

## Globex Mining Enterprises Inc. (GMX)

February 26, 2022

Globex Mining Enterprises Inc. is a North American focused exploration and development project generator. The Company has an exceptionally well-diversified portfolio of assets with exposure to a wide range of commodities.

The new year has started off well for Globex with very positive news items reported by several of its transaction partners. Exceptional drill core assay results continue to be presented by Starr Peak at NewMetal, Voyager Metals has ambitions to build a mine at the Mont Sorcier property, and Maple Gold is committed to build the gold resources of its core holdings, including the Eagle Mine property.

Globex maintains one of the largest property portfolios in the junior mining sector. The suite of property and royalty holdings currently comprised of 204 packages. This combination of a vibrant mix of property and royalty holdings and the lavishly funded treasury of over \$30 million (pre tax) has contributed to a strong market performance. With so many active projects currently advancing, the speculative upside for this Company remains exceptional.

We reiterate our buy recommendation for Globex Mining Enterprises with a price target of \$2.87, which is 127% above today's stock price.



- ▣ A long term growth strategy using the project generator model has served Globex well during this resource bull market. The focus on achieving transactions with quality partners has established a pipeline with multiple properties advancing independently. This success builds further value through minority ownership positions that Globex holds in many of the partner companies.



## THE COMPANY

Globex Mining Enterprises Inc. is a North American focused exploration and development project generator. A project generator's business model is to acquire mineral properties, and to advance them, either to production or to ready them for optioning, joint venturing, or outright sale to a third-party resource company.

The properties in a project generator's portfolio are typically optioned out to third parties - termed as Option Partners or optionees - in exchange for:

- ▣ A series of annual cash and/or share payments.
- ▣ An annual exploration work commitment; and
- ▣ A Gross Metal Royalty (GMR).

Upon the satisfaction of the above option terms, the property interest is transferred to the Option Partner. However, the option contract will terminate if annual payments and/or work commitments are not met. In that case, the property returns back to Globex along with exploration data and work credits.

Outright property sales may include cash and/or share payments and a form of royalty interest payable when projects achieve commercial production, or another negotiated milestone.

Unlike investments in traditional junior resource companies, where most investors speculate on the outcome of one or two projects, Globex has a much lower downside as it puts its eggs in multiple baskets, allowing them to significantly reduce the inherent risk of the mineral exploration and development business.

Therefore, an investment in Globex is ideal for investors seeking exposure to the commodities markets and the resource sector without having to bet on the outcome of a single or handful of projects.

Moreover, Globex' model offers the potential to generate consistent and recurring revenues from royalties on the projects that eventually advance to production.

Globex' current mineral portfolio consists of approximately 204 early to mid-stage exploration, development and royalty properties which contain **Base Metals** (copper, nickel, zinc, lead), **Precious Metals** (gold, silver, platinum, palladium), **Specialty Metals and Minerals** (manganese, vanadium, titanium oxide, uranium, iron, molybdenum, lithium, cobalt, rare earths and associated elements) and **Industrial Minerals** (mica, silica, feldspar, pyrophyllite, kaolin, graphite, antimony as well as talc and magnesite).



**The Globex property map clearly shows the strong focus on Eastern Canada.**

A significant majority of Globex' properties are located in Eastern Canada, as the Company's geologists are true experts in the region. In addition, the Company appreciates the strong mining laws in Canada and the low political risk.

Globex rarely acquires grass roots or very early stage projects. Instead, the Company is focused on acquiring properties which meet one or more of the following criteria:

- ▣ Historical or NI 43-101 resource estimates;
- ▣ Have reported past production;
- ▣ Have established drill targets or drill intersections of economic merit;
- ▣ Are located on major geological structures.

The Company maintains a tight capital structure with a little over 55 million shares outstanding, no debt and over \$30 million in cash and shares of other companies. Since its listing in 1987, it has never executed a reverse stock split.

Globex trades on the senior Toronto Stock Exchange under the symbol GMX, in the United States on the OTCQX International market with symbol GLBXF and in Europe on the Frankfurt, Berlin, Stuttgart, Munich, Tradegate and Lang & Schwarz, L&S Exchange, TTM Zone stock exchanges with symbol G1MN.

