulting Inc. (RCI) undertake an initial NI-43-101 compliant resource estimate using RCI's earlier 2003 data in their resource estimate performed for Kinross Gold Corp as well as drill data from other earlier programs completed by Santa Fe, Queenston and Diadem Resources. Concurrently, Xmet initiated a re-sampling program of core generated from Santa Fe's previously mentioned 1994-1997 drill programs. Xmet initiated its own first diamond drill program of 7,000 metres in September 2010 with the objective of eventually incorporating this data in an upgraded resource estimate to be completed at a later date. Xmet's initial NI 43-101 compliant mineral resource estimate mandated by RCI, indicated an inferred resource of **2,731,276 t grading 5.29 gpt Au** (cut grade) hosting **in situ 465,000 ozs gold** using a 3.0 gpt Au cut-off grade over a minimum horizontal width of 2.5 metres. In 2010, Xmet also carried out a property wide helicopter-borne EM/magnetometer survey along with in-hole IP surveys in five of



their 2010 drill holes. The drill program continued until April 2011 to eventually include 33 holes totalling 13,206.5 metres. Salient results from the 2010/2011 drilling (ref. Xmet press release dated April 28<sup>th</sup>, 2011) can be found in Globex's 2011 Annual Information Form.

In 2011, after the completion of the phase I drill program totalling 13,000 metres, Xmet commissioned Watts, Griffis & McQuat to prepare an update to the earlier stated \*\*NI 43-101 compliant Mineral Resource Estimate on the aggregate of the 8 mineralized zones established in September, 2010. The revised 2011 resource estimate is detailed in the table below:

ZONE	TONNES	AU G/T (cut to 30 g/t Au)	AU G/T (Uncut)	OUNCES (Cut)	OUNCES (Uncut)	HORIZONTAL width (m)
Liz	1,343,000	4.64	4.64	200,000	200,000	7.26
Fox	921,000	7.43	9.54	220,000	282,000	5.43
Nip-Nord	361,000	5.92	6.13	69,000	71,000	5.79
Nip-Sud	129,000	6.51	21.13	27,000	88,000	2.86
South Shaft	162,000	6.08	6.29	32,000	33,000	3.14
Shaft	468,000	4.51	4.51	68,000	68,000	2.82
Stringer	365,000	3.90	3.90	46,000	46,000	5.87
20-20	422,000	4.80	4.80	65,000	65,000	6.23
<b>TOTAL</b>	<b>4,171,000</b>	<b>5.42</b>	<b>6.36</b>	<b>727,000</b>	<b>853,000</b>	<b>5.71</b>

This \*\*NI 43-101 compliant resource estimate uses a cut off grade of 3 gpt Au, a minimum horizontal width of 2.5 metres, a recovery of 100% and a cutting factor of 30 gpt Au.

Additional exploration work by Xmet in 2011 included surface channel sampling on the Shaft Zone which confirmed continuity and grade of the mineralization at surface with assays returning **3.18 gpt Au/4.2 m and 12.25 gpt Au/1.3 m**. Drilling of approximately 8,592 metres at 25 metre spacing along a strike length of 150 metres down to a depth of 100 metres was also undertaken in early September on this same surface gold zone. Highlights included **11.66 gpt Au (uncut)/5.1 m (DDH. DO-11-38), 7.84 gpt Au/2.75 m (DDH. DO-11-41), 5.18 gpt Au/4.55 m (DDH. DO-11-46), 4.0 gpt Au/11.7 m (DDH. DO-11-51), 3.65 gpt Au/4.0 m (DDH.DO-11-54), 3.4 gpt Au/4.35 m (DDH. DO\_11-60) and 4.4 gpt Au/4.9 m (DDH. DO\_11-61)** (ref.: Xmet press releases, dated December 13, 2011, January 11, & January 17, 2012).

**\*\*Disclaimer.** The NI 43-101 resources numbers reported above were published by Xmet ([www.xmet.ca](http://www.xmet.ca)) respectively on November 5, 2010 and September 8, 2011. Although Globex is a partner in the project, because Globex's name is not on the cover page of the report and because the report was commissioned by Xmet not Globex, we are not permitted to report the results as NI 43-101 conformable while Xmet may do so. Therefore, we are required to make the following disclaimer: (The resource results as reported by Xmet and subsequently reported above by Globex are to be treated as historical resources and should not be relied upon. They have not been verified by Globex and are presented for information purposes only). The same applies to the inferred resource reported by Kinross Gold and calculated by Reddick.

In 2012: Continued drilling by Xmet in the Fox Zone returned a best gold intercept of **12.4 gpt Au/4.5 m or 6.88 gpt Au/4.5 m when cut to 30.0 gpt Au** (hole DQ-04-23w: Fox Zone), **3.2 gpt Au/2.9 m** (hole DQ-12-72:Fox Zone) and **2.96 gpt Au/3.5 m** (hole DO-11-67:Stringer Zone). Mechanical stripping and trenching was done over the South Zone. Mineralogical Geomet studies were also completed on drill core from the Duquesne West deposit confirming the gold mineralization to be free milling, non refractory and not associated with arsenic.

Xmet, in efforts to expand its land position and gold resource base for eventual anticipated gold production in the Duquesne West sector, entered into purchase option agreements structured to acquire adjoining properties with reported NI 43-101 compliant gold resources including Brionor Resources Inc's property immediately west of Duquesne West and Clifton Star Inc's Duquesne Mine Property immediately to the east.

**Exploration and Development.** No news of exploration activities by Xmet in the first Quarter of 2013 was available to Globex at the time of writing of this report.

## 9. Mooseland Gold Mine

**Property Description and Location.** The Mooseland property, including Leipsigate, Indian Path, French River and Cheticamp, is comprised of 319 claims totaling 5,164 hectares located 110 kilometres by paved highway, northeast of Halifax, in Halifax County, Nova Scotia, Canada. Surface rights are held in part by private landholders and in part by the provincial government as crown land. These claims, originally wholly owned by Globex were transferred to NSGold Corporation on September 1, 2011 when the latter exercised its option to acquire a 100% interest in the property subject to aggregate cash payments of \$750,000. The property is subject to a 4% Gross Metal Royalty (GMR) in favor of Globex as well as a 5% interest in the issue of outstanding share capital of NSGold upon the property reaching commercial production.

