



**CONSOLIDATED FINANCIAL STATEMENTS OF
GLOBEX MINING ENTERPRISES INC.
YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN CANADIAN DOLLARS)**

To the Shareholders of Globex Mining Enterprises Inc.:

Opinion

We have audited the consolidated financial statements of Globex Mining Enterprises Inc. and its subsidiaries (the "Corporation"), which comprise the consolidated statements of financial position as at December 31, 2023 and December 31, 2022, and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at December 31, 2023 and December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jo-Ann Lempert.

Montréal, Québec

March 25, 2024

MNP LLP¹

¹ FCPA auditor, public accountancy permit no. A122514

GLOBEX MINING ENTERPRISES INC.

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

	Year ended December 31,	
	2023	2022
Continuing operations		
Revenues (note 14)	\$ 4,128,185	\$ 2,000,452
Expenses		
Exploration and evaluation expenditures (note 16)	730,694	1,824,402
Professional fees and outside services (note 15)	646,018	744,595
Salaries	628,806	985,586
Administration (note 15)	464,190	537,432
Share-based compensation (note 18)	256,933	65,746
Depreciation (notes 10 and 11)	84,487	82,847
Bad debt expense	13,272	27,032
Loss (gain) on foreign exchange	13,130	(57,588)
	2,837,530	4,210,052
Income (loss) from operations	1,290,655	(2,209,600)
Other income (expenses)		
Interest and dividends	529,276	361,667
Finance income (note 7)	499,603	651,712
Other income	358,058	66,200
Management services (note 19)	8,857	12,967
Joint venture (loss) income (note 9)	(53,333)	369,085
(Loss) gain on the sale of investments	(310,032)	404,307
Decrease in fair value of financial assets	(1,295,214)	(3,639,174)
	(262,785)	(1,773,236)
Income (loss) before taxes	1,027,870	(3,982,836)
Income tax recovery (expense)	345,116	(151,145)
Income (loss) and comprehensive income (loss) for the year	\$ 1,372,986	\$ (4,133,981)
Basic income (loss) per share (note 17)	\$ 0.02	\$ (0.07)
Diluted income (loss) per share (note 17)	\$ 0.02	\$ (0.07)
Weighted average number of common shares outstanding - basic	55,400,724	55,540,848
Weighted average number of common shares outstanding - diluted	56,454,075	55,540,848

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

GLOBAL MINING ENTERPRISES INC.

Consolidated Statements of Cash Flows (Expressed in Canadian Dollars)

	Year ended December 31,	
	2023	2022
Operating activities:		
Income (loss) for the year	\$ 1,372,986	\$ (4,133,981)
Adjustments for:		
Decrease in fair value of financial assets	1,295,214	3,639,174
Depreciation (notes 10 and 11)	84,487	82,847
Disposal of mineral properties for investments (note 20)	(2,912,364)	(1,060,467)
Foreign exchange rate variation on reclamation bond	3,566	(9,710)
Loss (gain) on sale of investments	310,032	(404,307)
Fair value of shares issued in connection with mineral property (notes 18 and 20)	-	173,871
Finance income (note 7)	(499,603)	(651,712)
Foreign exchange loss (gain)	12,837	(36,575)
Interest income accrued	(49,908)	-
Bad debt expense	13,272	-
Share-based compensation (note 18)	256,933	65,746
Share of net loss (income) from investment in joint venture (note 9)	53,333	(369,085)
	(59,215)	(2,704,199)
Change in non-cash working capital items (note 20)	2,330,371	(374,150)
Net cash and cash equivalents provided by (used in) operating activities	2,271,156	(3,078,349)
Financing activities:		
Proceeds from exercised options (note 18)	142,950	77,225
Shares repurchased (note 18)	(565,642)	(36,572)
Net cash and cash equivalents (used in) provided by financing activities	(422,692)	40,653
Investing activities:		
Acquisition of investments	(4,557,629)	(9,111,337)
Acquisition of property, plant and equipment (note 11)	(186,525)	(157,942)
Proceeds from sale of investments	7,991,604	5,223,066
Investment in joint venture (note 9)	-	246,062
Net cash and cash equivalents provided by (used in) investing activities	3,247,450	(3,800,151)
Net change in cash and cash equivalents	5,095,914	(6,837,847)
Effect of exchange rate changes on cash held in foreign currencies	(12,837)	36,575
Cash and cash equivalents, beginning of year	1,528,706	8,329,978
Cash and cash equivalents, end of year	\$ 6,611,783	\$ 1,528,706

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

GLOBAL MINING ENTERPRISES INC.

Consolidated Statements of Financial Position (Expressed in Canadian Dollars)

	As at December 31, 2023	As at December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents (note 5)	\$ 6,611,783	\$ 1,528,706
Investments (note 6)	18,014,269	20,091,218
Accounts receivable (note 7)	2,940,150	2,091,493
Prepaid expenses and deposits	82,444	73,416
Related party receivable (note 19)	134,152	63,454
Current income tax receivable	549,616	897,696
Total current assets	28,332,414	24,745,983
Non-current assets		
Reclamation bonds (note 8)	156,280	159,846
Investment in joint venture (note 9)	75,328	128,661
Accounts receivable (note 7)	2,666,967	5,129,743
Investment property (note 10)	153,851	160,827
Property, plant and equipment (note 11)	1,038,858	929,844
Total assets	\$ 32,423,698	\$ 31,254,904
LIABILITIES AND EQUITY		
Current liabilities		
Payables and accruals (note 12)	\$ 171,401	\$ 209,834
Total liabilities	171,401	209,834
Equity		
Share capital (note 18)	56,177,173	56,711,846
Contributed surplus	5,135,145	4,963,079
Deficit	(29,060,021)	(30,629,855)
Total equity	32,252,297	31,045,070
Total liabilities and equity	\$ 32,423,698	\$ 31,254,904

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

Approved on behalf of the Board:

"Jack Stoch", Director

"Dianne Stoch", Director

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

Equity attributable to shareholders

	Number of shares	Share capital	Contributed surplus	Deficit	Total
Balance, December 31, 2021	55,360,117	\$ 56,456,856	\$ 4,945,793	\$ (26,503,868)	\$ 34,898,781
Share repurchased	(43,700)	(44,566)	-	7,994	(36,572)
Exercise of stock options	177,500	125,685	(48,460)	-	77,225
Shares issued for mineral properties (note 18)	177,419	173,871	-	-	173,871
Share-based compensation	-	-	65,746	-	65,746
Loss and comprehensive loss	-	-	-	(4,133,981)	(4,133,981)
Balance, December 31, 2022	55,671,336	56,711,846	4,963,079	(30,629,855)	31,045,070
Share repurchased	(748,500)	(762,490)	-	196,848	(565,642)
Exercise of stock options	380,000	227,817	(84,867)	-	142,950
Share-based compensation	-	-	256,933	-	256,933
Income and comprehensive income	-	-	-	1,372,986	1,372,986
Balance, December 31, 2023	55,302,836	\$ 56,177,173	\$ 5,135,145	\$ (29,060,021)	\$ 32,252,297

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

GLOBEX MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

1. General Business Description

Globex Mining Enterprises Inc. ("Globex" or the "Corporation") is a North American focused exploration and development property bank which operates under the project generator business model. It seeks to create shareholder value by acquiring mineral properties, undertaking limited exploration and therefore readying them for optioning, joint venturing, or outright sale. Globex's current mineral portfolio consists of approximately 232 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 dioxide, iron, molybdenum, lithium, cobalt, scandium, antimony, rare earths and associated elements) and Industrial Minerals (mica, silica, potassic feldspar, pyrophyllite, kaolin, dolomite as well as talc and magnesite).

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

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

2. Basis of Presentation

Basis of Presentation

These consolidated financial statements were prepared on a going concern basis, under the historical cost basis, except for certain assets that are measured at fair value through profit and loss ("FVTPL") as indicated in note 3. All financial information is presented in Canadian dollars.

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Approval of Financial Statements

The Corporation's Board of Directors approved these consolidated financial statements on March 25, 2024.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies

The principal accounting policies applied in the presentation of these consolidated financial statements are set out below.

(a) Basis of consolidation

The consolidated financial statements include the accounts of the Corporation, and its controlled subsidiary Globex Nevada Inc.

All significant intercompany transactions and balances have been eliminated on consolidation. The table which follows outlines Globex's interest in the entity:

Corporate Entity	Relationship	December 31, 2023	December 31, 2022
Globex Nevada Inc.	Subsidiary	100%	100%

In addition the Company holds a joint venture interest which is equity accounted for in the consolidated financial statements as a joint venture.

Corporate Entity	Relationship	December 31, 2023	December 31, 2022
Duparquet Assets Limited	Joint venture	50%	50%

The Corporation has control when it holds power over the investee, is exposed, or has right to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the investor's returns. The Corporation must reassess whether it controls the investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All inter-corporation transactions, balances, income and expenses are eliminated on consolidation.

(b) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Corporation. The functional currencies are as follows:

Corporate Entity	Functional Currency
Globex Mining Enterprises Inc.	Canadian Dollar
Globex Nevada Inc.	US Dollar
Duparquet Assets Limited	Canadian Dollar

The Corporation's presentation currency and the functional currency of all of its operations is the Canadian dollar ("CDN") as this is the principal currency of the economic environment in which it operates. Transactions in foreign currencies are initially recorded in the Corporation's functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. All gains and losses on conversion of these foreign currency transactions are included in income and loss.