The Company's head office is located in Toronto, Ontario, and its principal business office is located in Rouyn-Noranda, Quebec. In addition to the senior management team, Globex has 12 employees, including 6 geologists, and 2 technicians.

## Revenue Model

In the past few years, Globex' revenue had been under pressure, varying between a low of \$750,000 (2013) and a high of \$3,963,315 (2017). The reason for these low revenues was the crisis in the resource sector. Very few companies were able to raise money to option or develop projects. Another consequence was that royalty income dropped significantly, as companies closed operating mines. Thanks to the revival in the resource sector, Globex in 2020 will far exceed its 2017 revenue (Also read Financials).

To clarify the Company's business model further, both an example of an option agreement as well as a royalty stream are described in more detail below.

Globex entered into an **Option Agreement** with Manganese X Energy Corp. (TSXV: MN) related to the Houlton Woodstock Manganese Property located in the Province of New Brunswick, Canada.

To earn a 100% interest in the property, subject to a 3% Gross Metal Royalty, Manganese X was required to:

- Make cash payments to Globex of \$200,000 (fully paid);
- Issue an aggregate of 4,000,000 common shares of Manganese X (fully paid);
- Incur exploration expenditures of \$1,000,000 on the property (Completed); and
- Deliver a Preliminary Economic Assessment (PEA) to Globex on or

before the fourth anniversary of the Option.

Nyrstar's Middle Tennessee mine on the other hand, has been one of Globex' best **Royalty Agreements**.

Before selling the royalty last year (see below), Globex was entitled to a 1.4% royalty when the LME zinc price was at or over US\$1.10 per lb, and a 1% royalty when the zinc price was between US\$0.90 and US\$1.09 per lb. Since 2010, Globex received royalties from Nyrstar totalling over \$6 million.

Globex currently has a total of 82 royalty arrangements in effect at various stages.

## TREMENDOUS VALUE CREATION

The heart and soul of Globex is its property portfolio. The Company's current mineral portfolio consists of about 204 assets. In addition, the Company recently staked a number of new assets and purchased a number of properties and royalties.

During the past year, Globex has been extremely successful monetizing its asset portfolio. Below is an overview that highlights some of these transactions.

It's also important to understand that most of the projects highlighted in this section were originally acquired many years ago at bargain levels by Globex. Subsequent transactions with partner companies generated cash and share payments to the Company up front. Now as the advancement of these properties continues, Globex may participate in the future value proposition for royalty income. The long-term strategic focus to acquire properties and arrange successful partnerships is paying off once again.

## Globex Signs Massive Deal With Electric Royalties

In March of 2021, Globex reported a major agreement to vend the Middle Tennessee Mines Royalty (MTM) to Electric Royalties Ltd (ELEC).

This royalty entitled Globex to a 1.4% royalty when LME zinc prices were at or over US\$1.10 per lb. and a 1% royalty when the zinc price were between US\$0.90 and US\$1.09 per lb. Since 2010, Globex received royalties from Nyrstar totalling more than US\$6 million.



**Underground operations at Nyrstar's Middle Tennessee Mines.**

The parties agreed that in return for the royalty, Globex would receive a non-refundable deposit of \$250,000 while ELEC would complete a financing. When the deal would later be finalized, another payment of \$13 million, along with 14.5 million shares of ELEC (at the time of the announcement worth \$5 million), would be issued to Globex.

The financing plan envisioned by ELEC to fund the acquisition originally was based on completing a significant equity offering to raise the necessary cash. In May of last year however, Electric Royalties reported that Sprott Resource Streaming and Royalty (Sprott) issued payment of \$13.5 million to ELEC for 75% ownership of the MTM royalty. This deal represented greater value for ELEC shareholders, as it involved less shareholder dilution and still provided leverage to the income stream of the MTM royalty.

A subsequent result of the agreement between ELEC and Sprott was that the terms of the transaction between ELEC and Globex also had to be revised because the structure of the deal involved a payment to Globex of 14.5 million shares of EV. However, since the transaction with Sprott did not involve issuing more shares, the payment in share capital would have resulted in ownership by Globex of more than 20% of the shares of ELEC. This

would then require a vote by ELEC shareholders to ratify the transaction, involving additional delays and uncertainties.

