SOON MINING LIMITED

ACN 603 637 083

PROSPECTUS

For an offer of up to 15,000,000 Shares at an issue price of $0.20 per Share to raise up to $3,000,000.

Oversubscriptions of up to a further 10,000,000 Shares at an issue price of $0.20 per Share to raise up to a further $2,000,000 may be accepted.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult a professional advisor without delay. The Shares offered by this Prospectus should be considered highly speculative.

IMPORTANT INFORMATION

This Prospectus is dated 17 July 2015 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Company will apply for Official Quotation on the ASX of the Shares offered under this Prospectus within 7 days after the date of this Prospectus.

No person or entity is authorised to give any information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company or the Directors in connection with this Prospectus.

This Prospectus does not constitute an offer of Shares in any place in which, or to any person to whom, it would be unlawful to do so. No action has been taken to register the Offer or otherwise permit the Offer to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and any person into whose possession this Prospectus comes (including nominees, trustees or custodians) should seek advice on and observe those restrictions. Failure to comply with these restrictions may violate securities laws.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary.

Conditional Offer - Listing on the ASX

There is a risk that the Company may not be able to satisfy the conditions to the Offer and meet the requirements of ASX for quotation on the ASX. In the event the Company does not receive conditional approval for quotation on ASX then the Company will not proceed with the Offer and will repay all application monies received.

Risk factors

Before deciding whether to apply for Shares pursuant to this Prospectus, you should consider the risk factors that could affect the financial performance of the Company and consult with your professional advisers. For further information in relation to the risk factors of the Company please refer to the summary in the Investment Overview (Section 2) and Section 10 of this Prospectus.

Exposure Period

The Corporations Act prohibits the Company from processing

Applications received until after the Exposure Period. The Exposure Period is the seven day period (excluding public holidays) from the date of this Prospectus and may be extended by ASIC by up to a further seven days. The purpose of the Exposure Period is to enable examination of this

Prospectus by market participants prior to the offering of Shares. That examination may result in the identification of deficiencies in this Prospectus, in which case any Application received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period.

Electronic Prospectus

This Prospectus will also be issued as an electronic prospectus. A copy of this Prospectus can be downloaded from the Company's website at

www.soonmining.com/prospectus

If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.
The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.
The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.
Persons who access the Prospectus in electronic form should ensure that they download and read the entire Prospectus.

Forwarding-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.
These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.
Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Directors and Company.
The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Competent person statements

The Independent Geologist's Report set out in Section 8 is based on, and fairly represents, information compiled by Kwabena Atta Mensah of KCT Consulting Mining. Mr Mensah is a member of the Australasian Institute of Mining and Metallurgy, being a 'Recognised Professional Organisation' included in a list promulgated by ASX from time to time. Mr Mensah has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity they are undertaking to qualify as competent persons as defined in the JORC Code 2012. Mr Mensah has provided consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

No financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Privacy

For information in relation to the Company's Privacy Statement please refer to Section 3.21

General

All amounts are in Australian dollars unless otherwise specified.
A number of terms and abbreviations used in this Prospectus have defined meanings, which appear in Section 14.
All references to time are to the time in Queensland, Australia.

CONTENTS

1 CHAIRMAN'S LETTER

Dear Investor,
On behalf of the Board of Directors, I am pleased to invite you to invest in Soon Mining Limited ACN 603 637 083 (Soon or the Company).

This Prospectus includes detailed information about the Offer, the Company and the Project, together with a statement of the risks associated with investing in Soon. I recommend that you read the Prospectus in its entirety and seek independent advice before investing in the Company.

I thank you for your interest and look forward to welcoming you as a shareholder of Soon.

OBI'S BUSINESS

Soon has entered into a Share Purchase Agreement (SPA) with the shareholders in Ocean Blue International Limited (OBI) to acquire all of the issued capital in OBI for a consideration of 125,000,000 Shares.

OBI owns 100% of Soon Mining Company Limited (Soon Mining Ghana), a company incorporated in Ghana. Soon Mining Ghana is a West African gold explorer with the primary purpose of developing the Kwahu Praso Gold Concession in the eastern region of Ghana (Project). The concession is part of the Ashanti belt, which is the key gold mineralisation district and is best known for its extensive alluvial occurrences and gold bearing quartz vein systems. The location of the concession area provides access to infrastructure needed to develop a mining concession.

Soon Mining Ghana has already obtained a mining lease for certain key areas of the Kwahu Praso concession. On completion of the Offer the Company intends to use the funds raised to commission the construction of a processing plant and to purchase necessary equipment to allow Soon Mining Ghana to commence production of placer gold. The Company will also use funds raised from the Offer to commence a further exploration programme to target the lode gold potential in the concession. The production of placer gold means the Company expects to see near term revenue, which will be re-invested towards the exploration programme.

THE OFFER

By this Prospectus, Soon offers to investors the opportunity to subscribe for 15,000,000 Shares at an issue price of $0.20 per Share to raise $3,000,000 (Offer).

The Company may accept oversubscriptions of up to a further 10,000,000 Shares at an issue price of $0.20 per Share to raise up to a further $2,000,000. The funds will be applied to the costs and expenses associated with the Offer and for store expansion.

1 CHAIRMAN'S LETTER

RISKS

As with all companies, Soon is subject to a range of risks, which are summarised in Section 2 and more fully detailed in Section 10.

This Prospectus includes details of the Offer, the Company and the Project. We recommend that you read this document carefully and, if you are interested in investing in the Company, seek independent professional advice.

On behalf of the board of Directors, I commend an investment in Soon to you and look forward to welcoming you as a Shareholder.
Yours faithfully,

Ching-Tiem Huang
Chairman
17 July 2015

2 INVESTMENT OVERVIEW

Important notice

This information is a selective overview only. Investors should read the Prospectus in full before deciding whether to invest in Shares. In particular investors should consider the risk factors that could affect the financial and operating performance of the Company described in Section 10.

Question	Answer	Section
Who is making the Offer?	Soon Mining Limited ACN 603 637 083, an Australian unlisted public Company. Soon has entered into a Share Purchase Agreement (SPA) with the shareholders in OBI (OBI Vendors) to acquire all of the issued capital in OBI for the issue of 125,000,000 Shares to the OBI Vendors (Consideration Shares). Completion of the Acquisition is conditional on Soon meeting all relevant requirements under the Listing Rules to be admitted to the official list of the ASX, including successfully raising a minimum of $3,000,000 under the Offer. OBI and Soon Mining Ghana are both companies controlled by Ching-Tiem Huang. The purpose of the Acquisition is to facilitate a listing of the OBI Group on the ASX through an Australian company. Further details of the SPA are set out in Section 11.1.	3.1 and 3.2. 11.1 (for summary of SPA)
What is OBI's business?	OBI owns 100% of Soon Mining Ghana, a company incorporated in Ghana. Soon Mining Ghana is a mineral exploration company formed to acquire and develop exploration projects with demonstrated potential for additional discovery. Soon Mining Ghana's primary purpose is develop and mine the Kwahu Praso Gold Concession in the eastern region of Ghana. The Project is 100% owned by Soon Mining Ghana. If the OBI Acquisition proceeds, the Company's business will be that of a mining company in Ghana.	4
How will the Company make money?	The Company will generate revenue from the extraction and sale of gold. The Company's business plan is set out in Section 4.4.	4.4
Why is the Offer being conducted and how with the funds be used?	The Offer is being conducted to: (a) fund the costs of the Offer; (b) purchase the necessary equipment and commence construction of a processing plant, which is estimated to be completed within 6 months; (c) obtain necessary environmental approvals to commence the production of placer gold at the Project ; and (d) commence an exploration programme to target the lode gold potential of the Project.	3.5

2 INVESTMENT OVERVIEW

Why is the Offer being conducted and how with the funds be used?	In the event the Company raises more than the minimum subscription of $3,000,000 the additional funds raised will be first applied towards expenses of the Offer followed by allocation towards further exploration expenditure focussing on exploration, metallurgy and resource definition drilling, with any remaining funds used for working capital of the business.	3.5
Is there an Independent Geologist's Report?	The Company has engaged KCT Consulting Mining to prepare an Independent Geologist's Report included in Section 8, which provides information on: (a)the geology, mineralisation and exploration history of the Project; and (b)the mineralisation potential. The Company has also provided a Solicitor's Tenement Report, which is included in Section 9. Since the issue of the Solicitors' Tenement Report, the Company's prospecting licence has been renewed with a new expiry date of 23 June 2016.	8 and 9
What is the financial position of the Company?	The Company has limited financial history. Financial information, including a pro forma balance sheet, is set out in Section 6. A copy of the Investigating Accountant's Report is also included in Section 7.	6 and 7
What are the key benefits in investing in the Company?	The benefits of investing in the Company include: (a) expected near term revenue – the Company has progressed initial exploration of placer gold deposits and intends to commence phased mining, along with additional testing in the surrounding explored areas. The Company anticipates completion of a processing plant within 6 months after successful Listing to generate revenue flow; (b) existing resource – the Mineral Resource Estimates were estimated from the exploration data collected from March 2011 to June 2014. The Mineral Resource of the deposit was classified as Indicated as defined in the JORC Code (2012 edition). All of the declared Mineral Resources are compliant with the JORC Code, and are reported at a 0.20 g/t Au cut-off. KCT Consulting Mining estimates that the Osuben target contains a total Indicated Mineral Resource of 7,493,000 tonnes (equal to 3,175,000 cubic metres) of gold-bearing gravel, grading 0.63 g/t (equal to 1.49 g/m3), for 152,000 ounces of gold. (c) further potential for lode gold – parts of the Project concession area sits on the edge of the Ashanti Gold Belt. The Independent Geologist's Report has shown potential for lode gold based on: (i)results from samples taken from the geochemical soil; (ii)structural features based on geophysical date; (iii)favourable host rock; (iv)geophysical magnetic anomaly zones; (v)data from geological mapping of the targeted area; and (vi)presence of old mining pits. (d) availability of infrastructure – the location of the concession area provides access to infrastructure, including: (i)grid power throughout nearby towns and villages;	

<table>
<tr><td></td><td>(ii)a major highway passes through the south edge of concession;
(iii)local roads are either paved roads or well-maintained laterite (packed gravel) roads;
(iv)an international airport is available in Accra, approximately 200 km away from the concession;
(v)port facilities are available at Tema (250 km by road); and
(vi)potable water is generally available from Kwahu Praso town and other villages, supplied from boreholes.
(e) comparable projects – a number of deposits have been discovered and developed in nearby mines at Obuasi, Tarkwa, Iduapriem, Teberebie, Bogosu, Damang, Sian, Konongo ,and Akyem, bringing the aggregated gold endowment (including past production and presently-estimated Mineral Resources and Ore Reserves) to more than 125,000,000 ounces of gold, making it one of the world's richest gold belts. The adjacent mining concession (which is not owned by the Company) has been shown to host ore bodies containing 8.5 million oz.</td><td></td></tr>
<tr><td>What are the key risks associated with the Company's business, the Shares and the Offer?</td><td>• Net asset backing risk: The market capitalisation of the Company will be significantly higher than the net asset value of the Company, based on the reviewed pro-forma statement of financial position as at 31 December 2014 set out in Section 6:
<table><tr><td></td><td>Minimum raising</td><td>Maximum raising</td></tr><tr><td>Net asset value</td><td>$1,615,166</td><td>$3,510,116</td></tr><tr><td>Net asset backing per share</td><td>$0.0115</td><td>$0.0234</td></tr></table>• Development risk: The Company has not undertaken a feasibility study (as defined in the JORC Code) in relation to the mining of the existing Mineral Resources of the Project to determine whether it is feasible. There is no guarantee that there will be a positive outcome in relation to the economic viability of the Project. In particular, there is a risk that the grade from mining or the recovery of gold from processing will be less than anticipated. There is also a risk that the mining and processing costs will be higher than anticipated. Each of these risks may have a material adverse effect on Soon.
• Exploration success: The Project has had relatively little exploration conducted by Soon Mining Ghana, and potential investors should understand that exploration and development are high-risk undertakings. There can be no assurance that exploration will result in the discovery of additional Mineral Resources. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The estimate of exploration costs are based on certain assumptions and the assumptions are subject to uncertainties.
• Gold price changes: the price of gold as traded on global markets may have a material effect on Soon and the price at which the Shares trade on the ASX.
• Limited operating history: Soon has limited operating and financial history. No assurances can be given that Soon will achieve commercial viability through the successful exploration of its assets. Until Soon is able to realise value from the Project, it is likely to incur ongoing operating losses.</td><td>10</td></tr>
</table>

• **Lack of independence of Board members:** the Board will comprise of only one independent Director, being Jeremiah Thum. Ching-Tiem Huang (Managing Director) is married to Ching-Chen Chi (Executive Director). Ching-Ling Chi (CFO and Executive Director is also the sister of Ching-Chen Chi. There is a risk that there will be a lack of independent opinions on the Board, which may limit the ability of the Company to consider all reasonable options in decision making.

• **Changes to key personnel:** Soon Mining Ghana's business model depends on a management team with the talent and experience to develop exploration projects and Soon Mining Ghana's core business operations. There is a risk that operating and financial performance would be adversely affected if key personnel left the Company.

• **Liquidity risk:** As all of the Consideration Shares are subject to escrow for two years, This may adversely affect the liquidity of Shares being traded after listing. This may also result in a large number of Shares being released to the market at the end of the two year escrow period and adversely affect the market price of the Shares.

• **Significant holding:** Titanoboa Group Limited will have a significant holding on completion of the Offer, detailed in Section 3.9. Mr Ching-Tiem Huang, the Managing Director and Chairman of Soon, also controls Titanoboa Group Limited. This means that Mr Huang and Titanoboa Group Limited will have the ability to influence the outcome of matters submitted to Shareholders. The sale of Shares in the future by Titanoboa Group Limited could adversely affect the market price of Shares.

• **No market sector diversification:** On completion of the Acquisition, Soon's business will be entirely exposed to the mining sector and specifically to the Kwahu Praso Gold Project in Ghana. Soon's business will be materially adversely affected if the Project does not perform as expected.

• **Ghana:** The assets and operations of OBI are located wholly in Ghana. The location and political environment may create challenges for the board in managing the Company and maintaining the security of its assets.

• **Foreign exchange risks:** As the Company's operations are wholly in Ghana, all revenue will be earned in US$. Purchases of goods and services will be in US$ and the Ghanaian currency.

• **Operating risks:** The operations of the Company may be affected by failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment and many other factors beyond the control of the Company.

• **Additional requirements for capital:** Exploration and development costs will reduce the cash reserves of the Company, which may not be replaced through the successful development of mining operations. The Company would then be dependent on seeking development capital, through equity, debt or joint venture financing. Failure to obtain sufficient funding for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production, or even loss of the tenements.

• **Environmental:** The Company may be responsible for substantial costs for environmental rehabilitation, damage control and losses by third parties resulting from its operations. Environmental and safety legislation may change in a manner that may require stricter or additional standards than those now in effect,

	a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. This may lead to increased costs or other difficulties with compliance. • **Tenements in Ghana:** There is no assurance that the government of Ghana will not make material changes to the laws relating to the tenements, or that approvals or renewals will be given as a matter of course or on similar economic terms. There is no guarantee that any tenements undergoing renewal in the future will be granted. There is also additional risk that changes to government policy could occur that could materially and adversely affect the Company's rights and costs associated with holding those tenements. • **Legal system in Ghana:** The legal system of Ghana is different to Australia. The commitment of local business, government officials and agencies and the judicial system to abide by legal requirements may be more uncertain than in Australia. These create particular concerns with respect to licences and agreements for business. The legal requirements may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that contractual arrangements, licences, licence renewal applications or other legal arrangements will not be adversely affected by the actions of the government or other relevant authorities in Ghana to the detriment of the Company. The effectiveness of the enforcement of legal arrangements by the Company also cannot be assured. • **Community relations:** Any failure to adequately mange community expectations in relation to land access, mining activity, employment opportunities, impact on environment and local businesses and any other expectations may lead to disputes, disruptions in the exploration programme and potential delays or losses to the Company. • **Sovereign risk:** Ghana is a developing country and the Company's operations in the country are subject to risks including economic, social and political instability, changes of law affecting foreign ownership, government participation, taxation and repatriation of income or return of capital. • **Ability to exploit discoveries:** Exploitation of discoveries may involve the need to obtain licences or clearances from the relevant authorities, which may require conditions to be satisfied or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied. The decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as those of Soon Mining Ghana. Such further work may also require Soon Mining Ghana to meet or commit to financing obligations, which it may not have anticipated or may not be able to commit to due to lack of funds or inability to raise funds.	
Who are the Directors and Key Personnel?	On completion of the OBI Acquisition, it is proposed that the Board will consist of: • Ching-Tiem (Oscard) Huang – Chairman and Managing Director; • Ching-Ling (Linna) Chi – Chief Financial Officer and Executive Director; • Ching-Chen (Jessica) Chi – Executive Director; and • Jeremiah Thum – Non-Executive Director and Company Secretary.	5
What key financial information do investors need to know?	A summary of the historical consolidated profit and loss statements and balance sheets for the OBI Group for the period ended 31 December 2014, the pro-forma consolidated profit and loss statement and balance sheet for the merged OBI Group as at 31 December 2014 are set out in Section 6 and the Investigating Accountant's Report is set out in Section 7. Assuming the Company raises the Minimum Subscription of $3,000,000, the reviewed pro-forma consolidated balance sheet as at 31 December 2014 has net assets of $1,615,166.	6 and 7

2 INVESTMENT OVERVIEW

<table>
<tr><td>Who will benefit from the Offer?</td><td>The Offer is being made to satisfy ASX requirements for listing as well as to fund the activities of OBI and Soon Mining Ghana (which is being acquired by Soon). The OBI Vendors will receive the Consideration Shares. They will therefore benefit from the acquisition of OBI and the Offer.</td><td></td></tr>
<tr><td>Who are the Existing Share-holders and who will be subject to escrow?</td><td>There are currently only three Shares on issue in Soon.
The ASX has advised that all OBI Vendors will be subject to escrow on all of their Shares for two years.
This means that 125,000,000 Shares will be escrowed for two years and will not be able to be transferred, encumbered or otherwise dealt with by the OBI Vendors during the escrow period.
The proportion of all Shares which will be escrowed will be:
•based on Minimum Subscription, 89.29%;
•based on Maximum Subscription, 83.33%.</td><td>3.19</td></tr>
<tr><td>Are there any related party transactions?</td><td>Yes, details of related party transactions are listed in 12.5.
In particular, there are director loans as follows:
(a) from Ching-Tiem Huang to Soon Mining Ghana for USD$847,933 (up to 31 December 2014), plus additional amounts for working capital required by Soon Mining Ghana up to completion of the Offer;
(b) from Ching-Ling Chi to Soon Mining Ghana for USD$29,533; and
(c) from Ching-Tiem Huang to the Company for working capital up to completion of the Offer and costs connected to this Offer and the Company's admission to the ASX.</td><td>12.5</td></tr>
<tr><td>How many Shares are held by the Directors and officers?</td><td>The Directors (directly or indirectly) hold the following Shares currently:
<table><tr><th>Director</th><th>Shares</th></tr><tr><td>Ching-Tiem Huang</td><td>1</td></tr><tr><td>Ching-Ling Chi</td><td>1</td></tr><tr><td>Ching-Chen Chi</td><td>1</td></tr><tr><td>Jeremiah Thum</td><td>0</td></tr><tr><td>Total</td><td>3</td></tr></table>
On completion of the Offer and the Acquisition, the Directors (directly or indirectly) and their respective Associates will hold the following Shares:
<table><tr><th>Director</th><th>Shares</th><th>Percentage</th></tr><tr><td>Ching-Tiem Huang</td><td>64,375,000</td><td>45.9%</td></tr><tr><td>Ching-Ling Chi</td><td>9,250,000</td><td>6.6%</td></tr><tr><td>Ching-Chen Chi</td><td>22,500,000</td><td>16.07%</td></tr><tr><td>Jeremiah Thum</td><td>Nil</td><td></td></tr><tr><td>Total</td><td>96,125,000</td><td>68.57%</td></tr></table></td><td>12.3.3</td></tr>
</table>

What is the Offer?	15,000,000 Shares are being offered by the Company to raise at least $3,000,000. Oversubscriptions for up to a further 10,000,000 Shares are also being offered by the Company to raise a further $2,000,000. The maximum amount which may be raised under this Prospectus is therefore $5,000,000.	3
What is the Issue Price?	The Issue Price is $0.20 (20 cents) per Share.	3
What is the effect of the Offer?	The effect of the Offer on the capital structure of the Company is depicted in the table in Section 3.8.	3.8
What are the key Offer dates?	The key dates of the Offer are detailed in the indicative timetable in Section 3.4.	3.4
What rights and liabilities attach to the Shares?	The Shares issued under the Offer will rank equally in all respects with the Shares held by the existing Shareholders. The rights and liabilities attaching to all Shares are detailed in the Company's Constitution.	12.2
Is the Offer underwritten?	No, the Offer is not underwritten.	3.16
Will I receive dividends on my Shares?	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.	3.17
What are the taxation implications?	The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.	12.9
How do I participate in the Offer?	To participate in the Offer, please complete the Application Form attached to this Prospectus and return it with payment of the application money before the Closing Date.	3.10
What is the minimum number of Shares I can apply for?	Applications under the Offer must be for a minimum of 10,000 Shares (total cost of $2,000) and then in multiples of 1,000 Shares ($200).	3.10
Further questions?	If you have questions in relation to the Offer, please contact the Company during business hours on +61 7 3351 1769 or via email: sandyh@soonmining.com.	

3 DETAILS OF THE OFFER

3.1 The Offer

This Prospectus invites investors to apply for a total of 15,000,000 Shares at an issue price of $0.20 (20 cents) per Share to raise at least $3,000,000 before expenses of the Offer. The Company may accept oversubscriptions of up to a further 10,000,000 Shares at an issue price of $0.20 (20 cents) per Share to raise up to a further $2,000,000.

The maximum amount which may be raised under this Prospectus is therefore $5,000,000. The Shares offered pursuant to the Offer under this Prospectus will rank equally in all respects with the Shares already on issue. Further details of the rights attaching to Shares are set out in Section 12.2.

3.2 Acquisition

Soon previously entered into the SPA, under the terms of which Soon will acquire all of the issued shares in OBI in consideration of 125,000,000 Shares to be issued to the OBI Vendors. The details of the SPA are set out in Section 11.1.

OBI and Soon Mining Ghana are both companies controlled by Ching-Tiem Huang. The purpose of the Acquisition is to facilitate a listing of the OBI Group on the ASX through an Australian company.

Further details of the rights attaching to Shares are set out in Section 12.2.

3.3 Compliance with Chapters 1 and 2 of the ASX Listing Rules

An application will be made to the ASX not later than 7 days after the date of this Prospectus for the Company to be admitted to the Official List and for official quotation of the Shares on the ASX. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of Soon or the Shares that are the subject of the Offer. Official quotation of Shares, if granted, will commence as soon as practicable after the release of initial shareholding statements. If permission is not granted for the official quotation of the Shares on the ASX within 3 months of the date of this Prospectus, all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

3.4 Timetable

An indicative timetable of events relating to the transaction is outlined below. The timetable is indicative only and is subject to change without notice. The Company reserves the right to extend the Closing Date or close the Offer early without notice.

Lodgement of this Prospectus with ASIC	17 July 2015
Lodgement of this Prospectus with ASX	24 July 2015
Opening Date of Offer	27 July 2015
Closing Date of Offer	9 October 2015
Completion of Acquisition	13 October 2015
Issue of Shares under this Prospectus	13 October 2015
Despatch of holding statements	14 October 2015
Anticipated date the Company's Shares commence trading on ASX	16 October 2015

3.5 Purpose of the Offer

The purpose of the Offer is to provide additional funds to enable the Company to:

(a) meet the requirements and costs of listing on the ASX;

(b) purchase the necessary equipment and commence construction of a processing plant, which is estimated to be completed within 6 months;

(c) obtain necessary environmental approvals to commence the production of placer gold at the Project; and

(d) commence an exploration programme to target the lode gold potential of the Project.

The Company is aiming to apply the funds raised from the Offer in the manner detailed in Section 3.6 below.

On completion of the Offer, the Board believes the Company will have sufficient funds to achieve these objectives.

3.6 Use of Funds

The Company intends to apply funds raised from the Offer over the first two years following admission of the Company to the official list of the ASX as follows:

	Minimum Subscription $3,000,000 ($)	Maximum Subscription $5,000,000 ($)
Funds Available		
Funds raised from the Offer	3,000,000	5,000,000
TOTAL	3,000,000	5,000,000
Allocation of funds		
Cash expenses associated with the Offer[1]	568,318	673,368
Capital expenditure[2]	1,740,747	1,740,747
Operating costs[2]	500,000	500,000
Further exploration and development costs[3]	190,935	2,085,885
TOTAL	3,000,000	5,000,000

1 See Section 12.6 for analysis.

2 See Section 4.4 for estimated infrastructure and equipment costs.

3 Refer to the Independent Geologist's Report in Section 8 for further information.

In the event the Company raises more than the Minimum Subscription of $3,000,000 but less than the Maximum Subscription of $5,000,000, the additional funds raised will be first applied towards expenses of the Offer followed by allocation towards further exploration expenditure focussing on exploration, metallurgy and resource definition drilling, with any remaining funds used for working capital of the business.

In addition, to capitalise on other opportunities that may arise and depending on the success of its current activities, the Company may require debt or further equity fundraisings.

3.7 Capital Adequacy

The Directors are satisfied that upon successful completion of the Offer, the Company will have sufficient working capital to meet its stated objectives as described above.

3.8 Capital Structure

The capital structure of the Company following completion of the Offer (assuming Maximum Subscription) and the OBI Acquisition is summarised below[1]:

	Minimum Subscription No of Shares	% of total	Maximum Subscription No of Shares	% of total
Shares[2]				
Shares on issue at date of Prospectus	3	0%	3	0%
Shares to be issued to OBI Vendors	124,999,997	89.29%	124,999,997	83.33%
Shares to be issued under the Offer	15,000,000	10.71%	25,000,000	16.67%
Total Shares on completion of the Offer	140,000,000	100.00%	150,000,000	100.00%

1 Refer to the Investigating Accountant's Report set out in Section 7 for further details.
2 The rights attaching to the Shares are summarised in Section 12.2.

3.9 Substantial Shareholders

The Shareholders holding 5% or more of the Shares on issue as at the date of this Prospectus as set out in the table below:

Shareholder	Shares	%
Ching-Chen Chi	1	33.33
Titanoboa Group Limited	1	33.33
Kirin International Limited	1	33.33

Those Shareholders holding 5% or more of the Shares on issue following completion of the Offer are set out in the table below:

On completion of the Minimum Subscription and OBI Acquisition

Shareholder	Shares	%
Titanoboa Group Limited	53,125,000	37.95
Brainpower Investment Management Limited	11,250,000	8.04

On completion of the Maximum Subscription and OBI Acquisition

Shareholder	Shares	%
Titanoboa Group Limited	53,125,000	35.42
Brainpower Investment Management Limited	11,250,000	7.50

Details regarding each of the above substantial shareholders after Completion follows:

(a) Titanoboa Group Limited is controlled by Mr Ching-Tiem Huang, being the current sole director of OBI and the proposed Managing Director of Soon; and
(b) Brainpower Investment Management Limited is controlled by Ms Ching-Chen Chi, who is a Director of Soon.

The Company will announce to the ASX details of its top 20 Shareholders (following completion of the Offer) prior to the Shares commencing trading on ASX.

3.10 How to apply for Shares

You should carefully read this Prospectus and instructions accompanying the Application Form before subscribing for Shares. If you wish to participate in the Offer, you should complete the Application Form.

Applications for Shares under the Offer must be for a minimum of 10,000 Shares and thereafter in multiples of 1,000 Shares and payment for the Shares must be made in full at the Issue Price of $0.20 per Share.

All applications must be completed in accordance with the detailed instructions on how they are to be completed and be accompanied by a cheque in Australian dollars made payable to 'Soon Mining Limited—Subscription Account' (Subscription Account) and crossed "Not Negotiable". No brokerage or stamp duty is payable by Applicants. The amount payable on application will not vary during the period of the Offer and no further amount is payable on or after allotment in respect of the Shares.
Completed Application Forms and accompanying cheques must be received by the Closing Date at:

Soon Mining Limited
C/- Boardroom Pty Ltd
PO Box 3993
Sydney 2000

The Company reserves the right to close the Offer early.

All application monies received with duly completed Application Forms will be paid into the Subscription Account.

An original, completed and lodged Application Form together with a for the application monies constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in each Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an application as valid and how to construe, amend or complete the Application Form is final; however, an applicant will not be treated as having applied for more Shares than is indicated by the amount of the for the application monies.

3.11 Allotment and Allocation of Shares

The Directors will determine the allottees of all the Shares in their discretion. The Directors reserve the right to allot Shares in full for any application or to allot any lesser number or to decline any application. Where the number of Shares allotted is less than the number applied for, or where no allotment is made, the surplus application monies will be returned by cheque to the Applicant within 7 days of the allotment date.

3 DETAILS OF THE OFFER

Subject to the Minimum Subscription to the Offer being reached and the Company being satisfied that it will meet the requirements of Chapters 1 and 2 of the ASX Listing Rules, Shares issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date.

Pending the allotment and issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies shall be held by the Company on trust. The Company, irrespective of whether the allotment of Shares takes place, will retain any interest earned on the application monies.
It is the responsibility of the applicant to determine their allocations prior to trading in the Shares. Applicants who sell Shares before they receive their statement of shareholding will do so at their own risk.

3.12 Minimum Subscription

The Minimum Subscription for the Offer is 15,000,000 Shares at an issue price of $0.20 per Share to raise at least $3,000,000 before expenses of the Offer. The Company will not issue any Shares unless the Minimum Subscription is raised.

If the Minimum Subscription is not raised within 4 months after the date of this Prospectus (or such later date permitted by ASIC), all Applications will be dealt with in accordance with section 724 of the Corporations Act.

Such action may include repayment of application monies (without interest) or the issue of a supplementary or replacement prospectus.

3.13 ASX listing and Quotation of Shares

Within 7 days after the date of this Prospectus, the Company will apply for Official Quotation of the Shares offered under this Prospectus.

If approval for Quotation of the Shares issued pursuant to the Offer is not granted within 3 months after the date of this Prospectus, the Company will not allot or issue any Shares or not proceed with the OBI Acquisition, and will repay all application monies without interest as soon as practicable within the time prescribed under the Corporations Act.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

3.14 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company participates in the Clearing House Electronic Subregister System (CHESS). CHESS is operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASX Settlement Operating Rules. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Under CHESS the Company will not issue certificates to investors. Instead, Shareholders will receive a statement of their holding in the Company. If an investor is broker sponsored, ASX Settlement Pty Limited will send a CHESS statement.

Statements are sent by post and set out the number of Shares issued to the Shareholder under this Prospectus and advice of their Holder Identification Number or Securityholder Reference Number. Subsequently, where a holding changes in the course of a calendar month that Shareholder will be issued with a statement that sets out the changes in their holding. That statement is despatched in the week following the relevant month end.