GLOBEX MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(b) Functional and presentation currency (continued)

The subsidiary's functional currency is the US dollar. For the purpose of presenting consolidated financial statements, the assets and liabilities of foreign operations are expressed in Canadian dollars using exchange rates prevailing at the end of the reporting period. Revenue and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized as other comprehensive income in the consolidated statement of income (loss) and comprehensive income (loss). However, the foreign operations have been minimal over the past years.

(c) Interest in joint ventures

A joint venture can take the form of a jointly controlled entity, jointly controlled operation or jointly controlled assets. A joint venture is a contractual arrangement whereby the Corporation and other parties undertake an economic activity that is subject to joint control (i.e. when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control).

When the Corporation undertakes its activities under joint venture arrangements, its share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognized in the consolidated financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interest in jointly controlled assets are accounted for on an accrual basis.

Joint venture arrangements that involve the establishment of a separate entity in which each venture has an interest are referred to as jointly controlled entities. The Corporation reports its interest in jointly controlled entities using the equity method.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, redeemable deposits and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

(e) Refundable tax credits and mining duties

The Corporation is entitled to a refundable tax credit of 28% on qualified exploration expenditures incurred in the province of Québec. The Corporation is also entitled to a refund of mining duties of the lesser of 16% on 50% of qualified mining exploration expenses or operating losses during the period, net of the refundable tax credit. The credit or refunds are recorded based on management's best estimates once the necessary information is available and management believes that the amounts are collectible.

(f) Financial instruments

Under IFRS 9, Financial Instruments ("IFRS 9"), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and FVTPL.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(f) Financial instruments (continued)

Below is a summary showing the classification and measurement bases of our financial instruments:

Classification

Cash and cash equivalents	FVTPL
Investments	FVTPL
Accounts receivable (less taxes receivable)	Amortized cost
Related party receivable	Amortized cost
Reclamation bonds	Amortized cost
Payables and accruals	Amortized cost
Related party payable	Amortized cost

Financial assets:

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Corporation determines the classification of its financial assets at initial recognition.

(a) Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss. The Corporation's cash and cash equivalents and investments are classified as financial assets measured at FVTPL.

(b) Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Corporation's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest". The Corporation's accounts receivable (less taxes receivable), reclamation bonds and related party receivable are classified as financial assets measured at amortized cost.

Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Corporation determines the classification of its financial liabilities at initial recognition.

(a) Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination. The Corporation's payables and accruals and related party payable do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

(b) Financial liabilities recorded at FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five categories detailed above. The Corporation does not have any liabilities classified at FVTPL.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(f) Financial instruments (continued)

Transaction costs:

Transaction costs associated with financial instruments carried at FVTPL are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement:

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition:

The Corporation derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected Credit Loss Impairment Model:

IFRS 9 introduced a single expected credit loss ("ECL") impairment model, which is based on changes in credit quality since initial application. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past event, current conditions and forecasts of future economic conditions. The Corporation's financial assets, other than financial assets measured at FVTPL, include accounts receivable, reclamation bonds, and related party receivable, and the Corporation applies the simplified approach for accounts receivable. Using the simplified approach, the Corporation records a loss allowance equal to the ECLs resulting from all possible default events over the assets' contractual lifetime. The general approach is applied to all other financial assets to which the impairment requirements of IFRS 9 apply. The adoption of the expected credit loss impairment model had no impact on the Corporation's consolidated financial statements.

The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Corporation considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Corporation determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

(g) Reclamation bonds

Reclamation bonds represent funds that are lodged with government authorities to be held against future reclamation and remediation of environmental disturbances as a result of exploration and development activities. After reclamation and remediation, the funds may be recovered. Where applicable under the arrangement with the government authority, the carrying value is increased by the accrued interest earned during the year.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(h) Deferred consideration

Where settlement of any part of cash consideration is deferred, the amounts receivable in the future are discounted to their present value as at the date of disposal. The fair value of any deferred consideration is determined based on present value and the discount rate used is adjusted for counterparty or own credit risk. Any changes in fair value are recognized in the consolidated statement of income (loss) and comprehensive income (loss).

(i) Investment property

Investment property consists of property held long-term for either rental income, capital appreciation or both. An investment property is measured initially at cost. Transaction costs are included in the initial measurement. The Corporation uses the cost model as its accounting policy on all of its investment property. After recognition, an investment property is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

(j) Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation, depletion and impairment charges.

Where an item of property, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment. Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized. Directly attributable expenses incurred for major capital projects and site preparation are capitalized until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs to the extent these are recognized as a provision.

Management reviews the estimated useful lives, residual values and depreciation methods of the Corporation's property, plant and equipment at the end of each annual financial reporting period or when events and circumstances indicate that such a review should be made. Changes to estimated useful lives, residual values or depreciation methods resulting from such review are accounted for prospectively.

(k) Mineral properties and exploration expenses

The Corporation expenses all acquisition costs of mineral properties and exploration expenses as incurred.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

(l) Depreciation

Investment property and property, plant and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets. The significant classes and their estimated useful lives are as follows:

Buildings	20 years
Mining equipment	5 years
Office equipment	2 to 5 years
Computer systems	3 years

GLOBEX MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(o) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods or arising from the use by others of the Corporation's assets yielding option income, royalties, interest and dividends. The Corporation recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Corporation and when the specific criteria have been met for each of the Corporation's activities as described below.

(i) Sales of mineral properties

The proceeds from the sale of mineral properties are recorded as option income.

(ii) Option income

Option income is recognized on an accrual basis in accordance with the substance of the relevant agreements. Shares received under option agreements are valued at fair value which is determined at quoted market prices if the shares are quoted on an active market. If the market for the shares is not active, fair value is established by using a valuation technique. The fair value of these common shares was determined based on Black-Scholes option pricing model, after applying the discounts for lack of marketability due to the regulatory release period.

(iii) Royalty income

Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

(iv) Interest and dividend income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Corporation and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Corporation and the amount of income can be measured reliably).

(p) Share-based compensation and payments

Share-based payments to non-employees

Share-based payments granted to non-employees are measured at the fair value of the goods or services received.

In the event the Corporation cannot reasonably estimate the fair value of goods or services received, the transaction is recorded at the estimated value of the underlying equity instrument, measured at the date the Corporation obtains the goods or the counterparty renders the service.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(p) Share-based compensation and payments (continued)

Share-based compensation

The Corporation grants stock options to buy common shares of the Corporation to directors, officers, and employees. The Board of Directors grants such options for periods up to five years, with vesting periods determined at its sole discretion and at the TSX prices at the close of business on the day prior to the option grant. The fair value of the options is measured at the grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period that the options are earned.

The fair value is recognized as an expense with a corresponding increase in contributed surplus. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest. Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modifications which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period. If and when the stock options are exercised, the applicable fair value amounts charged to contributed surplus are transferred to share capital.

(q) Current and deferred taxes

Taxes, comprising both income and resource taxes accounted for as income taxes, are recognized in the consolidated statements of income (loss) and comprehensive income (loss), except where they relate to items recognized in other comprehensive income or directly in equity, in which case the related taxes are recognized in other comprehensive income or equity. Taxes on income are recorded using the tax rate that would be applicable to expected annual income.

The current income tax charge is based on taxable income for the period. Taxable income differs from net income as reported in the consolidated statements of income (loss) and comprehensive income (loss) because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible.

Deferred tax is recognized, using the asset and liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

At the end of each reporting period, the Corporation reassesses unrecognized deferred tax assets. The Corporation recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will enable the deferred tax asset to be recovered. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is adjusted to the extent that it is no longer probable that sufficient taxable income will be available to ensure that all or part of the asset will be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

GLOBEX MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. Material Accounting Policies (Continued)

(r) Share capital

The Corporation's common shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(s) Valuation of warrants

Equity financing transactions may involve the issuance of common shares or units. A unit may consist of a certain number of common shares and a certain number of share purchase warrants. Depending upon the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement.

Warrants that are part of units are valued based on a relative fair value method. The Corporation considers the market value of the common shares issued as fair value, and measures the fair value of the warrant component of the unit using the Black-Scholes option pricing model. Proceeds are charged in proportion to the fair value of shares and warrants issued. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

(t) Income (loss) per common share

Basic income (loss) per share is computed by dividing the net income (loss) attributable to common shareholders by the weighted average number of shares outstanding during the reporting year.

Diluted income (loss) per share is computed similar to basic income (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options (if dilutive).

The number of additional shares is calculated by assuming that outstanding dilutive stock options were exercised and the proceeds from such exercise were used to acquire common stock at the average market price during the reporting periods. Diluted income (loss) did not include the effect of options for the year ended December 31, 2022, as they are anti-dilutive.

(u) Future accounting standards not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Corporation and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Corporation.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024. In the current circumstances, the Corporation does not expect any of these to have a material impact on the consolidated financial statements.