The first three (Mooseland, Leipsigate and Indian Path) are former small-scale gold-producing properties, each characterized by Meguma type gold occurrences, while the latter two (French River and Cheticamp) are gold and base metal exploration properties. The Leipsigate property has at least seven historic shafts, of which the deepest reaches a depth of approximately 100 metres.

**Accessibility, Infrastructure and Physiography.** The topography of the area displays moderate relief in undulating terrain. Drainage is controlled by northwest striking fault zones, which control the trend of the Tangier River across the claim group and split the Property into the East and West Zones. The West Zone is adjacent to the Mooseland Highway, a paved secondary highway that connects with provincial Highway 7 at Tangier. The East Zone can be accessed via a bridge about 2 km NW of the West Zone entrance along the Mooseland Highway, and a series of secondary roads and trails developed for logging and diamond drilling operations.

**Geological Setting.** The reader is referred to the 2011 Annual Information Form for details regarding the regional, local and property geology of the Property.

**Exploration.** In 2009, NSGold Corporation optioned the properties from Globex.

On December 10<sup>th</sup>, 2010, NSGold announced the completion of a drill program at Mooseland. Thirteen holes were drilled on the West Zone and thirteen more on the East Zone for a total of 26 holes, comprising approximately 6,500 metres of drilling. The latest results are summarized below (see NSGold press release dated December 22, 2010 and April 18, 2011). The reader is referred to the 2011 Annual Information Form document for details on the gold drill intercepts from the aforementioned drill program.

On June 15, 2011, NSGold released an updated NI 43-101 compliant mineral resource for the Mooseland property. The study was prepared by MineTech International Inc of Halifax, Nova Scotia and consisted of an appraisal of the historic data on the property.

### Mooseland Summary of Non-diluted Inferred Mineral Resources

	Cut-off Grade (g/t)	Tonnes above cut-off	Average Diluted Grade (g/t)	Ounces
<b>West Zone</b>	3.0	1,400,000	4.6	210,000
<b>East Zone</b>	3.0	1,100,000	5.1	180,000
<b>Total</b>	3.0	<b>2,500,000</b>	<b>4.9</b>	<b>390,000</b>

A sixteen (16) diamond drill hole program totalling 5,020 metres was also completed in 2011: with 8 holes, being positioned each on the East and West Zones respectively returned the following significant intercepts :

8.99 gpt/ 4.8 m in hole NSG-25-11 (East Zone)  
 13.73 gpt Au/ 1.5 m in hole NSG-27-11 (East Zone)  
 107.0 gpt Au/ 0.5 m in hole NSG-28-11 (East Zone)  
 24.7 gpt Au/ 0.8 m in hole NSG-30-11 (East Zone)  
 32.9 gpt Au/0.5 m in hole NSG-32-11 (East Zone)  
 27.81 gpt Au/ 0.8 m in hole NSG-33-11 (East Zone)

Intercepts are reported in core lengths where true horizontal widths are typically estimated to be 60-65% of core lengths. Summary of assay results from NSGold's 2011 drill program are sourced from the Company's website press releases dated respectively October 18, 2011 & November 22, 2011.

**Disclosure.** The NI 43-101 resource reported above was published on Sedar.com by NSGold on June 15, 2011. Although Globex is a partner in the project, because Globex's name is not on the cover page of the report and because the report was commissioned by NSGold not Globex, we are not permitted to report the results as NI 43-101 conformable while NSGold may do so. Therefore, we are required to make the following disclaimer: The resource results as reported by NSGold and subsequently reported above by Globex are to be treated as historical resources and should not be relied upon. They have not been verified by Globex and are presented for information purposes only.

In 2012, NSGold carried out additional drilling allowing the company to provide an update to its earlier resource by way of a NI 43-101 compliant resource estimate dated July 20, 2012, prepared by Mine Tech International Limited and filed on SEDAR ([www.sedar.com](http://www.sedar.com)) as summarized in the table below.

### Mooseland Summary of Non-diluted Inferred Mineral Resources

	Cut-off Grade (g/t)	Tonnes above cut-off	Average Diluted Grade (g/t)	Ounces
<b>West Zone</b>	2.6	1,460,000	5.52	259,000
<b>East Zone</b>	2.6	1,060,000	5.72	195,000
<b>Total</b>	2.6	<b>2,520,000</b>	<b>5.6</b>	<b>454,000</b>

**Disclosure** The NI 43-101 resource reported above was published on Sedar.com by NSGold on July 20, 2012. Because the report was commissioned by NSGold not Globex, we are not permitted to report the results as NI 43-101 conformable while NSGold may do so. Therefore, we are required to make the following disclaimer: The resource results as reported by NSGold and subsequently reported above by Globex are to be treated as historical resources and should not be relied upon. They have not been verified by Globex and are presented for information purposes only.

Additionally, a 15 hole drill program of shallow drilling totaling 948 metres to evaluate the potential for open pit mining of the West Zone was also completed in 2012.

**Exploration and Development.** As mentioned, NSGold exercised its option to earn a 100% interest in the Mooseland Property from Globex. In a press released by NSGold dated February 20,

2013, the company reports on assay results from its 15 hole drill program completed in 2012 where better shallow intercepts (< 75m depth) include **36.8 gpt Au/0.6 m and 15.2 gpt Au/1.0 m** (hole NSG-8-12), **9.9 gpt Au/1.0 m** (hole NSG-1-12), **7.1 gpt Au/1.0 m** (hole NSG-3-12), **6.3 gpt Au/ 1.0 m** (hole NSG-8-12), **11.5 gpt Au/1.0 m** (hole NSG-10-12), **8.4 gpt Au/1.0 m** (hole NSG-13-12) and **18.8 gpt Au/ 1.0 m** (hole NSG-15-12), where drilling continues to confirm the presence of high grade narrow quartz lode gold mineralization. As mentioned, Globex retains a 4% Gross Metal Royalty on the property and a 5% interest in the issue and outstanding share capital of NSGold upon commercial production.

## 10. Bell Mountain Property

**Property Description and Location.** The Bell Mountain property consists of 54 lode claims covering an area of 651 hectares which are located on Bureau Land management ground in Churchill County, Nevada, approximately 82 km southeast of the city of Fallon and 102 km southeast of Reno. The property includes a water well and the right to use said water for mining purposes. The claims are wholly owned by Globex Nevada, Inc., a subsidiary of Globex Mining Enterprises Inc. The property was acquired from N.A. Degerstrom, Inc. which retains a 2% net smelter return royalty. Globex Nevada has the option to buy-out the NSR by paying US\$167,000. The property is currently under option to Vancouver based Lincoln Mining Corporation, the details of which are described further below.