Under the revised agreement terms, **Globex received payment of 9 million shares of ELEC plus a further 5.5 million common share purchase warrants** that enable Globex to purchase additional shares of ELEC at the exercise price of 60 cents per share. Globex is also to receive an additional \$500,000 in cash under the revised terms, bringing **the total cash payment for the deal up to \$13.75 million.**

While the income from the Middle Tennessee Mines royalty will be missed, the transaction is exceptional for Globex shareholders. The value of the deal represents nearly 15 years of expected royalty payments from the Middle Tennessee Mines GMR. Instead, Globex now has that money up front and the opportunity to build greater value in the years ahead.

### **Globex Sells Francoeur/Arntfield/Lac Fortune Project in Blockbuster Deal**

In June 2021, Globex sold several properties to Yamana Gold Inc [YRI]. The highlight of the transaction was the sale of the consolidated Francoeur/Arntfield/Lac Fortune project, located in the Abitibi of Quebec, Canada. **The total value of this deal is worth more than \$15 million.**

The large continuous Francoeur/Arntfield/Lac Fortune gold property was patiently assembled by Globex over the years to include several past-producing gold mines and surrounding land holdings. Remnant gold resources from the historic mines, along with new gold discoveries achieved by Globex, provided the incentive for Yamana to acquire the package. Several other property claims in Quebec were also part of the deal. However, there were many factors along the way that contributed to a successful outcome.

It all began when Yamana purchased its Wasamac and Camflo Property interests through the acquisition of Monarch Mining Corporation in January of this year. This established a new core operating area for Yamana that includes advanced gold deposits

and mining infrastructure. Yamana committed towards the resumption of active gold mining at these past-producing projects.

The Francoeur/Arntfield/Lac Fortune property holdings are located immediately adjacent to the Wasamac Gold Mine property. Globex already demonstrated the attractive potential for further high-grade gold discovery. Yamana made the decision to acquire these strategic interests as part of its plan to build the magnitude of its operations in Quebec.

As the saying goes, sometimes it takes many years to achieve an instant success. Globex originally recognized the potential for these properties based on the historical gold mining activity in the district. In March of 2016, the Company completed a deal with Richmont Mines Inc. to secure 100% ownership of the Francoeur and Arntfield holdings. The acquisition deal included office and support buildings along with extensive underground development and mining infrastructure. Historic gold resources identified for the Francoeur mine remained open for further expansion. Globex acquired the entire property package under bargain terms.

Additional claim groups were subsequently acquired by Globex to build the consolidated property area. This included a deal in December of 2018 involving a swap of assets with Monarques Gold Corporation. The property holdings secured by Globex expanded the potential strike of newly discovered gold zones. The acquisition paid off shortly thereafter. In 2019 the Company successfully completed multiple phases of exploration programs at the project. New gold zones were discovered including surface channel sampling such as 9.52 g/t Au over 7.1 metres in the South Shear and 7.05 g/t Au over 9.5 metres in the 450 Zone, in addition to the expansion of previously defined gold deposit areas.

The final piece of the puzzle for this transaction arrived with the acquisition of the Lac Fortune property in 2020.

In addition to the Francoeur/Arntfield/Lac Fortune project, Globex also agreed to vend 30 claims in Beauchastel Township located to the east of Yamana's Wasamac property.

Three other claims in Malartic Township were also included in the transaction. The \$15 million deal closed including payment of 706,714 shares of Yamana to Globex. This initial payment represents a value of about \$4 million.

Subsequent instalment payments are due on the anniversary of the deal for the next four years. In total, Globex will receive \$11 million during that term (+\$15 million in total).



**Some of the existing infrastructure on the Francoeur property.**

Another value proposition, Globex will also retain a 2% Gross Metal Royalty on all production from the consolidated property holdings involved in this deal. Yamana may purchase 0.5% of this royalty for a cash payment of \$1.5 million. Considering the stated intention of Yamana to advance the core area through to resume production, this royalty interest may represent considerable value for Globex in the years ahead.