GLOBEX MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

4. Significant Accounting Assumptions, Judgments and Estimates

The preparation of consolidated financial statements under the principles of IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such judgments and estimates is contained in the accounting policies and/or the notes to the consolidated financial statements and the key areas are summarized below. Areas of judgment and estimates that have the most significant effect on the amounts recognized in the consolidated financial statements are:

Judgments

(a) Collectability of option agreements

Collectability of considerations to be received on option agreements entered into with third parties on the Corporation's properties, involves judgment regarding the probability that the optionees will be able to meet their spending commitments and pay the considerations specified in the agreement.

For contracts which there is significant uncertainty as to whether the optionee will be able to make all the required payments in the contract, the Corporation only recognizes revenue as the option payments are due and only if collectability is reasonably assured.

For contracts which there is no significant uncertainty that the optionee will be able to make all the required payments in the contract, the amounts receivable in the future are discounted to their present value as at the date of disposal. The fair value of any contingent consideration is determined based on present value and the discount rate used is adjusted for counterparty or own credit risk.

(b) Income taxes

Tax benefits from uncertain tax positions may be recognized when it is probable that the Corporation will be able to use deductible temporary differences against taxable profit: (i) whether a tax position, based solely on its technical merits, is probable to be sustained upon examination, and (ii) measuring the tax benefit as the expected value or most likely amount taking into consideration which method better predicts the amounts of being realized upon ultimate settlement.

Furthermore, the Corporation uses the asset and liability method in accounting for deferred income taxes and mining duties. Under this method, deferred income taxes are recognized for the future income tax.

In preparing these estimates, management is required to interpret, substantially enacted legislation as well as economic and business conditions along with management's tax and corporate structure plans which may impact taxable income in future periods.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

4. Significant Accounting Assumptions, Judgments and Estimates (Continued)

Estimates

(a) Estimate of share-based compensation

The estimate of share-based compensation costs requires the selection of an appropriate valuation model and consideration as the inputs necessary for the model chosen. The Corporation has made estimates of the volatility of its own shares, the probable life of options granted, interest rates, and the time of exercise of those options.

The Corporation uses the Black-Scholes option pricing model to calculate the fair value of the share-based compensation costs.

Globex enters into option agreements for its properties. Under these arrangements, the Corporation typically receives a series of cash option payments over a period of time and it also often receives shares in the optionee corporation.

(b) Uncertain income tax positions

There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Corporation maintains provisions for uncertain tax positions that it believes appropriately reflect its risk with respect to tax matters under active discussion, audit, dispute or appeal with tax authorities, or which are otherwise considered to involve uncertainty. These provisions are made using the best estimate of the amount expected to be paid based on qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of the reporting period. It is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provision in the period in which such determination is made.

(c) Valuation of warrants

The valuation of warrants requires the selection of an appropriate valuation model and consideration as the inputs necessary for the model chosen. The Corporation has made estimates of the volatility, the probable life of warrants granted, interest rates, and the time of exercise of those warrants. The Corporation uses the Black-Scholes option pricing model to calculate the fair value of the warrants.

5. Cash and Cash Equivalents

	As at December 31, 2023	As at December 31, 2022
Bank balances	\$ 3,430,336	\$ 1,398,350
Short-term deposit	3,181,447	130,356
	\$ 6,611,783	\$ 1,528,706

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

6. Investments

Corporation Name	December 31, 2023		December 31, 2022	
	Number of shares/warrants	Fair value	Number of shares/warrants	Fair value
Yamana Gold Inc. ⁽¹⁾	-	\$ -	650,000	\$ 4,888,000
Electric Royalties Ltd.	11,213,000	2,691,120	11,960,000	3,348,800
Pan American Silver Corp. ⁽¹⁾	103,870	2,246,708	-	-
Agnico Eagle Mines Limited ⁽¹⁾	24,400	1,775,566	-	-
O3 Mining Inc. ⁽²⁾	1,185,897	1,702,858	-	-
Starr Peak Exploration Ltd.	863,200	384,124	863,200	517,920
Inifini Resources Limited ⁽³⁾	1,672,427	225,070	-	-
Brunswick Exploration Inc. ⁽⁴⁾	272,886	226,495	-	-
Orford Mining Corporation ⁽⁵⁾⁽⁶⁾	4,399,071	197,959	632,023	41,082
Electric Royalties Ltd. - warrants	5,500,000	172,340	5,500,000	407,118
Troilus Gold Corp.	350,000	168,000	350,000	168,000
Excellon Resources Inc. ⁽⁷⁾	1,162,527	116,253	1,644,027	723,372
TC Energy Corp.	2,115	109,472	2,000	107,960
Infinico Metals Corp. ⁽⁸⁾	1,000,000	105,000	-	-
Maple Gold Mines Ltd. ⁽⁹⁾⁽¹⁰⁾	1,294,824	90,638	527,251	92,269
Renforth Resources Inc.	3,308,000	82,700	3,308,000	99,240
FE Battery Metals Corp. ⁽¹¹⁾	350,920	80,712	350,920	94,748
Northland Power Corp.	3,065	74,785	3,000	111,390
Algonquin Power and Utilities Corp.	8,361	69,898	8,000	70,560
Allied Properties Real Estate	3,173	64,596	3,000	76,800
Consolidated Lithium Metals Inc. ⁽¹²⁾	2,040,816	61,224	-	-
High Tide Resources Corp. ⁽¹³⁾	622,000	43,540	650,000	71,500
Edison Lithium Corp. ⁽¹⁴⁾	156,250	33,594	-	-
Other equity investments	-	30,509	-	34,775
Integra Resources Corp.	20,480	28,467	51,200	43,520
Galway Metals Inc. ⁽¹⁵⁾	66,666	27,000	200,000	45,000
Falco Resources Ltd.	123,500	14,203	350,000	36,750
Vior Inc. ⁽¹⁶⁾	82,500	11,550	150,000	15,000
Tres-Or Resources Ltd.	140,000	11,200	178,000	9,790
Pasofino Gold Limited	20,000	8,700	20,000	8,000
Tomagold Corporation ⁽¹⁷⁾	625,000	6,250	-	-
Abcourt Mines Inc. ⁽¹⁸⁾	99,960	3,998	175,000	5,250
Newfoundland Discovery Corp.	150,000	3,750	150,000	6,750
Rogue Resources Inc.	50,000	1,500	50,000	1,500
Class 1 Nickel and Technologies Limited	17,500	1,050	17,500	2,538
Opawica Explorations Inc. ⁽¹⁹⁾	10,000	900	100,000	3,500
Knick Exploration Inc.	1,000,000	-	1,000,000	-
Sphinx Resources Ltd.	513,000	-	513,000	-
Manulife Financial Corp.	-	-	5,000	120,750
NSGold Corporation	-	-	869	-
Short-term investments ⁽²⁰⁾	-	7,142,540	-	8,939,336
		\$ 18,014,269		\$ 20,091,218

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. Investments (Continued)

Most of these investments (except for the short-term investments) were received under various mining option agreements and all of the shareholdings represent less than 12% (December 31, 2022 - less than 13%) of outstanding shares of each individual Issuer.

(1) In April 2023, Pan American Silver Corp. ("Pan American") completed the acquisition of Yamana Gold Inc. ("Yamana") by way of a plan of arrangement. Under the terms of the arrangement, each holder of Yamana common shares was entitled to receive, for each Yamana common share held immediately prior to the effect time, (i) US\$1.0406 in cash, (ii) 0.0376 of a common share of Agnico Eagle Mines Limited and (iii) 0.1598 of a common share of Pan American.

(2) On December 21, 2023, O3 Mining Inc. issued to Globex 1,185,897 shares (fair market value of \$1,897,420) in connection with the option on the sale of 100% interest in eight groupings of advanced gold exploration claims. Refer to note 14.

(3) On December 22, 2023, Infini Resources Limited issued to Globex 1,672,427 shares (fair market value of \$302,007) in connection with the option on the Des Herbiers uranium project refer to note 14).

(4) On February 15, 2023, Brunswick Exploration Inc. ("Brunswick") issued to Globex 41,667 shares (fair market value of \$34,584) in connection with the option on the Lac Escale property. In addition, in June 2023, Globex received a cash payment of \$25,000 from Brunswick and 14,824 common shares (fair market value of \$12,600). On November 22, 2023, Globex received 216,395 common shares (fair market value of \$214,231) (refer to note 14).

(5) On November 29, 2022, Orford Mining Corporation ("Orford") issued to Globex 2,060,594 shares (fair market value of \$144,242) in connection with the option on the Joutel property.

(6) On November 29, 2023, Orford issued to Globex 2,500,000 shares (fair market value of \$100,000) in connection with the option on the Joutel property (refer to note 14).

(7) On September 29, 2022, Excellon Resources Inc. ("Excellon") issued to Globex 1,329,787 shares (fair market value of \$625,000) in connection with the Silver City option in Europe (refer to note 14).

(8) On July 31, 2023, Globex received 1,000,000 common shares (fair market value of \$55,000) from Infinico Metals Corp. ("Infinico") in connection with the Dalhousie Project.

(9) On January 14, 2022, Maple Gold Mines Ltd. ("Maple") issued to Globex 144,126 shares (fair market value of \$46,841) in connection with the option on the Eagle Gold Mine property. In addition, on July 12, 2022, Maple issued to Globex 254,725 shares (fair market value of \$43,303) in connection with the option on the Eagle Gold Mine property.