3.15 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to issue this Prospectus or make the Offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or the Offer or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia.

Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed to enable them to apply for and be allotted Shares. If you are outside Australia it is your responsibility to obtain all necessary approvals for the allotment and issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

3.16 Underwriting

The Offer is not underwritten.

3.17 Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

3.18 Commission

The Company reserves the right to pay a commission of up to 5% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid Applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payment will be made subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

3.19 Restricted Securities

All of the Consideration Shares will be classified as ASX Restricted Securities for an escrow period of 24 months from the date on which Official Quotation of those Shares commences.

3 DETAILS OF THE OFFER

3.20 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management. Matters not yet known to the Company or not currently considered material to the Company may impact on these forward-looking statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.
These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 10.

3.21 Privacy Statement

The Company collects, holds and will use information in relation to each Applicant as provided on an Application Form (Information) for the purposes of processing the Application Form and, should the Application be successful, to administer the Applicant's security holding in the Company (Purposes). By submitting an Application Form, each Applicant agrees that the Company may use the Information for the Purposes and the Company may disclose the Information for the Purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, and to ASX, ASIC and other regulatory authorities.

The Information may also be used and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, licensed securities dealers, the share registry, print service providers, mail houses, and regulatory bodies including the Australian Taxation Office. You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus. Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

3.22 Enquiries in relation to the Offer

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

4 BACKGROUND AND COMPANY OVERVIEW

4.1 Background

Soon Mining Ghana is a mineral exploration company formed to acquire and develop exploration projects with demonstrated potential for additional discovery.

The Company's primary purpose is develop the Kwahu Praso Gold Concession (Project) in the eastern region of Ghana. The Project is 100% owned by Soon Mining Ghana, being a wholly owned subsidiary of OBI.

The Company was incorporated on 12 January 2015 and on 31 March 2015 the Company entered into a share purchase agreement to complete a corporate restructure to acquire OBI (Acquisition). OBI holds all of the issued shares in Soon Mining Ghana. Completion of the Acquisition is subject to, amongst other things, completion of the Offer and the admission of the Company to the official list of the ASX. If the Offer is completed and the ASX listing proceeds, the Acquisition will complete one business days after the conditions are satisfied.

4.2 Overview of the Project

This section provides an overview of the Project and is a summary only. For further information on the project, please refer to the Independent Geologist's Report in Section 8.

Location and tenure

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 and 20 km west of Nkawkaw, the capital of neighbouring Kwahu West district as shown in Figure 4.2.

Soon Mining Ghana was granted a prospecting licence in March 2012 and retained KCT Consulting Mining to carry out geological prospecting in the license area, which included pit sampling, rock sampling, further geochemical soil sampling, and interpretation of geophysical data.

Based on positive results from the geotechnical work, Soon Mining Ghana consequently applied for a mining lease in March 2013, which was subsequently approved by the Minerals Commission of Ghana in July 2013. Under the laws of Ghana, a flat rate of 5% of the total revenue earned from minerals obtained by the holder of a mining lease is payable to the Ghanaian government.

The Project concession covers an area of 82.74 km2 (see red outlined area in Figure 4.1) 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 recently been renewed with an expiry date of 23 June 2016.

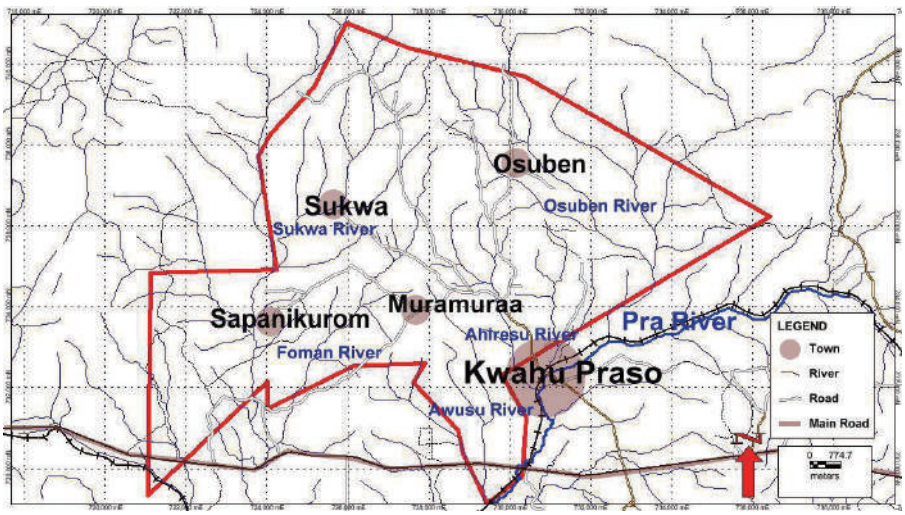

Figure 4.1 – Map of the Project area

4 BACKGROUND AND COMPANY

Figure 4.2 – Location of the Project in Ghana

Infrastructure

The location of the concession area provides access to all infrastructure necessary to develop a mining concession, including:

(a) Public grid power throughout nearby towns and villages;
(b) A major highway passes through the south edge of concession;
(c) Local roads are either paved roads or maintained with packed gravel roads;
(d) An international airport is available in Accra, approximately 200 km away from the concession;
(e) Port facilities are available at Tema (250 km by road); and
(f) Domestic water is generally available from Kwahu Praso town and other villages, supplied from boreholes.

Regional geology

Ghana is dominated by gold bearing Palaeoproterozoic Birimian rocks, which consist of five evenly spaced volcanic belts. The concession area is part of the Ashanti extending from north-north-east to south-south-west from the Voltaian escarpment into the Axim and Sekondi areas in the south. This structural trend is best known for its extensive alluvial occurrences and gold-bearing quartz vein systems..

Stratigraphically, the area is covered by Birimian metavolcanic and metasedimentary rocks, overlain by clastic Tarkwaian rocks and intruded by granitoids. Lithologically, the main rocks encountered in the Kwahu Praso areas are metavolcanic, hypabyssal, and metasedimentary rocks, Tarkwaian sandstones and phyllites, and granitic intrusions. The Birimian metasedimentary rocks are composed of black or dark argillaceous schists, phyllites and semi-arenaceous greywackes, meta-greywackes, and schists. They are generally dark ash grey, medium-grained, homogeneous and compact, or massively schistose, and display thick foliation hosting quartz-carbonate veins.

The concession is thus considered highly prospective for three types of gold deposits:
• Quartz veins and altered/oxidized shear systems, i.e., hypogene hydrothermal deposits;
• Gold in regolith (lateritic gold deposits, or residual gold deposits); and
• Alluvial gold.

Birimian metasediments and volcanoclastics appear to host the most conspicuous mineralization associated with vein and shear systems, although the mafic flows have also been identified as favorable host rocks. Gold may not only be confined to the narrow quartz vein and shear systems, but may also be associated with the felsic intrusions or dykes identified in the area.

Local geology and mineralisation

The Kwahu Praso Project is located at the northeastern margin of the Ashanti Belt.

The deposits in the Kwahu Praso concession are comprised of placer gold mineralization contained within fluvial conglomerates (gravels) within a fine-grained sand to clay matrix. The deposits are distributed across the floors of the present river valleys with limits defined by the steep hill slopes in the upstream parts of the drainage systems while the lateral extents of the downstream areas are often poorly defined by geographical features and instead have been established by a detailed pitting program and recovered gold results.

The gold bearing gravels directly overlie weathered and clay rich bedrock and in turn are overlain by a layer of fine grained silt and clay (overburden). The deposits lie in the Sukwa, Osuben, Kyirituo, and Asttokwasi River drainages, a series of parallel streams flowing east out of the gold belt. The deposits in these drainages vary from 75 – 100 m wide on each side of smaller drainages to more than 400 m wide in main drainage channels.

Exploration status

The exploration program was designed to test the Soon Mining concession on a regional scale. From April, 2011, SOON assigned KCT to complete the following work, including all 82.74 km^2 mining lease and prospecting area. Sampling sites were used a handheld GPS receiver in UTM coordinates, datum WGS 84 Zone 30 North. The field work implemented so far has included:

• Detailed geological mapping covering an area of 82.74 km2;
• Concession stream sediment sampling (63 samples);
• Pit sampling (133 pits);
• Survey grid establishment;
• Soil sampling (282 samples);
• Airborn geophysical work, data analysis of magnetic anomaly;
• GPS surveying; and
• Rock sampling (48 samples).

4 BACKGROUND AND COMPANY

Soon Mining's principal exploration target is placer gold. Stream sampling is thus the primary means of defining exploration targets in concession areas. Airborne geophysical survey data has provided some information for interpreting the geological context of the regional geological framework, and they gradient array induced polarisation ("IP") would be able to map small-scale structures that may host a lode gold mineralisation. Finally, the pit sampling was carried out on both banks of the Osuben River to define placer gold resource.

KCT utilised standard logging procedures and sampling protocols for all sampling programs, and industry standard quality assurance and quality control ("QA/QC") protocols were followed to ensure the quality of assay data, including the routine insertion of blanks, certified reference standards, and field duplicates into all sample batches submitted to the laboratory. Specific densities were measured, and the average was used for resource estimation.

A total of 42 control samples (including 17 duplicates, 17 CRMs and 8 Blocks) were inserted into a total of 133 basic assay samples. 3 Au (Certified Reference Material) standards were used in the 133 sampling program, all fall within ±2SD. No assays of blanks returned more than 0.01ppm. Almost 100% of duplicates returned results within +10% and -10% of the originals. Further details are within the report.

Mineral Resource

The Mineral Resource Estimates were estimated from the exploration data collected from March 2011 to June 2014. The alluvial gold deposit is 0.5 to 3 m thick. Approximately 10.2 km along both sides of the Osuben River reach the cut-off grade, with an estimated width ranging between 200 and 600 m.

All block models were created using Ordinary Kriging method to estimate the resource and Inverse Distance Weighted squares method for validation in Surpac 6.5 software. Appropriate statistical analysis and variogram validation indicate that the estimation of Mineral Resource is considered credible.

The Mineral Resource of the deposit was classified as Indicated as defined in the JORC Code (2012 edition). All of the declared Mineral Resources are compliant with the JORC Code, and are reported at a 0.20 g/t Au cut-off.

KCT Consulting Mining estimates that the Osuben target contains a total Indicated Mineral Resource of 7,493,000 tonnes (equal to 3,175,000 cubic metres) of gold-bearing gravel, grading 0.63 g/t (equal to 1.49 g/m3), for 152,000 ounces of gold.

Resource category	Gravel (1000m3)	Tonnage (1000t)	Au (g/t)	Au (1000g)	Au (1000oz)
Indicated	3,175	7,493	0.63	4,720	152

Table 1 – gold mineral resource statement of the Osuben gold deposit by KCT Consulting Mining as at March 2015

4.3 Potential for lode gold

The Independent Geologist's Report initially conducted tests on 2 target blocks, including an area which sits on the edge of the Ashanti belt. Based on the initial testing, the Independent Geologist's Report suggests the potential for lode gold based on:

(a) results from samples taken from the geochemical soil;
(b) structural features based on geophysical date;
(c) favourable host rock;
(d) geophysical magnetic anomaly zones;
(e) data from geological mapping of the targeted area; and
(f) presence of old mining pits.

The Ashanti belt of Ghana is the key gold mineralisation district in the Palaeoproterozoic terrain of West Africa. In accordance with the geological conditions of Soon Mining Ghana concession, it is concluded in the Independent Geologist's Report that the Project has the potential to host economic quantities of gold mineralisation and that Soon Mining Ghana, if current exploration practices are maintained, has the ability to realise this potential.

A number of world class deposits have been discovered and developed in nearby mines at Obuasi, Tarkwa, Iduapriem, Teberebie, Bogosu, Damang, Sian, Konongo ,and Akyem, bringing the aggregated gold endowment (including past production and presently-estimated Mineral Resources and Ore Reserves) to more than 125,000,000 ounces of gold, making it one of the world's richest gold belts.

Three major companies are currently operating in the vicinity of the Kwahu Praso concession: Signature Metals Ltd ("Signature Metals"); Midlands Minerals; and Newmont Mining.

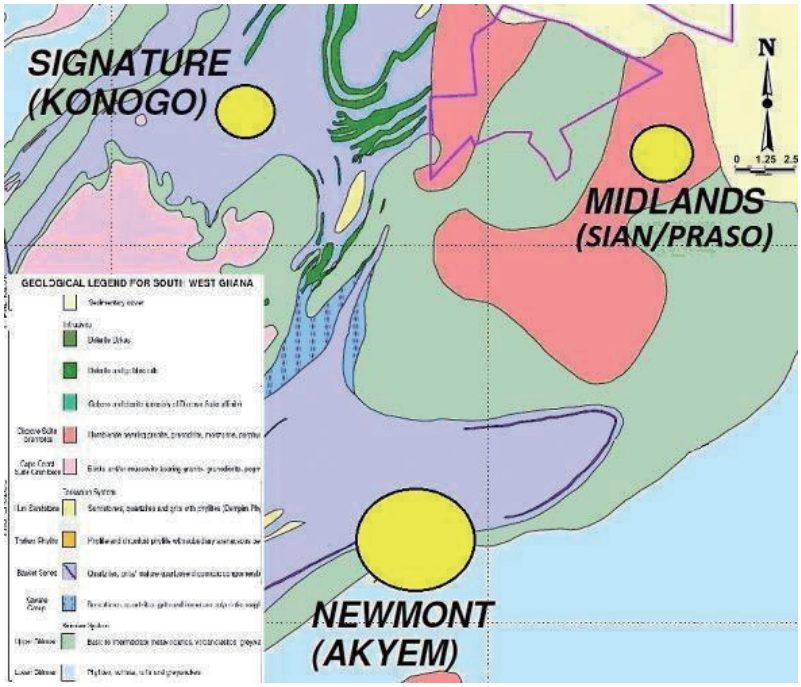

Figure 4.3 – Concessions surrounding Kwahu Praso

The Konogo concession of Signature Metals is located about 15 km west of Kwahu Praso and hosts a Proved Ore Reserve of about 1.6 million ounces ("oz") at a head grade of 11.8 grams per tonne ("g/t") of gold. Signature Metals is refurbishing a processing plant within their concession, and gold production began in 2011. Signature Metals is focused on developing the Konongo Gold Project into a +100,000 ounce per annum gold producer and were producing 14,460 oz per year from the existing Konogo tailings dumps as of the end of 2012.

The Sian-Praso concession, property of Midlands Minerals, is located 2 km east of Kwahu Praso. Drilling to date has increased the Indicated Mineral Resource on Sian-Praso from 2.6 million tonnes ("Mt") grading an average of 2.3 g/t to 5.4 Mt averaging 1.87 g/t.

The Akyem concession, property of Newmont Mining, is 30 km south of Kwahu Praso. Akyem hosts Proved Ore Reserves in excess of 8 million oz. The Newmont Company proposes to process approximately 8.5 Mt of gravel annually to ultimately extract 7.7 million ounces of gold over a projected 15 year life of mine.

4.4 Business plan

On completion of the Offer, the Company intends to use funds raised:

(a) purchase the necessary equipment and commence construction of a processing plant, which is estimated to be completed within 6 months;
(b) obtain necessary approvals to commence the production of placer gold at the Project;
(c) commence exploration programme to target the lode gold potential.

The first step will be to commence alluvial mining of the placer gold deposits as the cost is much lower than lode gold mining and can generate near term revenue for Soon.

Based on the recommendations set out in the Independent Geologist's Report, the Company intends to prioritise the high grade placer gold regions and commence phased mining with the surrounding explored areas to be tested. Prospecting would continue after starting the mining operations, with the known alluvial deposits being targeted.

On completion of the Offer, the Company will commence its placer gold mining program targeting the placer gold deposits. Purchasing the necessary equipment and hiring of manpower is expected to be completed within approximately six months from completion of the Offer and thereafter the Company will commence the placer gold mining. The Company anticipates generating revenue within its first year of operation following completion of the Offer.

In the meantime, Soon will undertake further metallurgical test work to ascertain the possible increase of gold recoveries.

The Company will also progress exploration programme for lode gold and commence basic drilling to ascertain the location of ore bodies. The Company anticipates that revenue from the production of alluvial gold will continue to provide the necessary funding to complete the lode gold exploration programme. The lode gold proving process is expected to be completed within two years from completion of the Offer.

Mining procedure

Placer mining is frequently used for precious metal found in alluvial deposits. The standard operational procedures for placer gold mining and processing consist of nine stages:

- stripping of surface vegetation;
- removal of over burden;
- excavating the gold-bearing sand and gravel;
- transporting this material to a plant to recover the gold;
- washing the gravel to remove clay and separate out large boulders and pebbles;
- treating the material to produce a small amount of material rich in gold (called "q concentrate");
- Extracting gold from the concentrate;
- disposing of the alluvium after the gold has been removed; and
- rehabilitation of the mined area.

In selecting the mining method, the following essential parameters were taken into consideration:

• the mining method should be technically and economically feasible;
• the mining method should maintain a high standard of safety for the workers and local residents; and
• the mining should have minimal impact on the environment.

In view of the above, it is proposed that Kwahu Praso concession be exploited by strip mining.
Therefore, mining will be undertaken with a combination of earth moving equipment selected for the operations, namely bulldozers, excavators, dump trucks, diesel generators, and appropriate processing plant equipment (shakers/screens, jigs, trommels, sluices, a Knelson concentrator, etc.) to achieve the optimum output.

The feed rate to the gravity separation processing plant will be 150 cubic metres per hour ("m^3/h"). Therefore a plant of 150 m^3/h capacity will suffice for processing the gravel. The gravel mining rate will therefore be set at 130 m^3/h to create a minimal stockpile against equipment breakdowns and the vagaries of the weather. The mining operation will be 8 hours of actual work per day. This means 1,040 m^3 of gravel will be mined and transported to the processing plant daily. Mining will be undertaken six (6) days per week with one day set aside for maintenance, holidays, and house cleaning, such that the mine will operate a total of 312 days per year. The total amount of gravel mined per year will come to approximately 324,480 m^3, and the mine will have an expected service life of 9.62 years.

As mining progresses, intensified exploration will continue on the property to extend the mine life.

Processing

The processing system will consist of feeding the 150 m3/h capacity S5trommel plant with a CAT320 excavator. The washing and concentration plant will comprise high-pressure water jets on a vibrating and rotating trommel. The volume of water should exceed 375 m^3/h. The combined effect separates the +5 mm oversize material that forms 60% of the gravel material through a conveyor belt to the stockpile, while the -5 mm particles are sent through the head tank and then through the Knelson concentrator.

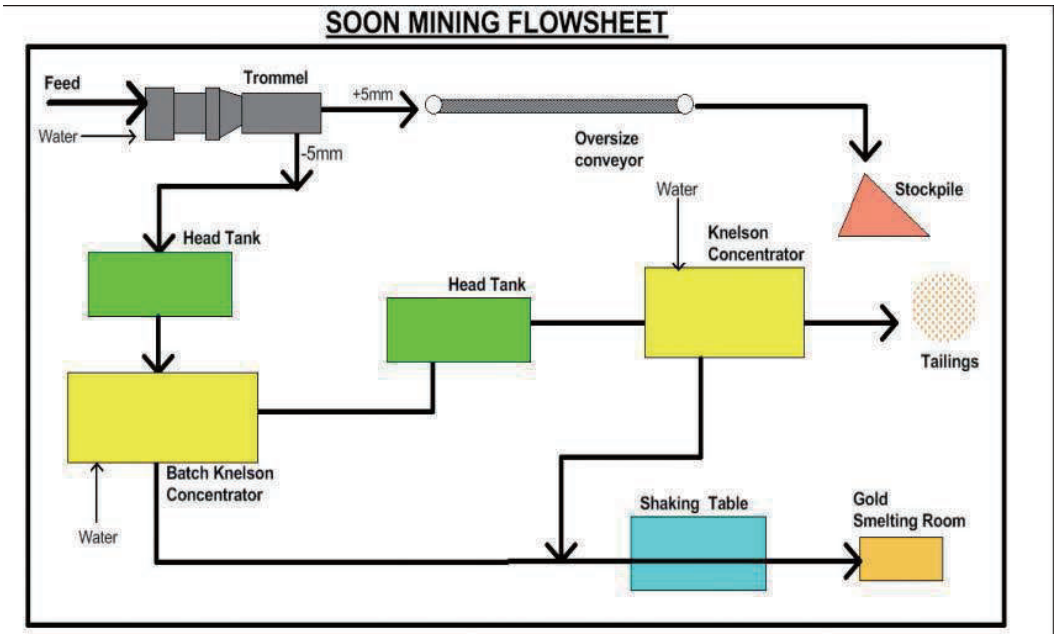

Figure 4.4 – processing flow diagram

4 BACKGROUND AND COMPANY

The Knelson concentrator or a gold claimer cleaning machine will upgrade the concentrate from the head tank and trommel. The concentrate obtained from the Knelson concentrator will be sprayed with a high water jet to thoroughly break all clay bulbs, then the concentrate is sent to a Gemini shaking table, which consists of a flat table with parallel riffles to trap the heavy minerals and finally panned for raw gold. The raw gold will then be smelted in an oven to form gold bars before being sold. After the field test and analysing by PMMC laboratory, the purity of gold is approximately 92%. During the mining and processing, there is no production of other economical by-product and other harmful substances.

The treatment of tailings and processing water generated by processing will be as follows:

(a) **tailings:** as no chemicals are added during mineral processing, there are no pollution issues from chemical processing water and construction of a tailings storage plant is not needed for placer gold tailings. The stockpiled tailings may be recycled for road or other construction uses or backfill to the hole of open pit;

(b) **treatment of Processing Water:** mineral processing procedures applied to placer gold do not use added chemicals, and therefore do not have the potential to cause acid mine drainage. The processing water and wastewater treatment system in the processing plant requires two stages of sediment basins and a large-scale sewage filtering and disposal system. After treatment the processing water can be recycling and reused in mineral processing.

Infrastructure and equipment costs

(a) Mining and transportation - Mining equipment selected for the operations, namely bulldozers, excavators, dump trucks, diesel generators. Considering the continuity of mining operation, the equipment is on rental basis except the diesel generators.
The table below shows the processing equipment and estimated cost.

Titles	Detail	Estimated cost
Mineral Processing Plant Equipment	Knelson x 2 and accessories	$400,000
	Trammel x2	$80,000
	Sluice	$40,000
	Feed hopper	$13,333
	Cement and filling	$40,000
	Conveyor system	$66,667
	Shaking table	$40,000
	Head tank x 2	$26,667
Machine Equipment	Loading shovel	$80,000
	Generator - used x 2	$53,333
	Circuit configuration containing material	$13,333
	Pipe configuration with pump	$20,000
Others	Four-wheeled vehicles x 5	$200,000
Overall Total		$1,073,333
Total costs plus 30% contingency		$1,395,333

(b) Infrastructure – the table below shows the estimated costs for certain infrastructure:

Titles	Detail	Estimated cost
Office and Staff	Cost of land	$57,971
	One -story office of 100 m x100 m with local construction	$63,768
Housing	Office supplies and furniture	$28,985
Others	Boreholes x 2	$26,667
	Sediment basin & sewage disposal system	$53,623
	Building road	$34,689
Overall Total		$265,703
Total costs plus 30% contingency		$345,414

Pricing and customers

The Company intends to sell all gold produced to the Precious Minerals Marketing Company Limited (PMMC), a company incorporated in Ghana solely owned by the Government of Ghana. The sale price to PMMC is set at 95% of the international market price for gold. There is generally no limit to the amount of gold that the PMMC is authorised to purchase. This creates a stable source of revenue for the Company.

Environmental

The Company has submitted an environmental impact assessment report to the Ghana Environmental Protection Agency (EPA). It is currently in negotiations with the EPA and the representatives of local villages to obtain relevant approvals.

5 BOARD AND SENIOR MANAGEMENT

On completion of the OBI Acquisition, it is proposed that the Board will consist of Ching-Tiem Huang, Ching-Ling Chi, Ching-Chen Chi and Jeremiah Thum.

5.1 Current Directors

5.1.1 Mr Ching-Tiem Huang (Oscard Huang), BA
Chairman and Managing Director

Oscard is the founder and managing director of Soon Mining Ghana. He has significant experience in placer gold mining operations in Ghana, having previously held the position of managing director in a private company in Ghana between 2006 to 2011. During this time, he was responsible for managing the company's placer gold mining operations in various regions of Ghana include Kibi, Ashanti, Bibani and Tarkwa.

Prior to this, Oscard was an executive director of Bvalley Company Limited in Taiwan for 12 years, the director of Bvalley Company Limited in Ghana for 8 years.

5.1.2 Ms Ching-Ling Chi (Linna Chi), MBA
Executive Director and Chief Financial Officer

Linna has over 20 years' experience in financial and corporate management. She has been the chief financial officer for Soon Mining Ghana since 2012. Prior to this, she worked in senior finance role for 15 years with Pan Overseas Investments Co., Ltd which controls a number of subsidiaries including Pan Overseas Electronic Co., Ltd (previously listed on the Taiwan Stock Exchange) and Universal Incorporation (TWSE: UK).

Linna was also a professional corporate consultant for many years and a current director of Kirin International Management Consultants Limited. Linna holds a Master of Business Administration.

5.1.3 Ms Ching-Chen Chi (Jessica Chi), BA
Executive Director

Jessica has been an executive director of Soon Mining Ghana for 5 years. She has previously worked in the Central Weather Bureau, the Ministry of Transportation and Communication of the Republic of China. Jessica was an executive director of Bvalley Company Limited in Taiwan for 12 years and brings significant corporate governance experience to the board of directors.

5.1.4 Mr Jiahui Jeremiah Thum, CA, BCom
Non-executive Director and company secretary

Jeremiah is company secretary and independent non-executive Director of Soon Mining Limited.

Jeremiah is a chartered accountant, ASIC approved self-managed superannuation fund auditor and registered company auditor.

He has over 10 years' experience in audit and assurance services for public listed companies, private companies and not-for-profit organisations. He has extensive audit and assurance experience across a wide range of industries.

Jeremiah's area of work includes external and internal audits, financial report preparation which includes general purpose and special purpose financial reports, due diligence, review of acquisition accounting as well as providing financial advices and interpretations on complex accounting matters.

Jeremiah has previously worked for major accounting firms including KPMG, PricewaterhouseCoopers, Crowe Horwath and HLB Mann Judd. Jeremiah currently heads the audit division with Powers Financial Group as an audit partner. It is a full service professional firm and is the largest central Queensland accounting firm.

5.2 OBI's Management

The Company will be managed by Ching-Tiem Huang, as Managing Director. Mr Huang is currently the chief executive officer of Soon Mining Ghana and has been instrumental in successfully obtaining the prospecting licence and mining lease for the Project.

Mr Huang will be supported by Ms Ching-Ling Chi as Chief Financial Officer and Ms Ching-Chen Chi as Executive Director to form the management team for the Company.

5.3 Corporate Governance

The primary responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders. To fulfil this role the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

To the extent they are applicable, the Company has adopted ***The Corporate Governance Principles and Recommendations (3rd Edition)*** as published by the ASX Corporate Governance Council (**Recommendations**). As the Company's activities develop in size, nature and scope, the size of the Board and the corporate governance policies and structures will be given further consideration. In view of the size of the Company and the nature of its activities, the Board considers that the current board and committee structure is a cost effective and practical method of directing and managing the Company. The Board is committed to administering the policies and procedures with openness and integrity and pursuing the true spirit of corporate governance commensurate with the Company's needs.

Copies of the Company's corporate governance policies are available on the Company's website at www.soonmining.com.

Following the official quotation of Soon Mining on the ASX, Soon Mining will be required to report any departures from the Recommendations in its annual financial report.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out below:

5 BOARD AND SENIOR MANAGEME

Principles and Recommendations	Explanation for Departure
Principle 1: Lay solid foundations for management and oversight	
Recommendation 1.1 A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	**Complies** The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board. The role of the Chairman and the Board's relationship with management are specifically set out in the Board Charter. A copy of the Board Charter can be accessed at http://www.soonmining.com.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	**Complies** The Board Charter sets out the nomination responsibilities of the Board.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	**Complies**
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the Chair, on all matters to do with the proper functioning of the board.	**Complies**
Recommendation 1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:	**Complies** The Company has a compliant Diversity Policy. A copy of the Diversity Policy can be accessed at http://www.soonmining.com.

(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Complies
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Complies
Principle 2: Structure the Board to add value	
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Does not comply The Company does not have a nomination committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the establishment of a nomination committee. This Board and committee structure will be reviewed at the appropriate stages of the Company's development. The full Board maintains responsibility for ensuring the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. The full Board also maintains responsibility for Board succession. The nomination responsibilities of the Board are set out in the Board Charter. A copy of the Board Charter can be accessed at http://www.soonmining.com.

Recommendation 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Complies
Recommendation 2.3 A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship that might cause doubts about their independence but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Complies
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	Does not comply The Company will have four Directors on Listing, one of which will be an independent Director (Jeremiah Thum). The Board may appoint additional independent non-executive Directors if the Company becomes profitable. Due to the Company's size, requirements and resources, the Board considers that the existing skills matrix of the Directors is highly appropriate. Ching-Tiem Huang and Ching-Chen Chi are married. Ching-Ling Chi is the sister of Ching-Chen Chi.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Does not comply The chair of the Board is currently Mr Ching-Tiem Huang, who is also the Managing Director of the Company. Due to the Company's current size, requirements and resources, the Board considers Mr Huang as being the most appropriate person to be chair of the Board. The Company may seek out an independent Director to be appointed as chair in the future if the Company becomes profitable.

Recommendation 2.6 A listed entity should have a programme for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	**Complies**
Principle 3: Act Ethically and Responsibly	
Recommendation 3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	**Complies** The Company has a compliant Code of Conduct. A copy of the Code of Conduct can be accessed at http://www.soonmining.com.
Principle 4: Safeguard integrity in corporate reporting	
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	**Does not comply** The Company does not have an audit committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the establishment of an audit committee. This Board and committee structure will be reviewed at the appropriate stages of the Company's development. The full Board maintains responsibility for ensuring the Board independently verify and safeguard the integrity of its corporate reporting. The full Board also maintains responsibility for the appointment and removal of the external auditor and the rotation of the audit engagement partner. These responsibilities of the Board are set out in the Board Charter. A copy of the Board Charter can be accessed at http://www.soonmining.com.

Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Complies
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Complies
Principle 5: Make timely and balanced disclosure	
Recommendation 5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	Complies The Company has a compliant Continuous Disclosure Policy. A copy of the Continuous Disclosure Policy can be accessed at http://www.soonmining.com.
Principle 6: Respect the rights of security holders	
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Complies
Recommendation 6.2 A listed entity should design and implement an investor relations programme to facilitate effective two-way communication with investors.	Complies The Company has a compliant Shareholder Communication Policy. A copy of the Shareholder Communication Policy can be accessed at http://www.soonmining.com.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Complies

Recommendation 6.4 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	**Complies**
Principle 7: Recognise and manage risk	
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	**Does not comply** The Company does not have a risk management committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the establishment of a risk management committee. This Board and committee structure will be reviewed at the appropriate stages of the Company's development. The full Board maintains responsibility for overseeing the entity's risk management framework. These responsibilities of the Board are set out in the Board Charter. A copy of the Board Charter can be accessed at http://www.soonmining.com.
Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	**Complies**
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	**Complies** The full Board maintains responsibility for evaluating and continually improving the effectiveness of the Company's risk management and internal control processes. These responsibilities of the Board are set out in the Board Charter. A copy of the Board Charter can be accessed at http://www.soonmining.com.