### **Historic Eagle Gold Mine Brings In \$1.2 Million**

Also, during the Summer of 2021, the Company is continued to achieve significant property transactions. Late July, it vended the Eagle Gold Mine to Maple Gold Mines Ltd. [MGM]. The transaction was valued at \$1.2 million and in addition, Globex retained a 2.5% Gross Metal Royalty on the project, 1.5% of which may be purchased for \$1.5 million.

Located in Joutel township, Quebec, the 77-hectare Eagle Gold Mine is highlighted by a formerly producing mine. The project includes a historical gold resource estimated at more than 277 thousand tons with an average

grade of 5.83 g/t. While significant quantities of gold were produced at Eagle Gold, attractive exploration potential was demonstrated in 2014 as new gold zones were outlined through drilling work.

Under the terms of the agreement, **Maple shall issue to Globex a total of \$600,000 in cash plus shares of Maple valued at \$600,000**, scheduled during a 5-year term of payments. Maple also commits to fund at least \$1.2 million in exploration expenditures at the property.

Anniversaries	½ Cash, ½ Shares	Work	Comment
On Signing	\$100,000	-	Firm
At 6 months	\$100,000	-	Firm
At 12 months	\$100,000	\$200,000	Work Expenditure Firm by Month 12
At 18 months	\$125,000	-	
At 24 months	\$125,000	\$300,000	
At 36 months	\$150,000	\$300,000	
At 48 months	\$200,000	\$400,000	
At 60 months	\$300,000	-	

Maple Gold Mines immediately went to work and completed a three-dimensional geological and structural model for the property a couple of months later. Potential extensions to previously mined gold zones were identified. Additional discovery potential was presented for potential sub-parallel veins in proximity to the historic workings that had never been tested by the prior operator. The study also reviewed previous exploration data and identified targets where high-grade gold intercepts had not been properly advanced in follow up work.

Maple Gold Mines is a successful junior mining company that is already active in the district through a JV in partnership with senior miner Agnico-Eagle Mines Ltd. This deal creates added incentive to build on the gold resources at the Eagle Mine, and perhaps the potential for the resumption of mining activity on the historic project. If so, the retained royalty held by Globex will create additional shareholder value on the back end of this deal.

### Deal For Advanced Gold Project in Nova Scotia

An acquisition deal involving a partner company was also announced right before

Christmas 2021. Atlantic Mining NS Inc. has arranged a transaction to acquire all of the outstanding shares of NSGold Corporation [NSX]. The objective of this deal is to secure ownership of the Mooseland Gold property, located in the province of Nova Scotia. Atlantic has offered a cash payment of \$0.40 per share in this transaction. The deal is subject to shareholder approval with a vote scheduled in February.

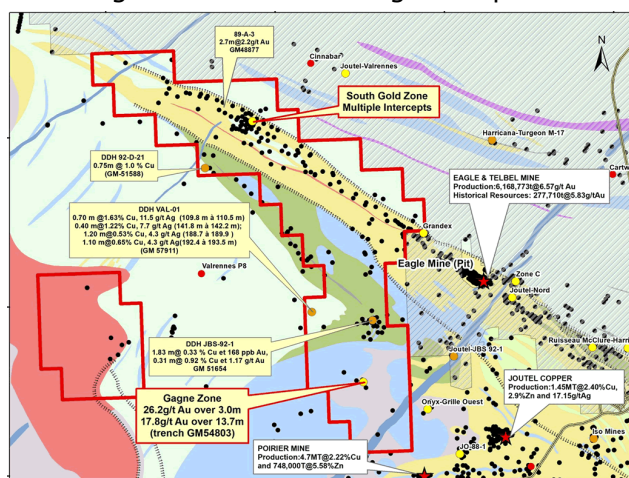
NSGold originally secured this exploration project through an option deal with Globex back in 2010. Exploration work advanced at the project, funded entirely by NSGold. In September of 2020, NSGold announced a compliant resource for the Mooseland property that presented 523,000 ounces of gold. With the completed transfer of 100% ownership of Mooseland to NSGold in 2019, Globex was issued 1,745,408 shares in addition to cash payments earlier in the agreement. **This position is valued at nearly \$700,000 under the terms of the takeover deal.**

Atlantic operates a producing gold mine in Nova Scotia in close proximity to the Mooseland property. Therefore, much of the capital investment to fund development would be offset by the potential to operate Mooseland as a satellite mine within trucking distance to the established processing infrastructure. The enhanced prospect through this deal to accelerate potential mine development is therefore of great interest to Globex shareholders. Globex retains a 2% GMR on the Mooseland Gold property. Any gold production generated from the attractive Mooseland resource would contribute royalty income payable to the Company.