(10) On May 15, 2023, Globex received 314,502 common shares (fair market value of \$56,610) from Maple in connection with the Eagle Gold Mine property. In addition, on July 13, 2023, Globex received 453,071 common shares (fair market value of \$61,165) in connection with the Eagle Gold Mine property.

(11) On March 2, 2022, First Energy Metals Limited issued to Globex 375,000 shares (fair market value of \$88,125) in connection with the option on the Electron Lithium property. In addition, on November 2022, First Energy Metals Limited completed a 3.8 for 1 reverse split and changed its name to FE Battery Metals Corp.

(12) In June 2023, Jourdan Resources Inc. changed its name to Consolidated Lithium Metals Inc. In addition, on June 23, 2023, Globex received 2,040,816 common shares (fair market value of \$132,653) from Consolidated Lithium Metals Inc.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. Investments (Continued)

(13) On June 24, 2022, High Tide Resources Corp. issued to Globex 650,000 shares (fair market value of \$58,500) in connection with the option on the Lac Pegma property.

(14) On September 7, 2023, Globex received 156,250 common shares (fair market value of \$27,344) from Edison Lithium Corp. ("Edison") in connection with the sale of the rights of certain alkali dispositions located in Ceylon Lake, Freeflight Lake and Cabri Lake, in the southern part of the Province of Saskatchewan.

(15) In January 2023, Galway Metals Inc. completed a three for one reverse split.

(16) On July 25, 2022, Vior Inc. issued to Globex 150,000 shares (fair market value of \$32,250) in connection with the option on the Bell Mountain property.

(17) On September 15, 2023 Tomagold Corporation issued to Globex 625,000 shares (fair market value of \$18,750) in connection with the option on the Gwillin Lake gold property.

(18) In May 2023, Pershimex Resources Corp. completed a 1.75 for 1 reverse split and changed its name to Abcourt Mines Inc.

(19) In March 2023, Opawica Exploration Inc. completed a ten for one reverse split.

(20) Included in short-term investments are guaranteed investment certificates ("GICs"), mutual funds and other short-term investments. The Corporation's GICs are held with a first-tier bank, with a maturity greater than 90 days but less than one year.

7. Accounts Receivable

	December 31, 2023	December 31, 2022
Current		
Trade receivables	\$ 54,503	\$ 144,092
Bad debt provision	(4,109)	(4,109)
Net trade receivables	50,394	139,983
Taxes receivable	1,562	25,695
Deferred income	2,888,194	1,925,815
	\$ 2,940,150	\$ 2,091,493
Non-current		
Deferred income	\$ 2,666,967	\$ 5,129,743

Net trade receivables of \$50,394 (December 31, 2022 - \$139,983) consist primarily of amounts recoverable under option agreements and royalties. These items are all current and the Corporation anticipates full recovery of these amounts. The taxes receivable represents harmonized and Québec sales tax ("GST", "HST", "QST") receivable from Canadian taxation authorities.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

7. Accounts Receivable (Continued)

Deferred Income

On June 22, 2021, Globex completed the sale of the Francoeur/Arntfield/Lac Fortune gold property as well as 30 claims in Beauchastel township and three claims in Malartic township, Québec. At closing, Globex received 706,714 common shares from Yamana (note 6) with a current market value of \$4,000,000. In addition, Yamana will make the following additional cash payments to Globex, which Globex may elect to receive in Yamana shares:

- First anniversary of closing: \$3,000,000 (received in June 2022);
- Second anniversary of closing: \$2,000,000 (received in June 2023);
- Third anniversary of closing: \$3,000,000; and
- Fourth anniversary of closing: \$3,000,000.

The current portion of the receivable from Yamana includes the \$3 million payable due no later than June 22, 2024. During the year ended December 31, 2023, the Corporation recorded the deferred income at present value using an effective interest rate of 8% and recognized finance income on the deferred income of \$499,603 (year ended December 31, 2022 - \$651,712).

In April 2023, Pan American completed the acquisition of Yamana (note 6).

Deferred income	Face value	Discounted value
Balance, December 31, 2021	\$ 11,000,000	\$ 9,403,846
Finance income	-	651,712
Payment received	(3,000,000)	(3,000,000)
Balance, December 31, 2022	8,000,000	7,055,558
Finance income	-	499,603
Payment received	(2,000,000)	(2,000,000)
Balance, December 31, 2023	6,000,000	5,555,161
Current deferred income	(3,000,000)	(2,888,194)
Non-current deferred income	\$ 3,000,000	\$ 2,666,967

8. Reclamation Bonds and Restoration Liabilities

Reclamation Bonds

	December 31, 2023	December 31, 2022
Nova Scotia bond - Department of Natural Resources	\$ 57,974	\$ 57,974
Option reimbursement	(50,000)	(50,000)
Nova Scotia bond	7,974	7,974
Washington State bond - Department of Natural Resources	148,306	151,872
	\$ 156,280	\$ 159,846

The Nova Scotia and Washington State reclamation and environmental bonds were posted by the Corporation to secure clean-up expenses in the event of mine closure or property abandonment as required by regulations or laws in the various jurisdictions. These reclamation and environmental bonds are carried at amortized cost and represent management's estimate of their right to reimbursement. Changes in the carrying value of the rights are recognized in income or loss in the period in which these changes occur.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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9. Investment in Joint Venture

Balance, December 31, 2021	\$	5,638
Add:		
Globex's 50% share of Duparquet Assets Limited's ("DAL") net income for the year ended December 31, 2022		369,085
Decrease in investment in joint venture		(246,062)
Balance, December 31, 2022		128,661
Add:		
Globex's 50% share of DAL net loss for the year ended December 31, 2023		(53,333)
Balance, December 31, 2023	\$	75,328

The property was owned 50% by Globex and 50% by Jack Stoch Geoconsultant Limited ("GJSL", a company owned by Jack Stoch President, Chief Executive Officer ("CEO") and Director of Globex). On February 16, 2010, DAL entered into a joint venture agreement with GJSL and Globex. Globex's investment has been recorded using the equity method. On July 3, 2013, Xmet Inc. dropped its interest in the Duquesne West Gold Property and returned it to DAL.

On October 3, 2019, Globex announced that it entered into an option agreement (the "Option Agreement") with DAL and GJSL under which GJSL has the right to subscribe for additional shares of DAL in the event of a change of control of Globex, as that term is defined in the Option Agreement. At present, Globex and GJSL each own 50% of the issued and outstanding shares of DAL. The Option Agreement was approved by Globex's independent directors.

On October 12, 2022, DAL (owned 50% by Globex) announced that the Duquesne West/Ottoman gold property located in Duparquet Township, Québec was, subject to exchange approval, optioned to Emperor Metals Inc. ("Emperor"). Terms of the option are the following:

- Cash payments totaling \$10,000,000 payable over a five year period (\$500,000 received in 2022).
- Share payments totaling 15,000,000 shares payable over a five year period. Shares must have a minimum price of \$0.20 per share. Should the share price at the anniversary date be less than \$0.20 per share, then Emperor shall, within five business days after the anniversary date, issue to DAL such number of Emperor shares equal to the following dollar values:
 - At TSX acceptance of the agreement: 1,500,000 shares or \$300,000 deemed value (received and valued at \$270,000);
 - First anniversary of the agreement: 1,500,000 shares or \$300,000 deemed value;
 - Second anniversary of the agreement: 1,500,000 shares or \$300,000 deemed value;
 - Third anniversary of the agreement: 3,000,000 shares or \$600,000 deemed value;
 - Fourth anniversary of the agreement: 3,500,000 shares or \$700,000 deemed value; and
 - Fifth anniversary of the agreement: 4,000,000 shares or \$800,000 deemed value.
- Work expenditures totaling \$12,000,000 over the five year option period.

During the five year option period, Emperor shall undertake a NI 43-101 Resource Estimate. Should the result of the exploration efforts by Emperor indicate a gold or gold-equivalent resource in all categories (measured, indicated and inferred) of at least one million troy ounces, Emperor will issue an additional 2,500,000 Emperor shares to DAL.

DAL shall retain a 3% Gross Metal Royalty ("GMR"), 1% of which Emperor may purchase at any time for \$1,000,000. Gold and Silver produced from the property will be paid in kind at the refinery. Any other metals will be paid in cash.

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Notes to the Consolidated Financial Statements

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9. Investment in Joint Venture (Continued)

A summary of the financial assets, liabilities and earnings for the respective year-ends follows.

