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MORNING COMMENT
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PLEASE SEE IMPORTANT DISCLOSURES ON PAGES 2 AND 3.

GlobeStar Mining Corporation^{2,3} (TSX-GMI C\$1.60) Mkt Cap C\$162 MM
Recommendation: Speculative Buy; Target C\$2.55
Analyst: Ron Coll

Initial Drill results from the Corozal Ridge ...GMI's second Ni Laterite Deposit

GlobeStar Mining released the initial drill results from its 100% owned Corozal Ridge nickel laterite deposit, including 1.85% Ni over 21.0 metres!

The results from the initial eight holes of a 30-hole program at **Corozal Ridge** indicate at surface, high grade nickel laterite mineralization located 3.5 Km east of **Cumpie Hill** (43-101 resource released in 2007). Holes drilled on 50-metre centers indicate a second high grade nickel laterite zone, which is open in all directions. Interestingly, all eight holes released today returned values in excess of 1.25% Ni, higher grades than that currently being mined and processed at Xstrata's Falcondo integrated mine and smelter complex. The remaining drill results (22 holes) will be released in batches, when available.

Corozal Ridge drilling highlights included:

Hole CM-LATD-172 1.79% Ni over 5.5 metres

Hole CM-LATD-173 1.90% Ni over 6.7 metres

Hole CM-LATD-177 1.78% Ni over 5.0 metres

Hole CM-LATD-178 1.85% Ni over 21.0 metres

Hole CM-LATD-179 1.64% Ni over 5.1 metres

Separately, a brand-new Nickel Laterite discovery, **The Cuaba Quemada Zone**, has been identified on the Elsa 1 Concession within GlobeStar's 40 Km long prospective ultramafic belt. This new zone is located 18 Km southeast of **Cumpie Hill** and 14 Km SE of GMI's **Cerro de Maimon Copper Project**, currently under construction. This new discovery returned 2.19% Ni in a 1.0 metre channel sample within a test pit. A second 1.0 metre sample returned 2.05% Ni! GlobeStar can earn a 100% interest in the Elsa 1 Concession with exploration expenditures of US\$900,000 and payments totalling US\$650,000 in cash or shares. Drilling is expected to commence on Cuaba Quemada later in 2008.

Also, an infill drilling program at **Cumpie Hill & Loma Mala** that was carried out in late 2007 on **Loma Mala, Corozal Ridge** will result in an up-dated 43-101 resource estimate expected in late February 2008.

Cerro de Maimon Copper-Gold-Silver Mine

During 2006 and 2007, GlobeStar raised US\$42.25 million in debt and an additional US\$45.0 million (C\$50.0

million) in equity, to fund mine development at the **Cerro de Maimon** open-pit, copper-gold-silver mine. Construction commenced in January 2007. The 1,800 tpd mine (consisting of a 1,300 tpd sulphide milling circuit combined with a 700 tpd oxide circuit treating sulphides and oxides from the open-pit) is scheduled to produce 36 million lbs of copper, 20,000 ounces of gold and 600,000 ounces of silver/year for four years. Upon depletion of the oxide ore in year-4, the sulphide plant and the converted oxide plant will continue to process open-pit sulphide ore at 1,800 tpd to produce 28 million lbs of copper, 10,000 ounces of gold and 300,000 ounces of silver for an additional six years. The capital cost of the 10-year mining project is approximately US\$68.0 million.

Construction is well-advanced and the fully-permitted and fully-funded Cerro de Maimon copper project is expected to commence production in Q4 2008. GlobeStar is one of our favourite emerging junior base metal producers. Our SPECULATIVE UY recommendation and C\$2.55 target price remain unchanged.

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Revised Monthly

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