A non NI 43-101 compliant historical mineral resource of 2.1 million tonnes grading 1.33 gpt gold and 37.55 gpt silver was calculated on the property in 1992.

**History** The property was originally staked in 1914. In 1918, Tonopah Mining Co. conducted underground development and sampling with some additional sampling conducted in 1948. A 270-metre long adit was driven in the 1970's. In 1978, Bell Mountain Mining Co., a subsidiary of American Pyramid Resources Inc., did a substantial underground sampling program including driving the 180-metre Varga adit along the Stockton Vein (Spurr). A comprehensive feasibility study was completed in 1981, which returned positive metallurgical test results. In 1984, Santa Fe Mining Co. drilled 51 reverse circulation holes principally in the Varga area and ten holes in the Sphinx area. In 1985, Alhambra Mines reopened and re-sampled the underground workings. Metallurgical tests were undertaken and 18 drill holes completed in the Spurr adit area. Between 1988 and 1993, N.A. Degerstrom drilled 104 holes, completed a technical feasibility study and permitted the property for open-pit mining and heap leaching on the Varga, Spurr and Sphinx zones but falling metal prices resulted in abandonment of the project by Degerstrom.

In 1996, ECU Inc. completed a first phase drill program on the Bell Mountain property. ECU drilled five holes in three zones for a total of 728 metres. Best results were returned from hole 96-5 which hit a 58 metre-long mineralized interval of 1.03gpt gold equivalent (Au+Ag), which included a section grading 1.99 gpt gold equivalent over a length of 25 metres. Additional drilling was planned to follow-up these results, but this work was never completed.

**Geological Setting.** The property is underlain by siliceous pyroclastic rhyolites. Two major epithermal quartz-adularia vein (low sulphidation) systems have been identified on the property. The veins contain gold and silver as electrum and silver as chlorargyrite and argentite. The vein systems on the property cover an area of 2.3 km<sup>2</sup>, of which only 4% has been tested by drilling to an average depth of 25 metres, leaving a large area open to exploration. The mineralization occurs in the prolific Walker lane structural province of West Central Nevada which hosts man gold producing districts.

**Exploration.** In 2004, Globex optioned the property to Platte River Mines who undertook a program of surface and underground sampling followed in late 2004 by diamond drilling. This drilling intersected the gold localizing structure, but failed to expand the resource and the option was dropped.

In 2010, Globex optioned the property to Laurion Mineral Exploration Inc (LME-TSX-V) whereby Laurion may earn a 100% interest in Bell Mountain subject to total cash payments of \$40,000, the issuance of 3.7M Laurion shares, and exploration expenditures totaling \$3,000,000 on the Property over a period of five (5) years, subject to 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), in favor of Globex. In 2010 Laurion Mineral Exploration Inc. completed a 56 hole drill program totalling 4,343 metres to confirm previous results and to test for mineralization below current mineralized zones. The reader is referred to the 2011 Annual Information Form for details of the salient drill intercepts from this initial drill program.

This drill program consisted of holes varying from 30 to 100 metre in length, with 44 of the holes being drilled into the main Varga zone and 12 of the holes being drilled into the adjacent Spurr zone. Both zones are separated by 150 metres of “poorly mineralized rock” (Laurion Mineral Exploration Inc. Press release, dated December 10, 2010).

In 2011, Laurion examined an additional historic gold zone referred to as the East Ridge located 1.5km east of Varga and where historic intercepts returned best values of 2.75 gpt Au/2.75 m (hole CC-2), 2.62 gpt Au/1.8 m (hole CC-7), 1.8 gpt Au/3.66 m (hole CC-10) and 3.13gpt Au/3.66 m (hole CC-12). The objective was to determine whether this zone could eventually be incorporated as potential additional resources on the Property. In the meantime, Telesto Nevada Inc was commissioned to prepare a NI 43-101 compliant resource estimate on the 3 aforementioned mineralized zones using the historic and new drill information generated by Laurion in terms of a low cost, open pit, heap leaching processing mining operation. The initial mineral resource \*estimate calculated by Telesto was **9.76M t grading 0.526 gpt Au, 17.63 gpt Ag hosting 165 thousand ounces gold, 5.5M ounces Ag** based on 16,671 metres of drilling in the three zones and using a pit cut-off grade of 0.192 gpt Au, assuming 80% gold recovery and 51% silver recovery.

In November 2011, Laurion completed a 1,219-metre drill program aimed at mostly testing the Sphinx zone (823 metres) and to a lesser degree, the Varga zone (396 metres). Best intercepts in the Sphinx zone returned: 0.527 gpt Au, 14.2 gpt Ag/ 6.1 m (hole Spx-2), 0.418 gpt Au, 8.6 gpt Ag/ 13.7 m (hole Spx-3) and 0.356 gpt Au, 8.5 gpt Ag/12.19 m (hole-4). This, along with metallurgical test work, baseline studies for the Environmental Assessment permit and the initial pit cone analysis generated aggregate expenditures of \$1.245M by Laurion.

In September, 2012, Laurion Mineral Exploration negotiated a sales agreement whereby all of the former’s obligations under the existing Laurion/Globex option agreement, were sold/transferred 100% to Vancouver based Lincoln Mining Corporation which will assume all existing obligations under the original Laurion/Globex agreement on the Bell Mountain Property. In order for Lincoln Mining to acquire a 100% interest in the Bell Mountain Property, it must expend the balance of the \$1.755M in work commitments and is also subject to the two previously mentioned royalties (upon commencement of commercial production) to N. A. Degerstrom (2% NSR) and Globex (sliding scale 1-3% GMR):ref. Lincoln Mining Corp. press release dated November 28, 2012.

**\*Disclosure.** The NI 43-101 resource reported above by Laurion Mineral Exploration Inc was prepared independently of Globex and as such, and because the report was commissioned by Laurion and not Globex, we are not permitted to report the results as NI 43-101 conformable while

Laurion may do so. Therefore, we are required to make the following disclaimer: The resource results as reported by Laurion and subsequently reported above by Globex are to be treated as historical resources and should not be relied upon. They have not been verified by Globex and are presented for information purposes only.

**Exploration and Development.** No news of exploration activities by Lincoln Mining Corporation in the first Quarter of 2013 was available to Globex at the time of writing of this report.