	December 31, 2023	December 31, 2022
Assets		
Cash and cash equivalents	\$ 42,000	\$ -
Marketable securities	104,500	240,000
Prepaid expenses	282	380
Mineral property and deferred exploration expenses	27,205	27,207
Current (loss) income	\$ (106,666)	\$ 738,170

10. Investment Property

Cost	Buildings
Balance, December 31, 2021, December 31, 2022 and December 31, 2023	\$ 174,418
Accumulated depreciation	
Balance, December 31, 2021	\$ 6,614
Depreciation during the year	6,977
Balance, December 31, 2022	13,591
Depreciation during the year	6,976
Balance, December 31, 2023	\$ 20,567
Carrying value	
Balance, December 31, 2022	\$ 160,827
Balance, December 31, 2023	\$ 153,851

11. Property, Plant and Equipment

Cost	Land and buildings	Mining equipment	Office equipment	Computer systems	Total
Balance, December 31, 2021	\$ 973,132	\$ 108,210	\$ 157,359	\$ 351,445	\$ 1,590,146
Additions	75,000	-	7,649	75,293	157,942
Balance, December 31, 2022	1,048,132	108,210	165,008	426,738	1,748,088
Additions	186,525	-	-	-	186,525
Balance, December 31, 2023	\$ 1,234,657	\$ 108,210	\$ 165,008	\$ 426,738	\$ 1,934,613
Accumulated depreciation					
Balance, December 31, 2021	\$ 190,589	\$ 93,210	\$ 147,182	\$ 311,393	\$ 742,374
Depreciation during the year	32,516	4,000	3,748	35,606	75,870
Balance, December 31, 2022	223,105	97,210	150,930	346,999	818,244
Depreciation during the year	33,693	4,000	3,748	36,070	77,511
Balance, December 31, 2023	\$ 256,798	\$ 101,210	\$ 154,678	\$ 383,069	\$ 895,755
Carrying value					
Balance, December 31, 2022	\$ 825,027	\$ 11,000	\$ 14,078	\$ 79,739	\$ 929,844
Balance, December 31, 2023	\$ 977,859	\$ 7,000	\$ 10,330	\$ 43,669	\$ 1,038,858

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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12. Payable and Accruals

	December 31, 2023	December 31, 2022
Trade payables and accrued liabilities	\$ 108,714	\$ 154,592
Sundry liabilities	62,687	55,242
	\$ 171,401	\$ 209,834

13. Income Taxes

Income tax (recovery) expense

	Year ended December 31,	
	2023	2022
Current tax (recovery) expense	\$ (345,116)	\$ 151,145
	\$ (345,116)	\$ 151,145

Tax expense reconciliation

The recovery of income and mining taxes attributable to the loss before taxes differs from the amounts computed by applying the combined federal and provincial tax rate of 26.5% (2022 - 26.5%) as a result of the following:

	Year ended December 31,	
	2023	2022
(Loss) Income before taxes	\$ 1,027,870	\$ (3,982,836)
Combined tax rates	26.50%	26.50%
(Loss) income and mining tax provision calculated at combined rate	272,386	(1,055,452)
Non-taxable portion of loss (gain) on investments and property	(276,811)	434,789
Non-deductible expenses and other	27,195	(128,267)
Change in tax estimates	6,873	343,353
Origination and reversal of unrecognized tax attributes	(373,273)	559,310
Effect of tax rates of foreign jurisdictions	(1,486)	(2,588)
Income and mining tax provision related to continuing operations	\$ (345,116)	\$ 151,145

As at December 31, 2023, the Corporation had capital loss carry forward of \$85,200 (December 31, 2022 - \$nil).

At December 31, 2023, the Corporation had \$1,987,454 (December 31, 2022 - \$1,890,200) of federal foreign tax credits that will expire between 2025 and 2032.

As at December 31, 2023, the Corporation had non-capital loss carry forwards in the United States totalling \$450,700 (December 31, 2022 - \$537,423) expiring between 2024 and 2043.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

13. Income Taxes (Continued)

Deferred tax balances

	December 31, 2022	Recognized in income or loss	December 31, 2023
Deferred tax assets			
Non-capital losses	\$ 100,324	\$ (5,674)	\$ 94,650
Capital losses	-	11,287	11,287
Deferred compensation	250,277	(132,395)	117,882
Share issuance costs	3,433	(3,372)	61
Property, plant and equipment	24,433	3,161	27,594
Resource related deductions	495,029	490,986	986,015
Investments	714,672	154,039	868,711
Foreign business income tax credits	1,890,200	97,254	1,987,454
	3,478,368	615,286	4,093,654
Deferred tax assets not recognized	(3,478,368)	(615,286)	(4,093,654)
Deferred tax assets	\$ -	\$ -	\$ -

	December 31, 2021	Recognized in income	December 31, 2022
Deferred tax assets			
Non-capital losses	\$ 110,200	\$ (9,876)	\$ 100,324
Deferred compensation	422,981	(172,704)	250,277
Share issuance costs	10,072	(6,639)	3,433
Property, plant and equipment	55,102	(30,669)	24,433
Resource related deductions	72,306	422,723	495,029
Investments	272,757	441,915	714,672
Foreign business income tax credits	1,975,640	(85,440)	1,890,200
	2,919,058	559,310	3,478,368
Deferred tax assets not recognized	(2,919,058)	(559,310)	(3,478,368)
Deferred tax assets	\$ -	\$ -	\$ -

14. Revenues

Based on IFRS 15, Revenue from Contracts with Customers, management has concluded that its typical sale/option agreements with a customer (optionee/purchaser) clearly identifies; (a) the rights and obligations of both parties, (b) Globex performance obligations and (c) the overall transaction price.

Under the option arrangements, the control over the mineral properties occurs at the outset of the agreement while the transfer of title may not occur until after all of the option/sale terms have been satisfied.

Within the option agreements, Globex's performance obligations are to:

- (i) provide access to the mineral property to allow the customer the right to explore and assess a mineral property during an option period; and
- (ii) transfer the title to the mineral property after all of the option/sale terms have been completed.

As a result of the challenges of estimating future payments, Globex believes that it is appropriate to recognize option revenues as received for most of the contracts or when the option payments are due when collection is reasonably assured. As a result of the limited number of contracts in place on an ongoing basis, Globex applies the five step model at the individual contract level.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

14. Revenues (Continued)

Payment terms are also clearly identified in the agreement, and usually include the following:

- (i) cash (upfront and pre-determined amounts at milestone dates); and
- (ii) shares (upfront and a fixed number of shares at milestone dates). The shares are valued at the stock price on the date of the share certificate.

Once the option term is completed, and all commitments are met, Globex is also entitled to payments (in cash) relating to the GMR. Under current accounting policies, net metal royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreements. The Corporation will continue to apply the same methods and processes in recording this revenue.

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

	Year ended December 31,	
	2023	2022
Option income	\$ 4,032,364	\$ 2,000,452
Royalties	95,821	-
	\$ 4,128,185	\$ 2,000,452

In the year ended December 31, 2023, Globex reported option income of \$4,032,364 (year ended December 31, 2022 – \$2,000,452) which consisted of cash receipts of \$1,120,000 (year ended December 31, 2022 - \$939,985) and shares in optionee corporations with a fair market value of \$2,912,364 (year ended December 31, 2022 - \$1,060,467).

In the year ended December 31, 2023, Globex received the following option payments which were greater than 10% of option income and advance royalties:

- On January 11, 2023, Globex received a cash payment of \$25,000 from Brunswick in connection with the Lac Escale property. In addition, on February 15, 2023, Globex received 41,667 common shares with a fair value of \$34,584 from Brunswick. In June 2023, Globex received a cash payment of \$25,000 from Brunswick in connection with the Lac Escale property and 14,824 common shares with a fair value of \$12,600. In addition, in November 2023, Globex received a cash payment of \$200,000 and 216,395 common shares with a fair value of \$214,231 (note 6).
- On December 21, 2023, Globex received a cash payment of \$150,000 and 1,185,897 common shares with a fair value of \$1,897,420 from O3 Mining Inc. in connection with the sale of a 100% interest in eight groupings of advanced gold exploration claims (note 6).
- On December 27, 2023, Globex received a cash payment of \$200,000 from Infini Resources Pty Ltd. and 1,672,427 common shares with a fair value of \$302,007 in connection with the Des Herbières uranium project (note 6).

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

14. Revenues (Continued)

In the year ended December 31, 2022, Globex received the following option payments which were greater than 10% of option income and advance royalties:

- On January 1, 2022, Globex received a cash payment of \$250,000 from Electro Metals and Mining Inc. in connection with the Fabie Bay/Magusi property.
- On September 21, 2022, Globex received a cash payment of \$200,000 from Excellon in connection with the Silver City option in Europe. In addition, Globex received 1,329,787 common shares with a fair value of \$625,000 (note 6).
- On November 25, 2022, Globex received a cash payment of \$100,000 from Orford in connection with the Joutel property. In addition, Globex received 2,060,594 common shares with a fair value of \$144,242 (note 6).

During the year ended December 31, 2023, Globex recorded metal royalty income of \$95,821 (year ended December 31, 2022 - \$nil).

15. Expenses by Nature

	Year ended December 31,	
	2023	2022
Administration		
Office expenses	\$ 373,325	\$ 422,235
Advertising and shareholder information	37,331	40,384
Conventions and meetings	23,999	15,635
Transfer agent	20,996	15,830
Other administration	8,539	43,348
	\$ 464,190	\$ 537,432
Professional fees and outside services		
Investor relations	\$ 221,302	\$ 191,203
Other professional fees	112,729	169,005
Management consulting	91,229	96,228
Legal fees	91,078	71,441
Audit and accounting fees	86,890	157,885
Filing fees	42,790	58,833
	\$ 646,018	\$ 744,595

GLOBEX MINING ENTERPRISES INC.