Recommendation 7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	**Complies** The risks the Company faces are set out in Section 10 of this Prospectus.
Principle 8: Remunerate fairly and responsibly	
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	**Does not comply** The Company does not have a remuneration committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the establishment of a remuneration committee. This Board and committee structure will be reviewed at the appropriate stages of the Company's development. The full Board maintains responsibility for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. These responsibilities of the Board are set out in the Board Charter and the Remuneration Policy. A copy of the Board Charter and the Remuneration Policy can be accessed at http://www.soonmining.com.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	**Complies** The policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors are set out in the Remuneration Policy. A copy of the Remuneration Policy can be accessed at http://www.soonmining.com.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	**Complies**

5.3.1 Other information

Further information relating to the Company's corporate governance practices and policies can be obtained from the Company upon request.

6 FINANCIAL INFORMATION

6.1 Introduction

This section contains the financial information for Soon Mining Limited ("the Company" or "Soon").
All financial information in this Section has been prepared by the Directors and should be read in conjunction with the Investigating Accountant's Report included in Section 7, the risk factors in Section 10 and other information contained in this Prospectus.

The financial information comprises the Pro-forma Financial Information, being the:

• Pro-forma statement of financial position as at 31 December 2014 (Pro-forma statement of financial position), which assumes completion of the Pro-forma transactions disclosed in Section 6 (Pro-forma Transactions).
• Pro-forma historical statements of comprehensive income for the year ended 31 December 2014 (Pro-forma statement of comprehensive income), which reflects the historical financial results of Soon Mining Company Limited.

Basis of preparation

The Company was incorporated on 12 January 2015, but will not undertake any trading activities until completion of the Offer, being the date that the Offer and the acquisition of Ocean Blue International Limited (OBI), which owns 100% of Soon Mining Company Limited ("Soon Mining Ghana"), by the Company completes (which is scheduled to occur on immediately prior to Completion of the Offer). The Company has net assets and share capital of $3 (excluding the effects of the Offer).

OBI which will become a controlled entity of the Company upon completion of the Offer owns a mining lease and exploration assets through its wholly owned subsidiary, Soon Mining Ghana.

On completion of the offer Soon Mining Limited will comprise Soon, OBI and Soon Mining Ghana (collectively "the Group"). The principal entity in the Group is Soon Mining Ghana, Soon and OBI are shell companies whose purpose is to facilitate an effective structure for a public listing of the Group. The pro-forma financial information is based on the historical financial information of Soon Mining Ghana as at and for the year ended 31 December 2014. Soon Mining Ghana was formed on 6 July 2010 and was fully acquired by OBI on 31 March 2015 through an exchange of shares with the shareholders of Soon Mining Ghana. Soon was formed on 12 January 2015 and on completion of the offer will issue shares to fully acquire OBI through an exchange of shares.

The financial statements of Soon Mining Ghana for the year ended 31 December 2014 have been reviewed by PKF. The Pro-forma Financial Information has been reviewed and reported on by PKF, as set out in the Investigating Accountant's Report in Section 7. Investors should note the scope and limitations of the Investigating Accountant's Report.

The financial information has been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards and is presented in Australian Dollars. The financial information presented in this report is in an abbreviated form insofar as it does not include all the disclosures required in a financial report prepared in accordance with Australian Accounting Standards and the Corporations Act 2001.

The financial information in this section should be read in conjunction with the summary of significant accounting policies as set out in Section 6.4. The significant accounting policies have been included to assist in a general understanding of the Pro-forma Financial Information presented in Section 6. In addition, applicable notes to the financial information have been included in the relevant sections noted above to assist the reader to better understand a number of areas of interest from a financial perspective. All amounts disclosed in the tables are presented in Australian dollars.

The management has determined that the acquisition of Soon Mining Ghana on completion of the Offer does not represent a business combination as outlined in Australian Accounting Standard AASB3 (AASB3) for accounting purposes. The appropriate accounting treatment for recognising the new group structure is on the basis that the transaction is a form of capital reconstruction and group reorganisation. The Pro-forma Financial Information included in this Prospectus has therefore been prepared as a continuation of Soon Mining Ghana's financial statements as if the reorganisation has already occurred. Accordingly, no fair value adjustments or goodwill has been recognised.

Preparation of Pro-forma statement of comprehensive income

There are no actual historical consolidated results for the Company. They have been extracted from the historical financial statements of Soon Mining Ghana for the year ended 31 December 2014. Investors should note that past results do not guarantee future performance.

Preparation of Pro-forma statement of financial position

The Pro-forma statement of financial position has been derived from the statement of financial position of Soon Mining Ghana as at 31 December 2014 after adjusting for the Pro-forma Transactions outlined in Section 6.3.

The Pro-forma statement of financial position does not represent the Company's actual financial position. It addresses a hypothetical situation and is prepared for illustrative purposes only.

6.2 Pro-forma historical statement of comprehensive income

The following table sets out the historical statements of comprehensive income for the year ended 31 December 2014. This reflects Soon Mining Ghana's financial results for the period from 1 January 2014 to 31 December 2014.

	Reviewed 2014 A$
Revenue	-
Expenses	
Employee benefits expense	(26,834)
Professional fees	(3,086)
Exploration & evaluation expenditure	(6,219)
Depreciation expense	(39,374)
Travelling expenses	(57,517)
Entertainment Expenses	(8,714)
Administration expenses	(38,396)
Other expenses	(24,228)
Loss before income tax expense	(204,368)
Income tax expense	-
Net loss after income tax expense for the period attributable to the owners of Soon Mining Ghana	(204,368)
Other comprehensive income	
Foreign currency translation	(21,443)
Other comprehensive income for the period, net of tax	(21,443)
Total comprehensive loss for the period attributable to owners of the Soon Mining Ghana	(225,811)

Soon Mining Ghana's principal activity during the year was to hold a mining lease and prospecting license over the Kwahu Praso Gold Concession in Ghana, West Africa and to implement strategies to develop the concession area. Soon Mining Ghana's assets are in the pre-development stage and no mining operations have taken place. As a result, the Soon Mining Ghana has not yet generated any revenue from its operations.

Upon successful listing, agreements with Key Management Personnel will be entered into which provide for additional remuneration as outlined in Section 11.3. As Key Management Personnel (KMP) and shareholders were all related, the KMP Oscard Huang, Linna Chi and Jessica Chi have agreed to not receive any remuneration in FY2014, apart from $11,036 paid to Oscard Huang.

6.3 Pro-forma Statement of Financial Position

The table below sets out the adjustments that have been made to the Statement of Financial Position of Soon Mining Ghana as at 31 December 2014 (Pro-forma Transactions) to prepare a Pro-forma historical Statement of Financial Position for the Company reflecting:

- total proceeds from the Offer equal to the Minimum Subscription ($3 million) and Maximum Subscription ($5 million),
- the impact of the operating and capital structure that will be in place following completion of the Offer as if they had occurred or were in place as at 31 December 2014,
- the purchase of OBI which is conditional upon the successful completion of the Offer and the conditions outlined in Section 11,
- The purchase of Soon Mining Ghana by OBI on 31 March 2015.

	Reviewed Soon Mining Company Limited	Pro-forma transactions	Pro -forma based on Minimum Subscription	Pro-forma transactions	Pro -forma based on Maximum Subscription
	$	$	$	$	$
Assets					
Current Assets					
Cash and Cash Equivalents	1,228	2,395,480	2,396, 708	4,290,430	4,291,658
Total Current Assets	1,228	2,395,480	2,396,708	4,290,430	4,291,658
Non -Current Assets					
Exploration & evaluation expenditure	332,269	-	332,269	-	332,269
Property, plants and equipment	61,759	-	61,759	-	61,759
Other a ssets	18,632	-	18,632	-	18,632
Total Non -Current Assets	412,660	-	412,660	-	412,660
Total Assets	413,888	2,395,480	2,809,368	4,290,430	4,704,318
Liabilities					
Current Liabilities					
Trade and Other Payables	2,471	-	2,471	-	2,471
Financial Liabilities	1,075,598	(36,202)	1,039,396	(36,202)	1,039,396
Other Liabilities	152,335	-	152,335	-	152,335
Total Current Liabilities	1,230,404	(36,202)	1,194,202	(36,202)	1,194,202
Total Non -Current Liabilities	-	-	-	-	-
Total Liabilities	1,230,404	(36,202)	1,194,202	(36,202)	1,194,202
Net Assets (Liabilities)	(816,516)	2,431,682	1,615,166	4,326,632	3,510,116
Equity					
Contributed equity	59,645	2,831,442	2,891,087	4,721,132	4,780,777
Foreign currency translation reserve	(21,443)	-	(21,443)	-	(21,443)
Accumulated losses	(854,718)	(399,760)	(1,254,478)	(394,500)	(1,249,218)
Total Equity	(816,516)	2,431,682	1,615,166	4,326,632	3,510,116

Pro-forma Transactions

The prospectus adjustments reflect the fundraising transactions described in this Offer and include:

Cash and cash equivalents

Under the Minimum Subscription Cash increases by $2,395,480 as a result of receipt of cash proceeds from the Offer amounting to a minimum of $3 million, offset by payments for costs of the Offer amounting to $568,318 and repayment of a director loan amounting to $36,202.

Under the Maximum Subscription Cash increases by $4,290,430 as a result of receipt of cash proceeds from the Offer amounting to a maximum of $5 million, offset by payments for costs of the Offer amounting to $673,368 and repayment of a director loan amounting to $36,202.

Financial liabilities

Upon a successful listing financial liabilities will be reduced by $36,202 pursuant to the loan agreement with Linna Chi.

Contributed equity

Under the Minimum Subscription Contributed equity increases by $2,831,442 as a result of the issue of Shares to new Shareholders ($3 million) offset by the capitalised costs of the Offer of $168,558. Refer to Section 6.4.2 for further details.

Under the Maximum Subscription Contributed equity increases by $4,721,132 as a result of the issue of Shares to new Shareholders ($5.0 million) offset by the capitalised costs of the Offer of $278,868. Refer to Section 6.4.2 for further details.

Accumulated losses

Under the Minimum Subscription, accumulated losses increase by $399,760 as a result of listing and costs of the Offer that are expensed.

Under the Maximum Subscription, accumulated losses increase by $394,500 as a result of listing and costs of the Offer that are expensed.

6.4 Notes to the historical and Pro-forma financial statements

The principal accounting policies adopted in the preparation of the pro-forma financial statements are set out below.

New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

The Pro-forma Statement of Profit and Loss and Other Comprehensive Income and Pro-forma Statements of Financial Position have been prepared in accordance with the measurement and recognition criteria of Australian Accounting Standards.

They have also been prepared on the basis of historical cost and do not take into account changing money values. The accounting policies have been consistently applied, unless otherwise stated. The financial information have been prepared on the basis of going concern which contemplates the continuing of normal business activities and the realisation of its assets and liabilities in the ordinary course of business.

Foreign currency translation

For the purpose of pro-forma financial information, the results and financial position of the Group are expressed in Australia Dollars, which is the functional currency of the Company and the presentation currency for the pro-forma financial information.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the Pro-forma Statement of Financial Position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Motor Vehicles	5 years
Operating equipment	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.
Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Exploration, evaluation expenditure

Exploration and evaluation expenditures (E&E) are expenditures incurred in connection with the exploration for and evaluation of mineral resources, before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Such expenditures include acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling, trenching, sampling and activities in relation to evaluating the technical and commercial viability of extracting the mineral resource.

For each area of interest, expenditures incurred in the exploration for and evaluation of mineral resources, are expensed as incurred, or, partially or fully capitalised.

Kwahu Praso Gold Concession

Management have partially capitalised exploration and evaluation expenditure. Expenditure incurred was expensed up to the point of completion of a feasibility report in March 2013 which formed the basis of a successful application for a mining lease, after which capitalisation commenced.

Expenditure is only recognised as an exploration and evaluation asset if the rights to tenure of the area of interest are current, and the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale, or, exploration and evaluation activities in the area of interest have not at the end of the reporting period reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Where exploration and evaluation activities have reached a stage where it is assessed that minerals may be extracted in an economically viable manner and management have the intention to mine or exploit the resource, expenditures from that point on are capitalised on the statement of financial position as development expenditures and any capitalised E&E will be classified as tangible or intangible depending on its nature.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders' equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Contributed capital

Ordinary shares are classified as contributed equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

6.4.1 Liquidity and capital resources

Historically, the Group's cash requirements have been funded via related party loans, from director Oscard Huang which as at 31 December 2014 amounted to $1,039,396. While the loan is at call, interest free and has no fixed repayment date, it will however only be repaid with cash flow generated from operations and not with proceeds from the Offer. Oscard Huang continues to fund the costs of the activities of the Group through related party loans. Related party loan payable to CFO Linna Chi amounting to $36,202 is at call, interest free and will be repaid from the proceeds from this Offer.

6.4.2 Contributed equity

Prior to listing, the Company had 3 ordinary shares on issue at $1.00 per share.

Existing equity of Soon Mining Ghana at 31 December 2014 has been exchanged for ordinary share capital in OBI, which will be exchanged for equity in the Company upon listing.

	No. of Shares	Minimum Subscription $	No. of Shares	Maximum Subscription $
Historical financial statements				
Contributed equity at 31 December 2014				
Share Capital	-	-	-	-
Other contributed equity	-	59,645	-	59,645
Pro-forma transactions				
Impact of capital reorganisation	125,000,000	-	125,000,000	-
Impact of the offer	15,000,000	3,000,000	25,000,000	5,000,000
Equity raising costs including Prospectus	-	(168,558)	-	(278,868)
Pro-forma financial statements share capital as at 31 December 2014	140,000,000	2,891,087	150,000,000	4,780,777

6.4.3 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax and other statutory charges

The Group is subject to income taxes and other statutory charges in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax and other statutory charges. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. As a result of change in Soon Mining Ghana ownership in March 2015, any carried forward tax losses as at that date are not expected to be recoverable.

6.4.4 Shareholder Loan and Exploration Expenditure

Exploration and evaluation expenditure comprises costs incurred on the Kwahu Praso Gold Concession in the Kwahu South District in the eastern region of Ghana. Management have partially capitalised exploration and evaluation expenditure. Expenditure incurred was expensed up to the point of completion of a feasibility report in March 2013 which formed the basis of a successful application for a mining lease, after which capitalisation commenced.

Exploration and evaluation expenditure is historically borne directly by the major shareholder Oscard. Where verifiable records and documentation exist of these expenditures, they have been charged back to the Company through a related party loan. Where documentation of expenditures cannot be provided and the amounts cannot be reliably estimated the expenditures have not been recharged to the Company. The amounts or estimates thereon have not been recognised in these financial statements where reliable estimates of the expenditures cannot be provided.

Reliable records exist of expenditures incurred directly by Oscard Huang since 1 January 2013 and such expenditure has been recognised in these financial statements. Management believe that the overall impact on these financial statements of expenditures borne by Oscard and not recharged to the Company is immaterial, because these expenditures do not affect the current period statement of comprehensive income and have no effect on the net assets of the Company.

7 INVESTIGATING ACCOUNTANT'S REPORT

PKF Gold Coast

Chartered Accountants
& Business Advisers

17 July 2015

Board of Directors
Soon Mining Limited
Unit 10 / 8 Metroplex Avenue
Murarrie QLD 4172

Dear Directors

Independent Limited Assurance Report on Soon Mining Limited pro-forma historical financial information

We have been engaged by Soon Mining Limited ("the Company") to report on the pro-forma historical financial information of the Company for the year ended 31 December 2014 for inclusion in the public documented dated on or about 17 July 2015 and relating to the issue of shares in the proposed initial public offering and listing on the Australian Securities Exchange (the Offer Document).

Expressions and terms defined in the Offer Document have the same meaning in this report.

Background

Soon Mining Limited is a newly formed public company incorporated in Australia. It was registered as a limited liability public company on 12 January 2015. On completion of the Offer, Soon Mining Limited, through Ocean Blue International Ltd (OBI) will hold a 100% interests in Soon Mining Company Limited (a company incorporated in Ghana) which holds interests in gold exploration tenements in Kwahu Praso Gold Concession in the Kwahu South district in the Eastern Region of Ghana.

Scope

Pro-forma Historical Financial Information

You have requested PKF (Gold Coast) to review the following pro-forma historical financial information of the Company included in the Offer Document (Pro-forma Financial Information), being:

- the pro-forma statements of profit or loss and other comprehensive income for the year ended 31 December 2014; and
- the pro-forma statement of financial position as at 31 December 2014.

The pro-forma historical financial information has been derived from the reviewed historical financial information of Soon Mining Company Limited (Ghana incorporated) for the financial years ended 31 December 2014, after adjusting for the effects of pro-forma adjustments described in section 6 of the Offer Document to reflect the completion of the Offer.

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PKF (Gold Coast) • ABN 25 493 017 022
Level 5, RSL Centre • 9 Beach Road • Surfers Paradise • Queensland 4217 • Australia
P O Box 588 • Surfers Paradise • Queensland 4217 • Australia

PKF (Gold Coast) is a member of the PKF International Limited network of legally independent member firms. PKF (Gold Coast) is also a member of the PKF Australia limited national network of legally independent firms each trading as PKF. PKF (Gold Coast) does not accept responsibility or liability for the actions or inactions on the part of any other Individual member firm or firms.

PKF
Chartered Accountants
& Business Advisers

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies applied to the historical financial information and the events or transactions to which the pro-forma adjustments relate, as described in section 6 of the Offer Document, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the pro-forma historical financial information does not represent the Company's actual or prospective financial position and/or financial performance.

Directors' responsibility

The directors of the Company are responsible for the preparation of the historical financial information and pro-forma historical financial information, including its basis of preparation and the selection and determination of pro-forma adjustments made to the historical financial information and included in the pro-forma historical financial information. This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro-forma historical financial information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Pro-forma historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro-forma historical financial information of the Company as described in section 6 of the Offer Document, and comprising:

- the pro-forma statements of profit or loss and other comprehensive income for the year ended 31 December 2014; and
- the pro-forma statement of financial position as at 31 December 2014.

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 6 of the Offer Document being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies applied to the historical financial information and the events or transactions to which the pro-forma adjustments relate, as described in section 6 of the Offer Document, as if those events or transactions had occurred as at the date of the historical financial information.

PKF

Chartered Accountants
& Business Advisers

Restriction on Use

Without modifying our conclusions, we draw attention to section 6 of the Offer Document, which describes the purpose of the financial information, being for inclusion in the Offer Document. As a result, the financial information may not be suitable for use for another purpose.

Consent

PKF (Gold Coast) has consented to the inclusion of this assurance report in the public document in the form and context in which it is included.

Liability

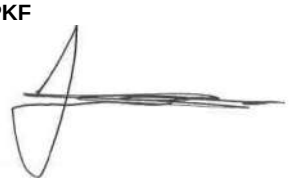
The liability of PKF (Gold Coast) is limited to the inclusion of this report in the Offer Document. PKF (Gold Coast) makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Offer Document.

Independence or Disclosure of Interest

PKF (Gold Coast) does not have any interest in the outcome of this initial public offering other than the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.

Yours faithfully

PKF



William Grant Chatham
Partner

8 INDEPENDENT GEOLOGIST'S REPORT

Technical Review and Mineral Resource Estimate for Kwahu Praso Placer Gold Project

Eastern Region, Ghana

REPORT PREPARED FOR

SOON MINING CO., LTD.

P.M.B 22, Legon, Accra, Ghana
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REPORT PREPARED BY

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Kwabena Atta Mensah
(AUSIMM #312465)
Consulting Geologist

Technical Review and Mineral Resource Estimate for Kwahu Praso Placer Gold Project in Eastern Region, Ghana

Soon Mining Company Limited
P.M.B 22, Legon, Accra,Ghana
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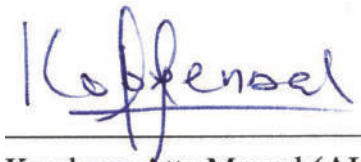
March 10, 2015

PREPARED BY:



Kwabena Atta Mensah(AUSIMM #312465)
Consulting Geologist

EXTERNAL PEER REVIEWED BY:

Yuan Chen, M.Sc, MAIG (M4014)
Principal Consultant (Geology)

EXECUTIVE SUMMARY

Introduction

This report provides an overview on the concession and project of Soon Mining Company Limited ("Soon Mining" or the "Company") and the results of an independent technical assessment. The purpose of this report is to provide an independent technical review of the mineral asset of Soon Mining. The report has been prepared for use in the prospectus for the Company's proposed listing on the Australia Stock Exchange Limited ("ASX") and for fundraising. The report is prepared in accordance with the Joint Ore Reserves Committee Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition (the "JORC Code") and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("Valmin Code").

KCT was commissioned since 2011 to carry out geological prospecting, including pit sampling, rock sampling, further geochemical soil sampling, and data analysis of geophysical exploration.

Property Description

Soon Mining currently holds 100% ownership of Kwahu Praso Gold Concession in the Kwahu South district in the Eastern Region of Ghana , which is about 130 km northwest of Accra, the capital of Ghana. The property, located on the northeastern flank of the Ashanti Gold Belt, covers an area of 82.74 km^2, including 63.0 km^2 the mining lease area and the remaining 19.74 km^2 a prospecting license. The mining lease has a mining tenure of 14 years with a current expiry date of 11 July 2027. After a one-year renewal at the end of March 2014, the prospecting license is currently valid until April 2015. The company intends to submit extension in April 2015, and the extension is expected to be permitted in June 2015.

Geology and Mineralisation

Ghana is dominated by gold bearing Palaeoproterozoic Birimian rocks, which consist of five evenly spaced volcanic belts. The concession area is part of the Ashanti extending from north-north-east to south-south-west from the Voltaian escarpment into the Axim and Sekondi areas in the south. This structural trend is best known for its extensive alluvial occurrences and gold-bearing quartz vein systems.

Stratigraphically, the area is covered by Birimian metavolcanic and metasedimentary rocks, overlain by clastic Tarkwaian rocks and intruded by granitoids. Lithologically, the main rocks encountered in the Kwahu Praso areas are metavolcanic, hypabyssal, and metasedimentary rocks, Tarkwaian sandstones and phyllites, and granitic intrusions. The Birimian metasedimentary rocks are composed of black or dark argillaceous schists, phyllites and semi-arenaceous greywackes, meta-greywackes, and schists. They are generally dark ash grey, medium-grained, homogeneous and compact, or massively schistose, and display thick foliation hosting quartz-carbonate veins.

The concession is thus considered highly prospective for three types of gold deposits:

- Quartz veins and altered/oxidized shear systems, i.e., hypogene hydrothermal deposits;
- Gold in regolith (lateritic gold deposits, or residual gold deposits); and
- Alluvial gold.

Birimian metasediments and volcanoclastics appear to host the most conspicuous mineralization associated with vein and shear systems, although the mafic flows have also been identified as favorable host rocks. Gold may not only be confined to the narrow quartz

vein and shear systems, but may also be associated with the felsic intrusions or dykes identified in the area.

Prior to the pitting program during April 2011 to June 2014, mineralization geometry was interpreted to be a series of alluvial deposit of placer gold.

The placer gold deposit is 0.5 to 3 m thick. Approximately 10.2 km along both sides of the Osuben River reach the cut-off grade, with an estimated width ranging between 200 and 600 m.

Exploration and Sampling

Soon Mining's principal exploration target is placer gold. Stream sampling is thus the primary means of defining exploration targets in concession areas. Airborne geophysical survey data has provided some information for interpreting the geological context of the regional geological framework, and they gradient array induced polarization ("IP") would be able to map small-scale structures that may host a lode gold mineralization. Finally, the pit sampling was carried out on both banks of the Osuben River to define placer gold resouce.

Soon Mining entrusted KCT utilized standard logging procedures and sampling protocols for all sampling programs, and industry standard quality assurance and quality control ("QA/QC") protocols were followed to ensure the quality of assay data, including the routine insertion of blanks, certified reference standards, and field duplicates into all sample batches submitted to the laboratory. Specific densities were measured, and the average was used for resource estimation.

A total of 42 control samples (including 17 duplicates, 17 CRMs and 8 Blocks) were inserted into a total of 133 basic assay samples. 3 Au (Certified Reference Material) standards were used in the 133 sampling program, all fall within ±2SD. No assays of blanks returned more than 0.01ppm. Almost 100% of duplicates returned results within +10% and -10% of the originals. Further details are within the report.

Processing Test

The program involved the metallurgical evaluation of processing methods using samples from both sides of the Osuben River of the defined placer gold deposit with the objectives of selecting the most suitable processing flowsheet, which will provide the basis for plant design.

All testing was initiated and managed by KCT. All testing were initiated and managed by KCT's metallurgist, Mr. Felix Sibsa who has many years of experience.

The gravity processing test established gold recovery rate of 88.00%.

Processing testing defined a robust process flow sheet with good repeatability of extraction results.

Mineral Resources

The Mineral Resource was estimated from pit sampling information in the resource database collected from March 2011 to June 2014.

All block models were created by Surpac 6.5, using Ordinary Kriging ("OK") method to estimate the resource and Inverse Distance Weighted ("IDW") squares method for validation in Surpac 6.5 software. Appropriate statistical analysis and variogram validation indicate that the estimation of Mineral Resource is considered credible.

Classification of Mineral Resources incorporates the terms and definitions from the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) published by the Joint Ore Reserve Committee (JORC).

The Table below gives KCT's JORC Compliant Mineral Resource Statement for the Kwahu Praso Concession as at 10th March 2015, as signed off by Kwabena Atta Mensah, a Competent Person as defined by the JORC Code. All the material within the KCT model reported at a cut-off grade of 0.2 g/t, which has been calculated using a gold price of USD1,261 per oz, and suitable benchmarked technical and economic parameters for mining and conventional placer gold-material processing.

Table 1: Gold Mineral Resource Statement of the Osuben Placer Gold Deposit by KCT as of March 2015

Resource Category	Gravel (1000 m^3)	Tonnage (1000 t)	Au (g/t)	Au (1000 g)	Au (1000 oz)
Indicated	3,175	7,493	0.63	4,720	152

KCT estimates that the Osuben Target contains a total Indicated Mineral Resource of 7,493 thousand tonnes of gold-bearing gravel, grading 0.63 g/t (equal to 1.49 g/m^3), equivalent of 152 thousand ounces of gold. All above resources were in the mining lease area.

Mineral resources are reported in relation to a conceptual open pit mining operation.

All figures are rounded to reflect the relative accuracy of the estimate. Raw assays have not been capped.

Gold mineral resources are reported at a cut-off grade of 0.20 g/t Au, based on following parameters: the mining dilution of 8% for a combined open pit mining, processing recovery of 88%, and the gold price of USD 1,261 per oz. The information in this report which relates to Mineral Resource estimates is based on information compiled by Mr Kwabena Atta Mensah. And he has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kwabena Atta Mensah consents to the reporting of this information in the form and context in which it appears.

Interpretation and Conclusions

Based on the work done and verifications presented in this report, the Mineral Resource is classified as Indicated, with an inventory of 7,493 thousand tonnes (equal to 3,175 thousand cubic metres) of gold-bearing gravel at an average grade of 0.63 g/t (equal to 1.49 g/m^3) Au, for 152 thousand ounces of gold.

Soon Mining has obtained a mining lease for the concession. The company has started EIA since June, 2014. Currently, it is in negotiations with the EPA and the representatives of the local villages to organize a joint social responsibility program. Soon Mining may commence mining operations once this program's initiation has been confirmed.

KCT makes the following conclusions are drawn from the summary information presented herein.

- Technical standards are appropriate and conform to industry best practices. Appropriate precautions are in place to ensure that standards are not permitted to slip (i.e., regular audits and management visits to site) and appropriate interventions are taken when necessary.
- The Mineral Resource Estimate presented herein has considered appropriate estimation method and verification, therefore the estimation of Mineral Resource is credible.
- Processing test work completed to date has been appropriate for the style of mineralization and no issues have been identified that might impact negatively on gold recoveries in future mining operations.

- The report is the outcome of a thorough geostatistical analysis and mineral resource estimation calculation, using high quality data and an appropriate methodology, by independent resource evaluation consultants.
- In accordance with the geological conditions of Soon Mining concession, it is concluded that the Project has the potential to host economic quantities of gold mineralization and that Soon Mining, if current exploration practices are maintained, has the ability to realize this potential.

KCT also makes the following comments regarding relevant risks in relation to the mineral resource estimate:

- **Risks for processing:** the gravity test was selected and carried out for the placer gold deposit. Based on the results of metallurgical testwork, there was almost no gold bearing in the tailings. In KCT's opinion, the risks to the deposit from processing are medium to low.
- **Risks for the market prices of gold:** fluctuating market prices for gold will have a significant impact on the economically optimum cut-off grade. However, the deposit contains enough high grade resources to partly offset the potential price impact. In KCT's opinion, the risks to the deposit from market price fluctuations are medium to low.
- **Risks for mining:** Although open pit mining is adopted, industrial accidents, labour disputes and human resource management shall still be taken into consideration. In KCT's opinion, the risks to the deposit from mining are medium to low.
- **Risks for resource estimate:** although the current Mineral Resource represents a reasonable global estimate, in KCT's opinion, the risks to the deposit from resource estimate are medium to low.

Recommendations

KCT offers the following recommendations for future consideration. Overall, more detailed geological studies in other regions outside Osuben should be conducted to improve the understanding of regional and local controls on mineralization. In particular, further to establish the geometry of high grade ore extensions, so the potential extensions may be tested.

Recommendations for placer gold:

- The higher grade section should be prioritized for mining operation. Phased mining and the surrounding explored area may be tested.
- Prospecting should continue after starting mining operations, with the other zones of known placer gold deposits as the priority.
- Further processing test work should be undertaken to ascertain the possible increase of gold recoveries.

Recommendation for lode gold:

- Appropriate geochemical samples should be collected.
- The exploration of geochemical and geophysical targets to identify additional zones of mineralization should continue.
- Trenches should be excavated to improve the geological understanding of the dimension and prove or disprove their continuity.
- All trenches should be channel sampled as well as geologically mapped.
- Basic drilling is required to ascertain the location ore bodies.
- More diamond core drilling should be encouraged, as a means to better understand prospect geology.
- All samples submitted to the laboratory for analysis must be pulverized to 90% passing -200 mesh.

An exploration program incorporating the above points should be implemented. It is recommended that this program be conducted in two phases:

Phase 1:

- Detailed surface mapping of the mineralized trend.
- Structural work to ascertain controls on mineralization and assist with the planning of further drill programs;
- Trenching in between the known mineralizations; and
- Testing drilling to ascertain the locations of ore bodies;

Phase 2 is on-going program upon the results of Phase 1:

- Drilling to testify to a Mineral Resource; and to extend the strike length of known mineralization; and
- Metallurgical work on mineralized material.

