

29 October 2021

SOON MINING LIMITED (ASX: SMG)

**QUARTERLY ACTIVITIES REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

Kwahu Praso Project (100% SMG)

During the quarter, Soon Mining Limited ("SMG" or the "Company") started a trial gold production program at its flagship Kwahu Praso project in Ghana.

Over the recent months, the Company has selected the location of the processing plant, and has actively carried out related crops compensation, ground preparation, and the relocation and setting of machinery and equipment. The trial gold production program was finally launched in late September, and a small amount of gold was obtained during the period. This has resulted in the Company recognizing income from gold production. This is expected to increase over time as the Company ramps up its production.

After a lengthy period of continuous exploration and compliance activities, SMG has finally reached the current stage, which is an important milestone for the project.

The objectives from the test and trial gold production is to confirm that the machinery and equipment currently on site can operate normally and efficiently, and to adjust the machinery and equipment to ensure and optimum performance. This will ensure the Company is able to achieve continuous operation of gold production. The trial program is expected to continue to run through the fourth quarter of this financial year.

SMG hopes that under the current equipment scale, the production capacity can stabilize by the end of the financial year, which would mean that it can reach 1,200 M³ per day for gravel processing. If successful, this would result in the Company being able to achieve a stable and continuous revenue stream from next year as it also expands its production capacity moderately in the future.

Annual General Meeting

The Company's AGM as a virtual meeting via audio cast was held on 30 July 2021 and all resolutions had been passed.

Corporate

The Company has successfully completed the agreement with the related parties to convert the total \$1,126,396 outstanding payables balances to share capital on 18 August 2021.

Disclosure of Information relating to Listing Rule 5.3

5.3.1: Refer to the 'Quarterly Activities Report' above for more details.

5.3.2: There are no existing activities relating to production as at 30 September 2021.

5.3.3: The Company held a project near Kwahu Praso in the Kwahu South District, which is in the Eastern Region of Ghana. It is approximately 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 is currently in the process of renewal.

There were no mining tenements 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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Authorised for release by the Board

Ching-Tiem Huang
Managing Director