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(Expressed in Canadian Dollars)

16. Exploration and Evaluation Expenditures

	Year ended December 31,	
	2023	2022
Ontario		
Timmins Talc-Magnesite (Deloro)	\$ 22,337	\$ 6,392
Laguerre-Knutson (Hearst, McVittie)	12,673	5,480
Wyse Silica Quartz (Wyse)	91,314	76,725
Other projects	23,862	14,310
	\$ 150,186	\$ 102,907
Québec		
Beauchastel - Rouyn (Beauchastel)	\$ 11,389	-
Blackcliff (Malartic) (50% interest)	43,517	161,283
Cavalier (Cavalier)	23,403	-
Courville (Courville)	63,525	13,486
Duquesne West (Destor) (50% interest)	-	101,219
Fabie Bay / Magusi (Hebecourt, Montbray)	3,894	7,379
Great Plains (Clermont)	17,995	148,051
Gwillim Lake Gold (Barlow)	4,432	21,097
Icon Mine 32104	24,282	-
Joutel (Joutel)	3,478	20,245
Lac Cameron (Grevet)	5,981	16,890
Lac Cratere (13M05)	53,415	-
Lac Guillaume Nord	17,520	-
Lac Kamisikamach	26,507	-
Lac Meliyan	19,349	-
Lyndhurst (Destor/Pouliaries)	9,264	4,244
Montalembert (Montalembert)	10,018	-
Riviere Opinaca	17,844	67,778
Rouyn-Merger (Rouyn)	48,351	87,555
Ruisseau Marriott (Hebecourt)	7,028	196,157
Sheen Lake Property (Guillet)	16,546	-
Shortt Lake Mine (Gand)	37,926	7,642
Smith-Zulapa-Vianor (Tiblemont)	7,028	2,640
Standard Gold (Duvernoy)	6,274	925
Tavernier Tiblemont (Tavernier)	13,150	37,902
Tyrone	71,956	-
Venus (Barraute)	4,052	114,383
Victoria Group (Clericy)	10,578	41,582
Wood Mine Property	-	173,871
Other projects	173,597	254,265
Québec general exploration	249,272	246,680
Tax credit related to resources	(693,175)	(203,618)
	\$ 308,396	\$ 1,521,656
Other regions		
Nova Scotia	\$ 128,957	\$ 7,510
New Brunswick	12,311	124,743
Canada (others)	11,844	104
Europe	20,758	32,295
Other including Bell Mountain (USA)	98,242	35,187
	\$ 272,112	\$ 199,839
Exploration and evaluation expenditures	\$ 730,694	\$ 1,824,402

GLOBAL MINING ENTERPRISES INC.

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(Expressed in Canadian Dollars)

16. Exploration and Evaluation Expenditures (Continued)

	Year ended December 31,	
	2023	2022
Exploration and evaluation expenditures		
Consulting	\$ 229,862	\$ 186,462
Drilling	76,127	306,799
Environmental	-	5,400
Geology	143,305	38,534
Geophysics	115,197	241,222
Laboratory analysis and sampling	40,879	60,287
Labour	564,437	646,733
Mineral property acquisitions	55,134	298,415
Mining property tax, permits and prospecting	104,253	92,708
Reports, maps and supplies	8,594	15,376
Transport and road access	86,081	136,084
Tax credit related to resources	(693,175)	(203,618)
	\$ 730,694	\$ 1,824,402

(i) On March 21, 2022, Globex announced that it acquired a 0.5% GMR on 417 claims in Preissac, La Motte and Fiedmont townships, Québec through a transaction involving First Energy Metals Ltd., Globex and a group of prospectors.

(ii) On August 18, 2022, Globex announced that it acquired a 100% interest in the Point-Aux-Morts dolomite deposit located approximately 5 km west of Havre St-Pierre, Québec.

17. Income (Loss) Per Common Share

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

	Year ended December 31,	
	2023	2022
Numerator		
Income (loss) for the year	\$ 1,372,986	\$ (4,133,981)
Denominator		
Weighted average number of common shares - basic	55,400,724	55,540,848
Effect of dilutive shares		
Shares assumed to be repurchased	1,053,351	-
Weighted average number of common shares - diluted	56,454,075	55,540,848
Income (loss) per share		
Basic	\$ 0.02	\$ (0.07)
Diluted	\$ 0.02	\$ (0.07)

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

18. Share Capital

In accordance with the Certificate of Continuance, under the Canada Business Corporations Act effective October 28, 2014, the Corporation is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

Changes in capital stock

	December 31, 2023		December 31, 2022	
	Number of shares	Share capital	Number of shares	Share capital
Fully paid common shares				
Balance, beginning of year	55,671,336	\$ 56,711,846	55,360,117	\$ 56,456,856
Issued in connection with mineral property acquisition	-	-	177,419	173,871
Issued on exercise of options	380,000	227,817	177,500	125,685
Share repurchased	(748,500)	(762,490)	(43,700)	(44,566)
Balance, end of year	55,302,836	\$ 56,177,173	55,671,336	\$ 56,711,846

2023 issuances

Normal course issuer bid

(i) During the year ended December 31, 2023, 748,500 common shares were repurchased for cash consideration of \$565,642 pursuant to the Corporation's normal course issuer bid ("NCIB"). The amount by which the repurchased amount was less than the stated capital of the shares has been credited to deficit.

Issued on exercise of options

(ii) On April 21, 2023, 130,000 stock options with a fair value per share of \$0.226 were exercised at an exercise price of \$0.38 per share. Globex's shares closed at \$0.82 on the TSX on that date.

(iii) On June 1, 2023, 10,000 stock options with a fair value per share of \$0.1247 were exercised at an exercise price of \$0.235 per share. Globex's shares closed at \$0.78 on the TSX on that date.

(iv) On June 21, 2023, 160,000 stock options with a fair value per share of \$0.226 were exercised at an exercise price of \$0.38 per share. Globex's shares closed at \$0.75 on the TSX on that date.

(v) On June 23, 2023, 80,000 stock options with a fair value per share of \$0.226 were exercised at an exercise price of \$0.38 per share. Globex's shares closed at \$0.74 on the TSX on that date.

2022 issuances

Issued on exercise of options

(vi) On January 17, 2022, 10,000 stock options with a fair value per share of \$0.2676 were exercised at an exercise price of \$0.44 per share. Globex's shares closed at \$1.15 on the TSX on that date.

(vii) On January 19, 2022, 12,500 stock options with a fair value per share of \$0.3636 were exercised at an exercise price of \$0.68 per share. Globex's shares closed at \$1.17 on the TSX on that date.

(viii) On February 17, 2022, 10,000 stock options with a fair value per share of \$0.2676 were exercised at an exercise price of \$0.44 per share. Globex's shares closed at \$1.40 on the TSX on that date.

GLOBAL MINING ENTERPRISES INC.

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(Expressed in Canadian Dollars)

18. Share Capital (Continued)

Changes in capital stock (continued)

2022 issuances (continued)

Issued on exercise of options (continued)

(ix) On March 8, 2022, 5,000 stock options with a fair value per share of \$0.1996 were exercised at an exercise price of \$0.35 per share. Globex's shares closed at \$1.32 on the TSX on that date.

(x) On March 14, 2022, 5,000 stock options with a fair value per share of \$0.1996 were exercised at an exercise price of \$0.35 per share and 10,000 stock options with a fair value per share of \$0.1247 were exercised at an exercise price of \$0.235 per share. Globex's shares closed at \$1.40 on the TSX on that date.

(xi) On March 22, 2022, 10,000 stock options with a fair value per share of \$0.2676 were exercised at an exercise price of \$0.44 per share. Globex's shares closed at \$1.48 on the TSX on that date.

(xii) On April 7, 2022, 25,000 stock options with a fair value per share of \$0.3636 were exercised at an exercise price of \$0.68 per share. Globex's shares closed at \$1.58 on the TSX on that date.

(xiii) On April 21, 2022, 20,000 stock options with a fair value per share of \$0.226 were exercised at an exercise price of \$0.38 per share. Globex's shares closed at \$1.64 on the TSX on that date.

(xiv) On May 11, 2022, 10,000 stock options with a fair value per share of \$0.226 were exercised at an exercise price of \$0.38 per share. Globex's shares closed at \$1.25 on the TSX on that date.

(xv) On August 16, 2022, 35,000 stock options with a fair value per share of \$0.2676 were exercised at an exercise price of \$0.44 per share and 25,000 stock options with a fair value per share of \$0.2963 were exercised at an exercise price of \$0.235. Globex's shares closed at \$0.93 on the TSX on that date.

Shares issued in connection with mineral property acquisitions

(xvi) On July 20, 2022, Globex acquired various Net Smelter Returns on the Wood Mine property by issuing 177,419 Globex common shares at a price of \$0.98 per share for a value of \$173,871.

Normal course issuer bid

(xvii) During the year ended December 31, 2022, 43,700 common shares were repurchased for cash consideration of \$36,572 pursuant to the NCIB. The amount by which the repurchased amount was less than the stated capital of the shares has been credited to deficit.

GLOBAL MINING ENTERPRISES INC.