### Globex Signs Another High Value Option Deal Late 2021

Late 2021, the Company arranged an option deal to vend 100% ownership of three Quebec properties to junior explorer Orford Mining Corporation [ORM]. The Eagle Northwest, Gagne and Valrennes claim packages were consolidated to form the Joutel Eagle property involved in this deal. Spanning a combined property area of 50 square kilometers, the holdings are located in the Joutel Township.

The terms of the transaction involve a series of cash/share payments over a five-year period, along with phased work commitments funded by Orford. **The total value of this transaction is \$1,655,000** (half in cash and half in Orford shares) and firm payments of \$425,000 are due within the first year, of which \$225,000 was paid upon signing of the option agreement. Orford has also pledged to fund at least \$2,775,000 in exploration work at the property. At least \$200,000 in exploration activity must be completed at the property in the first year. A further commitment to fund \$325,000 in the 2nd year of the agreement was also agreed upon.



**The Globex claims.**

Globex retains a 3.5% Gross Metals Royalty (GMR) against all of the claims involved in this transaction. Orford will have the option to repurchase 1.5% for a cash payment of \$2 million.

Orford is perhaps the ideal option partner for the Joutel Eagle Property. David Christie, serving as the President and CEO of Orford, started his career working in the area. Orford controls the McClure East and the Joutel South properties located in close proximity within the district. Orford also controls the expansive Joutel Omega further to the south. These properties amount to a combined area of 21 square kilometers. The Joutel Eagle property is therefore an excellent strategic addition to build greater clout for Orford in this established mining district.

Despite the extensive previous work history, the property is considered underexplored. Historical exploration activity may have

focused on promising sections while neglecting the wider structural context for a system that extended beyond the border of a smaller property area. These established gold-copper zones represent advanced exploration targets.

Since acquiring the option, Orford has completed a compilation of the approx. 20,000 m of historical drilling from the property, which has identified multiple gold zones. One such zone is the "South Gold Zone" which contains a steeply dipping gold bearing vein with grades of up to 6.4 g/t Au over 2.7 metres in historical drilling that is open at depth. **A 1,500m diamond drilling program will begin later this month**, which will aim to confirm historical results, test continuity and test newly identified targets in and around the South Gold Zone.

**FINANCIALS**

The Company's revenues increased to \$19,393,384 for the three months ended September 30, 2021 compared to \$6,601,256 for the three months ended September 30, 2020. Globex reported option income and advances royalties of \$19,231,331 and metal royalty income of \$162,053 during the third quarter of 2021.

Exploration and evaluation expenditures increased to \$750,609 for the three months ended September 30, 2021, compared to \$424,964 for the three months ended September 30, 2020. The increase can be attributed to acquisition costs and exploration expenditures incurred on various projects.

	09/30/21	09/30/20
Revenues	19,393,384	6,601,256
Operating Expenses	1,170,591	694,021
<b>Profit (Loss) From Operations</b>	<b>18,222,793</b>	<b>5,907,235</b>
Other Income (Loss)	(2,768,089)	1,397,995
<b>Net Income (Loss)</b>	<b>12,735,586</b>	<b>7,289,209</b>

**Selected income statement data for the three months ended September 30, 2021 and September 30, 2020. Source: Company Filing**

The Corporation's net income totaled \$12,735,586 for the three months ended

September 30, 2021, with basic and diluted income per share of \$0.23 and \$0.22, respectively. This compares with a net income of \$7,289,209 with basic and diluted income per share of \$0.13 for the three months ended September 30, 2020. The increase in net income was principally due to the significantly higher revenues generated in the third quarter of 2021.