The Company should arrange an adequate budget to fund significant exploration programs and complete the above recommendations. Details of planned work programs should be regularly reviewed and adjusted, as necessary, based on the results on ongoing exploration, and exploration strategies and results should be reviewed on a regular basis and compared to those used for other styles of gold mineralization.

Table of Contents

List of Abbreviated Terms

"o"	degree
"°C"	degree Celsius
"ASX"	The Australian Securities Exchange Limited
"Au"	gold
"AusIMM"	Australasian Institute of Mining and Metallurgy
"CA"	Chartered Accountant
"CIL"	Carbon-in-Leach processing
"cm"	centimetres
"CRM"	certified reference materials
"CV"	coefficient of variation
"DEM"	digital elevation model
"EIA"	Environmental Impact Assessment
"EMP"	Environmental Management Plan
"EPA"	Environmental Protection Agency
"g" or "gm"	gram
"GH¢"	Ghanaian cedi
"g/m^3"	grams per cubic metre
"GPS"	global positioning system
"GRG"	gravity recoverable gold
"GSD"	National Geological Survey Department
"g/t"	grams per tonne
"ha"	hectare
"HP"	horsepower
"IDW"	Inverse Distance Weighted Squares Method
"IER"	Independent Expert Report
"IP"	induced polarization
"JORC Code"	Joint Ore Reporting Committee's Code
"KCT"	KCT Consulting
"kg"	kilogram
"km"	kilometre
"km^2"	square kilometres
"KRT"	Knelson Research & Technology
"KVA"	kilovolt-ampere
"kW"	kilowatts
"L"	litre
"m"	metre

"m^2"	square metre
"m^3"	cubic metre
"ml"	milliliter
"mm"	millimetre
"m^3/h"	cubic metre per hour
"mt"	million tonnes
"NW"	northwest
"OK"	Ordinary Kriging Method
"oz"	ounce
"PMMC"	Precious Minerals Marketing Company Limited
"ppb"	parts per billion
"ppm"	parts per million
"PV"	present value
"QA"	quality assurance
"QC"	quality control
"SD"	standard deviation
"SE"	southeast
"SG"	specific gravity
"Signature Metals"	Signature Metals Limited
"Soon Mining"	Soon Mining Company Limited
"t"	tonne
"the company"	Soon Mining Company Limited
"TMI"	Total Magnetic Intensity
"USD"	United Stated Dollar
"Valmin Code"	Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities
"VRA"	Volta River Authority
"µm"	micron

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1 INTRODUCTION

1.1 Introduction

Soon Mining Company Limited ("Soon Mining" or the "Company") currently holds 100% ownership of Kwahu Praso Gold Concession in the Kwahu South district in the Eastern Region of Ghana. Soon Mining was established in July 2010 in the Republic of Ghana with business certification image attached at Appendix 1. A reconnaissance license covering the Kwahu Praso concession was issued to Soon Mining in 2011, and the Company commissioned KCT Consulting ("KCT") to conduct reconnaissance work in the concession in the same year including geological mapping, stream sampling, and soil sampling. In March 2012 Soon Mining converted the reconnaissance license into a prospecting license (Appendix 2). In April 2012, KCT began to carry out geological prospecting in the license area, including pit sampling, rock sampling, further soil sampling, and interpretation of geophysical data. Based on the results from the geotechnical work, Soon Mining consequently applied for a mining lease in March 2013 (Appendix 3). This mining lease was approved by the Minerals Commission of Ghana in July 2013 (Appendix 2).

This report provides an overview on the concession, the placer gold project of Soon Mining and the results of an independent technical review. The purpose of this report is to provide an independent technical review of the mineral assets of Soon Mining. The report was prepared for use in the prospectus for the Company's proposed listing on the Australia Stock Exchange Limited ("ASX"). The report is prepared in accordance with the Joint Ore Reserves Committee Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition (the "JORC Code") and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("Valmin Code").

1.2 Scope of Work

This report was compiled according to the Terminal Report (November 2011)[1], Ghana local feasibility study (March 2013)[2], and other publicly available information[3]. This review and comments are restricted to the area covered by the mining lease, a total area of 63.0 square kilometres ("km^2") and 19.74 km^2 prospecting license area.

Soon Mining has defined the presence of placer gold deposits at the Kwahu Praso concession in the Kwahu South district of Eastern Region. The exploration program, which was designed and carried out by KCT to test the placer gold mineralisation on both a regional and local scale, and field work implemented have thus included:

- Detailed geological mapping covering an area of 82.74 km^2;
- Stream sediment sampling;
- Pit sampling;
- Soil sampling;
- Global positioning system ("GPS") surveying; and
- Airborne magnetic survey covering an area of 82.74 km^2.

1.3 Project Team

Mr. Kwabena Atta Mensah is a geological consultant and a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). He meets all requirements to be considered a "Competent Person" as defined by the JORC Code. Mr. Kwabena has over 15 years of experience in this professional field including placer gold exploration. He is a soil scientist specialising in mineral and metals prospecting, exploration, and evaluation. He cooperated with KCT to integrate all data related to the resource estimation and to finish the resource estimation in this report.

Dr. Emmanuel Kwesi Brabtoh is a senior geological consultant with KCT. He obtained his doctorate from the Geological Prospecting Institute in Moscow. Dr. Brabtoh is a former director of the Ghanaian Geological Survey Department and has over 30 years of professional experience in geology and mining. He was responsible for overall planning of this report, and monitoring and reviewing implementation and results of all exploration works.

Mr. Solomon Anum is a geological and mining engineering consultant with KCT, with over 25 years of industry experience. Prior to joining KCT he conducted geological mapping, prospecting, and consulting for mining engineering planning for both the Ghanaian government and for numerous mining companies. He was responsible for geological mapping, lode gold exploration work and processing flowsheet in this report.

Mr. Felix Sibsa is a geological and mining consultant with KCT with over 20 years of experience in the field including placer gold exploration and metallurgical testing. He was a metallurgist at the same time. Prior to joining KCT he worked as a chief field geologist for several established mining companies. He was responsible for all sampling work and processing test work in this report.

Mr. Foli Gordon is an environmental geological consultant with KCT specializing in mining environmental management. Mr. Gordon has worked with the Mineral Commission of Ghana and the national Environmental Protection Agency, and also worked at Anglogold Ashanti for over 10 years. He was responsible for environmental impact assessment in this report, and assisted the company to formulate environmental protection policy and management measures.

Mr. Dominic Akolbire Adaare is a Chartered Accountant ("CA") as well as a financial and economic assessment consultant with KCT. Mr. Adaare has over 20 years of professional experience and has worked as a financial consultant at numerous natural resources firms.

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Yuan Chen, M.Sc., MAIG, is a Principal Consultant (Geology) and the exploration manager of SRK Consulting China Ltd. He has been responsible for the assessment and development of projects in China for international companies such as Barrick Gold (Canada), AngloGold Ashanti (South Africa), Silvercorp (Canada), and Standard Bank (China). He has more than 20 years' experience in exploration and development of various types of mineral deposits including gold (placer gold), silver, copper, lead, zinc, iron, nickel, chromium, tungsten, molybdenum, and aluminium etc. His experience covers exploration program design, QA/QC, mineral resource estimation, due diligence, and project potentiality assessment. Since joining SRK, he has managed QA/QC projects in China, the United States, Zambia, Columbia, Mongolia, Kyrgyzstan, Philippines, Cambodia, and Indonesia. He is also engaged in preparing ITRs in accordance with the JORC or NI-43-101 codes for several projects which have been successfully financed or listed. **Mr Chen is responsible for the peer review of this Report.**

Yuan Chen is a Principal Consultant (geology) and full time employee of SRK Consulting China Ltd. Mr Chen has reviewed the draft of this technical report prior to its delivery to Soon Mining. He did not visit the Project.

KCT was told to be responsible for conducting exploration of Soon Mining's concession from 06 March 2011 to 12 December 2012, from 02 March 2013 to 17 January 2014 and again from October 2014 to January 2015. This report is based on the data collected during these site inspections and on additional information provided by Soon Mining via email, fax, or phone conversations. During the site inspection, KCT interviewed all personnel on site and visited all

parts of the concession, including targeted prospecting areas and the locations of the planned processing plant and administration office.

1.4 Independence

KCT have not previously had any contact with Soon Mining regarding the mineral properties which are the subject of this report. The results of this technical review are not dependent upon any prior agreement concerning the conclusion to be reached and nor have KCT any beneficial interest in Soon Mining or in any assets of Soon Mining. Neither KCT nor any of its employees or associates involved in this project hold any share or has any direct or indirect pecuniary or contingent interests of any kind in Soon Mining or its mining properties.

1.5 Reference of Terms

KCT has undertaken multiple technological investigations in compiling this report, including examinations of current geological exploration, verification work, test work, environmental and social impacts, legal and statutory issues (including tenement status), company management and resource estimation.

1.6 Competent Person Statement

As the author of the Report for Soon Mining Company Limited ("Soon Mining") on the Osuben placer gold deposit of Kwahu Praso Gold Project in Ghana, I, Kwabena Atta Mensah, do hereby certify that:

- I have been cooperating with, but non-full-time, and carried out the assignment for, KCT Consulting, located at: Bungalow No.5, Residency Street, Koforidua, Eastern Region, Ghana.
- I graduated with BSc Geology and Chemistry and an MBA degree from Ghana's premier University, the University of Ghana in 1994 and 2001 respectively.
- I have been directly involved in gold (placer gold) prospecting and exploration for more than 15 years.
- I am a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM" #312465).
- I have read the definition of a "Competent Person" set out in the Joint Ore Reserves Committee Code (JORC Code) and certify that by reason of my education, affiliation with a professional association and past relevant work experiences, I fulfil the requirements to be a "Competent Person" for the purposes of JORC Code.
- I have visited the Osuben deposit of Kwahu Praso Gold Project during 25 April 2011 to 10 May 2011, 21 September 2013 to 06 October 2013 and 02 March 2015 to 08 March 2015.
- I am the primary author responsible for the technical report entitled Technical Review and Mineral Resource Estimate for Kwahu Praso Placer Gold Project in Eastern Region, Ghana dated 10 March 2015 (the "Technical Report"). I also participated in and supervised the exploration programs on the project.
- I have no interest, nor do I expect to receive any interest, either directly or indirectly, in the Osuben Gold deposit at the Kwahu Praso Project, nor in the securities of Soon Mining or any of its subsidiaries.
- I have read the JORC 2012 and VALMIN Codes, and the Technical Report has been prepared

in compliance with these codes.

- I am independent of the issuer, applying all of the tests described in the JORC Code.
- I, Kwabena Atta Mensah, consent, without further written notice, to all public issue of this Technical Report (full and summary versions) by the company.
- I, Kwabena Atta Mensah, consent to the inclusion in the report of the matters based on his (or her) information in the form and context in which it appears.
- The information in this report that relates to Mineral Resources is based on information compiled by Kwabena Atta Mensah, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy being a 'Recognised Professional Organisation' (RPO) included in a list that is posted on the ASX website from time to time.
- I cooperate with KCT Consulting to complete this report.
- I have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

2 PROPERTY DESCRIPTION AND LOCATION

2.1 Location

Soon Mining concession 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 and 20 km west of Nkawkaw, the capital of neighboring Kwahu West District, as shown in Figure 2-6.

Figure 2-1: Map of Ghana Showing the Location of Soon Mining Concession

2.2 Property Description

The property covers an area of 82.74 km^2, with 63.0 km^2 the mining lease area and the remaining 19.74 km^2 the prospecting license. The mining lease has a valid period of 14 years with a current expiry date of 11 July 2027. The prospecting license was renewed for one year at the end of March 2014, and has a current expiry date of April 2015(Appendix 2). The company intends to submit extension in April 2015, and the extension is expected to be permitted in June 2015.

The prospecting license and mining lease grants Soon Mining the exclusive right to search for and mine specific minerals within the mining lease area, as well as to emplace personnel and equipment on the property. They exempt equipment imports from taxation allow Soon Mining to grant work permits to foreign employees. Environmental assessment is compulsory, as are related social issues including communication and coordination with the local community prior to the start of mining operations, and corporate social responsibility after the end of mining operations. The Company must pay adequate crop compensation fees to local farmers/landowners for any crop damages caused by exploration. Negotiation with local government authorities may be required. Compensation and other fees are discussed in more detail in Chapter 3 of this report.

The preparation for future mining operation includes setting up the Company offices in Kwahu Praso town, building a mineral processing plant in Osuben town, and constructing a road to the mining area to facilitate transferring ore. Electrical power is available in Osuben; a power line passes through the processing plant site. Soon Mining also intends to provide a back-up generator. Water supplies for the processing plant will be pumped from Osuben River and boreholes, supported by recycling waste water via two-stage of sedimentation basin. Project infrastructure is further discussed in Section 3.3. The Kwahu Praso concession situated between latitude 6°35' - 6°42' North and longitude 0°51' to 0°59' West as shown in Figure 2-1 and Figure 2-2.

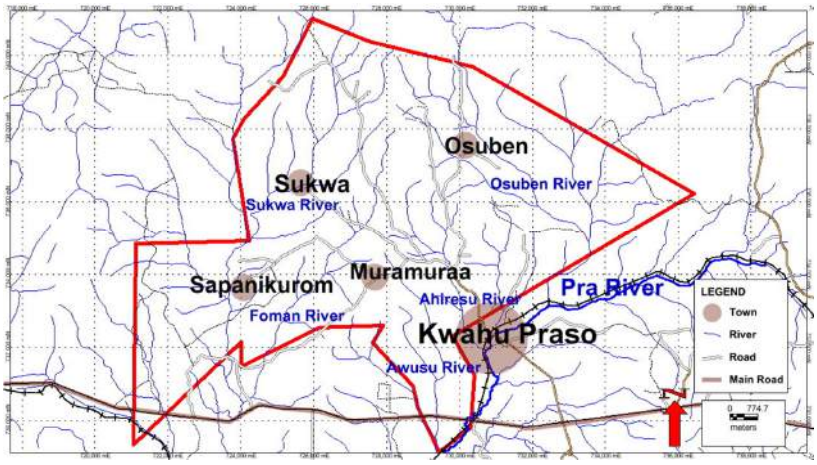


Figure 2-2: Map of the Kwahu Praso Concession

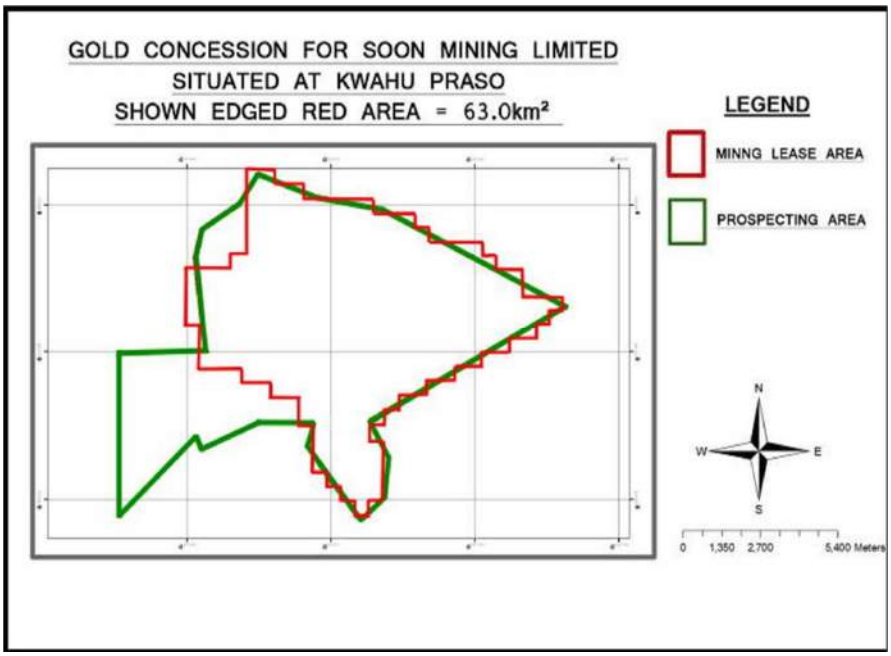


Figure 2-3: Mining Lease Area and Prospecting Area Licensed to Soon Mining

(The mining lease concession boundary is irregularly shaped and follows the latitude and longitude of each block, which are 15" x 15").

The original Kwahu Prasu concession is defined by the pillar coordinates shown in Table 2-1. It can be found on the Ghana 1:50,000 scale map sheet 0601 A3.

Table 2-1: Pillar Coordinates of Soon Mining Concession

Pillar	Lat/ deg N	Long/deg W
P1	6°40'12"	0°58'30"
P2	6°40'45"	0°58'22"
P3	6°41'07"	0°57'45"
P4	6°41'45"	0°57'23"
P5	6°41'22"	0°56'20"
P6	6°41'04"	0°55'20"
P7	6°39'22"	0°51'40"
P8	6°37'15"	0°55'20"
P9	6°36'30"	0°54'55"
P10	6°35'53"	0°55'00"
P11	6°35'30"	0°55'30"
P12	6°36'12"	0°55'50"
P13	6°36'42"	0°56'28"
P14	6°37'08"	0°56'20"
P15	6°37'10"	0°57'17"
P16	6°36'40"	0°58'27"
P17	6°37'00"	0°58'33"
P18	6°35'30"	1°00'00"
P19	6°38'28"	1°00'00"
P20	6°38'30"	0°58'20"

After prospecting, Soon Mining converted the prospecting license into a mining lease. Pursuant to Regulation L.I.2176 implemented in 2012, the area of a mining lease must be contiguous blocks each having a side in common with at least one other block the subject of the grant. Therefore, the concession of mining lease is bounded by the coordinates listed in Table 2-2.

Table 2-2: Mining Lease Concession Pillars

Pillar	LAT(N)	LONG(W)	Pillar	LAT(N)	LONG(W)
P1	6°41'45"	0°57'30"	P33	6°37'30"	0°54'45"
P2	6°41'45"	0°57'00"	P34	6°37'30"	0°55'00"
P3	6°41'30"	0°57'00"	P35	6°37'15"	0°55'00"
P4	6°41'30"	0°56'30"	P36	6°37'15"	0°55'15"
P5	6°41'15"	0°56'30"	P37	6°37'00"	0°55'15"
P6	6°41'15"	0°55'15"	P38	6°37'00"	0°55'00"
P7	6°41'00"	0°55'15"	P39	6°36'00"	0°55'00"
P8	6°41'00"	0°54'30"	P40	6°36'00"	0°55'15"
P9	6°40'45"	0°54'30"	P41	6°35'45"	0°55'15"
P10	6°40'45"	0°54'15"	P42	6°35'45"	0°55'30"
P11	6°40'30"	0°54'15"	P43	6°36'00"	0°55'30"
P12	6°40'30"	0°53'15"	P44	6°36'00"	0°55'45"
P13	6°40'15"	0°53'15"	P45	6°36'15"	0°55'45"
P14	6°40'15"	0°53'00"	P46	6°36'15"	0°56'00"
P15	6°40'00"	0°53'00"	P47	6°36'30"	0°56'00"
P16	6°40'00"	0°52'30"	P48	6°36'30"	0°56'15"
P17	6°39'30"	0°52'30"	P49	6°37'15"	0°56'15"
P18	6°39'30"	0°51'45"	P50	6°37'15"	0°56'30"
P19	6°39'15"	0°51'45"	P51	6°37'45"	0°56'30"
P20	6°39'15"	0°52'00"	P52	6°37'45"	0°57'00"
P21	6°39'00"	0°52'00"	P53	6°38'00"	0°57'00"
P22	6°39'00"	0°52'15"	P54	6°38'00"	0°57'30"
P23	6°38'45"	0°52'15"	P55	6°38'15"	0°57'30"
P24	6°38'45"	0°52'45"	P56	6°38'15"	0°58'15"
P25	6°38'30"	0°52'45"	P57	6°39'00"	0°58'15"
P26	6°38'30"	0°53'15"	P58	6°39'00"	0°58'30"
P27	6°38'15"	0°53'15"	P59	6°40'00"	0°58'30"
P28	6°38'15"	0°53'45"	P60	6°40'00"	0°57'45"
P29	6°38'00"	0°53'45"	P61	6°40'15"	0°57'45"
P30	6°38'00"	0°54'15"	P62	6°40'15"	0°57'30"
P31	6°37'45"	0°54'15"			
P32	6°37'45"	0°54'45"			

Figure 2-4: Landscape of Kwahu Praso

3 HISTORY

3.1 History of Gold Production in Ghana

Ghana has an extensive history of gold production. It is believed that West African gold from Ghana has featured prominently in trade routes through the Sahara for several thousand years. Gold in ancient Egypt and Rome is believed to have been produced in part from Ghana. This knowledge led the Portuguese to seek a sailing route from Europe to West Africa in 1471 (Griffis, et al., 2002).

Ghana produced gold through artisanal means until British colonialists discovered gold and developed the first industrial mines in the late 1800s. The largest and most extensive of these is Obuasi, which has recorded production exceeding 30 million ounces ("oz") of gold ("Au") during its 113 years of continuous production[4]. Numerous other placer mines and hard rock mines were developed and abandoned during colonial times and prior to independence in 1957. In the past dozen years, Ghana has undergone a resurgence of exploration activity with several major international mining companies (Newmont Mining Corp., AngloGold Ashanti, Gold Fields Ltd, and Kinross Gold Corp., etc) committing significant resources to operations in the country.

The project is located on the northeastern flank of the Ashanti Gold Belt, in the Kwahu South District of Eastern Region of Ghana, West Africa. The Ashanti Gold Belt is known to have placer gold mineralization and has been subject to extensive historical alluvial mining.

Gold deposits of this area have been described in numerous publications by various authors, including Junner 1935; Kesse 1985; Leube et al 1990; Appiah and Baafi 1991; Dzigbodi Adjimah 1992. The lode gold deposits in Ghana occur in two broad types, namely: structurally controlled hydrothermal deposits, and Palaeozoic placer deposits hosted by Tarkwaian rocks

Airborne surveys, including magnetic and radiometric surveys, should be conducted to explore these deposits and delineate their boundaries and locations, as well as to accurately map any hidden lineaments, as these may be indicative of structures which control gold mineralization. This will hopefully assist in the geological mapping and increase understanding of the geology and accompanying structures in the concession. Airborne surveys may also make it possible to outline variations in the geomorphologic texture observed in the various geophysical maps, which will also assist in the geological mapping of the survey area.

3.2 History of the Project

Placer gold mineralization was first discovered 50 years ago in the Osuben River upstream of the project area. Artisanal mining by local residents and an influx of outside people assembled together immediately. After mining accidents due to operational negligence and excessive killing for more than 70 people, such artisanal mining activities were prohibited. However, some of the old pits are still present in the artisanal mining area on the Osuben River upstream of the project area.

Between 2009 and 2012, artisanal mining activities appear illegally again at the junction of the Pra and Osuben Rivers, at the southwest boundary of the concession. However, these mining operations were forced to shut down soon.

After receiving the required approvals from the government and local Paramount Chief in 2010, Soon Mining began exploration work on the concessions. During this period, Soon Mining has conducted geochemical and geophysical exploration, and stream, outcrop, pit, and soil sampling. A Ghana local feasibility report was submitted to the Ghana Mineral Commission in March 2013 and the company obtained the mining lease in July 2013.

After obtaining the mining lease, Soon Mining has begun actively conducting social negotiations and an environmental assessment.

4 ACCESSIBILITY, CLIMATE, LABOR AND INFRASTRUCTURES

4.1 Accessibility and Local Labor Supply

The location of the concession area provides access to all infrastructure necessary to develop a mining concession, including:

- Public grid power throughout nearby towns and villages;
- A major highway passes through the south edge of concession;
- Local roads are either paved roads or maintained with packed gravel roads;
- An international airport is available in Accra, approximately 200 km away from the concession;
- Port facilities are available at Tema (250 km by road); and
- Domestic water is generally available from Kwahu Praso town and other villages, supplied from boreholes.

Major towns and smaller communities are scattered in the concession area, including Kwahu Praso, Osuben, Muramuraa, and Sukwa. Electricity power is available in Kwahu Praso and Sukwa, the two main towns within the concession, and also in most of the nearby towns. No land line telephone connection is available on the property but cellular coverage is available in the majority of towns within the concession. The nearest medical clinic and police station are located at Kwahu Praso. Hospitals and most government offices are available in Nkawkaw and Mpraeso. Food and supplies can also be purchased in these two towns as well. Kwahu Praso, where the Company offices are located, has a high school and other social amenities. The company pitched its camp at Kwahu Praso. The office facility is planned to include an office complex for administrative work, washrooms, a workers' canteen, and first aid facilities for workers. Health, education and communications facilities exist in all the communities in the concession area.

The largest major highway in Ghana, the Accra-Kumasi trunk road, passes through the south edge of concession. Most of the settlements are linked by mud roads, and these mud access roads are planned to be laid to the artisanal mining site from the main Kwahu Praso-Kumasi road and connect to the main site and offices, as shown in Figure 4-1.

The major local occupation is subsistence farming. Small farming plots support cash crops such as cocoa and oil palm. Common food crops such as plantain, cassava, cocoyam, maize, and yam are extensively cultivated mainly for consumption by local people.

Local labor is readily available, with a number of trained mid-level staff and semi-skilled laborers who have been involved at various stages of exploration and mining operation at nearby historical and current projects at Nkawkaw and New Abirem. The nearby district capital and mining centers support a local pool of skilled and semi-skilled labor. Field labor is also available on an as-needed basis from the communities in the concession area.

Governments entry posts are to be constructed to monitor the movement of goods and people in and out of the project site. The mining site is to be fenced or completely enclosed with mesh or security wiring.

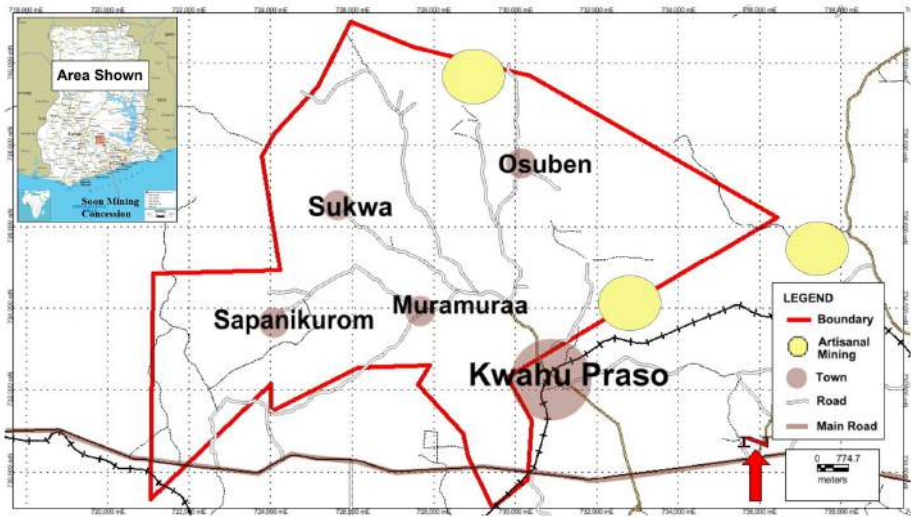


Figure 4-1: Road Map and the Concession Showing Artisanal Mining Site

4.2 Climate

The Kwahu Praso concession lies within the west semi-equatorial region. It experiences a double maxima rainfall pattern, with major and minor rainy seasons. The major rainy season is from April until July and the minor rainy season is from September to October. Annual average rainfall is between 1,580 mm and 1,780 mm. Rainfall intensity decreases towards the Voltaian basin. The average monthly temperature ranges from as high as 30°C in the dry season and to a low of about 26°C in the wet season, with lower temperatures at higher altitudes. Relative humidity is between 75% and 80% year round.

The concession area forms part of the Pra Basin, the watershed of the Pra River, which comprises the Pra River and all of its tributaries. The Pra River flows through the southeast of the concession, and its tributaries the Osuben, Sukwa, Foman, Awusa and Ahiresu Rivers flow through the concession from northwest ("NW") to southeast ("SE") as shown in Figure 4-2. The Pra River and its tributaries feature wide alluvial valleys with few hills have encouraging prospects for placer gold investigation.

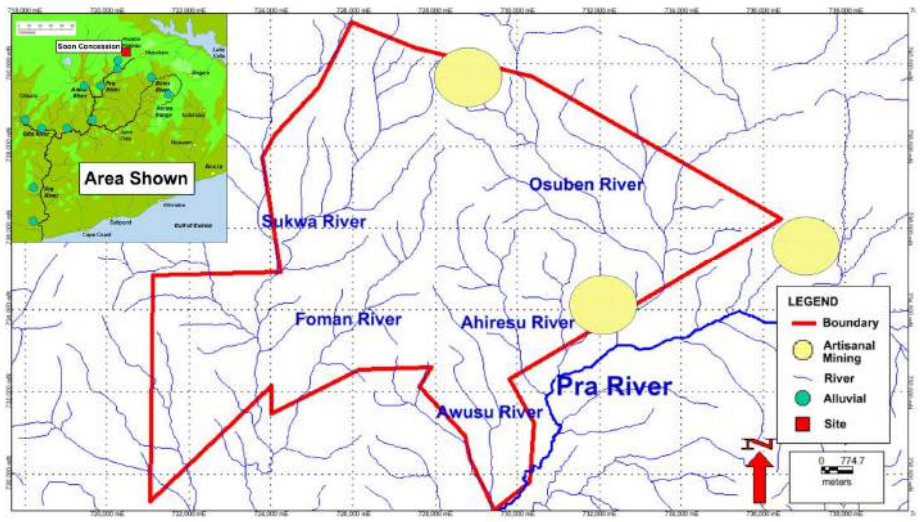


Figure 4-2: Relationship between the Project Area and the Pra River System

The Pra River is locally well known for its high grade placer gold, which is currently being mined at several of its tributaries, namely Osuben River and Sukwa River. In the eastern border of concession, "galamasey", or local artisanal mining operations are in progress to extract placer gold.

Mining activity on the Osuben River, upstream of the Pra, started more than 50 years ago. It was the first region in the concession found to have placer gold deposits, with placer gold scattered on both sides of the river. Sampling results from other tributaries flowing through the concession show that they also contain placer gold, which means local geological conditions are favorable for placer gold mineralization.

4.3 Infrastructure

4.3.1 Electricity

Electrical power supplies in Ghana are principally provided by the Volta River Authority ("VRA") through a hydroelectric power station at the Akosombo Dam (at the base of Volta Lake). Power from the dam supplies the national grid, and is augmented with power from the Aboadze Thermal Power Station near Takoradi, as well as by supplementary imports from neighboring Côte d'Ivoire. The electricity has not been self-sufficient.

Power in the Eastern Region is provided from Akosombo to the larger settlements, e.g. Koforidua, Nkawkaw, and Suhum, while electricity supply to smaller settlements remains very limited. Electricity is available in Kwahu Praso and Sukwa, the two main towns within the concession, and also in Osuben, the site of the planned processing plant by Soon Mining. The Table 4-1 below shows the power demands of the proposed processing plant based on the power consumption rates of the selected equipment.