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(Expressed in Canadian Dollars)

18. Share Capital (Continued)

Stock options

The following is a summary of option transactions under the Corporation's stock option plan for the relevant years:

	December 31, 2023		December 31, 2022	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of year	2,625,000	\$ 0.43	2,667,500	\$ 0.40
Exercised	(380,000)	0.38	(177,500)	0.44
Expired/cancelled	(60,000)	0.64	-	-
Granted (i)(ii)(iii)(iv)	630,000	0.79	135,000	0.97
Balance, end of year	2,815,000	\$ 0.51	2,625,000	\$ 0.43
Options exercisable	2,815,000	\$ 0.51	2,625,000	\$ 0.43

(i) On April 11, 2022, 45,000 stock options with a fair value per share of \$0.7716 were granted at an exercise price of \$1.54 per share. Globex's shares closed at \$1.54 on the TSX on the previous trading day.

(ii) On December 5, 2022, 90,000 stock options with a fair value per share of \$0.3447 were granted at an exercise price of \$0.69 per share. Globex's shares closed at \$0.69 on the TSX on the previous trading day.

(iii) On April 12, 2023, 100,000 stock options with a fair value per share of \$0.3811 were granted at an exercise price of \$0.92 per share. Globex's shares closed at \$0.91 on the TSX on the previous trading day.

(iv) On August 23, 2023, 530,000 stock options with a fair value per share of \$0.4129 were granted at an exercise price of \$0.77 per share. Globex's shares closed at \$0.77 on the TSX on the previous trading day.

The following table summarizes information regarding the stock options outstanding and exercisable as at December 31, 2023:

Range of prices	Number of options outstanding	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$0.22 - \$0.24	5,000	5,000	0.46	\$ 0.24
\$0.25 - \$0.29	10,000	10,000	0.17	0.29
\$0.30 - \$0.38	1,120,000	1,120,000	0.48	0.35
\$0.39 - \$0.43	690,000	690,000	2.57	0.39
\$0.50 - \$0.69	330,000	330,000	2.45	0.69
\$0.70 - \$0.89	530,000	530,000	4.65	0.77
\$0.90 - \$0.95	100,000	100,000	2.93	0.92
\$1.50 - \$1.59	30,000	30,000	3.28	1.54
	2,815,000	2,815,000	2.12	\$ 0.51

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Notes to the Consolidated Financial Statements

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18. Share Capital (Continued)

Stock options (continued)

The following table summarizes information regarding the stock options outstanding and exercisable as at December 31, 2022:

Range of prices	Number of options outstanding	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$0.22 - \$0.24	35,000	35,000	1.35	\$ 0.24
\$0.25 - \$0.29	10,000	10,000	1.17	0.29
\$0.30 - \$0.38	1,510,000	1,510,000	1.24	0.36
\$0.39 - \$0.43	690,000	690,000	3.57	0.39
\$0.50 - \$0.69	335,000	335,000	3.44	0.69
\$1.50 - \$1.59	45,000	45,000	4.28	1.54
	2,625,000	2,625,000	2.18	\$ 0.43

Stock-based compensation and payments

The fair value of the options at the date of grant is charged to operations, with an offsetting credit to contributed surplus, over vesting periods (which can vary from immediate vesting to five years).

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

	December 31, 2023	December 31, 2022
Stock price	\$0.79	\$0.97
Expected dividend yield	Nil	Nil
Expected stock price volatility ⁽¹⁾	58.26%	59.54%
Risk free interest rate	3.95%	2.91%
Expected life	5 years	5 years
Forfeiture rate	Nil	Nil
Weighted average fair value of granted options	\$0.41	\$0.50

⁽¹⁾ Based on the historical price of the Corporation on the TSX.

During the year ended December 31, 2023, an expense of \$256,933 (year ended December 31, 2022 - \$65,746) related to share-based compensation costs has been recorded and presented separately in the consolidated statements of income (loss) and comprehensive income (loss).

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Notes to the Consolidated Financial Statements

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18. Share Capital (Continued)

Restricted Share Unit Plan

On April 11, 2012, the Board of Directors adopted a Restricted Share Unit Plan (the "RSU Plan") for the Corporation's executives and key employees, subject to regulatory approval.

The RSU Plan is designed to attract and retain qualified individuals, to serve as executives and key employees of the Corporation and its subsidiaries and to promote the alignment of interests of such executives and key employees, on the one hand, and the shareholders of the Corporation, on the other hand. A maximum of 600,000 common shares may be issued from treasury under the RSU Plan.

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

The RSU Plan was approved by the shareholders on June 1, 2012 and subsequently on June 19, 2012, the TSX confirmed that it had listed and reserved 600,000 common shares of the Corporation for issuance under the Plan.

To date, no shares have been issued under the RSU Plan.

Shareholders' Rights Plan

On May 31, 2017, the Shareholders of the Corporation approved an amended and restated Shareholder Rights Plan (the "Amended Rights Plan"). On April 20, 2017, the TSX accepted notice for filing of the Amended Rights Plan and on July 13, 2017, confirmed that it was in receipt of all necessary documents needed to confirm its approval of the Amended Rights Plan.

The Amended Rights Plan was adopted to: (i) provide shareholders and the Board of Directors time to consider and evaluate any take-over bid made for the outstanding shares of the Corporation; (ii) provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives to any such take-over bid made for the outstanding shares of the Corporation; (iii) encourage the fair treatment of shareholders in connection with any takeover bid for the outstanding shares of the Corporation; and (iv) generally prevent any person from acquiring beneficial ownership of or the right to vote more than 20% of the outstanding common shares of the Corporation (or where such person already owns more than 20% of the shares, from acquiring ownership of or right to vote any additional shares) while this process is ongoing or entering into arrangements or relationships that have a similar effect.

The Amended Rights Plan is designed to prevent the use of coercive and/or abusive take-over techniques and to encourage any potential acquirer to negotiate directly with the Board of Directors for the benefit of all of the Corporation's shareholders. In addition, the Amended Rights Plan is intended to provide increased assurance that a potential acquirer would pay an appropriate control premium in connection with any acquisition of the Corporation.

The Amended Rights Plan will provide the Board of Directors with time to review any unsolicited takeover bid that may be made and to take action, if appropriate, to enhance shareholder value. The Amended Rights Plan attempts to protect the Corporation's shareholders by requiring that all potential bidders comply with the conditions specified in the permitted bid provisions, failing which such bidders are subject to the dilutive features of the Amended Rights Plan. By creating the potential for substantial dilution of a bidder's position, the Amended Rights Plan encourages an offeror to proceed by way of a permitted bid or to approach the Board of Directors with a view to negotiation.

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Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

18. Share Capital (Continued)

NCIB

On July 27, 2022, the Corporation announced that the TSX approved the renewal of the Corporation's NCIB. Under the NCIB, the Corporation was entitled to repurchase for cancellation up to 1,000,000 common shares, representing 1.8% of Globex's issued and outstanding shares as of July 21, 2022, over a twelve-month period starting on August 2, 2022 and ending on August 1, 2023. The purchases by Globex were effected through the facilities of the TSX and on other alternative trading systems in Canada and made at the market price of the shares at the time of the purchase.

On July 28, 2023, the Corporation announced that the TSX approved the renewal of the NCIB. The Corporation is entitled to repurchase for cancellation up to 1,000,000 common shares, representing 1.8% of Globex's issued and outstanding shares as of July 20, 2023, over a twelve-month period starting on August 2, 2023 and ending on August 1, 2024. The purchases by Globex will be effected through the facilities of the TSX and on other alternative trading systems in Canada and will be made at the market price of the shares at the time of the purchase.

During the year ended December 31, 2023, 748,500 common shares (year ended December 31, 2022 - 43,700 common shares) of Globex were purchased for cash consideration of \$565,642 (year ended December 31, 2022 - \$36,572) pursuant to the NCIB. The amount by which the repurchased amount was less than the stated capital of the shares has been credited to deficit.

19. Related Party Information

Related party receivable	December 31, 2023	December 31, 2022
Chibougamau Independent Mines Inc. ("CIM")	\$ 41,635	\$ 63,454
DAL	92,517	-
	\$ 134,152	\$ 63,454

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

As reflected in the consolidated statement of cash flows, there was a net cash increase of \$70,698 in the related party receivable included in change in non-cash working capital items during the year ended December 31, 2023 (year ended December 31, 2022 - increase of \$43,237 in related party receivable balance).

CIM

CIM is considered a related party as Globex management consisting of the President and CEO and a director hold the same positions with both entities. In addition, the President and CEO holds a large number of common shares of both organizations through JSGL, a private company which is a large shareholder of CIM and Globex and therefore can significantly influence the operations of both entities.

Management services

On December 29, 2012, Globex entered into a Management Services Agreement with CIM under which the Corporation agreed to provide management services including administrative, compliance, corporate secretarial, risk management support and advisory services to CIM.

Management services income of \$8,857 for the year ended December 31, 2023 (year ended December 31, 2022 - \$12,967) represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement.

GLOBEX MINING ENTERPRISES INC.

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19. Related Party Information (Continued)

Management compensation

The total compensation for the respective periods paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation (management personnel includes the President and CEO, Chief Financial Officer, Treasurer and Corporate Secretary) are as follows:

	Year ended December 31,	
	2023	2022
Management compensation		
Salaries and other benefits	\$ 263,700	\$ 608,633
Professional fees and outside services (i)	91,229	96,229
Fair value of share-based compensation	206,436	-
	\$ 561,365	\$ 704,862

(i) In the year ended December 31, 2023, management consulting fees of \$91,229 (year ended December 31, 2022 - \$96,229) were paid to the Chief Financial Officer and the Corporate Secretary. They were appointed on September 20, 2017. As at December 31, 2023, the balance due to the Chief Financial Officer and Corporate Secretary is \$15,759 (December 31, 2022 - \$32,844) which is included in payables and accruals due under normal credit terms.