## Balance Sheet as of September 30, 2021

**At September 30, 2021, the Corporation had cash and cash equivalents of \$16,404,935 (December 31, 2020 - \$4,772,492). In addition, it had investments with a fair market value of \$13,845,165 (December 31, 2020 - \$5,689,750) which represents shares received under mining option and sale agreements.**

The Corporation's working capital (based on current assets minus current liabilities) was \$29,944,480 at September 30, 2021 (December 31, 2020 - \$10,631,474).

It's also important to note that Globex doesn't have any long-term debt or similar contractual commitments.

	09/30/21	09/30/20
Cash and Cash Eq.	16,404,935	4,983,348
Investments	13,845,165	6,061,211
<b>Total Current Assets</b>	<b>30,471,475</b>	<b>11,770,095</b>
Reclamation Bonds	817,818	838,415
<b>Total Assets</b>	<b>32,231,894</b>	<b>13,033,819</b>
<b>Total Current Liabilities</b>	<b>526,995</b>	<b>172,587</b>
Total Stockholder Equity	30,800,409	11,880,691
<b>Selected balance sheet data for September 30, 2021 and September 30, 2020. Source: Company Filing</b>		

## OUTLOOK & VALUATION

Globex Mining Enterprises Inc. may be considered to be a hybrid junior resource company. Like most junior explorers, the

Company controls attractive properties with the potential for exploration and discovery.

Investors' attraction for mineral exploration companies is driven by the potential for spectacular gains that are often generated with the achievement of significant discoveries. One of the most important considerations regarding junior explorers therefore is the determination to carry out exploration programs and continue towards the achievement of at least one defined resource deposit.

The corporate strategy for Globex has leveraged to a large number of active exploration projects, each with the potential to advance along the value curve through the discovery of new resources.

The flow of positive property transactions continues to make headlines. This generates a direct capital gain and contributes further strength to the working capital position for the Company.

Another benefit to the steady deal flow in recent quarters is that Globex is accumulating minority ownership positions in many of its partner companies. Globex is often paid in shares for at least a portion of the transaction value. This share ownership position may increase in value as a result of the successful work programs arranged in these deals. In effect the portfolio of shares held by Globex adds another dimension of value creation for shareholders. The growth engine for Globex is revving up and the future prospects remain very attractive.

Although Globex's stock price has already risen 200% since July 2020, there are many positive catalysts in play that support a much higher share price still. By accumulating out of favor properties when resource markets were down, the Company is now fully leveraged to the ongoing resource bull market with one of the most diverse portfolios of attractive projects in the junior mining sector. Shareholders may look forward with confidence to the future. Globex continues to build leverage to high quality properties and a wide range of resources to build further value in the years ahead.



## Valuation

As Globex has so many assets, it's sometimes hard for investors and brokers to understand its true value, in contrast to a resource company that is developing one or two properties. This situation has led to an undervaluation of Globex.

Because project generators hold and advance several properties in their portfolio through option partnerships, the most appropriate method to evaluate such a company is through peer comparison.

Based on 55 million shares outstanding, the intrinsic value of Globex' shares derived from our model is \$2.87.

**Based on these calculations, we reiterate our buy recommendation for Globex Mining Enterprises with a price target of \$2.87 which is 127% above today's stock price.**

## SHARE DATA & OWNERSHIP

As of September 30, 2021 Globex, had a little over 55 million common shares outstanding. Jack Stoch and his spouse, Dianne Stoch (director of Globex) own 5.3 million shares, or close to 11.05% of the total outstanding shares, plus stock options.

**One of the primary risks of traditional resource companies is share dilution. That is absolutely not the case with Globex. The Company has been in business for over 30 years, and it still has only 55 million shares outstanding without a single reverse stock split.**

Finally, Globex also has 2.70 million stock options outstanding with an average exercise price of \$0.40. Each stock option entitles its holder to purchase one common share of the Company.

