

31 January 2018**SOON MINING LIMITED (ASX: SMG)****QUARTERLY ACTIVITIES REPORT
FOR THE QUARTER ENDED 31 DECEMBER 2017****Kwahu Praso Project (100% SMG)****EPA Progress**

The Company is continuously making effort to the progress of obtaining the EPA for Kwahu Praso Project. Through holding the coordination meetings and negotiating with local villagers, SMG hopes to reach consensus with the local villagers as soon as possible in order to obtain the EPA approval to facilitate the mining activity of the Company.

Konongo Project (Joint Venture)

The temporary delay of the Konongo Project was due to the Ministry of Lands and Natural Resources has imposed a temporary ban for 6 months on all small scale mining activities with the view to finding a speedy and lasting resolution to the negative impact of the small scale mining operation in the country. However, the period of suspension was extended for another 3 months to allow the Government to review the measures to tackle illegal mining and its negative impact on the environment. The suspension is expected to be lifted in early 2018. To date, the Company has not conducted any mining activities nor breach any law in the country resulting in the halt of its activities. Once the suspension is lifted, SMG will be able to resume the mining activities in Konongo Project which already has all necessary permits for mining.

Proposed oil trading business

As announced to market on 23 October 2017, the Company was in advanced discussions with the Government of Ghana to obtain the necessary authorisations to enable SMG to trade light crude oil, which may also extend to other petroleum products (Proposed Business). The Company remains committed to the addition of the Proposed Business and, following extensive consultation with the ASX that it has confirmed that it will not exercise its discretion under Listing Rule 11.1.3 to require the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules. Accordingly, the Company will not be required to undertake a re-compliance listing. However, the shareholder approval under Listing Rule 11.1.2 will still be required for the Company to undertake the Proposed Business, given the nature of the main undertaking of the Company will change from a gold exploration entity to gold exploration and oil importer and exporter.

Quarterly Activities Report

For the quarter ended 31 December 2017 (Cont'd)

Other Businesses

On 27th October 2017, Garry Edward resigned from the Board.

Events after the end of the Quarter

The Company is pleased to announce the result of the General Meeting which was held on 22nd January 2018. SMG's shareholders had approved the expansion of Proposed Business. SMG is able to engage in crude oil trading and related businesses in addition to its existing gold business. The suspension of trading in the securities of SMG was lifted the same day, following shareholders' approval under Listing Rule 11.1.2.

The Company remains fully committed to its gold mining business, and believes that the additional oil business activities represent an attractive opportunity for the Company.

Disclosure of Information relating to Listing Rule 5.3

5.3.1 See heading 'Quarterly Activities Report' above for more details.

5.3.2 There are no existing activities relating to production as at 31 December 2017.

5.3.3 The Project is located near Kwahu Praso in the Kwahu South District in the Eastern Region of Ghana. It is about 130 km northwest of Accra, the capital of Ghana.

The Project concession covers an area of 82.74 km² including 63.0 km² within the mining lease area and the surrounding 19.74 km² retained under a prospecting license. The mining lease has a mining tenure of 14 years with a current expiry date of 11 July 2027. The prospecting license has been renewed with expiry date of 2 March 2018. No mining tenements were acquired or disposed of during the quarter.

There are no beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter.

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ENDS

Ching-Tiem Huang

Managing Director