Table 4-1: Power Demands for Proposed Processing Plant

Equipment	Quantity	Power Consumption (kW)	Total Power Consumption (kW)
S5 Trommel	2	60.0	120.0
Knelson XD48 Concentrator	1	30.0 – 75.0	30.0 – 75.0
Knelson CVD64 Concentrator	1	75.0 – 150.0	75.0 – 150.0
Shaking Table	1	1.1	1.1
Other (estimated)			10.0
Total			236.1 – 356.0

Based on a total estimated electricity requirement of 236.1 – 356.0 kilowatts ("kW") in the processing plant, the power supply from the state grid will be sufficient. A 500 m power line is needed to supply electricity from the nearest town to the project area; the Company intends to supply additional backup power in the form of two (2) diesel-fuelled Caterpillar 250 kilovolt-ampere ("KVA") generator sets.

4.3.2 Water Supply

As part of the construction phase activities, various physical structures like haulage roads, washrooms and toilets, fuel and water storage facilities, office accommodation needed for the smooth implementation of the project will be constructed.

The Pra River, the easternmost and largest of the three principal rivers that drain southern Ghana, is sourced from Kwahu Twenedruase and Kwahu scarp, and flows through Kwahu Praso just southeast of the mining license. Multiple water courses within the license boundary drain into the Pra River.

Domestic water (pipe-borne and borehole) is readily available, which will be sourced from the Ghana Water Company and stored in polytanks for use on site. Water for operational activities and dust control on the access and haulage roads, and the aggregate area, will be supplied by tankers. The nearest source of water for the planned processing plant is the Osuben River, approximately 500 m away. The Osuben River is about 5 m wide and flows year round, though water levels are lower during the dry season, and the river bottom almost can be seen sometimes. Table 4-2 illustrates the project's estimated water consumption demands.

Table 4-2: Estimated Water Demands of Proposed Processing Plant

Equipment	Quantity	Water Consumption (per unit of equipment)	Total Water Requirements	Total Water Demand (in m^3 per 8-hr day)
S5 Trommel	2	600 - 1,300 gallons/min	1,200 – 2600 gallons/min	2,180 - 4,724
Knelson XD48	1	68 – 86 m^3/hr	68 – 86 m^3/hr	544 - 688
Knelson CVD64	1	9 – 27 m^3/hr	9 – 27 m^3/hr	72 - 216
Shaking Table	1	10 – 60 m^3/day	10 – 60 m^3/day	10 - 60
Other (estimate)			10 m^3/day	10
Total				2,816 - 5,698

Note: 1 US gallon = 3.785 Litre.

KCT estimates that one CAT330 excavator for the mining operation will provide 1,040 m^3 of feed ore per day to the processing plant, and water consumption will be about 2,816 - 5,698 m^3 per day. The plant is planned to operate eight (8) hours per day. Thus, water consumption will be (2,816 – 5,698)/480 = 5.87 – 11.87 m^3 per minute. Half of this water can be recycled. Thus, the plant's water source must be capable of supplying 2.935 - 5.940 m^3 per minute for the entire workday.

The decreased water supply during the dry season must be taken into consideration, and therefore the Company plans to use boreholes (wells) as an additional source. Groundwater is encountered at around 20 m below the surface in the mining area, which indicates that the groundwater supply will be adequate to supply the required 2.935 - 5.940 m^3 of water per minute. However, to ensure adequate and uninterrupted water supplies during working hours, it is recommended that Soon Mining store pump and store water during the night and on non-working days.

4.3.3 Accessibility

The port nearest the concession is at Tema, the biggest port in Ghana, approximately 250 km from the concession. The international airport is in Accra, approximately 200 km from the concession.

Currently there is no rail transport within Ghana. However, the largest highway in Ghana, connecting the two large cities, Accra and Kumasi, passes through the south edge of the concession. Therefore, additional road construction outside the concession is not needed, but internal

transportation must be constructed within the concession from the mining area to the processing plant.

4.3.4 Land and Corp Compensation

Part of the mining lease area is considered arable land and is planted with cocoa trees, palm trees, and crops such as cassava, cocoyam, and banana. Part of the concession is uncultivated land.

The government's policy for mining is that the land is returned to the landowner after mining has been completed, so it is unnecessary to pay land compensation to landowner, but the compensation of crops is needed.

Based on local prices and previous compensation cases, the crop compensation fee for cocoa is Ghanaian cedi ("GH¢") 7,500 per acre (1 acre = 0.4 hectares). The fee for palm trees is slightly lower at GH¢ 6,000 per acre and bananas are compensated at GH¢ 3,000 - 4,000 per acre. No compensation fee is required for the uncultivated area, but as a gesture of good will to the community, Soon Mining has agreed to compensate the owner at GH¢ 1,000 - 2,000 per acre.

5 GEOLOGICAL SETTING AND ADJACENT PROPERTIES

5.1 Regional Geology

5.1.1 Regional Geology

Ghana lies within the extensive West African craton, which hosts extensive gold mineralisation in Palaeoproterozoic Birimian rocks.

These gold bearing Palaeoproterozoic Birimian rocks consist of five evenly spaced meta-volcanic belts: Kibi, Ashanti, Sefwi-Bibiani, Bui, and Bole Navrongo, all trending northeast-southwest as shown in Figure 5-1. The basins between the meta-volcanic belts are filled by Quaternary unconsolidated sediments, and approximately 30% remaining rocks of post-Birimian horizons. The supra-crustal rocks of Birimian rocks are highly deformed, and the sedimentary rocks of post-Birimian horizons are particularly characterized by extensive folding.

The lavas of Birimian meta-volcanic belts are mainly basaltic, though andesite, dacite, and rhyolite are also present. The post-Birimian sedimentary basins show the facies distribution pattern from the margins towards the basin centers, in which grain sizes become finer from upstream to downstream. The igneous rock formed under higher temperatures and pressure in the centre than at the outer rims, therefore different minerals were precipitated in these different environments.

Both the volcanic belts and sedimentary basins are intruded by three types of granitoids differing in age, mineralogy and chemistry, namely:

- Cape Coast granitoids in the sedimentary basins are dominated by two-mica granites;
- Dixcove granitoids associated with the volcanic belts are dominated by hornblende-bearing granites; and
- Late (post-Tarkwaian) potassium-rich granitoids comprise the Bongo, Tongo, and Banso granitoids.

Each of the Birimian volcanic belts contains metasedimentary rocks - the Tarkwaian Group – that unconformably overlie the Birimian. The Tarkwaian Group consists entirely of conglomerates, sandstones, phyllites, and slates derived from the Birimian country rocks.

Placer gold deposits have been derived from weathering, erosions, and transportation of lode quartz veins and stock works from the Birimian rocks. The alluvial deposits occur in the stream-beds, alluvial flats, old valleys, and terraces of most streams that drain the Birimian rocks.

Kwahu Praso concession area is part of the Ashanti extending from north-north-east to south-south-west from the Voltaian escarpment into the Axim and Sekondi areas in the south. This structural trend is best known for its extensive placer gold occurrences and gold-bearing quartz vein systems. Indications of gold associated with lateritic soils have been reported along the edges of the laterite plateau.

Ashanti belt has three styles of gold deposits:

- Quartz veins and altered/oxidized shear systems, i.e., hypogene hydrothermal deposits;
- Gold in regolith (lateritic gold deposits, or residual gold deposits); and
- Alluvial gold.

Birimian metasedimentary rocks and meta-volcanoclastics rocks appear to host the most conspicuous gold mineralization associated with vein and shear systems, although the mafic flows have also been identified as favorable host rocks. Gold may not only be confined to the narrow quartz vein and shear systems, but may also be associated with the felsic intrusions or dykes identified in the area.

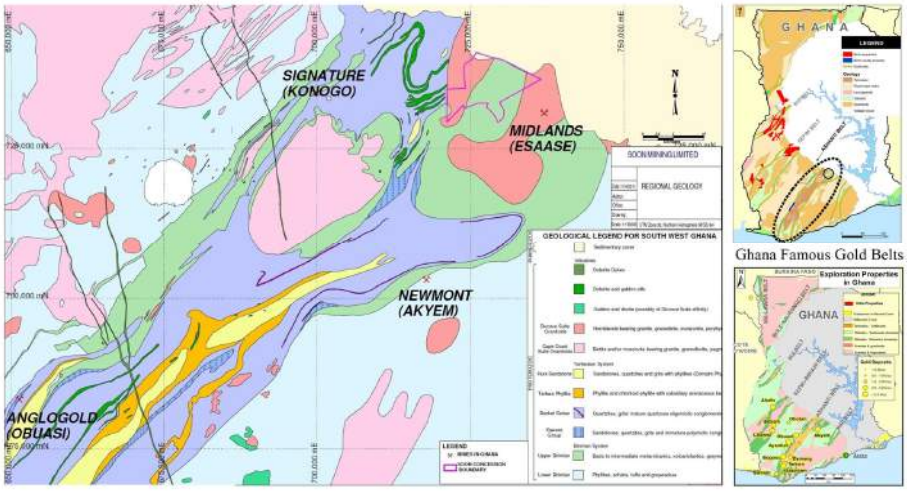


Figure 5-1: Geological Map of Ashanti Gold Belt

5.1.2 Distribution of Placer Gold Mineralisation

The distribution of most placer gold in this region is in the Ashanti gold belt, and numerous placer gold mining operations are ongoing in the region.

A brief interpretation of the distribution of placer gold in this region is shown in Figure 5-2. The most famous placer gold deposit is in Ankobra River at the south of the Ashanti gold belt. Offin River, a tributary of the Pra River, flows through the middle of the Ashanti gold belt, and gold exploitation activities are visible on both river banks. Further north in the Ashanti gold belt, placer gold is also being mined along the Anum River, another tributary of the Pra River. Still further north is Oware River, a centre of placer gold in Konongo; both the Oware River and its tributaries host placer gold extraction operations, but most of these constitute illegal mining activities with none of the required permits, and are shut down as the government discovers them.

Kwahu Praso is located at plain area below the juncture of Kwahu Plateau highland and plain.

Birim River, another tributary of the Pra River, is also known to host rich placer gold deposits as do its own small tributaries. The northern stretches of Pra River flow through New Abrime, south Kwahu Fodua, and the southeast portion of the concession. Mining activities have previously occurred in all these areas but were forced to shut down due to their illegality.

Supergene placer gold deposit result in elemental gold in grains and nuggets in gravel, sand, silt, and clay, and their unconsolidated equivalents, in alluvial deposits. The high gradet gold mineralisation are usually at the base of gravel deposits in various gold "traps" such as natural ripples in the floor of rivers or streams, fractured bedrock, or bedding planes. Gold concentrations also occur within the gravel layer above the clay layer which constrains the downward migration of gold particles.

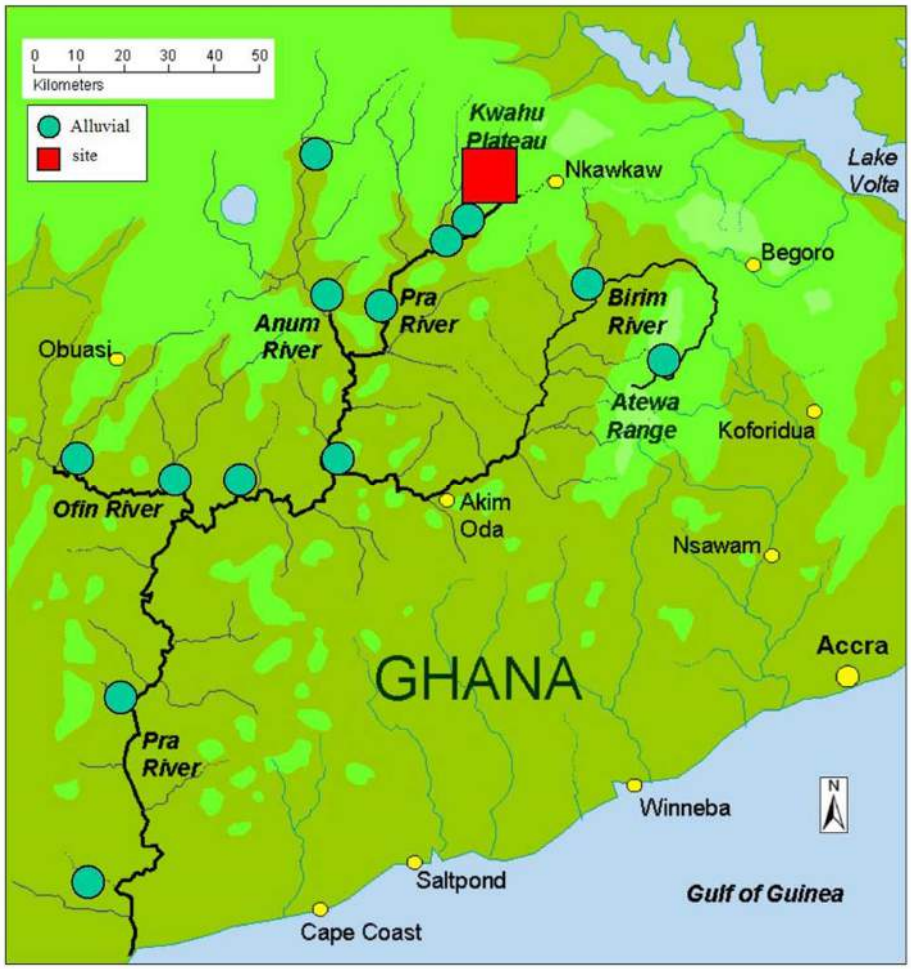


Figure 5-2: Placer Gold Distribution on the Pra River and Tributaries

5.2 Local Geology

5.2.1 Property Geology

The Kwahu Praso Project is located at the northeastern margin of the Ashanti Belt, (as shown in Figure 5-1).

Stratigraphically, the project area is covered by Birimian metavolcanic and metasedimentary rocks, overlain by clastic Tarkwaian rocks and intruded by granitoids. Lithologically, the main rocks encountered in the Kwahu Praso areas are metavolcanic, hypabyssal, metasedimentary rocks and granitic intrusions. The Birimian metasedimentary rocks are composed of black or dark argillaceous schists, phyllites and semi-arenaceous greywackes, meta-greywackes, and schists. They are generally dark ash grey, medium-grained, homogeneous, or massively schistose. Thick foliation and feature quartz-carbonate veins were well-developed.

The deposit is characterised by the larger drainage channels and consists of well sorted, rounded, tightly packed quartz gravels of various thicknesses overlain by various amounts of clay, silt, or sandy overburdens. The grain size in the gravels increases with depth and there is usually a marked concentration of gold at the base. Overburden never carries payable gold values. The deposit was

placer gold concentration resulted by water flow with considerable placer gold-bearing materials coming longitudinally from the up reach.

Valley floor alluvial gravels have been divided into two categories according to their relative ages, which are considered to be reflected in their degree of laterization. The "recent flat" deposits show only yellow-brown staining, probably due to the presence of iron hydroxides, which disappear under reducing conditions. The "ancient flat" deposits contain iron oxides, which impart a red colour that is unaffected in reducing environments.

The deposits in the Kwahu Praso concession are comprised of placer gold mineralization contained within fluvial conglomerates (gravels) within a fine-grained sand to clay matrix. The deposits are distributed across the floors of the present river valleys with limits defined by the steep hill slopes in the upstream parts of the drainage systems while the lateral extents of the downstream areas are often poorly defined by geographical features and instead have been established by a detailed pitting program and recovered gold results.

The gold bearing gravels directly overlie weathered and clay rich bedrock and in turn are overlain by a layer of fine grained silt and clay (overburden). The deposits lie in the Sukwa, Osuben, Kyirituo, and Asttokwasi River drainages, a series of parallel streams flowing east out of the gold belt. The deposits in these drainages vary from 75 – 100 m wide on each side of smaller drainages to more than 400 m wide in main drainage channels.

5.2.2 Mineralisation

The placer gold mineralisation were recognised as below: Deep channel placers concentrated on bedrock in deeply cut ancient streambeds now covered by gravel and overburden. These placers tend to be the richest in the district.

The term "gravels" as used in this report denotes a deposit of clast supported conglomerate with a matrix of clay and sand sized material. These deposits host gold in the form of nuggets, flakes, and grains within the gravel layer.

Clast dimensions vary from large boulders to cobble and coarse pebble size. The very large boulders are more restricted to the headwater regions of the drainage and include a variety of rock types sourced from the Birimian basement metasediments and metavolcanics. In downstream areas, clasts are almost entirely made up of subrounded to well-rounded cobble and pebble sized fragments of washed, white or brown veined quartz. Matrix material is quartz sand, silty-clay, and minor amounts of heavy minerals.

The gravel varies in color from red-brown and often mottled (a feature possibly caused by incipient laterization) to a pale grey-brown when the gravels are water saturated. The gravel has clearly defined contacts with both the underlying bedrock and overlying overburden. Vertical sections through the gravels lack any indication of horizontal layering or stratification defined either by heavy mineral layers or graded beds and clay bands. Variation in the vertical section is limited to a tendency for a gradual decrease upwards in the amount of boulder sized clasts, to a greater proportion of cobble and coarse gravel clasts. Placer gold is present through the complete gravel section with concentrations noted towards the base of the gravel unit, at the gravel-bedrock interface.

The gravel deposits are overlain by a layer of fine-grained silt and clay material. This overlying layer varies from negligible amounts up to 1 – 13 m, with an average thickness of 3 m. The gravel layer varies from 0.5 m to 3.0 m thick, averaging 0.92 m at Kwahu Praso. The bedrock immediately beneath the gold bearing gravels is either a weathered and clay-rich fine-grained metasediment or a weathered granodiorite.

Gold particle size was analyzed at the Geological Survey Department laboratory in Accra. The gold is generally medium to coarse although a significant proportion of fines were recorded, as were a significant number of nuggets. The gold observed is platy or flat and elongated. Occasionally gold grains were coated with iron oxide.

5.2.3 Adjacent Properties

The Ashanti belt has been extensively explored over the last 15 years and could arguably be considered a mature exploration area. However major, mid-tier, and junior companies continue to extend known deposits and discover new deposits, which have the potential to develop into new stand-alone operations or supplementary resources for the many infrastructure hubs spread along the length and breadth of the Ashanti Belt.

New world class deposits have been discovered and developed at Obuasi, Tarkwa, Iduapriem, Teberebie, Bogosu, Damang, Sian, Konongo ,and Akyem, bringing the aggregated gold endowment (including past production and presently-estimated Mineral Resources and Ore Reserves) to more than 125,000,000 ounces of gold, making it one of the world's richest gold belts.

Three major companies are currently operating in the vicinity of the concession: Signature Metals Ltd ("Signature Metals"); Midlands Minerals; and Newmont Mining.

The Konogo concession of Signature Metals is located about 15 km west of Kwahu Praso and hosts a Proved Ore Reserve of about 1.6 million ounces ("oz") at a head grade of 11.8 grams per tonne ("g/t") of gold. Signature Metals is refurbishing a processing plant within their concession, and gold production began in 2011. Signature Metals is focused on developing the Konongo Gold Project into a +100,000 ounce per annum gold producer and were producing 14,460 oz per year from the existing Konogo tailings dumps as of the end of 2012.

The Sian-Praso concession, property of Midlands Minerals, is located 2 km east of Kwahu Praso. Drilling to date has increased the Indicated Mineral Resource on Sian-Praso from 2.6 million tonnes ("Mt") grading an average of 2.3 g/t to 5.4 Mt averaging 1.87 g/t.

The Akyem concession, property of Newmont Mining, is 30 km south of Kwahu Praso. Akyem hosts Proved Ore Reserves in excess of 8 million oz. The Newmont Company proposes to process approximately 8.5 Mt of gravel annually to ultimately extract 7.7 million ounces of gold over a projected 15 year life of mine.

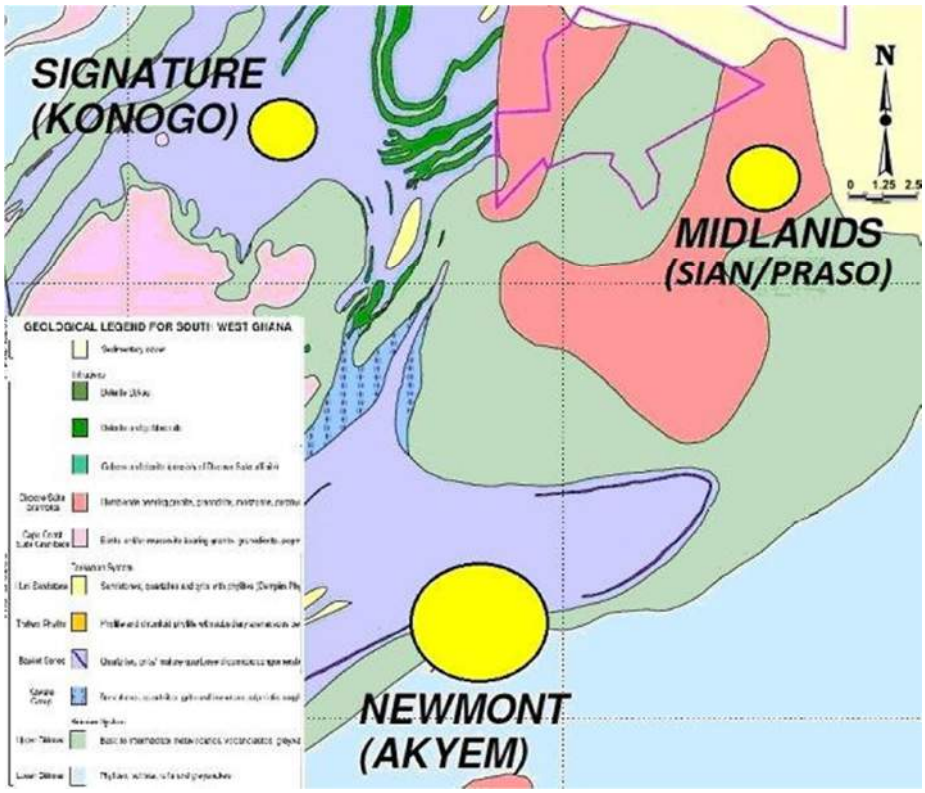


Figure 5-3: Concessions Surrounding Kwahu Praso

6 EXPLORATION

6.1 Exploration Work Done

The exploration program was designed to test the Soon Mining concession on a regional scale. From April, 2011, SOON assigned KCT to complete the following work, including all 82.74 km^2 mining lease and prospecting area. Sampling sites were used a handheld GPS receiver in UTM coordinates, datum WGS 84 Zone 30 North. The field work implemented so far has included:

- Detailed geological mapping covering an area of 82.74 km^2;
- Concession stream sediment sampling (63 samples);
- Pit sampling (133 pits);
- Survey grid establishment;
- Soil sampling (282 samples);
- Airborn geophysical work, data analysis of magnetic anomaly;
- GPS surveying; and
- Rock sampling (48 samples).

6.2 Reconnaissance

In April 2011, Soon Mining assigned KCT to carry out the initial fieldwork, including detailed geological mapping, active stream sediment sampling, and soil sampling.

Geological mapping and soil sampling were restricted to areas around contacts between the granitoids and the supracrustal rocks, and also to the contact between the Tarkwaian and the Birimian metavolcanics.

Additional work involved detailed alluvial prospecting and general geological mapping. The planned program for the prospecting period included:

- Location of targeted mineralizations along rivers/streams;
- Line cutting (laying the exploration grid);
- Geological traversing and mapping;
- Pitting;
- Sampling and logging of dug pits; and
- Washing materials from dug pits.

6.2.1 Stream Sediment Sampling

From April 2011 through the first half of 2012, stream sediment samples were taken from streams of various sizes within the concession area at regular intervals along the river to trace the source of gold. A total of 63 stream sediment samples were taken as shown in Figure 6-1 below, and were sent to ALS minerals Laboratory (“ALS”) for assay. The results of these assays show that many rivers within the concession host gold anomalies. Potential source rocks for the placer gold are almost certainly the underlying Birimian metasediments and metavolcanics.

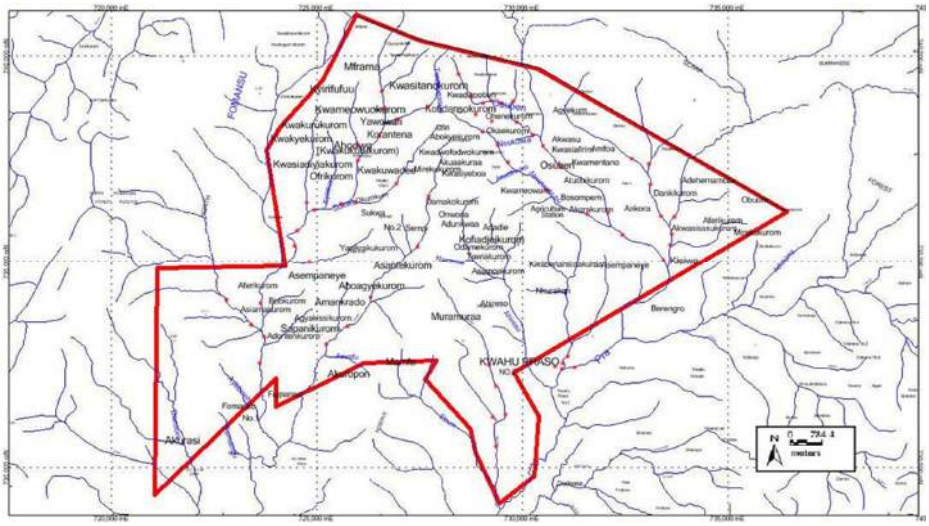


Figure 6-1: Stream Sediment Sampling Locations

The particle size of placer gold falls is generally 5 mm to 100 microns ("µm"). The samples were sieved in the field at 2 mm and hence will not contain gold grains larger than that, although it is unlikely that they are present. Grain size was determined by image analysis of grains handpicked for subsequent polishing and microanalysis. The minimum size is governed by that which could be manipulated and was considered large enough for polishing.

The stream sediment sample analysis results of, included four (4) samples with the gold values of more than 2 g/t, nine (9) samples grading 1 – 2 g/t, 14 samples grading 0.5 – 1 g/t, nine (9) samples grading 0.01 - 0.5 g/t and nine (9) samples grading less than 0.01 g/t. It was concluded that further sampling should be conducted.

Table 6-1presents the results of stream sample analysis.

Table 6-1: Stream Sampling Analysis Results

Sampled River	Sample No.	No. of Samples	No. of Gold Bearing Samples	Maximum Gold Grade (g/t)
Osuben	01 - 13	13	12	3.05
Akwasi	14 - 20	7	3	1.11
Atwetwebubu	21 - 25, 62, 63	7	5	2.35
Pra river	26 - 30	5	5	1.83
Awusu	31 - 35	5	0	0
Foman	36 - 40	5	2	0.11
Sukwa	41 - 61	21	8	3.16
Total	01 - 63	63	35	3.16

6.2.2 Geophysical Exploration

After prospecting, geophysicist Mr. Suale Abukari was contracted to interpret data from the airborne magnetic and radiometric geophysical survey carried out by Aerodat Inc. at a line spacing of 200. Mr Abukari produced an interpretation report in March 2013[5], demarcating areas that may be of different lithological units than the usual regional geology. This together with the lineaments previously located in the concession is likely to assist in subsequent exploration program targeting the hypogene (deep sub-surface) gold or lode gold potential.

Mapping work from the two phases (geological mapping followed by the airborne survey) better delineated the boundary between the granitoids and the supracrustal rocks, and also the contact between the Tarkwaian and the Birimian metavolcanics.

The concession is located primarily within the Lower Birimian metavolcanics. It is intruded by belt granitoids in the north and southwest; and it is slightly cut at the northernmost part by a major east-northeast to west-southwest trending dyke. However, the geophysical survey reveals four lithological units in the concession. It appears that the granitoids occur in the northern, western and southeastern sides of the concession. The geophysical magnetic anomalous areas are showing in Figure 6-2.

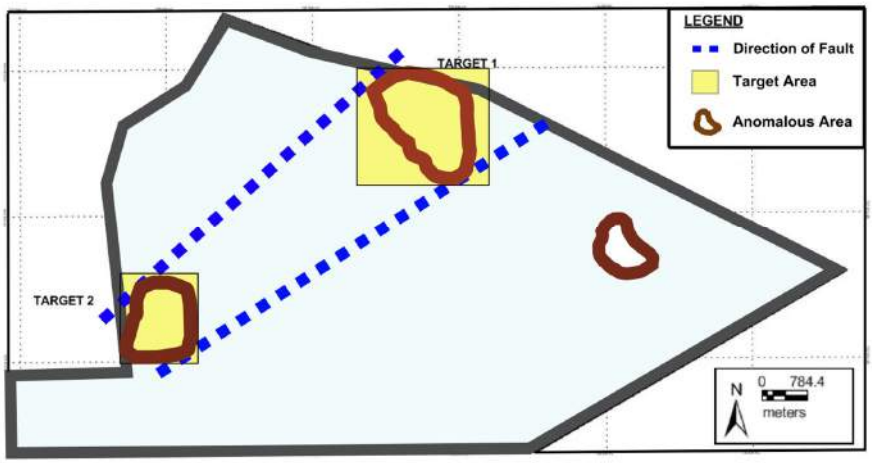


Figure 6-2: Geophysical Magnetic Anomaly Areas

Interpreted geophysical maps show these lithological units as granitoids, mafic, ultramafic, volcanoclastics, and volcanic sediments, although uncertainty remains regarding the classifications of these units. This interpretation is based on the combination of both the magnetic and radiometric signatures. It is therefore expected that the lithology as mapped by the geophysics should be an aid in future geological and mineral exploration programs.

It should be noted that, in terms of gold mineralization and exploration, the radiometric survey gives important information concerning both lithology and tectonics. For example, thorium has been used to differentiate mafic from felsic rocks; low contents of two or three elements could indicate mafic rocks; and high potassium content could reflect felsic rocks or alteration processes.

As shown in Figure 6-3, a majority of lineaments within the concession have been demarcated by the geophysical survey. These are labeled in red dashed lines in the figure. Most of these have been interpreted as faults, so as to facilitate their locations in the field.

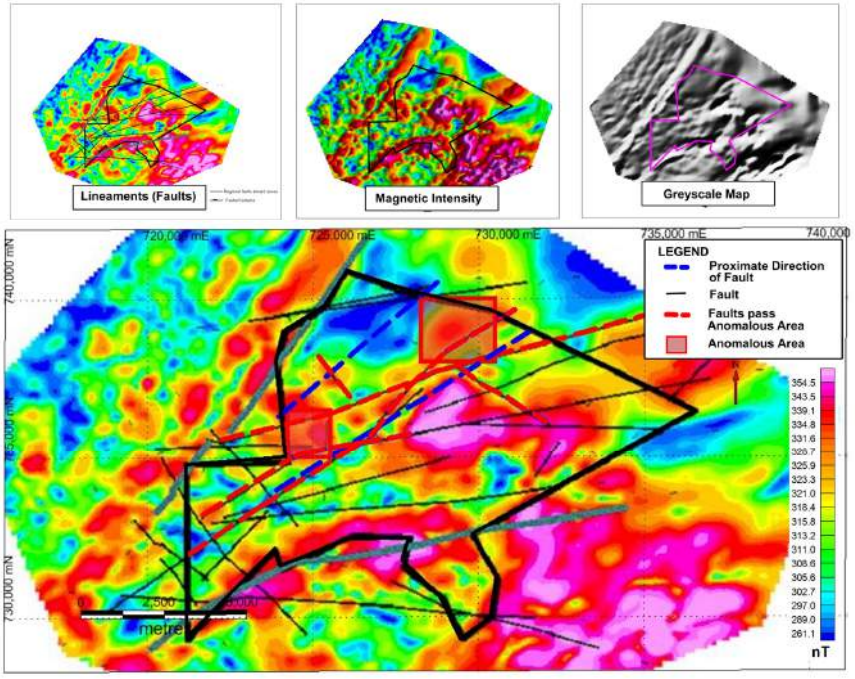


Figure 6-3: Interpreted Lineaments (Faults), Total Magnetic Intensity Analysis, and Greyscale Map of Horizontal Derivative of Magnetic Pole Reduction

The structural analysis shows a large number of major faults trending in various directions, mostly north-south, northeast, north-northeast to south-southwest, northwest-southeast, and north-northeast to south-southwest. Some of them closely follow the regional trend.