## MANAGEMENT

### ❑ JACK STOCH – PRESIDENT AND CEO

Following a stint with Noranda Exploration Ltd., Mr. Stoch, in 1976, started acquiring and

vending exploration projects, through his own consulting businesses, Jack Stoch Geoconsultant Services Ltd. and Geosol Inc. In 1983, he gained control of Globex, listed it in 1987, and has since amassed a mature exploration portfolio. He has attracted a knowledgeable and well-connected Board of Directors and has expanded the Company's exploration, evaluation and mining team. In 1972, Mr. Stoch earned a B.Sc. in Geology from Sir George Williams University in Montreal, with additional graduate courses at McGill University. He was awarded the designation Acc. Dir., Accredited Director in 2007 by the Chartered Secretaries Canada and is a registered Professional Geologist in both Quebec and Saskatchewan, Canada.

### ❑ DIANNE STOCH – DIRECTOR

Prior to joining Globex over 20 years ago, Dianne Stoch was employed by Noranda Inc. for more than 18 years, in a variety of accounting/financial positions including Head Office Corporate Planner and Senior Accountant Analyst, revenue planner for the Horne smelter in Rouyn-Noranda. In 2007, Mrs. Stoch was awarded the designation Acc. Dir., Accredited Director, from the Chartered Secretaries Canada.

### ❑ JOHANNES H. C. VAN HOOF – DIRECTOR

Mr. van Hoof has held senior positions at various European financial institutions, including PVF Pension Funds, Paribas Capital Markets and Bankers Trust. His roles during the past 22 years include senior Portfolio Manager, senior Risk Manager, Deputy Head of global equity derivatives, Managing Director responsible for M&A arbitrage, derivatives arbitrage and venture capital investments as well as Chairman and Senior Executive Officer of Soros Funds Limited in London. In 2002, Mr. van Hoof founded VHC Partners alternative investment management group, active in hedge fund management, corporate and project finance advisory services, private equity investments and charitable projects.

### ❑ IAN ATKINSON – DIRECTOR

Ian Atkinson, M. Sc, A.K.C., D.I.C., a geologist, is currently a Director of Kinross following his appointment in February 2016. Mr. Atkinson was previously President and

CEO, and a Director, of Centerra Gold. He has more than 40 years of experience in the mining industry with extensive background in exploration, project development and mergers and acquisitions. Prior to his ten-year tenure at Centerra, Mr. Atkinson held various senior leadership positions with Hecla Mining Company, Battle Mountain Gold, Hemlo Gold Mines and the Noranda Group. Mr. Atkinson holds a Bachelor of Science degree in geology from King's College, University of London and a Masters degree in geophysics from the Royal School of Mines, University of London.

▣ **CHRIS BRYAN – DIRECTOR**

Chris Bryan is a retired geologist, previously President of CBIM, a private OSC-registered investment counsel. From 1994 to 1995 Chris was President of Ophir Capital Inc., an investment management company. Prior to that, Mr. Bryan was Vice-President, Director and Portfolio Manager of Bolton-Tremblay Inc. Chris received his B.Sc. (Geology) from Sir George Williams University, a graduate diploma in Geological Sciences from McGill University and in 1978, a B. Comm. from Concordia University, Montreal.

## ANNUAL INCOME STATEMENT FY 2019 – 9M 2021

<b>PERIOD ENDING</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>9M 2021</b>
Revenue	<b>2,292,147</b>	<b>7,398,565</b>	<b>25,430,177</b>
<b>Operating Expenses</b>			
Salaries	341,449	208,527	215,722
Administration	500,012	340,453	376,538
Exploration & Evaluation Expenditures	1,734,098	1,705,906	1,248,078
Total Operating Expenses	3,416,012	2,879,657	2,545,461
<b>Operating Income or (Loss)</b>	<b>(1,123,865)</b>	<b>4,518,908</b>	<b>22,884,716</b>
<b>Income from Continuing Operations</b>			
Increase (decrease) in Fair Value of Financial Assets	(122,578)	999,536	(834,798)
Income (Loss) Before Tax	(1,162,725)	5,975,568	22,629,182
Income and Mining Tax Expense (Recovery)	116,613	(10,520)	3,014,526
<b>Net Income (Loss)</b>	<b>(1,046,112)</b>	<b>5,965,048</b>	<b>19,624,656</b>

**Annual Income Statement FY 2019 – 9M 2021. Source: Company Filings**



**TSX: GMX**  
**OTC: GLBXF**  
**Frankfurt: G1MN.F**

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