#### **Additional Early Stage Exploration Properties**

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



## **2. Other Aspects of the Business – Risk Factors**

Globex is subject to numerous risk factors, which are beyond its control, including the following:

### **Liquidity Risk**

Liquidity risk represents the risk that the Company will not be able to meet its financial obligations as they fall due. Historically, as an exploration company, the Company has relied on the issuance of equity securities and funding from other sources, principally joint ventures and property options, to satisfy its cash requirements. Additional financing may be required for certain ongoing projects to ensure sufficient working capital. The challenges that Junior Mining companies currently face with respect to raising funds, also impacts Globex's ability to negotiate option or joint venture arrangements.

There is no guarantee of obtaining funds from other sources in the future. The Company mitigates liquidity risk through its capital structure and by continuously monitoring actual and projected cash flows. The Company finances its exploration activities through flow-through shares, operating cash flows and the utilization of its liquidity reserves.

In the current volatile markets, changes in the Gold, Silver, Copper and Zinc may affect future metal royalty revenues. Reductions in Zinc prices below U.S \$0.90 per pound can have an immediate adverse impact on the Company's Metal Royalties.

### **Metal Price Fluctuations**

The profitability of gold, magnesium, talc and base metal mining operations are strongly correlated to the market price of these minerals. They are affected by numerous factors such as anticipated rates of inflation and exchange rates, and other currencies, interest rates, product demand, geopolitical factors, economic and financial market conditions, all of which are beyond the control of the producer.

The selection of a property for exploration or development, the determination to construct a mine and place it into production and the dedication of funds necessary to achieve such purposes is decisions that must be made long before the first revenues from production will be received. Price fluctuations between the time that such decisions are made and the commencement of production can drastically affect the economics of a mine.

### **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 incomes. 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.

### **Exploration and Development Risks**

The business of exploring for minerals and mining involves a high degree of risk. There is no assurance the Corporation's mineral exploration activities will be successful. Few properties that are explored are ultimately developed into producing mines. In exploring and developing its mineral deposits, the Corporation will be subjected to an array of complex economic factors and technical considerations. Delays in obtaining governmental approvals, inability to obtain financing or other factors could cause delays in exploring and developing properties. Such delays could materially adversely affect the financial performance of the Corporation. Unusual or unexpected formations, formation pressures, power outages, labour disruptions, flooding, explosions, cave-ins, landslides,

environmental hazards, the discharge of toxic chemicals and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Corporation has limited experience in the development and operation of mines and in the construction of facilities required to bring mines into production. The Corporation has relied and may continue to rely upon consultants and others for operating expertise. Depending on the price of minerals produced, the Corporation may determine that it is impractical to commence or continue commercial production

### **Uncertainty of Reserves and Mineralization Estimates**

There are numerous uncertainties inherent in estimating proven and probable reserves, resources and mineralization, many factors, which are beyond the company's control, including falling metal prices, which could cause reclassification of reserves or resources to a mineral deposit. The estimation of reserves, resources and mineralization is a subjective process and the accuracy of any such estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may generate revisions to such estimates. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to even greater uncertainty.

Many of the resources that Globex holds were calculated prior to the institution of NI 43-101 and thus do not fall under the now-standard definitions of reserves or resources. Due to the high cost of recalculating these figures, Globex has decided not to re-evaluate them, but to advise on its web site, in reports and published information that the figures quoted do not conform to NI 43-101 standards are historical and not current, and that they should not be relied upon.

### **Government Legislation and Taxation**

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

The Québec Government is proposing changes to the mining tax regime including the introduction of 5% ad valorem royalty on minerals extracted from the ground and an additional tax on profits that could reach 30%. These changes come after the tax rate on profit has been raised to 16% from 12% in 2010.

Institution of these changes would adversely, effect the profitability of any potential mining operations.

### **Lack of Production Experience and Operating History**

Globex's principal mining-related activities to date have consisted of acquiring, exploring and developing mineral properties. The Company has never been involved in operating or extracting minerals; however, its consultants have. The expertise required for operation and extraction of minerals is different from the expertise required for acquisition, exploration and development. There are no revenues from the sale of metals and no operating history upon which to base estimates of future cash operating costs and capital requirements. There can be no assurance that Globex will ever be successful in operating mines or producing minerals.

### **Title to Properties**

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

of land comprising the claims may be in doubt. Such claims have not been converted to lease and tenure, and are, accordingly, subject to annual compliance with assessment work requirement. Other parties may dispute the Company's title to its mining properties. While the Company has diligently investigated title to all mineral claims and, to the best of its knowledge, title to all properties is in good standing; this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers or land claims and title may be affected by undetected defects.

### **Foreign Operations**

Globex conducts operations on numerous mineral properties in Canada, has option arrangements on properties in the United States and may undertake direct exploration in the United States if favourable opportunities arise. Globex's activities in the United States are subject to the risks normally associated with conducting business in foreign countries, including exchange controls and currency fluctuations, foreign taxation, and other risks that could cause exploration or development difficulties or stoppages or restrict the movement of funds. Globex's operations could also be adversely impacted by laws and policies of the United States and Canada affecting foreign trade, investment and taxation. These factors may result in foreign currency exchange gains and losses due to the fluctuation in the relative values of the currencies involved. Globex does not currently own any mineral properties outside of Canada and the United States, although Globex may acquire other foreign properties in the future.

### **Dependence on Key Personnel**

Globex is dependent on the services of certain key officers and employees, including Globex's President, Jack Stoch and Executive Vice-President, Dianne Stoch. Globex has an employment agreement with Mr. Stoch and Mrs. Stoch, but does not carry key-person life insurance on them. Competition in the mining exploration industry for qualified individuals is intense and the loss of any key officer or employee if not replaced promptly could have a material adverse effect on the business and operations of Globex.

### **Regulatory Compliance, Permitting Risks and Environmental Liability**

Exploration, development and mining activities are subject to extensive Canadian and U.S. federal, provincial, state and local laws and regulations governing prospecting, exploration, development, production, taxes, labour standards, waste disposal, protection and remediation of the environment, reclamation, historic and cultural preservation, mine safety and occupational health, control of toxic substances and other matters involving environmental protection and taxation. The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing a mine and other facilities in compliance with such laws and regulations are significant. The costs and delays associated with compliance with such laws and regulations could result in the development or operation of a mine to become uneconomic.