The northwest and west-northwest trending cross-cutting faults that occur in the concession, some of which are cut by northeast and north-northeast trending faults. The junctions of these are potential areas for gold occurrences. Other north-south and east-northeast trending faults occur in almost all blocks. These could be positive indicators for lode gold deposits.

Since the gold deposits, especially within the Birimian rocks, are structurally controlled hydrothermal deposits, it is expected that exploration of these lineaments/faults may prove interesting and helpful in any further lode gold exploration program.

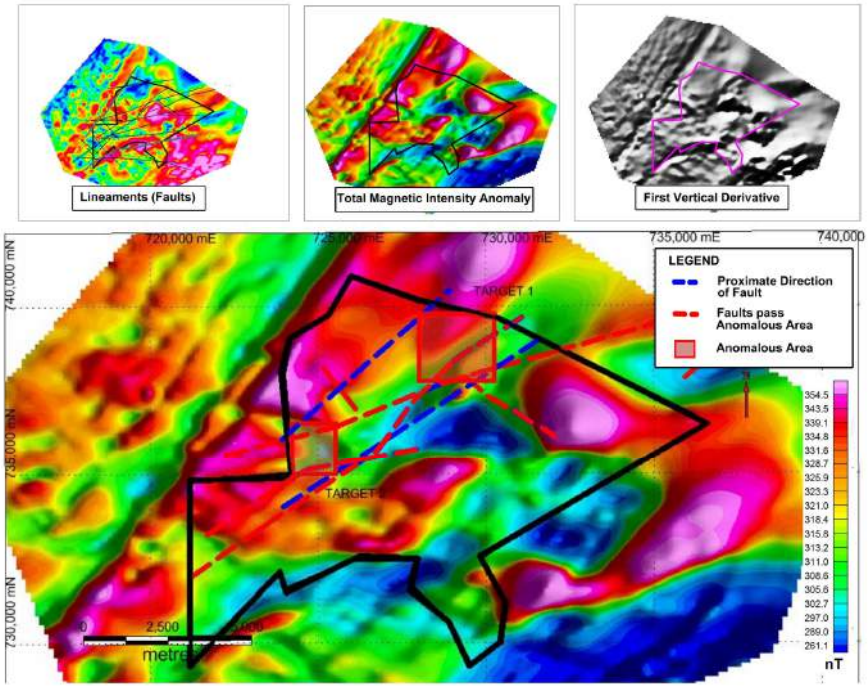


Figure 6-4: Total Magnetic Intensity Anomalies, First Vertical Derivative, and Total Magnetic Intensity Map Showing Fault Structures, Anomalous Zones, and Assay Plots

6.2.3 Soil Sampling

A systematic soil survey grid of 200 m × 50 m was laid out based on the trend of the anomalous areas in the concession. A trend line was established oriented southwest-northeast following the general strike of the rock formation, and cross-section lines were laid 200 to 400 m apart perpendicular to the trend line, as shown in Figure 6-5. Samples were collected at a constant depth of 50 cm. Soil sampling locations were concentrated in the upstream part of Osuben River.

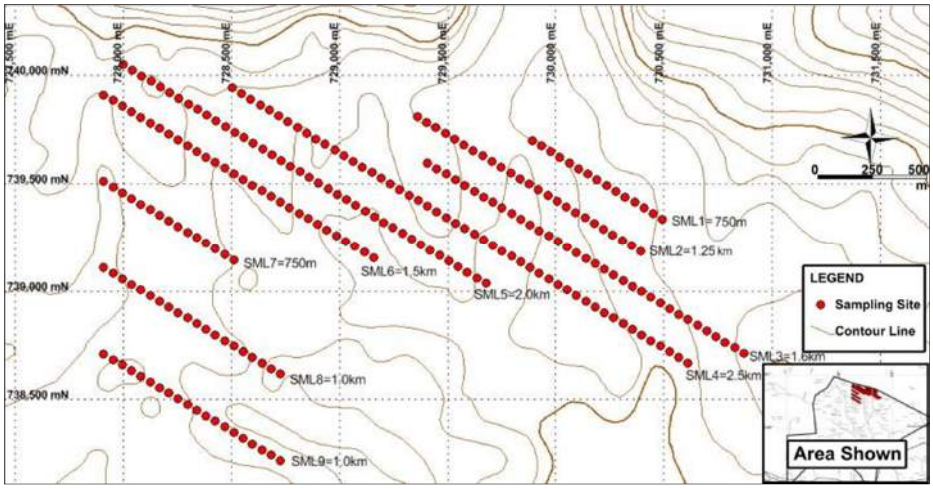


Figure 6-5: Soil Survey and Sampling Grid

KCT made a site visit to the concession prior to the start of field operations to check on the general infrastructure of the area, especially access routes, water supply, the local labor supply, and other logistics for the exploration. Kwahu Praso town was then chosen as the base camp for the reconnaissance work;

Base topographic maps of scale 1:10,000 and 1:25,000 were used in the field for geological mapping which were copied later from published maps of scale 1:62,500 and 1:50,000.

The main lateritic road from Kwahu Praso to Sukwa through Sapanikurom, as well as footpaths and tracks, were used during the mapping. All observation points were localized using a handheld global position system ("GPS") receiver on a WGS 84 datum. All data are under the same topo project (the same measuring method) to keep the necessary precision of database. Zone=30N parameter is used to covert UTM coordinates. All tracks and waypoints (observations) were recorded on by GPS and downloaded daily. Outcrop descriptions, structural measurements, and outcrop photos were captured weekly into a spreadsheet-based database by a project geologist who ensured consistency when coding lithological or structural observations. Petrological of the rocks as well as chemical analysis were planned to assist in determining the nature and style of the deposit.

Most of the samples contained at least 10 parts per billion ("ppb") gold, and 155 of the 282 samples had between 10 – 970 ppb. Overall the assay results show that the contact zone between Birimian metavolcanic rock and granitoid intrusions have significantly richer gold content.

Table 6-2 presents the results of soil sample analysis.

Table 6-2: Soil Sample Analysis Results

No. of Samples	<5 ppb	5 - 19 ppb	20 – 49 ppb	50 – 100 ppb	>100 ppb
282	91	116	54	11	10

6.3 Prospecting (Pitting)

In 133 pit samplings, 100 pits are located at Osuben area, and 33 pits are located at other 6 areas, of which only pits within Osuben area are used for mineral resource estimate. Except those 133 pits, 22 pits are used for verification. These works have been collected by KCT's geologist and field staff. In 133 pit samplings, 100 pits are located at Osuben area, and 33 pits are located at other 6 areas, of which only pits within Osuben area are used for mineral resource estimate. Except those 133 pits, 22 pits are used for verification. These works have been collected by KCT's geologist and field staff.

6.3.1 Pitting Engineering

Pitting was completed from April 2011 to June 2014 by local labors using picks and shovels to dig through the overburden, lateritic argillites (clay), gravel horizons, and weathered bedrock. The locations of the pits are shown in Figure 6-6.

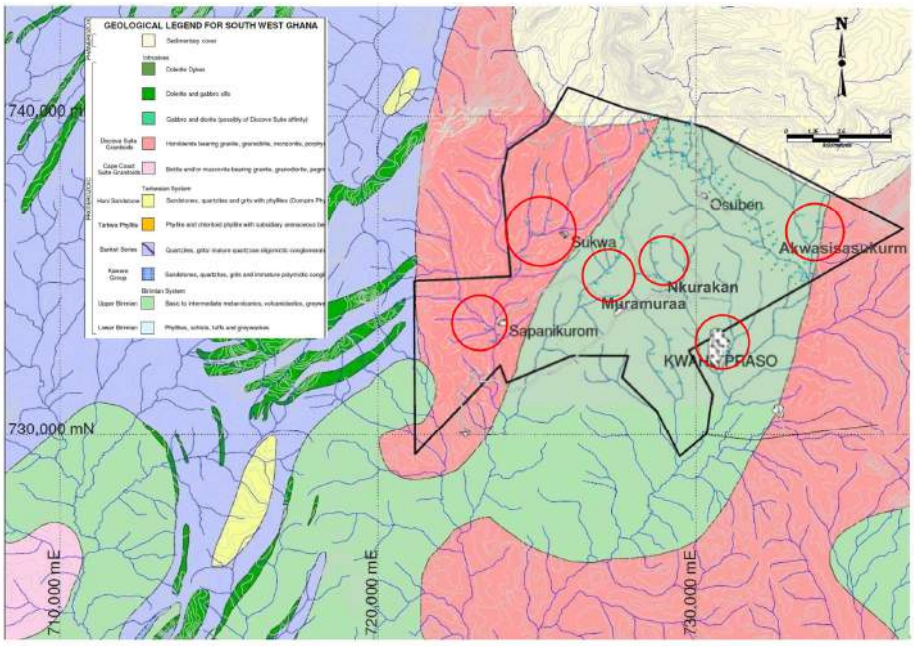


Figure 6-6: Locations of Prospecting Test Pits

The pits were dug as 1 m × 1 m square and excavated 20 cm into bedrock (Figure 6-7). Due to water seepage, some pits had to be abandoned before reaching the depth of bedrock which averaged 4 m below the surface. Great care was taken to ensure that the dimensions of the pits were maintained over the full pit depth.

Figure 6-7: A Typical Test Pit

The clays and gravels were placed on plastic traps and covered for protection from the elements (Figure 6-8). All samples (including samples taken from the historical shafts and adits) were composed of gravels, overburden, and bedrock materials gathered at 0.5 m intervals from various pits. In holes with significant water seepage, a 4.5 horsepower ("HP") suction pump was used to empty the pit. The lithology and the characteristics of the alluvium were carefully logged to check the accuracy of the same 0.5 m intervals used for the pit sampling.

Figure 6-8: Clay and Gravel Samples on Plastic Tarps

Analysis results of samples taken from the Osuben region will be described in Chapter 11. This section describes the analysis results of samples taken from eight (8) other areas within the concession: Akwasisasukurom, Kwahu Praso, Awusu, Nkurakan, Muramuraa, Fomanso, Sapanikurom, and Sukwa.

Based on pit sampling data, presented in Appendix 4, gold was detected in six (6) of these areas: Akwasisasukurom, Kwahu Praso, Nkurakan, Muramuraa, Sapanikurom and Sukwa, as shown in Figure 6-6. It is estimated on both sides of the watercourses in these six areas contain placer gold.

The exploration results show that there are six areas contain gold aside Osuben are shown in the Table 6-3.

Table 6-3: Pit Sampling Statistical Results

Area	Number of Pits	Number of gold contain	Highest grade g/t	Proportion %
Muramuraa	5	3	0.66	60
Nkurakan	3	1	0.7	33
Akwasisasukurom	3	1	0.26	33
Kwahu Praso	3	3	2.11	100
Sukwa	7	3	0.86	43
Sapanikurom	4	1	0.16	25
total	25	12	2.11	48

Based on the results of pit sampling in the area, anomaly ratio of 100% in Kwahu Praso and 60% in Muramuraa are relatively high, while anomaly ratio of other region is between 25%-43%. These anomaly areas possibly have the potential placer gold, and KCT suggests that future work is prior exploration of Kwahu Praso with high ratio between grade and anomaly in testing. More pits can start at this place and then extend into other areas, while the Kwahu Praso concession is potential for placer gold.

6.3.2 Target Area Assessment

Based on the sampling analysis results, the Osuben River was chosen as the target area. River and pit locations are shown in Figure 6-9 below.

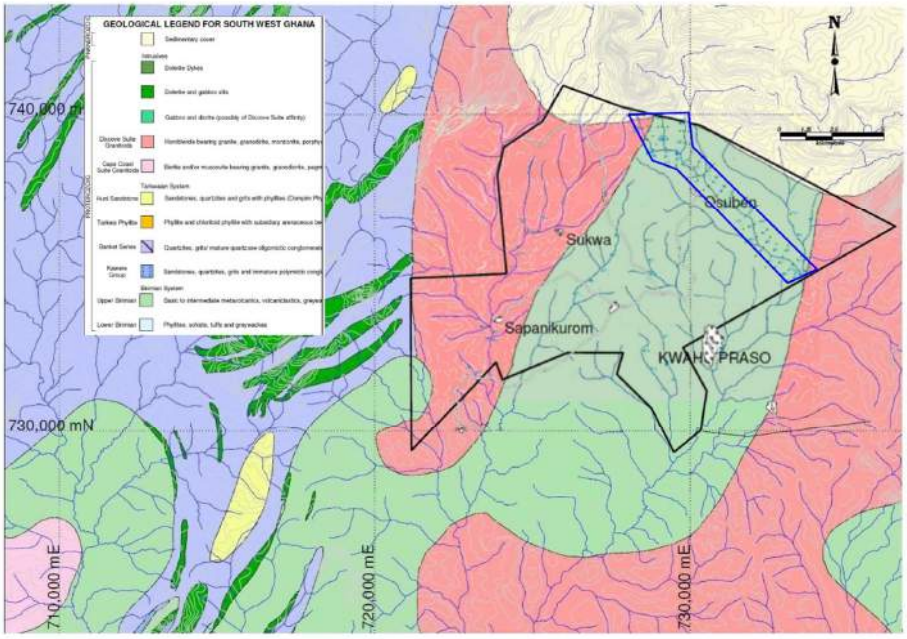


Figure 6-9: Pits Dug along the Osuben River

For a conservative estimate, the target area is bounded by connecting the coordinate points of the outer edges of the pits following the stream within the target area, with three upstream branches and a downstream confluence zone referred to respectively as the A, B and C zones as shown in Figure 6-10.

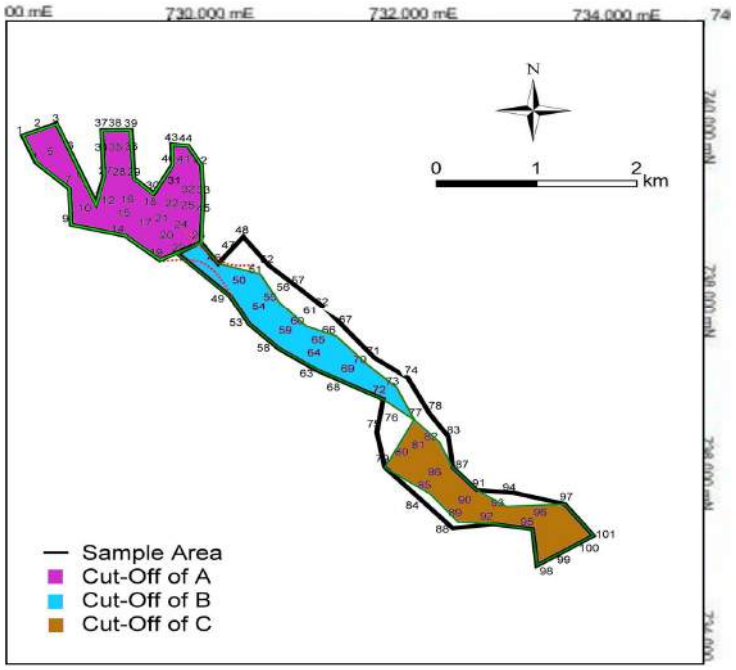


Figure 6-10: Zones within the Osuben Target Area

Placer gold occurs along both sides of the river. Gravel layers are accumulated into the mineralization and overlay the overburden.

To date, no other associated mineral resource with economic value has been found, nor have any possible deleterious elements been detected.

6.3.3 Verification of Pitting Samples

Mr. Kwabena Atta Mensah, professional geologist, the Competent Person, travelled to the Kwahu Praso site, Ghana (Sep 2013) and he also collected another 4 field duplicates and conducted 5 twinned pits. The details of these analyses are provided in Appendix 5C.

The Competent Person had verified 4 samples during the site visit with errors falling in the scope of ±10%. 5 coupled pits were opened at designated positions within 5-10m to the original pits, which had shown similar characteristics with the latter with assay results deviations falling in the scope of ±12%. The 4 duplicates and 5 coupled pitting samples had all given quite correlated results. Based on the above verification, KCT concludes that analytical results were viewed as within acceptable limits.

Except 133 pits, KCT took another 22 infilled pitting samples during Oct 2014 to Jan 2015. These 22 verification pits are used only for verification not for mineral resource estimate. The details of these analyses are provided in Appendix 5C. 22 Infilled pitting sampling had confirmed the continuity of the grade. The modeling of the placer deposit was based on the interpretation of the data and the appendices. The results were analyzed by inverse distance squares method. 19 grade errors fell in the scope ±10%. 18 thickness errors fell in the scope ±15%. KCT considered the results of verification acceptable and the continuity of the grade and geology trustable.

6.4 Lode Gold Target Areas

The lode gold exploration work was conducted by Mr. Solomon Anum and the sampling work was carried out by Mr. Felix Sibsa. All of the procedures were reviewed by KCT and found to be suitable for this report.

6.4.1 Target 1: Osuben Block

The most promising zone is found at the northeastern corner of the concession, on the edge of the Ashanti Gold Belt beneath the Voltaic Sedimentary basin, in direct contact with the Birimian metavolcanics and metasedimentary rock suite to the north. This target area has been chosen based on local geology, old pit workings, geochemical sampling results, regional and local structural geological controls, geophysical data interpretations, and topography. There is a second-class road which is accessible to vehicles year round passing through Target 1. Figure 6-11 shows the location of Target 1.

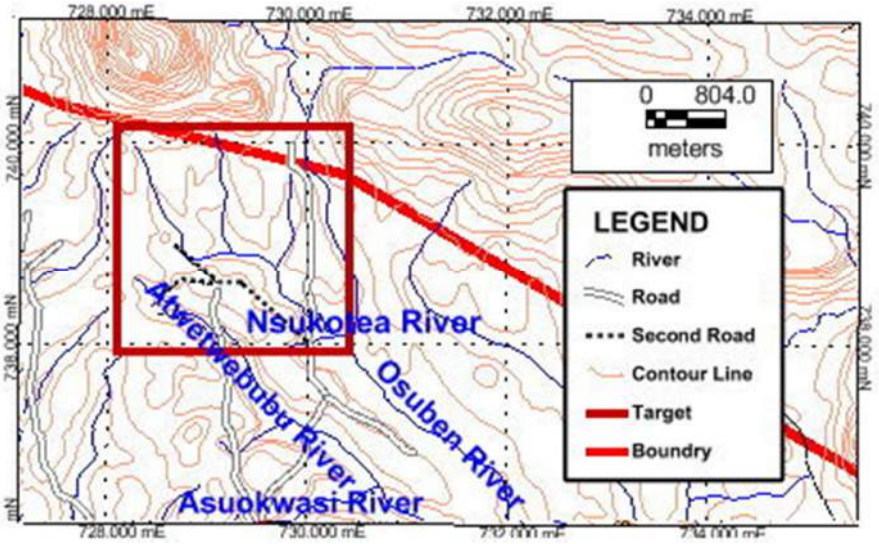


Figure 6-11: Topographical Map Showing Target 1 Area

Target 1 covers an area of approximately 4.5 km^2. The gold-bearing area is about 2.19 km long by 2.04 km wide.

6.4.1.1 Topography

As seen in Figure 6-12, the relief is generally, low, ranging from about 180 m above mean sea level in the southeast to an irregular chain of southeast-northwest trending hills passing through the central portion, which range between 250 m to 300 m above mean sea level in the north. The concession is drained by fairly matured streams dominated by southeast flowing creeks. The major streams are the Osuben and its tributaries Nsukotea, Asuokwasi, and Atwetwebubu which are sourced from the ridges and drain northwest to southeast through the concession.

6.4.1.2 Geology

The deposit types being targeted consist of mesothermal gold mineralization of the hosted sediment type and classic Ashanti-style shear zone mineralizations. The primary exploration target is similar to those at nearby mines such as Obuasi, Prestea, Bogoso, Konongo, and Bibiani. There are a number of commonly observed associations in this mineralization environment, which include mineralizations:

- Located on or near to the lithological contact between greenstones and metasediments;

- Spatially related to deep-seated and high-angle wrench faults, which have a strike extent exceeding 100 km. Cross-cutting northeast-southwest trending faults also exert an influence on the locations of gold remobilized from the main zones with major northeast-trending reverse faults;
- In which native gold hosted by quartz veins, which may possess an en-échelon character. Grade-width characteristics persist virtually unchanged to depths exceeding 1 km. The veins broadly parallel the regional foliation but in detail are seen to cross-cut this foliation;
- In which disseminated sulphides in the wall rock are common;
- seemingly associated with the final phase of several generations of quartz veining;
- Spatially associated with graphitic phyllites and magniferous sediments;
- Has simple mineralogy with a strong positive correlation between gold and arsenopyrite. Accessory minerals include pyrite, chalcopyrite, pyrrhotite, and bornite;
- In which strong silicification is common, accompanied by sericite and carbonate alteration. Tourmaline may also be present; and
- May or may not be spatially associated with granitoids. Some of the characteristics mentioned above were observed in the target areas during the geological mapping and rock and soil sampling.

6.4.1.3 Rock Types

Geological mapping conducted in the area shows the presences of Tarkwaian sediments, belt type granitoids, Birimian metavolcanics, and metasediments. These are most common host rocks in almost all the major gold belts in Ghana. The transition zones between these rock types form structural corridors for hydrothermal fluid flows which often results in gold mineralization.

In general, there are two main lode gold types of mineralization on the Soon Mining concession:

- Lode deposits, which occur as veins and stockworks, often sheared or laminated smoky quartz and milky white quartz, and are the normal gold-bearing material. These are normally structurally controlled and often hosted in both metasediments and metavolcanics as well as in the granitoids. The gold is usually associated with sulphides, mainly arsenopyrite.
- Disseminated sulphide ore deposits, which are normally found in areas underlain by tuffaceous phyllites within the greenstone facies. These carry thin stringers of gold-bearing pyrite and arsenopyrite which could also be structurally controlled and most often occurs in association with lode gold deposits.

6.4.1.4 Structural Satellite Imagery, Airborne Geophysical Data, and Geochemical Soil Anomalies

6.4.1.4.1 Satellite Imagery

As part of a major structural interpretation of southwestern Ghana, Murphy Geological Services of Ireland processed satellite imagery and provided a detailed structural framework using Landsat 7 scenes with a 15 m pixel size. It identified several structural features including:

- A series of regional and major shears with recognizable trends oriented north-northeast to south-southwest, northeast-southwest, and east-northeast to south-southwest;
- The most common trends are west-northwest to east-southeast and east-northeast to south-southwest, likely relatively late stage brittle structures; and
- A large number of second order shears and faults with two principal orientations; north-northeast to northeast and west-northwest to northwest.

6.4.1.4.2 Airborne Geophysical Data and Interpretation

Major features of the regional geology were evident in the airborne geophysical images. Major regional contacts, faults, and shears, some possibly controlling gold deposition, are also evident in the aeromagnetic dataset. Interpretation of linear structural features is based on marked changes in the magnetic fabric or upon clear offsets or breaks in the continuity of the linear fabric features as shown in Figure 6-3.

The thorium and uranium data show a similar pattern to the potassium, although the levels of thorium and uranium are relatively lower. The band of elevated potassium runs across the central portion of the concession area most likely correlates with the granitoids and possibly some units in the diorite and quartz gabbros as observed in the radiometric data pattern in the granitoid area.

Narrow bands of moderate to high radiometric potassium also correlate well with the locations of the regional shears and faults, which may have acted as fluid pathways to hydrothermal fluids. Such observations may have resulted from weak potassic alterations by hydrothermal fluids associated with gold mineralization or by fluid simply using same conduits. Some minor potassium anomalies (probably with coincident thorium and uranium highs) within the granitoid may also be associated with felsic porphyries which have been reported in some mine areas in the Ashanti belt.

6.4.1.4.3 Old Adits and Shafts Rock Sampling

A total of six (6) rock samples were collected from two old pits, historical shafts, and adits. The gold values are shown in Appendix 8 in grams per ton ("g/t", or parts per million, "ppm"). The highest gold value reaches 13.3 ppm. Rock samples were collected from rocks on inside walls of pits (Figure 6-12). Circular pits of various diameters were sunk at various points on the concession. Excavation procedures for these sampling pits followed standard procedures adopted elsewhere for similar investigation. Each pit was collared on the surface with a precisely measured area, then sunk through the overburden and lateritic layers and saprolite into bedrock using pick axes, chisels, and shovels. The old pits were positioned using handheld GPS receivers, and cleaned before sampling. Figure 6-12 shows historical pits sampled for Target 1.

Figure 6-12: Historical Pits and Shafts Sampled in the Target 1 Block (Osuben)

In addition, 42 rock samples were collected from outcrops. The samples were sent to ALS Mineral laboratory in Kumasi for gold assays; results are presented in Appendix 8.

6.4.1.4.4 Geochemical Soil Sampling and Interpretation

A total of 204 soil samples were collected from Line 9 on 16 km of cross lines established within the Osuben survey grids. Sample locations were based on testing historical mineral workings located on and around Osuben Hilly area in the Osuben North Grid and promising gravelly silt

sample results from creeks on the Kibi West Grid. Lines were spaced 200 m apart within the Osuben Hilly area of the North Grid and 400 m elsewhere within the gridded areas. Soil samples were collected at a depth of 60 cm at 50 m intervals along the southeast-northwest trending grid lines. Soil samples were by analyzed by fire assay and reported in parts per billion ("ppb").

The geochemical soil survey produced several interesting gold-in-soil anomalies. A geochemical trend of 050° to 060° (northeast-southwest) conforms to the regional geological trend shown in Figure 6-4 and Figure 6-13. The highest gold value from the 204 samples was 206 ppb, located at 728,297 m East and 738,876 m North. A total of 69 samples produced gold-in-soil values greater than a threshold value (i.e., more than two standard deviations above the mean) of 20 ppb gold.

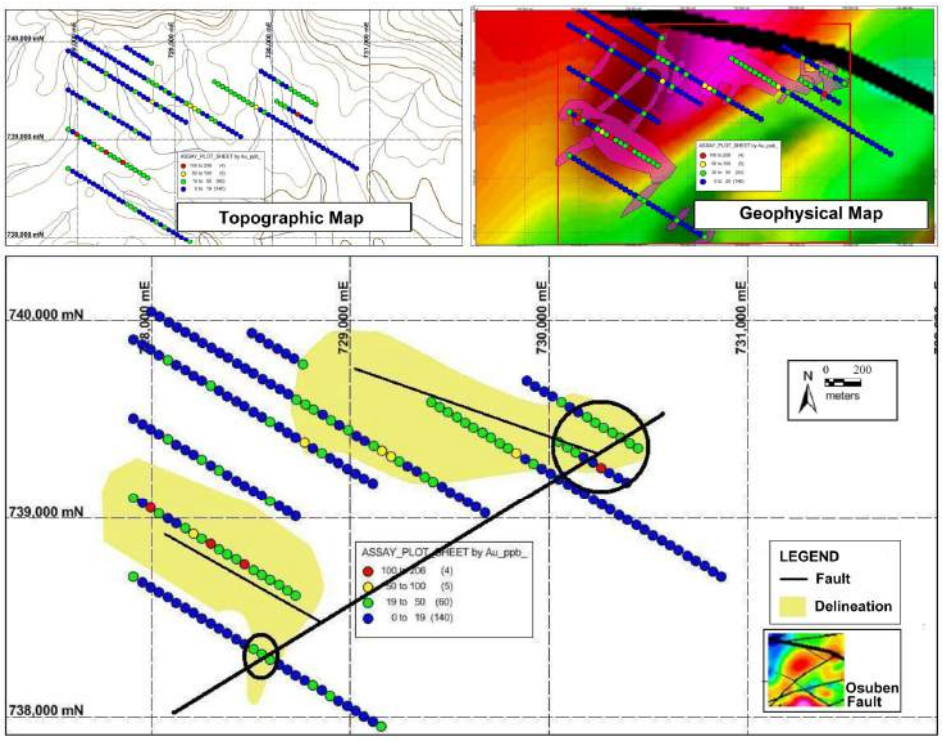


Figure 6-13: Sampling Results within the Geochemical Soil Anomaly Zone

6.4.1.5 Combined Factors for Target 1

6.4.1.5.1 Soil Anomalies

The Target 1 area covers a geochemical soil sampling anomaly where the geophysics shows faults structures which are commonly found to be conduits for gold mineralization in Ghana. A total of 69 samples taken within Target 1 returned assay values greater than 20 ppb, with some values ranging between 70 – 150 pbb.

6.4.1.5.2 Geophysics and Structures

The structural components of the rocks in this area are the result of several episodes of deformation. The fault system shows northeast-southwest trending regional fault which are intercepted by northwest-southeast localized faults. The junctions of these faults are likely traps for gold mineralization. These structurally deformed areas fall within the geochemical soil anomaly zones

and further supports the recommendation for further soil sampling in the Osuben Target to promote understanding of the structural control of gold mineralization in the target area.

6.4.1.6 Gold Hosting Rocks

The geochemical soil anomaly area is not only supported by the fault system but also by the presence of altered sediments. Most big mines in Ghana are hosted by altered sediments volcanic or granitic rock contacts.

Soon Mining's main exploration target is a bulk mineable resource located within the broader zones of mineralization hosted in the altered sediments within 50 – 300 m of the granitic intrusions. This in addition to other favorable geological factors makes the Osuben altered sediments-granitoids contact a very good target for further geochemical soil sampling.

6.4.1.7 Old Mining Pits and Shafts

Historical mining pits prove that artisanal mining has taken place in the target area between 1900 and 1950. Soil and rock samples from these old pits and shafts provided gold values ranging between 0.1 and 13.3 ppm.

6.4.1.8 Summary

KCT believes Target 1, the Osuben Target, shows the potential for lode gold based on:

- Results from samples taken from the geochemical soil anomaly grid;
- Structural features based on geophysical data;
- Geophysical magnetic anomaly zones;
- Favorable host rock;
- Data from geological mapping of the targeted area; and
- Presence of old mining pits.

6.4.2 Target 2: Sukwa Block

Target 2 is located southwest of Target 1 and referred to as the Sukwa Block. It was chosen due to its geological, geophysical, and structural anomalies, and evidence of old adit pits similar to those in Target 1.

