



**GLOBESTAR MINING CORPORATION ANNOUNCES
CLOSING OF US\$45 MILLION DEBT FACILITY FOR CERRO DE MAIMON PROJECT:
GOLD AND SILVER HEDGES ENTERED INTO FOR MAJORITY OF MANDATORY HEDGING
REQUIREMENTS UNDER FACILITY: AND
TECHNICAL UPDATE ON OPERATIONS**

TORONTO, Ontario - August 9th, 2007 -- GlobeStar Mining Corporation ("**GlobeStar**" or the "**Company**") (TSX: GMI) is pleased to announce the closing of its US\$45 million debt financing facility with NEDBANK Capital of South Africa. The amount of the facility represents an increase of US\$7 million from the amount of this facility previously announced in the Company's press release of May 9, 2006. The increase is intended to provide the Company with additional flexibility to cover any unanticipated increases in capital cost of the Cerro de Maimón copper/gold project in the Dominican Republic.

GlobeStar expects to use proceeds of this facility to partially fund the continued development of its 100% owned Cerro de Maimón project.

The term of the facility will run through December 31, 2013 or 5 years after commissioning the Cerro de Maimón plant, whichever is earlier. The facility carries an interest rate based on LIBOR plus 300 basis points during operations and LIBOR plus 350 basis points during the construction of the project. Mandatory prepayments are required at 25% of the project's excess available cash flow, as defined under the facility. The facility requires certain commodity hedging during the first three years of production and contains a number of customary terms and conditions applicable to a facility like this one.

"Together with the previous equity financings completed in the last 12 months, this debt facility provides the Company access to over US\$90 million to develop its Cerro de Maimón project and continue its copper, nickel and gold exploration program." commented Dave Massola, GlobeStar's Vice President of Finance and Chief Financial Officer, "The funding available to the Company allows it to pursue its growth strategy beyond the mine commissioning scheduled for summer 2008".

In August 2006, the Company raised Cdn\$30 million in equity and in May 2007 the Company raised a further Cdn\$31.8 million (see releases of June 21, 2006 and May 29, 2007).

Hedging Program

As required under the NEDBANK debt facility, the Company has entered into hedging contracts for 90% of its gold and silver production from the Cerro de Maimón project during the initial three years of production, at an average floor price of US\$650 and US\$11.50 per ounce, respectively. A small percentage of the project's first year copper production was also recently hedged. The Company also purchased call options in order to limit the mark to market risk of these contracts and also to enable the Company to participate in future copper, gold and silver price increases above specified levels. Auramet Trading LLC of Fort Lee, New Jersey acted as advisors on both the hedging and debt transactions.

Technical Update on Operations

At the Cerro de Maimón project mine site, work on both the sulphide and oxide processing plant buildings is progressing well. Work has begun on ancillary buildings and these are expected to be completed shortly. Haul roads construction and site clearance of the open pit have also commenced. Micon International Limited have been engaged to complete a National Instrument 43-101 ("NI 43-101") compliant technical report which will describe an update of the Company's estimated mineral reserves and resources, incorporating the results of the recent



drilling program (see press release of May 3, 2007), and providing updated estimates on capital costs, operating costs and anticipated mine life. The report is expected to be released by mid-August 2007.

Sococo de Costa Rica has been selected as the mining contractor for the project. Sococo is currently mobilizing their equipment and is planning to start the pre-stripping of the ore body, anticipated to begin in August 2007.

The Company's 207 hole nickel drilling program is progressing on schedule with the 67 infill drill holes at Cumpié Hill completed. Some 11 of these holes have been reported, and half core from the remaining 56 holes is at Lakefield Research in Canada, who have been contracted to provide assays and preliminary metallurgical testing. Snowden and Associates of Vancouver have been contracted to prepare an independent NI 43-101 compliant estimated mineral resource calculation for Cumpié Hill, expected to be published in the of fall 2007. Drilling has begun on the next target, Loma Mala.

For the Company's copper exploration program, the data processing and target selection from the Company's Cdn\$300,000 airborne Electro Magnetic program is due to be completed at the end of August. The campaign for the 2007 7,500 metre drilling program is expected to start later this month, at the Cuance, Bayaguana and Loma Pesada drilling targets, followed sequentially by any targets generated by the EM survey. This drilling program has been delayed due to mine drilling for the Micon NI 43-101 technical report, and longer than anticipated delays in both securing drill rigs and target selection. The budgeted program is currently planned to be completed in the 4th quarter of 2007.

About GlobeStar

GlobeStar Mining Corp. is a well funded mine development Company, moving forward with its Cerro de Maimón copper/gold project, currently anticipated to be due for commissioning and start-up in the summer of 2008. The Company is also aggressively exploring an extensive base and precious metals exploration portfolio in the Dominican Republic with a US\$4 million exploration budget, including its 207-hole nickel drilling program and a 7,500 metre copper/gold drilling program.

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