The environmental protection laws address, among other things, the maintenance of air and water quality standards, the preservation of threatened and endangered wildlife species and vegetation, the preservation of certain archaeological sites, reclamation, and limitations on the generation, transportation, storage and disposal of solid and hazardous wastes. The legislation is monitored, but the requirements are constantly changing and are generally becoming more restrictive. There can be no assurances that all required permits and governmental approvals can be obtained on a timely basis or maintained as required.

In the context of environmental permitting, including the approval of reclamation plans, Globex must comply with standards, laws and regulations that may entail greater or fewer costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are

applied by the permitting authority. It is possible that the costs and delays associated with compliance with such laws, regulations and permits could become such that Globex would not proceed with the development of a project or the operation or further development of a mine. Globex has made, and expects if required to make, significant future expenditures to comply with permitting obligations and environmental laws and regulations although no such requirements currently exist. Globex believes that the properties and operations in which it retains interests are currently in material compliance with applicable laws and regulations.

#### **Volatility of Stock Price and Limited Liquidity**

Globex's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol **GMX**. In addition, the Company is interlisted in Europe on the Frankfurt, Munich, Stuttgart, Xetra and Berlin exchanges under the symbol **G1M** and trades under the symbol **GLBXF** on the OTCQX International exchange in the United States.

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

## **IV DIVIDENDS**

---

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

## **V CAPITAL STRUCTURE**

---

The authorized share capital of the Company consists of an unlimited number of New Common shares (as further discussed under the Plan of Arrangement below) with no par value, Butterfly Shares; and Preference Shares, issuable in series. The holders of the New Common shares of the Company are entitled to: (a) vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote; (b) receive any dividend declared by the Company on the common shares; and (c) subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, receive the remaining property of the Company upon dissolution, liquidation or winding-up of the Company.

In connection with the Plan of Arrangement as described in notes 1 and 6 to the December 31, 2012 audited financial statements, Globex's Articles were amended to create and authorize Globex to issue an unlimited number of:

- I. New Common Shares;
- II. Butterfly Shares; and
- III. Preference Shares, issuable in series.

The Butterfly Shares have the following attributes:

- (a) redeemable, at any time at the option of the holder at a retraction amount equal to the Butterfly Share Redemption Amount;
- (b) retractable, at any time at the option of the holder at a retraction amount equal to the Butterfly Share Redemption Amount;
- (c) the holder of the Butterfly Shares will not be entitled to any dividends;
- (d) in respect of each Butterfly Share to be redeemed, acquired or cancelled, will be the amount specified by a Globex director or officer at the Effective date of the issue of the Butterfly shares and is not subject to change thereafter and will be equal to the fair market value of the consideration for which the Butterfly Share is issued.

The Butterfly Share Redemption Amount is the aggregate fair market value of all of the Globex Common Shares outstanding immediately before the exchange of the Globex Common shares for one new Globex Common Share and one Globex Butterfly Share multiplied by the Butterfly Proportion.

### **Common Shares**

#### **Plan of Arrangement, Asset Transfer and Capital Reorganization Transactions:**

At December 31, 2012, Globex had 27,896,018 common shares outstanding and under the Plan of Arrangement, each Globex Shareholder was entitled to receive one New Globex Common Share and

one Globex Butterfly Share for each of their Globex Shares. Each Globex Butterfly Shareholder transferred their Butterfly Shares to CBG and received CBG Common Shares as consideration, which resulted in the issuance of 27,896,018 CBG common shares with an aggregate fair value of \$7,005,084. The spin-out was treated as a reduction of share capital.

The Globex Butterfly Shares became an asset of CBG and were subsequently redeemed in exchange for a Globex Redemption Note of equal value.

Under the Plan of Arrangement, Globex transferred assets with a fair market value of \$7,005,084 (Cash - \$503,006; Investments - \$72,903; and Mining Properties - \$6,429,175) to CBG for CBG Redemption Shares. The CBG Redemption Share Redemption Amount represents the aggregate fair market value of all of the Transferred Assets transferred by Globex to CBG less the aggregate fair market value, as at the effective date, of the CBG Stock Options and divided by the number of CBG Redemption Shares issued as consideration thereof. On a per share basis, this represents an amount of \$0.25 per share.

The Redemption Shares were subsequently exchanged for a CIM Redemption Note of equal value.

The common shares of Globex are listed on the TSX under the symbol GMX. In addition, the Company is interlisted in Europe on the Frankfurt, Munich, Stuttgart, Xetra and Berlin exchanges under the symbol G1M and trades under the symbol GLBXF on the OTCQX International exchange in the United States.

As of March 28, 2013, Globex has 27,896,018 common shares outstanding.

### **Stock Options**

The Company currently has three stock options plans in effect, the 1995 Stock Option Plan, 2003 Stock Option Plan and 2006 Stock Option Plan. The terms and conditions of each of the stock option plans were fully described in Company's Management Information Circular, dated May 3, 2012 and filed on Sedar.

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

At December 31, 2012, 1,927,900 (December 31, 2011 - 2,112,900) options were outstanding and 1,139,600 (December 31, 2011 - 319,600) options were available for future grants under all plans. On January 31, 2013, 50,000 options were granted to a service provider at a weighted average exercise price of \$1.40 per share. The options vested immediately. In addition, 25,000 options naturally expired on February 1, 2013. As a result, at March 28, 2013, there were 1,952,900 Options outstanding and there were 1,114,600 options available for future grant.

In accordance with the Plan of Arrangement, all of the holders of Globex Stock Options outstanding at the Effective Date (December 29, 2012) disposed of their options in consideration of a Globex New Stock Option and a CIM stock option where the Optionee was qualified (Officer, Employee, Consultant, or Director) of the CIM stock option plan. All of the terms with the exception of the strike price remained unchanged.

The modified strike prices reflect the original price per share adjusted by the volume-weighted average trading price of the Chibougamau Independent Mines Inc. shares during the first five days



following listing on the TSXV (January 25, 2013 to January 31, 2013) and the weighted average trading price of the Globex New Common shares during the same period. The Exercise price proportion for the Globex New Share Options is 78.43% of the original exercise price or on a modified basis of \$1.22 per share.

The expiry date of the Globex New Stock Options has remained unchanged at 2.56 years.