As shown in Figure 6-3 the Sukwa Block is approximately 5 – 6 km southwest of the Osuben Target and forms part of the western border of the concession. Target 2 covers an area of approximately 2.3 km^2. Its gold bearing influence extends for a length of 1.54 km and width of 1.50 km.

6.4.2.1 Geology and Rock Types

The geology and rock types found at the Target 2 area are broadly similar to those found at Target 1.

6.4.2.2 Structural Satellite Imagery and Airborne Geophysical Survey

6.4.2.2.1 Satellite Imagery

Exploration targets were determined on the basis of a number of criteria including the presence of linear resistance features and second order shears and faults, but more significantly, zones of regionally extensive shearing and faulting.

The following elements were identified in the Target 2 concession area as evident in Figure 6-4:

- Major northeast to north-northeast faults and shears, as structures with these orientations are important in terms of controlling and localizing gold deposits or bedrock gold mineralization;

- Second-order northwest and west-northwest cross faults/shears, As intersections of these cross structures with major northeast to north-northeast trending structures are loci of gold mineralization; and
- Significant number of minor north-northeast and northeast trending second order faults.

The structural interpretation as shown in Figure 6-13 points to a general area dominated by a series of major thorough going north-northeast to northeast trending regional-scale shears and faults which are interpreted as high angle structures formed during the regional northwest-southeast compression. Analysis of the structural data indicates that the general area is traversed and intersected by a number of northeast-southwest, north-northeast to south-southwest, and northwest-southeast trending lineaments believed to be major controls on gold mineralization in the Ashanti Belt.

Structurally controlled targets, although not so well defined, are discernible within the broad zone of the north-northeast trending structures in the northwestern portion of the concession area. Targets can be defined in the concession area on the basis of the intersection of second order linear structures and the presence of major northeast to north-northeast and northwest trending shears/faults.

6.4.2.2.2 Airborne Geophysical Data

An airborne magnetic and radiometric survey covering the concession area provided a broader understanding of the geophysical signature of the Target 2 area. The geophysical survey was done by Aerodat Inc of Canada. Flight lines were spaced 200 m apart and oriented northwest. The nominal terrain clearance is 100 m.

The magnetic data was re-processed for interpretation. Reduction to pole ("RTP") was applied to the aeromagnetic data to enhance interpretation. In addition to the Total Magnetic Intensity ("TMI") image, RTP images (i.e., Analytic Signal and First Vertical Derivative) were processed and produced, and are presented in Figure 6-13.

6.4.2.3 Geochemical Soil Sampling

A small number of soil samples were taken from the few outcrops within the Target 2 area.

6.4.2.4 Drilling

Soon Mining plans to conduct a drilling program on the Kwahu Praso concession, with drill hole locations to be based on the geochemical soil anomaly, interpreted geophysical mineralized sheared zones, pitting, and detailed geological mapping. The goal of such program is to delineate the location(s) of lode gold ore bodies

The adjacent mining concession, owned by Newmont Mining (Figure 5-3), has been shown to host ore bodies containing 1.6 million oz, 8.5 million oz, and 0.4 million oz, as shown in Figure 6-14. These results increase the potential for finding lode gold in Soon Mining's concession.

Overall it is expected that thorough exploration for lode gold, including a drilling program and further geochemical soil sampling, should disclose significant gold resources within the concession.

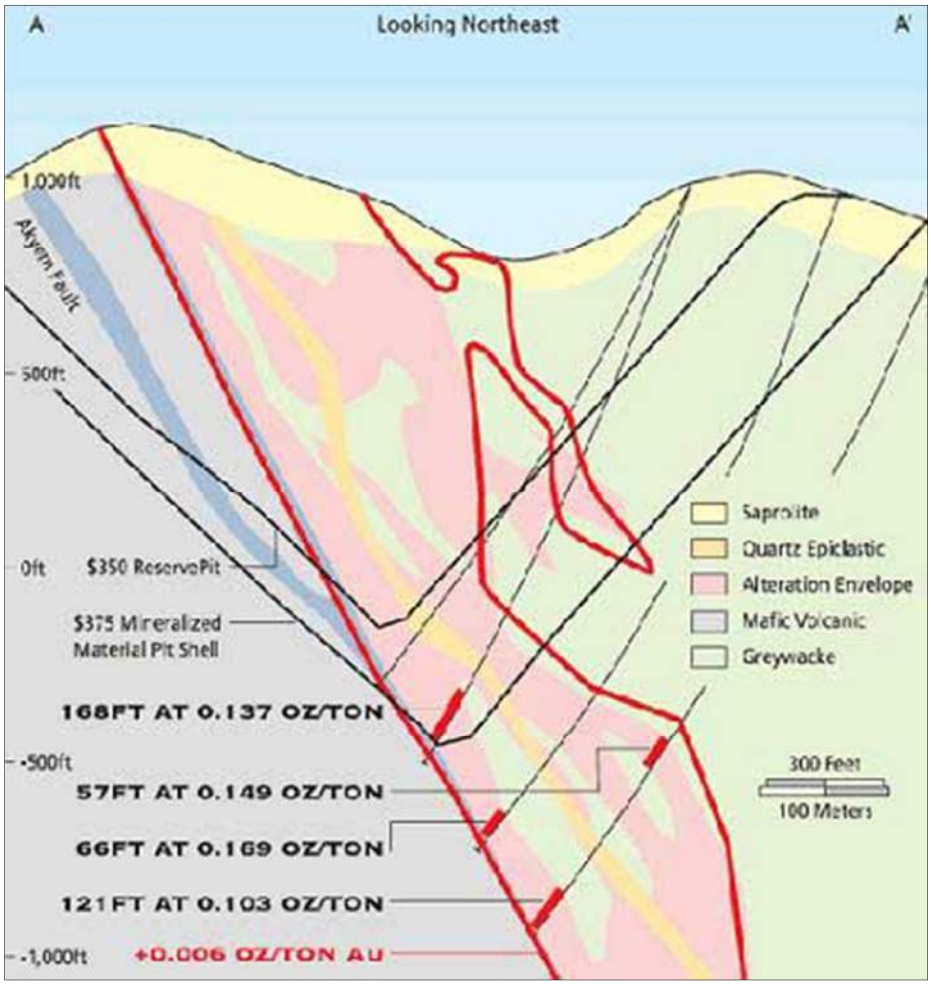


Figure 6-14: Dimensional View of the Newmont Mining Akyem Deposit Showing Gold Values at Depth.

6.4.3 Conclusions and Recommendations

The exploration program by Soon Mining has been successful in identifying zones in the concession area with good potential for gold mineralization; these zones are targeted for drilling and for detailed exploration work to further generate drilling targets.

KCT also makes the following recommendations:

- Basic drilling is required to ascertain the locations of ore bodies;
- Additional geochemical samples should be collected and analyzed;
- Exploration of geochemical and geophysical targets should be continued to identify additional zones of mineralization;
- Diamond core drilling should be conducted as a means to better understand prospect geology;
- Trenches should be excavated to improve the geological understanding of the dimensions of the mineralizations and prove or disprove their continuity;
- All trenches should be channel sampled as well as geologically mapped; and

- All samples must be submitted to a qualified laboratory for analysis and must be pulverized to 90% passing -200 mesh.

The Company is strongly recommended to implement an exploration program that incorporates the above points. It is recommended that this program be conducted in two phases.

Scope of work on Phase 1:

- Detailed surface mapping of the mineralized trend.
- Structural work to ascertain controls on mineralization and assist with the planning of further drill programs;
- Trenching in between the known mineralizations; and
- Testing drilling to ascertain the locations of ore bodies;

The scope of work in Phase 2 would be contingent upon the results of Phase 1 but would potentially include:

- Drilling to estimate a Mineral Resource and to extend the strike lengths of known mineralizations; and
- Metallurgical work on mineralized material.

The Company should budget adequate funds for significant exploration programs and complete the above recommendations. Details of planned work programs should be regularly reviewed and adjusted, as necessary, based on the results on ongoing exploration, and exploration strategies and results should be reviewed on a regular basis such that other styles of gold mineralization may be identified if present.

7 SAMPLING METHOD AND APPROACH

The sampling procedures were reviewed by KCT and found to be suitable for this report. The sampling work was carried out by Mr. Felix Sibsa.

All samples were collected by teams consisting of laborers and technicians under the supervision of a geologist. The samples collected from the pits with each sample approximately 3 kg were well mixed individually and separated by conical quartering.

Before each time sampling, all the instruments including GPS and laser zenith meter (PLS3) were calibrated. All sampling related works were compliant with industrial standards and the maximum possible of recoveries. All following works were detailed in succeeded sections. During sampling, attentions were paid to try the best to avoid ambient interferences to make the most possible representativeness of the samples. At the same time, all the situations and materials surrounding sampling sites must be recorded in detail with accompanied validations and verifications that were all logged in the electronic files.

Half of the pitting samples collected via coning and quartering were to be sent for analysis. Sample preparation was conducted at the site lab in line with the requirements of ALS Chemex laboratory. According to the beneficiation technology of gravity dressing, no crushing or grinding was necessary for the ALS lab during the gold placer analyses.

Gravel was placed in the sealed water-proof plastic bag, which were labelled with the pit depth using a permanent felt tip pen. All gravels were photographed, and the photographs were saved as data for records. After logging, the on-site geologist defined intervals to be sampled, and recorded it. In general, only generic gravels were sampled for assaying, including some samples of pit's rocks.

The following are the pit sampling methods.

7.1 Pit Sampling

KCT conducted sampling in this area on exploration lines spaced 400 m apart and oriented perpendicular to the river. Sampling locations along the lines were spaced every 100 to 200 m. Depending on the type of terrain, an additional one to three pits were dug in some areas. The coordinate of pillars are shown in Appendix 5A.

Pit sampling was conducted on both side of the River at regular intervals. Sampling sites were individually verified by using a handheld GPS receiver in UTM coordinates, datum WGS 84 Zone 30 North. Samples were collected from gravels above bedrock, which massed approximately 3 kg for each pit. All sampling sites were marked with a picket and a tag containing the sample identification and location information. If a pits collapse occurred, another pit was dug nearby to replace it.

Gravel removal was necessary when digging the pits, as a landslide or groundwater influx would put a stop to the digging process a new pit would have to be dug to replace the original.

Drainage was important when digging the pits to ensure that they remained dry during the sampling process, as water has a huge impact on sampling results of placer gold. During the sampling process, if the pit water was excessive, a pumping tube was inserted into a small hole to drain off the water. This procedure was repeated until all gravels had been extracted and the pits were totally dry to ensure that the accuracy of the sampling results was not affected by water.

The pit samples were sent to the ALS laboratory, and returned satisfactory results. The analysis results for all samples are shown in Appendix 5, and a brief description of the samples is presented in Table 7-1.

Table 7-1: Pit Samples

Sample Source	Method	Intervals	Weight of sample
Pit	Gravel to the bedrock	400 m x 100 - 200 m	2-4 kg

7.2 Expansion Coefficient and Proportion

Gravels were extracted from sixty-six (66) pits and measured to obtain an average expansion coefficient and proportion. Pits were controlled to 1 m^2 and the expansion coefficient of each pit can be obtained by comparing the volume of gravel before and after extraction.

The expansion coefficient results of gravel are shown in Figure 7-1, indicating that expansion coefficient data have a normal distribution and mineralizations have an apparently X-Y scatter diagram of expansion coefficient.

Average expansion coefficient for gravel is 1.15. This data is used to convert the volume of underground gravel into the volume of excavated gravel sent to mineral processing site.

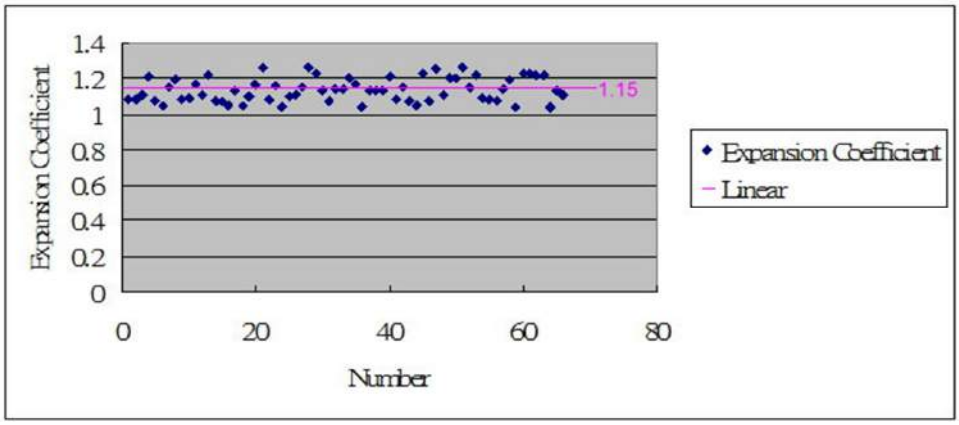


Figure 7-1: X-Y Scatter Diagram of Expansion Coefficient

8 SAMPLE PREPARATION, ANALYSIS, AND SECURITY

8.1 Sampling Preparation

The Analytical Laboratory of ALS Chemex (ALS Ghana Limited) at their analytical facility located in Kumasi, Ghana. ALS Chemex laboratory operations are covered by ISO 9001:2000 certification for the "provision of assay and geochemical analytical services" by QMI Quality Registrars, and are accredited to ISO 17025 standards in various jurisdictions. The Supervision and Assaying Centre for Gold Deposit Quality of National Geological Survey Department, located in Accra, Ghana, established a temporary on-site lab for preliminary sample preparation.

Field samples were packed in cloth bags, weighed and registered in sample information sheets, and were then transported to the on-site lab for preparation. The sample preparation procedures were recommended by KCT and can be summarized as follows:

- All wet samples were dried.
- The sample material was kept approximately 3kg.
- Each sample was mixed well and split into halves. One half was sent to ALS for analysis and the other half was reserved in the Company's storage facility.
- Samples were allocated carefully and sent to ALS for assaying. And, regardless of the gravel size, it is necessary for the samples to be e well distributed.

In addition, the following measures were taken, and the sample preparation process was periodically inspected by the on-site lab and the KCT site geologists:

- Each machine, sample pan, and work space was cleaned between sample runs using compressed air.
- Blank samples were inserted into the sample stream prior to sample preparation, which was the responsibility of the on-site lab geologist.
- The laboratory informed the on-site lab and the KCT site geologists once the sample material was ready, in order to insert control samples including reference standards, duplicates, and blanks.
- All duplicates were required to be stored at the on-site lab.
- Samples was escorted by the on-site lab geologist to ALS, and a photocopy of the assay report was required to be sent to KCT's Office once it was available.

8.2 Sample Drying

Each sample was oven-dried at 105℃ for 24 hours then mixed and separated by conical quartering. All materials were extracted from the pits down to the bedrock, but only the gravels were mixed and separated;

8.3 Sample Storage

Gravel was placed in the sealed water-proof plastic bag, which were labelled with the pit depth using a permanent felt tip pen. All gravels were photographed, and the photographs were saved as data for records. After logging, the on-site geologist defined intervals to be sampled, and recorded it. In general, only generic gravels were sampled for assaying, including some samples of pit's rocks.

The temporary field camp was established for the program. All samples were temporarily stored within the camp while being processed prior to being shipped to the ALS laboratory or to permanent storage at the company's storehouse in Osuben. The permanent storehouse located in Osuben is maintained year round by full time staff and is secured by concrete walls.

8.4 Sample Security and Transportation

Tools used for sampling and testing were cleaned and checked prior to sampling. Samples needing to be dried were covered with plastic sheets to avoid any contact with external objects. Collected samples were placed in the plastic bags labelled with the sample number and securely sealed with numbered tags; the bags were then delivered by a Company service vehicle, supervised by the on-site lab geologist, to the ALS Mineral Laboratory at Kumasi. ASL personnel confirmed the delivery and quantity of samples and that the marked labels were correct. Samples were kept in a secure compound until delivery to the laboratory.

Only trusted contracted company employees were involved in the sampling process. The whole course from sampling, split charging to transportation to ALS are supervised by geologist assigned by KCT.

8.5 Analysis

In accordance with KCT's recommendation, Soon Mining contracted the ALS Chemex, located in Kumasi, Ghana, as the primary analytical laboratory, and the Supervision and Assaying Centre for Gold Deposit Quality of National Geological Survey Department ("GSD"), located in Accra, Ghana, to conduct the external check.

ALS performed the basic sample assaying for Au. Placer gold must be selected proper size stainless sieve. All samples are based on the results of analysis to placer gold by ALS.(see Appendix 6). All samples are analyzed for gold by industry standard 50 gm fire assay fusion with atomic absorption spectroscopy (AAS) finish; with a lower detection limit of 0.01ppm and with gravimetric finish on samples exceeding 10 g/t gold.

At the GSD laboratory, conventional methods similar to those employed by ALS were used. The lower limits of detection provided by the ALS and GSD are shown in Table 8-1.

Table 8-1: Summary of Low Level Detection Limits of ALS and GSD Lab

Laboratory	Assayed Element	Minimum Level Detectable
ALS	Au	0.01ppm
GSD	Au	0.01ppm

9 QUALITY CONTROL

KCT utilized standard logging procedures and sampling protocols for all sampling programs, and industry standard quality assurance and quality control ("QA/QC") protocols were followed to ensure the quality of assay data, including the routine insertion of blanks, certified reference standards, and field duplicates into all sample batches submitted to the laboratory. Specific densities were measured, and the average was used for resource estimation.

9.1 Quality Control

Routine quality control measures at the ALS laboratory include the following:

- Every 50th sample screened to confirm the quality for sample preparation.
- 1 reagent blank in 50; 1 preparation process blank in 50; 1 weighed replicate in 50; 1 preparation duplicate in 50; and 2 CRMs in 50.

Repeat analyses are performed whenever an analytical batch fails to meet the ALS standards or whenever requested by a client.

Except the above QC made by ALS, SOON also entrusted KCT to make a QC, as follows:

Control samples were routinely inserted through out the entire exploration program. These control samples included reference standards, duplicates and blanks. Three types of certified reference materials ("CRM") were purchased from Ghana Geological Survey Department of Metrology, as described in Table 9-1. Note that the standard deviation ("SD") as shown in Table 9-1 is less than the minimum detectable levels, exhibiting that the SD values have not much reference meaning for assay precision analysis.

In addition, the material was purchased for the blank, which was also used as a reference standard. A total of 42 control samples (including duplicates) were inserted into a total of 133 basic assay samples, accounting for about 32 % of analyses, as summarized in Table 9-2. Detailed assay results of various control samples and appropriate comparisons are provided in Appendix 5B.

Table 9-1: Brief Description of Reference Standards

CRM No	Au (ppm)	Standard Deviation	Range +/- 2 SD's
GSD SE32	0.46	0.01	0.44-0.48
GSD SG35	0.74	0.02	0.70-0.78
GSD SG37	1.16	0.02	1.12-1.20

Table 9-2: Internal and External Control Sample Programs

Type of Control Sample	Count	External Checking	Comments
Reference Standard	17		Control samples account for about 32% of total basic assays
Blank	8		
Duplicate	17		
Total	42	16	

A total of 17 analyses of the three CRMs were conducted by ALS laboratory, and the results are shown in Figure 9-1, exhibiting that the most assays were plotted within two SD limits, with relative errors of less than ±2%, for Au. In addition, no assays of blanks returned more than 0.01ppm, which values are less than the low level detection limit (see Appendix 5B). KCT concludes that assaying of reference standards by the ALS laboratory returned a high level of accuracy and precision in assaying, with no random or systematic errors recognised. Blank sample assays indicate that no contamination was found for the whole sample preparation process.

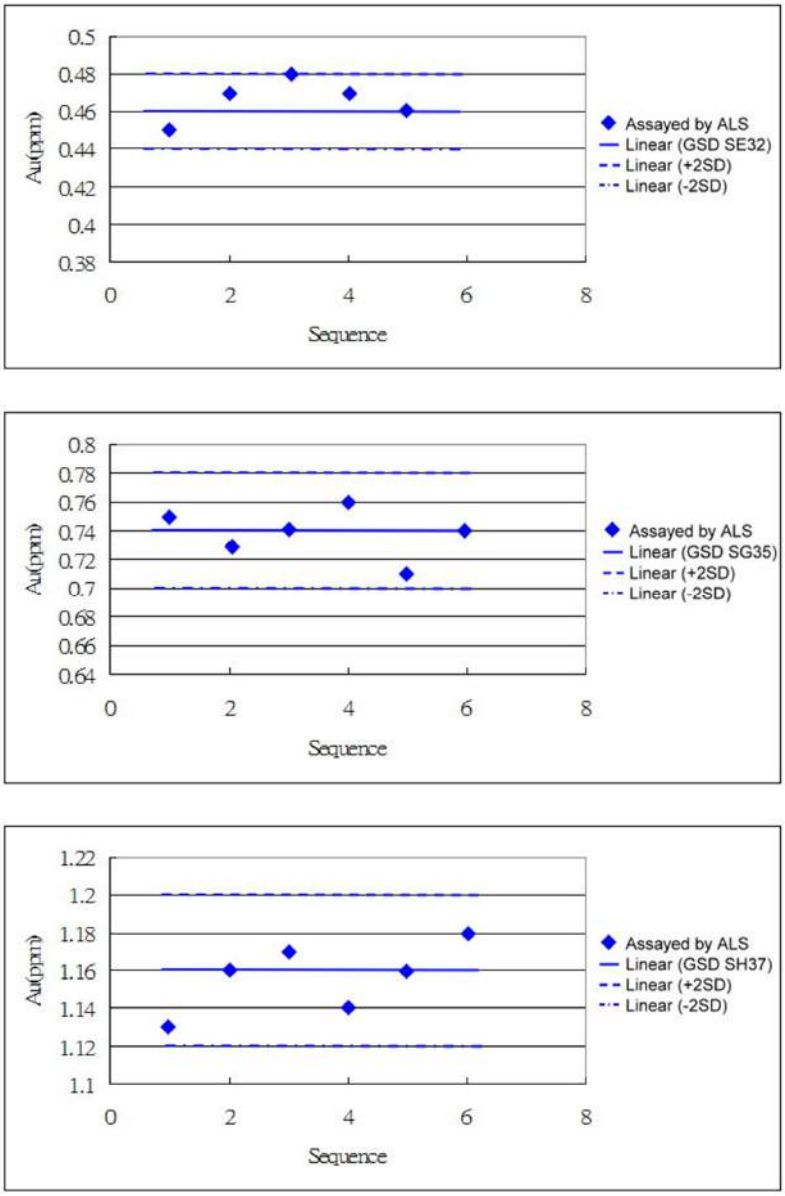


Figure 9-1: CRM Assay Comparison over Three Standard Deviations of CRM Values

A total of 16 samples were selected for re-assaying using a similar method, which was carried out by GSD laboratory. The details of these analyses are provided in Appendix 5B, and assay results are shown in Figure 9-2. It is noted that almost 100% of the Au assays conducted by ALS laboratory match well with the analyses provided by GSD laboratory, and no systematic errors were noticed between the primary laboratory and external laboratory.

Various duplicate assays are plotted in Figure 9-3, which indicates that almost 100% of duplicates returned results within +10% and -10% of the originals. The analysis demonstrates than no contamination was found during preparation and assay accuracy is accepted.

Based on the above discussion, KCT concludes that the quality control samples assayed in various exploration programs in Osuben deposit have returned qualified results, which are suitable for database construction and mineral resource estimation.

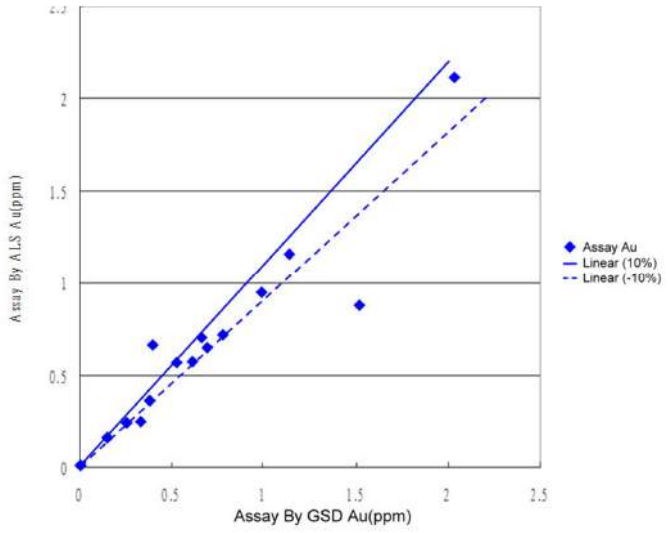


Figure 9-2: Re-assaying Comparison between ALS and GSD Lab

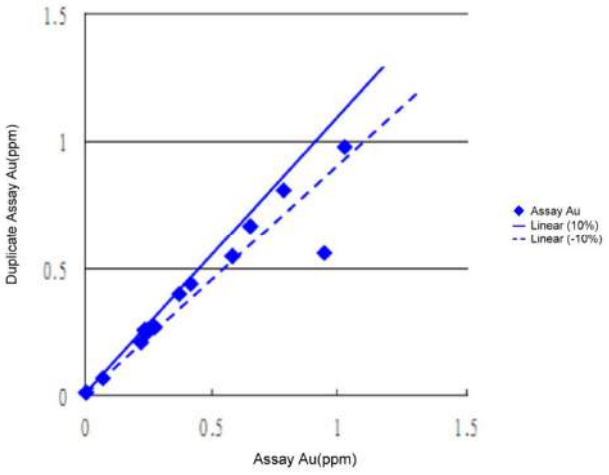


Figure 9-3: Assay Comparison of Duplicates against Assays

9.2 Bulk Density

Specific gravity ("SG") determinations using a water displacement method were conducted by the on-site lab, including a total of 126 samples from 100 pits at Osuben, 26 samples from 20 pits at other six areas, consisting of dry gravel mineralization samples. This database will be improved as more pitting is completed, particularly at other six areas where there are too few pits. (Which is why there are no "Indicated" Mineral Resources classified for that deposit.)

The SG results of gravel are shown in Figure 9-4, indicating that SG data have a normal distribution, and mineralizations have an apparently X-Y scatter diagram of SG.

Average bulk density for gravel is 2.36 t/m^3 at Osuben and 2.38 t/m^3 at other six areas.

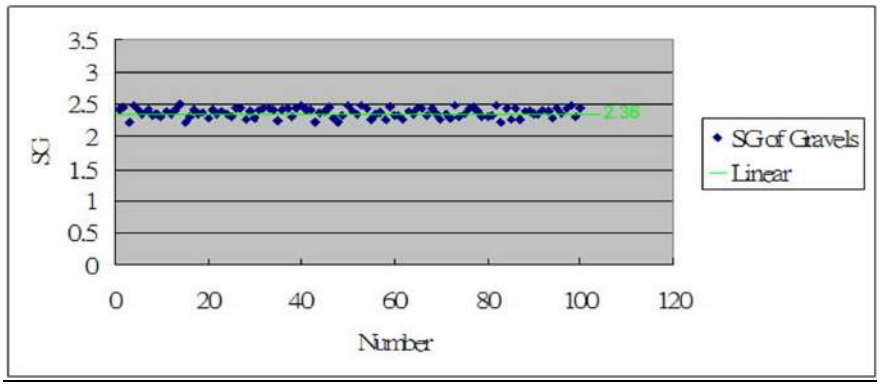


Figure 9-4: X-Y Scatter Diagram of SG

KCT reviewed the data carefully and believes that the SG determinations have resulted in data of acceptable quality, and gravels are also acceptable for a gold mineral resource estimate. KCT accepts the procedure conducted by the on-site lab.

In KCT's modelling, the distribution of gravel ore was specifically defined based on the result 2.36 t/m^3 and according associated mineral resources.

10 PROCESSING TEST

10.1 Mineral Processing and Metallurgical Testing

This section was prepared by KCT. Mr. Felix Silbsa and Mr. Solomon Anum had carried out the processing testwork on the pits sample at the Osuben area in 2014. The placer gold processing testwork includes the analysis of the conducting procedures and conclusion, and was used for developing of design standard and optimization of process equipment.

The testwork of mineral processing conducted in 2014 is for the purpose of producing the gold. The testwork selected the cycling test and applies to the most promising combination of testwork, the amount of water and gravels volume. It is focused on analyzing the entire placer gold processing.

Gravity processing may be necessary for placer gold, so only the gravity test was carried out.

10.1.1 Sample Selection

The samples, representing the main deposits, were used to assess the potential for gravity concentration and determine the optimum conditions.

Five (5) samples were taken from the pits within Osuben including area A, area B and area C with each 0.20 m^3(equal to 410 kg with the expansion coefficient and bulk density being taken into account) and small samples sent to ALS for analysis. The code named SMT1, SMT2, SMT3, SMT4 and SMT5.

The above 5 samples are the testwork samples.

10.1.2 Assays of Testing Materials

The test results from ALS of the samples were taken from the 5 pits which are at the table below:

Table10-1: Grade of Five Testwork Samples

Sample ID	SMT1	SMT2	SMT3	SMT4	SMT5
Grade (g/t)	0.85	1.47	0.35	0.62	0.25

10.1.3 Setting of Gravity Test

A portable processor called a washing plant was selected for the gravity test. This processor uses a high pressure water jet to wash the gravel over a vibrating 5 mm screen was used and fitted with a 5.5 HP suction pump to remove excess water when required.

Gravels were sent through multiple cycling tests to determine appropriate standards for the washing plant. The settings chosen are shown in Table 10-2.

Table 10-2: Washing Plant Settings

Item	Description
Length of screen	2.5 m
Proportion of gravels and water	1:3
Angle of sluice	15°
Length of sluice	3 m
Speed of hopper	20 kg/minute
Type of sluice liner	coarse blanket

10.1.4 Testwork

After washing, gold-containing sands were obtained from the sluice and sent through the Knelson concentrator to extract the gold. Any remaining gold was extracted first by panning and lastly by mercury adsorption. Tails were sent to ALS for assay in form of placer gold.

10.1.5 Test Results

The gold obtained from the 5 samples were sent to ALS for measuring. Considering that actual mining conditions are all cut-off grade or more, testwork samples were taken in cut-off grade or more. Test results are presented in Table10-3 below.

Table 10-3: Testing Results

Sample	Sample	Gold Grades (g/t)		Gold Extraction		Gold Fineness
		Feed	Final Tail	g	Recovery	%
SMT1	Gravel of Area A	0.85	0.01	0.328	86.87	92.30
SMT2	Edge of Area A	1.47	0.02	0.581	88.93	92.25
SMT3	Gravel of Area B	0.35	0.01	0.117	75.15	92.17
SMT4	Gravel of Area C	0.62	0.03	0.246	89.18	92.15
SMT5	Edge of Area B&C	0.25	0.01	0.080	72.16	92.46

Gravity separation of gold was evaluated by the Knelson Research & Technology ("KRT") using a nominal gravity recoverable gold ("GRG") value of 88%. Based on the test results and comparing with test results carried out on gravels of similar characteristics in other Ghanaian mines, KCT considers 88% to be the optimum recovery rate.