20. Supplementary Cash Flows Information

	December 31, 2023	December 31, 2022
Changes in non-cash working capital items		
Accounts receivable	\$ 2,100,450	\$ 2,946,705
Prepaid expenses and deposits	(9,028)	19,131
Related party receivable	(70,698)	(43,237)
Current income tax receivable	348,080	(897,696)
Payables and accruals	(38,433)	46,060
Current income tax payable	-	(2,445,113)
	\$ 2,330,371	\$ (374,150)
	December 31, 2023	December 31, 2022
Non-cash operating and investing activities		
Disposal of mineral properties for investments	\$ 2,912,364	\$ 1,060,467
Shares issued for mineral properties	-	173,871
	December 31, 2023	December 31, 2022
Income taxes paid		
Income taxes paid	\$ -	\$ 4,877,214

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21. Financial Instruments

Capital risk management

The Corporation manages its share capital, contributed surplus and deficit as capital. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern while it pursues its objective of enhancing projects, properties or the development of properties to the benefit of all stakeholders. As a Canadian exploration corporation, its principal sources of funds consist of:

(a) Option income on properties; (b) metal royalty income; (c) investment income; (d) proceeds from the issuance of common and flow-through shares and (e) other working capital items. The Corporation manages the capital structure and makes adjustments to it in light of operating results in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation issues shares, enters into joint venture property arrangements or disposes of properties.

The Corporation's investment policy is to invest its cash in low risk highly liquid short-term interest-bearing instruments selected with a duration which is expected to align with the Corporation's planned expenditures.

In order to facilitate the management of its capital requirements, the Corporation prepares annual expenditure budgets that are updated as necessary. The annual and updated budgets are approved by the Board of Directors. For capital management purposes, the Corporation has developed two objectives, as follows:

- Retain cash and cash equivalents and accounts receivable which are equal to or greater than the committed exploration expenditures; and
- Retain equity investments and debt instruments with a combined fair market value which is greater than twelve months of projected operating and administrative expenditures.

The Corporation's overall strategy remains unchanged from 2022.

The Corporation may need additional capital resources to complete or carry out its exploration and development plans beyond the next twelve months. The Corporation continually considers a number of options including the optioning and sale of properties as well as other financing activities.

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, equity market risk, currency risk and fair value measurements recognized in the consolidated statement of financial position.

(a) Credit risk

The Corporation had cash and cash equivalents which totaled \$6,611,783 as at December 31, 2023, (December 31, 2022 - \$1,528,706). These funds are subject to a combination of the \$100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation, a federal Crown corporation, as well as a guarantee of \$1,000,000 provided by the Canadian Investors Protection Fund.

The Corporation does not believe that it is subject to any significant concentration of credit risk. Cash and cash equivalents are in place with major Canadian financial institutions. 40% of accounts receivable should be reflected as an increase in credit risk but as a result of this amount not being significant to the consolidated financial statements as a whole, the increased credit risk has not been recorded as an expected credit loss.

The carrying amount of financial assets represents the Corporation's maximum credit exposure.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

(Expressed in Canadian Dollars)

21. Financial Instruments (Continued)

Financial risk management objectives (continued)

(a) Credit risk (continued)

The maximum exposure to credit risk was:

	Notes	December 31, 2023	December 31, 2022
Cash and cash equivalents	5	\$ 6,611,783	\$ 1,528,706
Investments	6	18,014,269	20,091,218
Accounts receivable (less taxes receivable)	7	5,605,555	7,195,541
Related party receivable	19	134,152	63,454
		\$ 30,365,759	\$ 28,878,919

The following is an aged analysis of the trade receivables (note 7):

	December 31, 2023	December 31, 2022
Less than 3 months	\$ 39,587	\$ 119,540
Greater than 3 months	14,916	24,552
Allowance for doubtful accounts	(4,109)	(4,109)
	\$ 50,394	\$ 139,983

(b) Liquidity risk

Liquidity risk represents the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through its capital structure and by continuously monitoring actual and projected cash flows. The Corporation finances its exploration activities through flow-through shares, operating cash flows and the utilization of its liquidity reserves.

The Board of Directors reviews and approves the Corporation's operating and capital budgets, as well as any material transactions out of the ordinary course of business.

Contractual maturities of financial liabilities are as follows; payables and accruals less than one year; restoration liabilities over one year; and related party liabilities from future free cash flow.

(c) Commodity price risk

Commodity price risk arises from the possible adverse effect on current and future earnings due to fluctuations in commodity prices. The ability of the Corporation to develop its properties and the future profitability of the Corporation are directly related to these prices.

GLOBAL MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

21. Financial Instruments (Continued)

Financial risk management objectives (continued)

(d) Equity market risk

Equity market risk is defined as the potential adverse impact on the Corporation's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Corporation closely monitors the general trends in the stock markets and individual equity movements, and determines the appropriate course of action to be taken by the Corporation.

The Corporation currently holds investments in a number of optionee companies which are subject to fair value fluctuations arising from changes in the Canadian mining sector and equity markets with a current fair market value of \$18,014,269 (December 31, 2022 - \$20,091,218). Based on the balance outstanding at December 31, 2023, a 10% increase or decrease would impact income and loss by \$1,562,738 (December 31, 2022 - \$1,742,913).

(e) Currency risk

Assets and liabilities in foreign currency are as follows:

	December 31, 2023 USD	December 31, 2022 USD
Cash and cash equivalents	\$ 176,770	\$ 422,350
Investments	209,767	-
Reclamation bonds	112,132	112,132
	\$ 498,669	\$ 534,482

The following table shows the estimated sensitivity of the Corporation's financial instruments for the year ended December 31, 2023 from a change in U.S. dollars with all other variables held constant as at December 31, 2023:

Percentage of change in closing exchange rate	Impact on net loss and shareholders' equity from % increase in exchange rate	Impact on net loss and shareholders' equity from % decrease in exchange rate
2%	\$ 9,973	\$ (9,973)
4%	19,947	(19,947)
6%	29,920	(29,920)
8%	39,893	(39,893)
10%	49,867	(49,867)

GLOBEX MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

December 31, 2023 and 2022

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21. Financial Instruments (Continued)

Financial risk management objectives (continued)

(e) Currency risk (continued)

The following table shows the estimated sensitivity of the Corporation's financial instruments for the year ended December 31, 2022 from a change in U.S. dollars with all other variables held constant as at December 31, 2022:

Percentage of change in closing exchange rate	Impact on net loss and shareholders' equity from % increase in exchange rate	Impact on net loss and shareholders' equity from % decrease in exchange rate
2%	\$ 10,690	\$ (10,690)
4%	21,379	(21,379)
6%	32,069	(32,069)
8%	42,759	(42,759)
10%	53,448	(53,448)

(f) Fair value measurements recognized in the statement of consolidated financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

December 31, 2023	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Cash and cash equivalents	\$ 3,430,336	\$ 3,181,447	\$ -	\$ 6,611,783
Investments	17,789,199	225,070	-	18,014,269
	\$ 21,219,535	\$ 3,406,517	\$ -	\$ 24,626,052

There were no transfers between Level 1, Level 2 and Level 3 during the year.

December 31, 2022	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Cash and cash equivalents	\$ 1,398,350	\$ 130,356	\$ -	\$ 1,528,706
Investments	20,091,218	-	-	20,091,218
	\$ 21,489,568	\$ 130,356	\$ -	\$ 21,619,924

There were no transfers between Level 1, Level 2 and Level 3 during the year.

GLOBEX MINING ENTERPRISES INC.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

21. Financial Instruments (Continued)

Financial risk management objectives (continued)

(f) Fair value measurements recognized in the statement of consolidated financial position (continued)

For all other financial assets and liabilities, the fair value is equal to the carrying value.

The fair values of the Corporation's cash and cash equivalents, accounts receivable (less the non-current portion of deferred compensation), related party receivable, payables and accruals approximate their carrying values due to their short-term nature. The fair value of the Corporation's reclamation bonds approximates the carrying value since the carrying value is increased by the accrued interest earned during the year. Investments have been adjusted to reflect the fair market value at the period end based on quoted market rates. The fair value of the Corporation's deferred compensation approximates its carrying value since the carrying value is determined based upon discounted future cash flows, using a discount rate adjusted for the Corporation's own credit risk, that reflects current market conditions for instruments with similar terms and risks.

22. Canada Emergency Wage Subsidy

In response to COVID-19, the Government of Canada announced the Canada Emergency Wage Subsidy ("CEWS") program in April 2020. CEWS provides a wage subsidy on eligible remuneration, subject to a maximum per employee, to eligible employers based on meeting certain eligibility criteria. The Corporation determined that it qualified for this subsidy. The Corporation has recognized the government grant as there is reasonable assurance that it complies with the eligibility criteria. Included in salaries expense for the year ended December 31, 2023 is \$nil (year ended December 31, 2022 - \$22,000) relating to the CEWS program in order to reduce the expense that the grant is intended to offset.