### **Restricted Share Unit Plan**

On April 11, 2012, the Board of Directors adopted a Restricted Share Unit Plan (the "RSU Plan") for the Company's executives and key employees, subject to regulatory approval. The RSU Plan is designed to attract and retain qualified individuals, to serve as executives and key employees of the Company and its subsidiaries and to promote the alignment of interests of such executives and key employees, on the one hand, and the shareholders of the Company, on the other hand. A maximum of 600,000 common shares may be issued from treasury under the RSU Plan.

Under the RSU Plan, from time-to-time, the Board of Directors may, in its sole discretion, upon the recommendation of the Compensation Committee after consultation with the Chief Executive Officer of the Company, may grant RSUs to executives and key employees in lieu of a bonus or other similar arrangements.

The RSU Plan was approved by the Shareholders on June 1, 2012 and subsequently on June 19, 2012, the TSX confirmed that it had listed and reserved 600,000 common shares of the Company for issuance under the Plan. Currently, no shares have been issued under the RSU Plan

Further details of the RSU Plan were described in the Company's Management Information Circular, dated May 3, 2012 and filed on Sedar.

### **Shareholders rights plan**

On May 2, 2011, the shareholders approved a Shareholders Rights Plan. The 2011 Rights Plan replaces the 2008 plan, which expired on March 19, 2011. The new plan will be in effect for three years.

The 2011 Plan is designed to provide shareholders and the Board of Directors with adequate time to consider and evaluate any unsolicited take-over bid made for Globex's common shares; provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives; encourage the fair and equal treatment of shareholders in connection with any take-over bid for Globex's common shares; and generally to prevent any person from acquiring ownership of or the right to vote more than 20% of Globex's common shares while the process undertaken by the Board of Directors is ongoing.

Pursuant to the 2011 Plan, rights were issued and attached to all outstanding common shares. A separate rights certificate will not be issued until the rights become exercisable. If a person acquires common shares in breach of the 2011 Plan, each right held by a shareholder, other than the acquiring person and its affiliates, associates and joint actors, will upon exercise and payment of the exercise price, entitle the holder of the right to purchase common shares from Globex with a total market value equal to twice the exercise price of the rights.

The 2011 Plan provides for permitted bids, which must be made from a take-over bid circular, and in addition to certain other specified conditions must be for all of the outstanding common shares, other than common shares held by the acquiring person and its affiliates, associates and joint actors, and must remain open for acceptance by shareholders for at least 60 days from the date that the bid is made.

## VI MARKET FOR SECURITIES

---

The following table sets forth the monthly high and low sale prices and trading volume of Globex's common shares traded on the Toronto Stock Exchange ("TSX") for the calendar year 2012. A similar volume is traded on the Frankfurt Stock Exchange.

### PRICE PER SHARE (IN CANADIAN DOLLARS) AND VOLUMES TRADED

2012	High	Low	Volume
January	\$ 1.48	\$ 1.18	641,633
February	1.41	1.23	227,196
March	1.42	1.16	183,905
April	1.35	1.04	104,921
May	1.55	1.05	176,262
June	1.24	0.98	120,605
July	1.17	0.86	189,770
August	1.08	0.90	202,355
September	1.14	0.93	171,690
October	1.22	0.95	235,147
November	1.14	0.95	279,619
December	1.16	0.92	339,577

Source: TSX

## VII ESCROWED SHARES

---

36,100 or 0.13% of the Company's common shares are held in escrow. The shares, originally issued as consideration for a property since abandoned, will never be released from escrow.

## VIII DIRECTORS AND OFFICERS

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

Names and Municipality of Residence	Position with the Company, Principal Occupation and Office Held	Director since	Number of shares beneficially owned or over which control is exercised as of March 28, 2013
Jack Stoch, Toronto, Ontario, Canada	<i>Director, President and Chief Executive Officer of the Company</i>	1983	2,964,444
Dianne Stoch <sup>(2)</sup> Toronto, Ontario, Canada	<i>Director, Executive Vice President of the Company</i>	1985	1,126,647
Chris Bryan <sup>(1)</sup> Cambridge, Ontario, Canada	<i>Director, Mining Analyst (retired)</i>	1983	72,500
Ian Atkinson <sup>(1) (3)</sup> Toronto, Ontario, Canada	<i>Director, President and Chief Executive Officer Centerra Gold Inc. (mining company)</i>	1986	-
Joel Schneyer <sup>(1) (4)</sup> Denver, Colorado, USA	<i>Director, Managing Director, Headwaters MB (registered broker-dealer)</i>	1997	50,000
James Wilson <sup>(5)</sup> Markham, Ontario, Canada	<i>Chief Financial Officer, Treasurer and Corporate Secretary of the Company</i>	-	-

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

<sup>(2)</sup> In March 2011, the Board appointed Mrs. Stoch to the position of Executive Vice President of the Company.

<sup>(3)</sup> Mr. Atkinson was appointed President and Chief Executive Office, Centerra Gold Inc effective May 17, 2012. Over the preceding five (5) year period, Ian served as Vice President - Exploration for Centerra Gold.

<sup>(4)</sup> In 2010, Mr. Schneyer joined Headwaters MB as its Managing Director, from Mercantile Resource Finance where Joel served as President for a number of years.

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

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

As of March 28, 2013, all directors and senior officers as a group beneficially own directly or indirectly or exercise control or direction over 4,213,591 or 15.10% of the common shares (March 28, 2013 shares outstanding - 27,896,018) of the Company on a non-diluted basis.

### Cease Trade Orders or Bankruptcies

Except as disclosed below, to the best knowledge of the Corporation, no director or officer or principal shareholder of the Corporation is, as at the date hereof or has been within the last ten years prior to the date hereof, (a) subject to a cease trade order, an order similar to a cease trade

order or an order that denied a company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued while the director or officer of the Corporation was acting in the capacity as director, chief executive officer or chief financial officer of that company; (b) subject to a cease trade order, an order similar to a cease trade order or an order that denied a company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued after the director or officer ceased to be a director, chief executive officer or chief financial officer of that company and which resulted from an event that occurred while that person was acting in such capacity; (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (d) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

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

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

## **IX AUDIT COMMITTEE INFORMATION**

---

### **Audit Committee Charter**

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

### **Audit Committee Composition**

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

### **Relevant Education and Experience**

Each member of the Company's Audit Committee has a good command of generally accepted accounting principles and has the ability to understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial

statements. This section describes at greater length how these members acquired their financial literacy.

