

4 August 2019

Responses to ASX regarding Appendix 5B Queries

Soon Mining Limited ("SMG") had received an enquiry letter from ASX on 31 July 2019 regarding information disclosed in the Appendix 5B lodged on the ASX Market Announcements Platform on 31 July 2019.

The Board of Directors had reviewed the questions posed by ASX and our responses are as follows:

1. Does SMG expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

SMG response: SMG does expect to have a small negative operating cash flows for a short period of time. Once we receive the required funding, SMG will be able to commence its mining activities at its Joint Venture Projects and expedite our EPA approval and commence the production in SMG's own concession. It will be able to turnaround and generate positive cash flows in the near future.

2. Has SMG taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

SMG response: SMG had already issued Loan Note to current and prospective investors and the Company had also seek funding from existing investors in the form of a shareholder loan. One of the Directors has also been actively in the market seeking partnership or investment from related industry organisations to assist SMG in meeting its short time working capital needs. SMG does not rule out the possibility of cooperation with any potential investor who wants to hold 51% of SMG and is currently in discussion with specific investors. SMG is under the impression that discussions with potential investors are reaching its final stages and that funds will be injected into the Company within a short period of time.

3. Does SMG expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

SMG response: SMG strongly believes that it will be able to continue its operations and to meet its business objectives. This can be evident through our constant efforts in Ghana, West Africa, and the recent market releases. For example, once the Company has received its short term funding, it will be able to immediately commence its production of gold with the Joint Venture (JV) projects as the commissioning of machinery has already been completed.

In addition, through the Company's constant efforts with its own project (Kwahu Praso), the progress of EPA has been advancing and the Scoping report has recently been submitted to Ghana Environmental Protection Agency (EPA) and currently we are arranging the final stage of Environmental and Social Impacts Assessment (ESIA) and public hearing which will be completed in the foreseeable future, then we will be able to

receive the final approval to mine. All the above activities could happen once the required funding is received which we believe will come in shortly. If sufficient funds are obtained, SMG will expand the production line in order to maximize the profits in the shortest time.

The main focus now will be to seek funding and commence the JV project initially as this allow us to generate positive cash flows in a short amount of time while continuing with the progress of the EPA approval.

4. Please confirm that SMG is complying with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that rule that has not already been released to the market.

SMG response: SMG confirms that it is complying with Listing Rule 3.1 and that all relevant information relating to its financial condition have been released to the market accordingly.

5. Please confirm that SMG's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of SMG with delegated authority from the board to respond to ASX on disclosure matters.

SMG response: SMG confirms the release of this letter has been discussed by the Board and approved.

It has been a very tough journey for the company and the board since our listing on ASX as we overcome the many hurdles in Ghana, West Africa, due to unforeseen circumstances which includes Government changes and new legislations. However, SMG is currently progressing well into its project as well as other JV projects within the region and also seeking for partnership with potential investors in various ways. We are confident that we will be able to generate a positive cash flow soon and maximize the profits.

ENDS

Ching-Tiem Huang

Managing Director