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

**Ian Atkinson**, M.Sc, A.K.C., D.I.C., a geologist, is currently President and CEO of Centerra Gold Inc, a position he assumed on May 17, 2012. Prior to that date, from 2010, he was Senior Vice President - Global Exploration for Centerra Gold Inc. From 2005 to 2010, he was Vice President, Exploration for Centerra Gold Inc. From 2004 to 2005, he was Vice President, Exploration and Strategy of Hecla Mining Company. From 2001 to 2004, Mr. Atkinson was a geological consultant serving the international mining and exploration community. From 1996 to 2001, he was Senior Vice President, Operations & Exploration, of Battle Mountain Gold Company, until its purchase by Newmont in January 2001. Mr. Atkinson had been with Hemlo Inc. since 1991. Mr. Atkinson held various managerial positions with Noranda Exploration Co. Ltd. from 1979 to 1991. From 1974 to 1978, he was a geologist with McIntyre Mines Ltd. He contributed directly to the discovery of several mineral deposits, including the Freewest/Noranda Harker-Holloway gold mine near Kirkland Lake, Ontario. Continuing professional development includes Finance for Non-Financial Managers at the University of Michigan Business School in 2000; Queen's Executive Program, Queen's University, Queen's School of Business in 1998; and Leadership Development Program at the Niagara Institute in 1996. Mr. Atkinson is also a director of Atikwa Resources Inc. Mr. Atkinson is the current *Chair of the Compensation Committee*.

**Joel D Schneyer** joined Headwaters MB as Managing Director in 2010. His international career spans 30 plus years as an investment banker, financial analyst, metals trader and geologist. Joel joined Headwaters from Mercantile Resource Finance, an advisory firm to the natural resource sector that he founded in 1996. Prior to that, he was Manager of Derivative Finance in the metals group of Barclays Bank, and a Senior Analyst in the New Business and Strategic Planning Group, at Billiton Royal Dutch Shell. Before commencing on his banking career, Joel worked as an oil and gas exploration geologist with Celeron Oil & Gas (Goodyear) and IP Petroleum (International Paper), and as a field geologist for the U.S. Geological Survey. Joel has served on a number of mining company boards over the years and currently serves on the boards of Claim Post Resources Inc. and THEMAC Resources Group Ltd. He also serves on the board of SynCoal Solution, Inc., a private Colorado based company advancing a pre-combustion coal upgrading and flue gas conditioning technology. He earned a B.A. in Geology with High Honors from Colgate University, a M.A. in Geology from the University of Texas at Austin, and a M.S. in Mineral Economics from the Colorado School of Mines. He holds the ICD.D certification from the Institute of Corporate Directors and the FINRA Series 79 investment-banking license. Mr. Schneyer is the current *Chair of the Audit Committee*.

### **Pre-approval Policies and Procedures for Audit Services**

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

## External Auditor Service Fees (by Category)

The table below represents all fees paid by the Company to its external auditor, Deloitte s.e.n.c.r.l., “Comptables Professionnels agréés”, for the years ended December 31, 2012 and 2011.

	Year ended December 31	
	2012 Estimated	2011 Actual
Audit fees.....	\$ 64,000	\$ 58,673
Audit-related fees <sup>(1)</sup> .....	15,000	22,963
Tax fees <sup>(2)</sup> .....	19,000	27,386
All other fees <sup>(3)</sup> .....	2,200	11,232
TOTAL.....	\$ 100,200	\$ 120,254

- (1) Audit-related fees were billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s annual financial statements and are not reported as part of audit fees, including review of Management Discussion and Analysis for consistency with audited financial statements, review of the translation of the audited financial statements and assistance during the year on quarterly financial statements.
- (2) Tax fees were billed for professional services rendered for tax compliance, tax advice and tax planning, including providing assistance with explanation of income tax calculations, preparation of federal and Quebec returns, Quebec Mining Duties return and U.S. tax returns for Globex Nevada, Inc.
- (3) These fees were billed for products and services other than audit fees, audit-related fees and tax fees, principally for assistance with continuous disclosure review questions, participation in the companies review and assessment of the impacts of IFRS on the company’s accounting and reporting.

## X INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

---

The Interest of Informed Persons in Material Transactions of the Company is discussed in the Notice of Special Meeting to be held on October 19, 2012 and Management Information Circular, dated September 19, 2012, page 43, and incorporated by reference in this Annual Information Form. Related Party Transactions are detailed note 22 to the 2012 Consolidated Financial Statements, incorporated by reference in this Annual Information Form.

## XI TRANSFER AGENT AND REGISTRAR

---

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

## XII INTERESTS OF EXPERTS

---

Deloitte s.e.n.c.r.l., “Comptables Professionnels agréés” have prepared the Independent Auditor’s Report on the audited consolidated financial statements of Globex as at December 31, 2012, December 31, 2011 and January 1, 2011. None of the designated professionals of Deloitte s.e.n.c.r.l., “Comptables Professionnels agréés” beneficially owns, directly or indirectly, any of the Company’s outstanding shares.

## XIII ADDITIONAL INFORMATION

---

- (a) Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).
- (b) Additional information is provided in our comparative financial statements and Management’s Discussion and Analysis for the year ended December 31, 2012. Copies of these documents are available upon request from the Corporate Secretary.
- (c) Unless otherwise stated, information contained herein is as at March 28, 2013.



## SCHEDULE A

### AUDIT COMMITTEE CHARTER

#### 1.0 Purpose

- 1.1 The Audit Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of Globex Mining Enterprises Inc. ("**Globex**") charged with assisting the Board in fulfilling its responsibility to the shareholders and investment community. Its role is to:
- (a) serve as an independent and objective party to oversee Globex's accounting and financial reporting processes, internal control system and audits of its financial statements;
  - (b) review and appraise the audit efforts of Globex's external auditors; and
  - (c) provide an open avenue of communication among the external auditors, financial and senior management and the Board.

#### 2.0 Committee Membership

- 2.1 The Board of Globex shall annually appoint a minimum of three directors to the Committee, all of whom shall be directors of Globex and "independent" within the meaning of Regulation 52-110 *Respecting Audit Committees* (Québec) and within the meaning of Multilateral Instrument 52-110 *Audit Committees*, as such meanings may be amended from time-to-time.
- 2.2 All members of the Committee must be financially literate, or if not financially literate at the time of their appointments, must become so within a reasonable period following their appointments.
- 2.3 Members of the Committee shall be appointed at the first meeting of the Board of Directors typically held following the Annual General Meeting of Globex.
- 2.4 A member may resign from the Committee and may be removed and replaced at any time by the Board of Directors. A member of the Committee will automatically cease to be a member when that individual ceases to be a director of Globex.

#### 3.0 Chair of the Committee

- 3.1 The Board shall in each year appoint a Chair of the Committee from among the members of the Committee. In the Chair's absence, or if the position is vacant, the Committee may select another member to act as interim Chair.
- 3.2 The Chair shall have the right to exercise all powers of the Committee between meetings but will attempt to involve all other members as appropriate prior to the exercise of any powers and shall, in any event, advise all other members of any decisions made or powers exercised as soon as practicable thereafter.
- 3.3 The Chair shall be responsible to:
- (a) ensure the Committee meets regularly and performs its duties as set out herein; and
  - (b) report to the Board of Directors on the activities of the Committee.

## 4.0 Responsibilities

4.1 The Audit Committee is responsible to:

- (a) make recommendations to the Board regarding the selection and compensation of the external auditor to be engaged to prepare or issue an auditor's report or perform other audit, review or attest services for Globex who shall report directly to the Committee;
- (b) obtain and review a report from the external auditor at least annually regarding:
  - (i) the external auditor's internal quality-control procedures;
  - (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the external audit firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm;
  - (iii) any steps taken to deal with any such issues; and
  - (iv) all relationships between the external auditor and Globex, including non-audit services,
- (c) evaluate the qualifications, performance and independence of the external auditor, including considering whether the external auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors and to present its conclusions with respect to the external auditor to the Board;
- (d) satisfy itself of the rotation of the audit partners as required by law and consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the external auditing firm on a regular basis;
- (e) meet with the external auditor and financial management of Globex to review the scope of the proposed audit for the current year and the audit procedures to be used;
- (f) oversee the work of the external auditor engaged to prepare or issue an auditor's report or perform other audit, review or attest services for Globex, including the resolution of any disagreements between management and the external auditor regarding financial reporting;
- (g) pre-approve all non-audit services to be provided to Globex or any of its subsidiaries by Globex's external auditor;
- (h) review the performance of the external auditors;
- (i) review with management and the external auditors:
  - (i) Globex's audited financial statements and the notes thereto, MD&A and any annual earnings press releases before Globex publicly discloses this information;
  - (ii) any significant changes required in the external auditors' audit plan and any serious difficulties or disputes with management encountered during the course of the audit; and

- (iii) other matters related to the conduct of the audit that are to be communicated to the Committee under generally accepted auditing standards;
  - (iv) the Company's critical accounting policies at least annually.
- (j) satisfy itself that Globex's annual audited financial statements are fairly presented in accordance with applicable Canadian generally accepted accounting principles and recommend to the Board whether the annual financial statements should be approved and included in Globex's Annual Report;
  - (k) review with management Globex's unaudited interim financial statements and the notes thereto, interim MD&A and any interim earnings press releases before Globex publicly discloses this information;
  - (l) recommend to the Board whether Globex's interim unaudited financial statements should be approved;
  - (m) review with the external auditors and management the quality of Globex's accounting principles as applied in its financial reporting process and any proposed changes in accounting principles;
  - (n) satisfy itself that Globex has implemented appropriate systems of internal control over accounting, financial reporting [and the safeguarding of the Company's assets and other "risk management" functions (including the identification of significant risks and the establishment of appropriate procedures to manage those risks and the monitoring of corporate performance in light of applicable risks) affecting Globex's assets, management and financial and business operations and that these are operating effectively];
  - (o) satisfy itself that adequate procedures are in place for the review of Globex's public disclosure on financial information extracted or derived from Globex's financial statements, other than the public disclosure referred to in paragraph (i)(ii) and in paragraph (k) above, and periodically assess the adequacy of those procedures;
  - (p) establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters and for the confidential, anonymous submission by Globex's employees of concerns regarding questionable accounting or auditing matters;
  - (q) review and approve Globex's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of Globex;
  - (r) review and ensure that The Disclosure Committee is adhering the rules of its charter;
  - (s) perform any other activities consistent with this Charter, the Company's By-laws and governing law, as the Committee or the Board deems necessary or appropriate.

4.2 The Committee may delegate to one or more independent members the authority to pre-approve non-audit services in satisfaction of Section 4.1(g) above, provided that the pre-approval by any member to whom authority has been delegated must be presented to the Committee at its first scheduled meeting following such pre-approval.

## **5.0 Meetings**

- 5.1 The Chairman will appoint a secretary who will keep minutes of all meetings (the "Secretary"). The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.
- 5.2 The Committee shall transact no business unless a quorum of the Committee is present or the business is transacted by resolution in writing signed by all members of the Committee. A majority of the Committee shall constitute a quorum, provided that the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum.
- 5.3 The Committee shall meet as often as it deems necessary to carry out its responsibilities.
- 5.4 The time and place where the meetings of the Committee shall be held, and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the By-laws of Globex or otherwise determined by resolution of the Board.
- 5.5 Meetings may be held in person, by teleconferencing or by videoconferencing.
- 5.6 Any decision made by the Committee shall be determined by a majority vote of the members of the Committee present. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member dissents.
- 5.7 Minutes of the Committee will be kept by the Secretary. The approved minutes of the Committee shall be circulated to the Board forthwith and shall be duly entered in the books of Globex.

## **6.0 Access to Management and Outside Advisors**

- 6.1 The Committee shall have full, free and unrestricted access to management and employees and to the relevant books and records of Globex.
- 6.2 The Committee may invite such other persons (i.e. the CEO, CFO, and Controller) to its meetings, as it deems necessary.
- 6.3 The Committee shall have the authority to retain independent legal, accounting or other relevant advisors, as it may deem necessary or appropriate to allow it to discharge its responsibilities, at the expense of Globex.
- 6.4 Any advisors retained shall report directly to the Committee and will provide the Board and management with written copies of all findings on a timely basis.

## **7.0 Reporting Requirements**

- 7.1 The Committee shall make regular reports to the Board, through the Chair, following meetings of the Committee.
- 7.2 The Committee shall prepare, if it deems it advisable or necessary an annual report to shareholders for inclusion in Globex's annual Management Information Circular.

**8.0 Annual Review and Assessment**

8.1 The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

8.2 The Committee shall review its own performance annually.

**9.0 Remuneration**

9.1 The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determined.