10.1.6 Recommendations

Limited metallurgical and processing information exists with the exception of work completed by KCT. Initial recovery work suggests recovery in the order of 88%. KCT makes the following comments with respect to processing tests:

- Testing should be continued and increased after the start of production and exploration, to optimize processing procedures; and
- Future testing should examine the presence of other minerals in the feed and their effect on the recovery.

The main focus of the current project has been to define the 3D database and construction of the geological model, which KCT has completed. It is KCT's view that the current parameters selected during the estimation process are reasonable but during the next update KCT will further review the geostatistical parameters to ensure the block estimates have been optimised.

10.2 Processing Flowsheet Selection

The processing flowsheet was designed in May 2014 by Mr. Solomon Anum

10.2.1 Prosess Flowsheet Selection

Testwork has been completed to a level sufficient to provide processing plant design criteria required. The optimized processing flowsheet are shown in Figure 10-1.

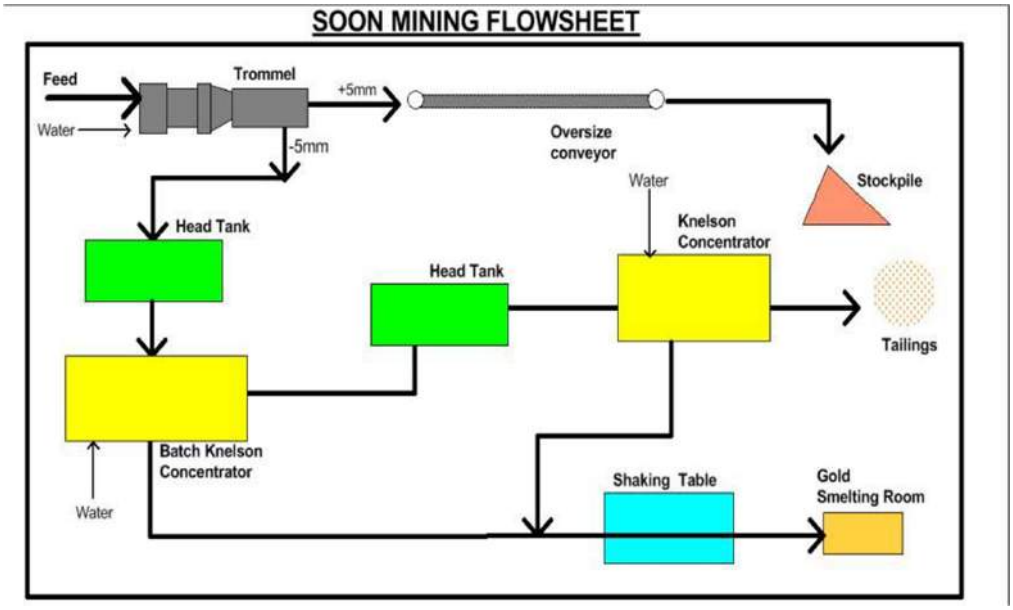


Figure 10-1: Optimized Processing Flowsheet

The processing system will consist of feeding the 150 m^3/h capacity S5trommel plant with a CAT320 excavator. The washing and concentration plant will comprise high-pressure water jets on a vibrating and rotating trammel. The volume of water should exceed 375 m^3/h. The combined effect separates the +5 mm oversize material that forms 60% of the gravel material through a conveyor belt to the stockpile, while the -5 mm particles are sent through the head tank and then through the Knelson concentrator.

The Knelson concentrator or a gold claimer cleaning machine will upgrade the concentrate from the head tank and trommel. The concentrate obtained from the Knelson concentrator will be sprayed with a high water jet to thoroughly break all clay bulbs, then the concentrate is sent to a Gemini shaking table, which consists of a flat table with parallel riffles to trap the heavy minerals and finally panned for raw gold. The raw gold will then be smelted in an oven to form gold bars before being sold.

10.2.2 Processing Plant Design

The design of the processing plant was based on the results of the metallurgical testing program, as well as on strategic considerations, particularly with reference to annual throughout. The basic design parameters shown in Table 10-4 were adopted. In KCT's opinion, the mining processing planning for the placer is acceptable.

Table 10-4: Processing Plant Design Parameters

Ore type	placer gold gravels
Annual throughput	324,480 m^3
Maximum work load of design trommel	150 m^3/hr;
Annual work hours	2,496 hrs
Annual throughput of trommel	130 m^3/hr
Recovery overall	88%
Gravels for Plant Design	
Bulk Density	2.36 t/m^3
Moisture Content	8%
Plant Feed Grade	1.30 g/m^3

Operating Schedule	
Annual Treatment Rate - Normal	324,480 m^3 Normal
Annual Treatment Rate – Design	374,400 m^3 Maximum
Operating Days Per Year	312
Optimization design for each equipment	
S5 Trommel	2 sets
Total amount of mineral processing	130 m^3/hr
Total power required	120 kW
Total consumption of water	600 – 1,300 gallons/min
Batch- type Knelson Concentrator model	KC-XD48
Maximum Feed Capacity	400 tonnes/hr solids
Maximum Total Volumetric Throughput	545 m^3/hr (2,400 US gpm)
Feed Size	Maximum: 6 mm; Recommended: 2 mm
Feed Density	0 - 75% solids by weight
Minimum Air Flow Required (Auto Piping Only)	5.1 m^3/hr (3 ft^3/min) at 600 kPa (90 psi)
Concentrator Installation Weight	5,680kg (12,500lbs)
Motor	30 – 75 kW (40 – 100 HP) – Electric
Fluidization Water	68 - 86 m^3/hr (300 - 380 US gpm)
Continuous type Knelson Concentrator model	KC-CVD64
Maximum Feed Capacity	300 tonnes/hr (solids)
Maximum Total Volumetric Throughput	635 m^3/hr (2,800 US gpm)
Feed Size	Maximum: 1 mm
Feed Density	0 - 50% solids by weight
Minimum Air Flow Required (Auto Piping Only)	18.7 m^3/hr (11 ft^3/min) at 600 kPa (90 psi)
Concentrator Installation Weight	182,00 kg (40,000 lbs)
Motor	75 - 150 kW (100 - 200 HP) - Electric
Fluidization Water	9 - 27 m^3/hr (40 - 120 US gpm)
Shaking Table	
Length	4,450 mm
Driving part width	1,855 mm
Concentrate part width	1,546 mm
Max. feeding size	2 mm
Feeding amount	30 - 60 Tons/day
Feeding thickness	25 - 30%
Journey	16 - 22°
Frequency	15-18 F

11 MINERAL RESOURCE ESTIMATION

11.1 Introduction

The Mineral Resource Statement presented herein represents the gold mineral resource evaluation prepared for the Osuben gold deposit in accordance with the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves (the "JORC Code") 2012 Edition.

The mineral resource model prepared by KCT is based on a total of 100 samples from pits completed in Osuben deposit as of July 2014. The resource estimation work was completed by Mr. Kwabena Atta Mensah, Member of the Australian Institute of Mining and Metallurgy ("MAusIMM", Member No. 312465). Mr. Kwabena Atta Mensah is an appropriate independent "Competent Person" as this term is defined in the JORC Code. The effective date of the resource statement is 8 March, 2015.

This section describes the resource estimation methodology and summarizes the key assumptions considered by KCT. In the opinion of KCT, the resource evaluation reported herein is a reasonable representation of the global gold mineral resources found in the Osuben gold deposit at the current level of sampling. The mineral resources are reported in accordance with the JORC Code. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Surpac v6.5 was used to construct the geological solids, prepare assay data for geostatistical analysis, construct the block model, geostatistical analysis, and variography, to estimate metal grades, and to tabulate the mineral resources.

11.2 Cut-Off Grade

Due to the overburden thickness and the estimated cost of mining, KCT has estimated the cut-off grade which was defined by summing the annual mining cost, the processing plant's annual operating costs, and the annual costs, and converting the sum to the overall operating cost in cubic metres (m^3), then deducting the estimated percentage and comparing the result to the average international gold price from the past year. During the process, the expansion coefficient and bulk density have been taken into account in order to obtain the overall operating cost per tonne. The result obtained is the estimated cut-off grade.

In brief, KCT has used the estimated total cost of the first year, the average international gold price from the past year and the estimated percentage to calculate the cut-off grade of the area. Therefore, KCT made an opinion that it is acceptable to use 0.20 g/t as the basis for estimating all the areas.

11.3 Resource Estimation Procedures

The resource evaluation methodology involved the following procedures:

- Database compilation and verification;
- Construction of wireframe models for the boundaries of the Au mineralization;
- Definition of resource domains;
- Data compositing for geostatistical analysis and variography;
- Block modelling and grade interpolation;
- Resource classification and validation; and
- Preparation of the Mineral Resource Statement.

11.4 Resource Database

The primary database provided by KCT include all relevant analytical data; and geological, mineralization, and interpreted maps. Data verification shows that pit collar and logging data match well against the topography data, which uses the UTM projection system with Datum

WGS84 and Zone N30. KCT made a careful review of the primary database, followed by various verification procedures (detailed above), and verified that the primary database provided by KCT was qualified for use in a mineral resource estimate.

Based on the primary database, a resource database was then constructed by KCT. A total of 100 pit samples were taken and collect one sample from each pit. There are 83 samples greater than cut-off grade 0.20 g/t, of which minimum is 0.22 g/t and maximum is 1.85 g/t. Other 17 pit samples are lower than the cut-off grade.

The collected data which included sample number, depth of pit, grade and sample length have been imported into Surpac. Logical errors will be checked by software first before the manual check.

All samples engineering are located within the mining license areas of Osuben block. Figure 11-1 shows the spatial distribution of exploration engineering.

KCT has completed sampling work in July 2014. Competent person did not find other extra work which was implemented but only some extra verification pits pitted during Oct 2014 to Jan 2015(as stated in 6.3.3 of this report) in their last visit of mining area in March 2015.

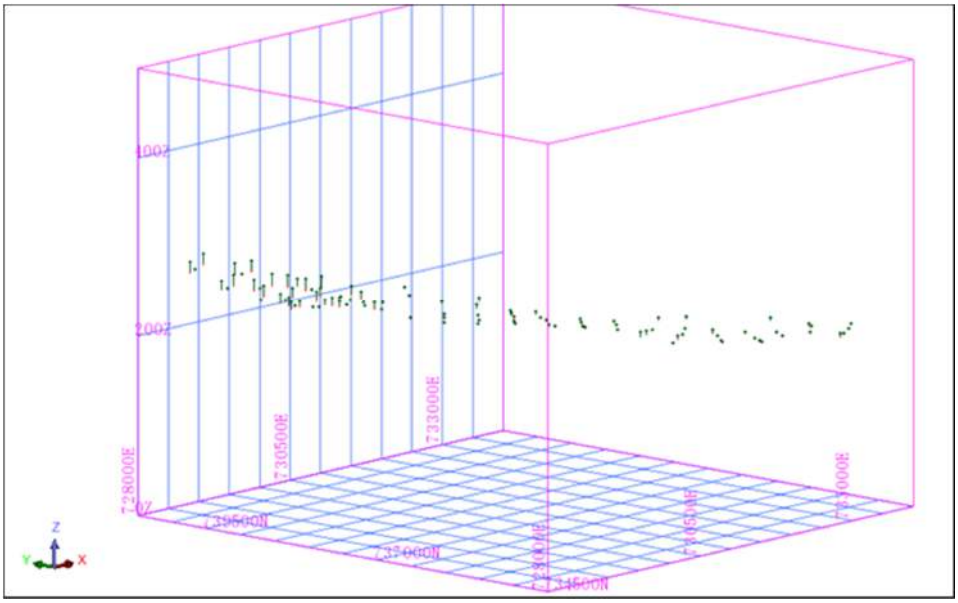


Figure11-1: Spatial Distribution of Sampling Engineering

11.5 Solid Body Modelling

The gold mineralization is mainly hosted in contact zone, and a total of 3 mineralized bodies were defined by KCT, herein referred to as A, B, and C, based on assumed cut-off grade of 0.20 g/t Au and intersections of mineralizations. In order to make a better extrapolation of bulk density, the mineralization type was defined as shown in Figure 11-2, using the Ordinary Kriging ("OK") method.

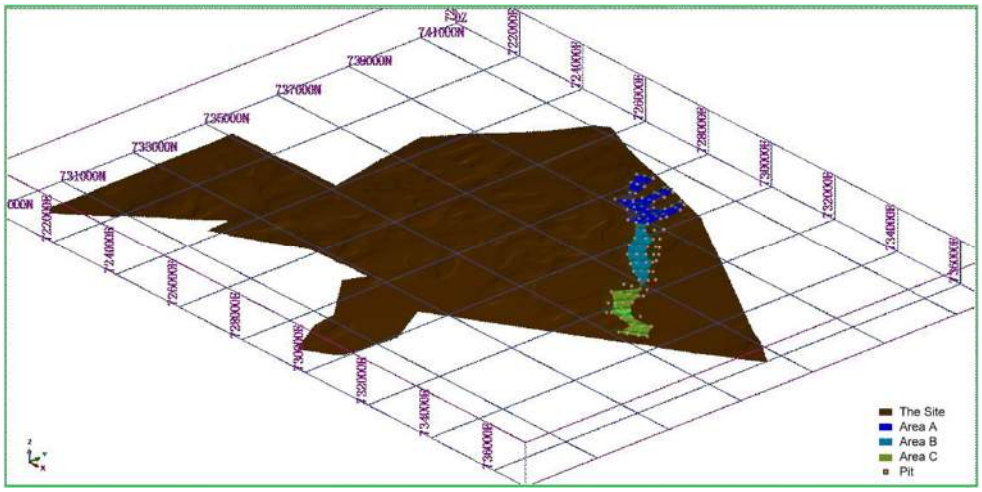


Figure 11-2: 3D Model View of Osuben Deposit

All electronic data has been imported into Surpac for validation against the pit database and topography wireframes. In practice, pits were displayed, and the barren band solid model and mineralization domain wireframes were constructed manually based on the selected cut-off grade. The extrapolation distance was abandoned where no pit could be referenced. Thus, the mineralised body intersected by sample engineering is approximately 7 km long by 200-600 m wide and average thickness is 1.01m.

11.6 Evaluation of Outliers

The raw Au grade distributions within the mineralized domains were examined by histograms and cumulative probability plots to determine if capping was required and if so at what level.

Raw Au assay statistics within the mineralized domains are shown in Figure11-3 and listed in Table 11-1, which indicate that the distribution for raw Au assays is strongly skewed, and the coefficient of variation is not more than 57 %, so top grade capping is not required.

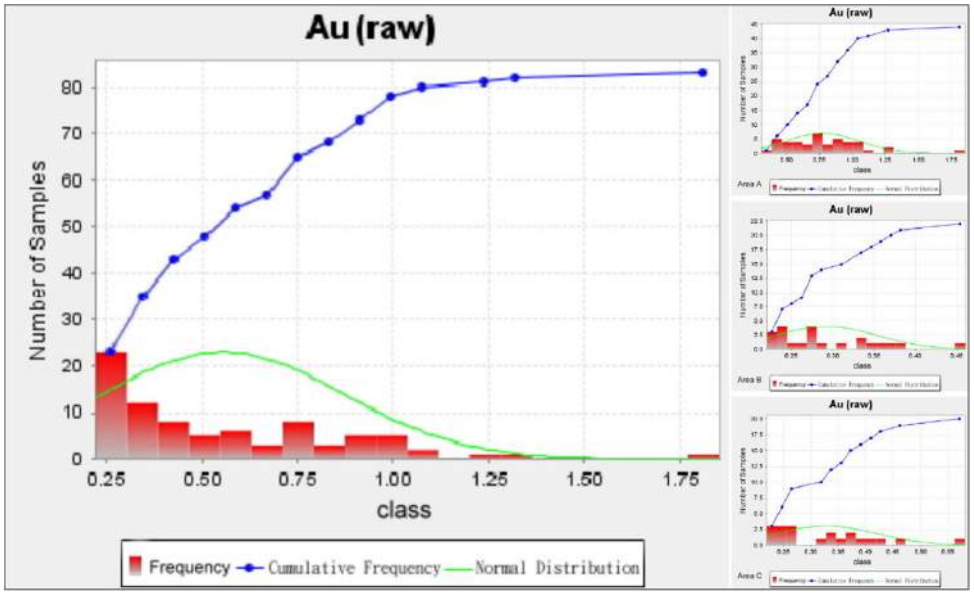


Figure 11-3: Histogram Statistics for Raw Au Assays within Domains

Table 11-1: Basic Assay Statistics of Resource Database

Item	A	B	C	Total
No of samples	44	22	20	83
Minimum value	0.31	0.22	0.22	0.22
Maximum value	1.85	0.46	0.58	1.85
Mean	0.77	0.29	0.33	0.55
Median	0.73	0.28	0.33	0.46
Geometric Mean	0.73	0.29	0.32	0.48
Variance	0.08	0.00	0.01	0.10
Standard Deviation	0.28	0.06	0.09	0.32
Coefficient of variation	0.36	0.21	0.29	0.57

Note: for there are 3 pits are located at the boundaries, the total number is 83 instead of 86.

11.7 Compositing

Only one sample was taken from each pit. Thus, considering spatiality, samples need not be composited. The pits were dug vertically and the gravel layer is approximately horizontal which denotes that sample length is regarded as gravel thickness.

Statistics of sampling length data are plotted in Figure 11-4 and listed in Table 11-2

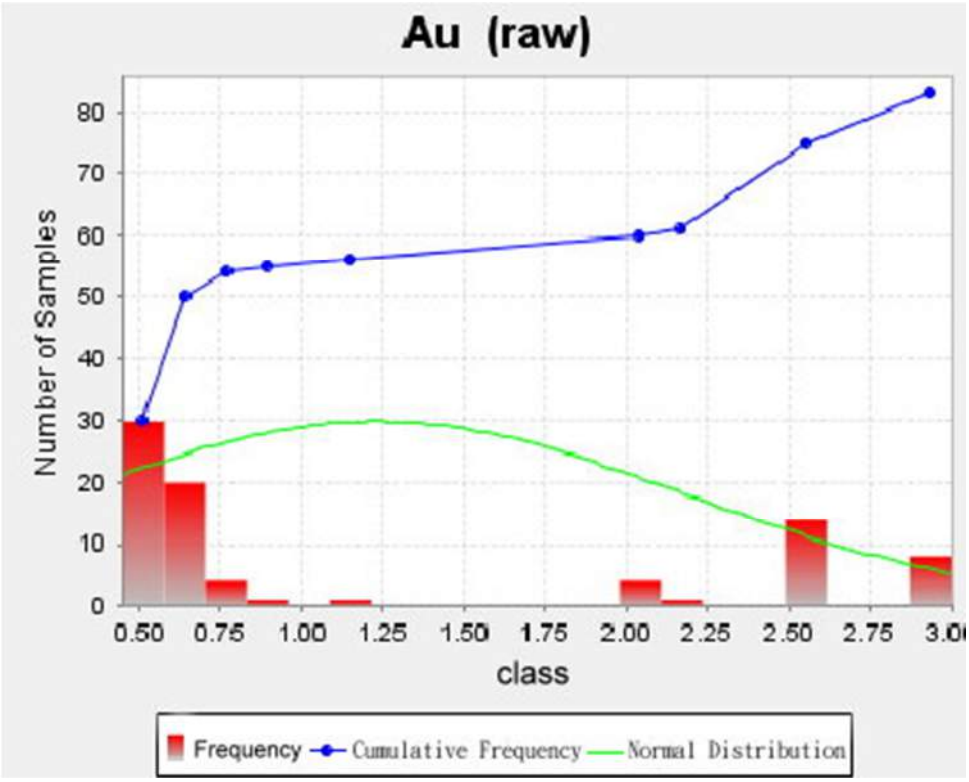


Figure11-4: Histogram Statistics for All Sample Length (Gravel Thickness)

Table 11-2: Statistics of All Sampling Length (Gravel Thickness) Data

Item	A	B	C	Total
No of samples	44	22	20	83
Minimum value	0.50	0.50	0.45	0.45
Maximum value	3.00	0.70	1.10	3.00
Mean	1.80	0.58	0.62	1.23
Median	2.35	0.58	0.60	0.70
Geometric Mean	1.43	0.57	0.60	0.94
Variance	1.00	0.01	0.03	0.90
Standard Deviation	1.00	0.08	0.16	0.95
Coefficient of variation	0.56	0.14	0.26	0.77

Note: for there are 3 pits are located at the boundaries, the total number is 83 instead of 86.

11.8 Statistical Analysis

11.8.1 Variogram modelling

① Major axis:

$$\gamma(h) = \begin{cases} 0 \\ 0.031 + 0.069 \times \left[\frac{3}{2}\left(\frac{h}{3300}\right) - \frac{1}{2}\left(\frac{h}{3300}\right)^3\right], \\ 0.031 + 0.069, \end{cases} \quad \text{when} \quad \begin{matrix} h=0 \\ 0<h\leq 3300 \\ h>3300 \end{matrix}$$

② Semi-Major axis:

$$\gamma(h) = \begin{cases} 0 \\ 0.031 + 0.069 \times \left[\frac{3}{2}\left(\frac{h}{960}\right) - \frac{1}{2}\left(\frac{h}{960}\right)^3\right], \\ 0.031 + 0.069, \end{cases} \quad \text{when} \quad \begin{matrix} h=0 \\ 0<h\leq 960 \\ h>960 \end{matrix}$$

11.8.2 Variogram Parameters

The model parameters of the domains are listed in Table 11-3, and Figure 11-5 provides an example variogram of the mineralized domains.

Table11-3: Summary of Variogram Parameters

Mineralized Domains	Parameter				
	C0	C1	a	Major Axis/ Semi-Major Axis	Major Axis/ Minor Axis
All areas	0.021	0.079	3,300	3.458	3.458

Note that it is a two-dimensional variance when only one sample was taken from each pit. For the estimation, let the ratio of major axis/ minor axis be the same as the ratio of major axis/ semi-major axis.

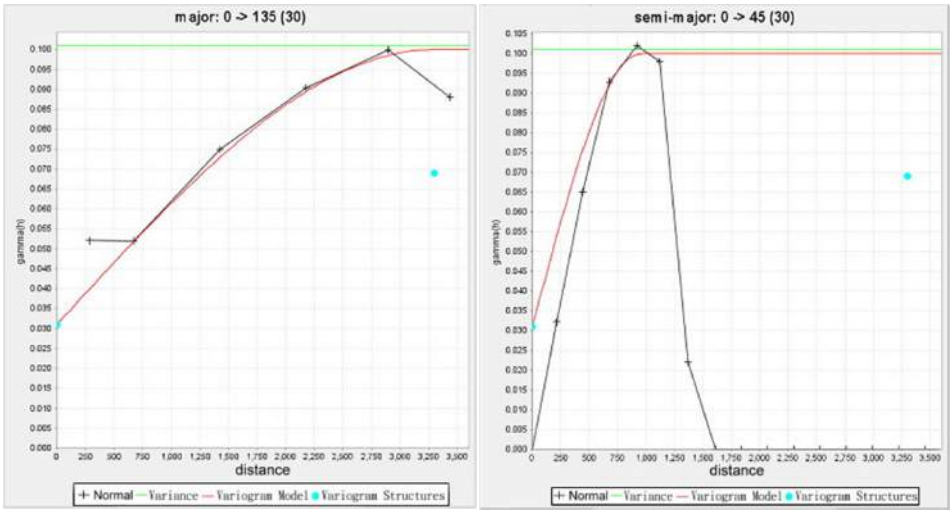


Figure11-5: Variogram Modelling of Mineralised Domain for Au on Its Major and Semi-Major Axis

11.8.3 Variogram Validation

Variogram validation was conducted in Surpac. The results of the validation are shown in Figure 11-6 and listed in Table 11-4 and demonstrate that the mean of the kriging errors is smaller and close to zero; the ratio of the variance to the average kriging variance is greater than 0.85; and about 95% of the errors are within two standard deviations of the mean. It shows that the results of the validation meet the precise requirement of OK estimates. Thus, the variogram model for Au grade is consistent with requirement.

It is KCT's opinion that the variogram models are acceptable for the data set used and reliable for evaluation of the block model using the Inverse Distance Weighted ("IDW") squares and Ordinary Kriging("OK") methods.

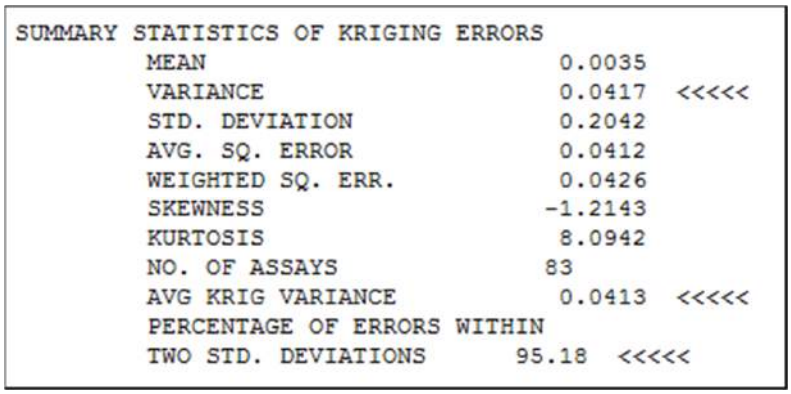


Figure 11-6: Results of Variogram Validation in Surpac

Table11-4: Results of Variogram Validation

Mineralized Domains	Mean	Variance	Average Krig Variance	Variance / Average Krig Variance	Percentage of Errors within Two Standard Deviations
All areas	0.0035	0.0417	0.0413	1.010	95.18

11.9 Block Model and Grade Estimation

The un-rotated block model was created using Surpac v6.5, and was used to estimate tonnage and grade. An appropriate parent and sub-block cell size were selected for the deposit to enable KCT to generate a model which encapsulated the dipping mineralization. For the defined mineralized solid, a parent block size of 400 x 400 x 1 m was used, with a sub-block size of 100 x 100 x1 m.

According to Au grade, the block model using OK method is shown in Figure 11-7 below.

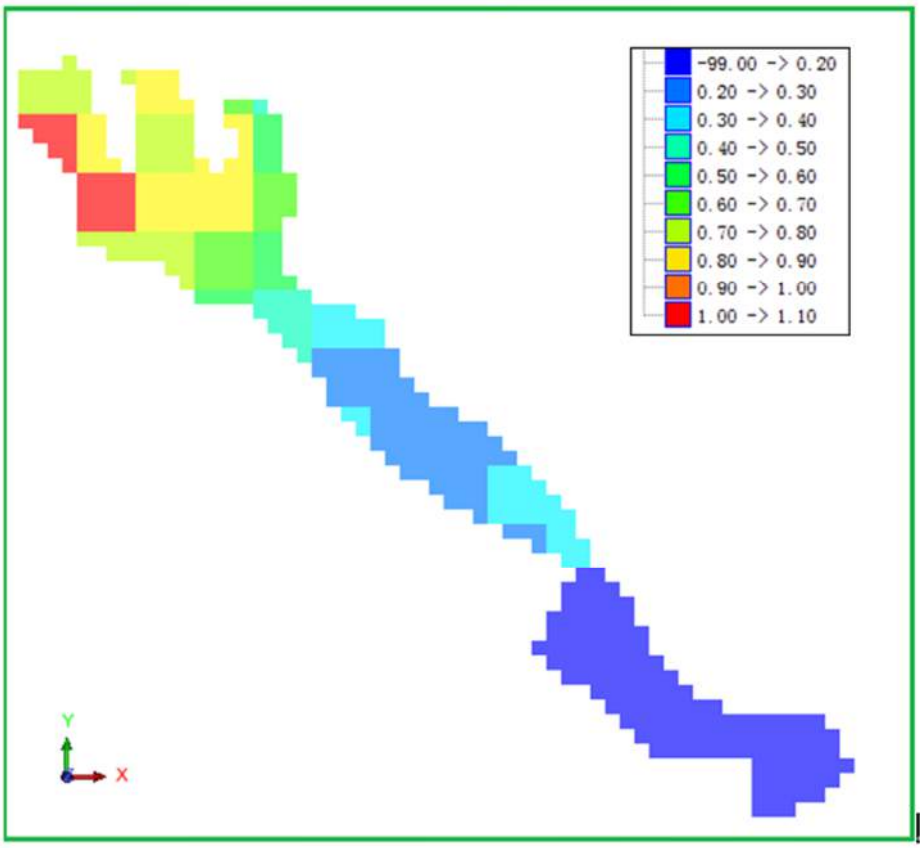


Figure 11-7: OK Block Model（Coloring by Grade）

Table11-5: Ordinary Kriging Estimates Results

Area	Volume(m^3)	Tonnage(t)	Au(g/t)	Au (g)	Au (oz)
A	2,135,820	5,040,535	0.78	3,931,617	126,405
B	511,914	1,208,117	0.31	374,516	12,041
C	527,148	1,244,070	0.33	410,542	13,199
Total	3,174,882	7,492,722	0.63	4,720,415	151,765

11.10 Model Validation and Sensitivity

KCT has undertaken a thorough validation of the resultant interpolated model, including visual inspection, and has also conducted a mineral resource estimate using IDW squares.

According to Au grade, the block model using IDW squares method is shown in Figure 11-8 below.

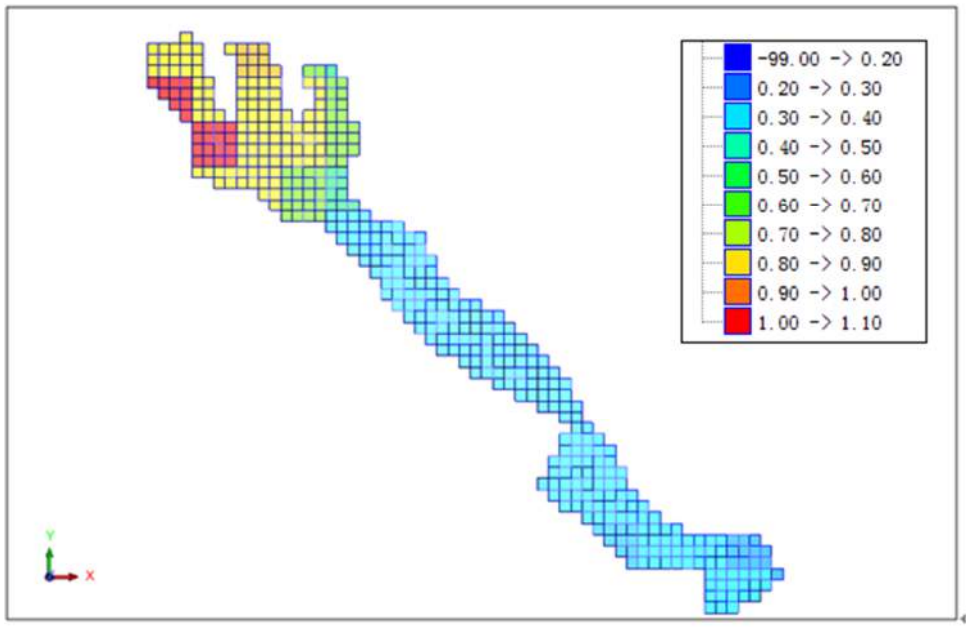


Figure11-8: IDW Block Model（Coloring by Grade）

Visual inspection provides a validation of the interpolated block model on a local block scale, using visual assessments of sample grades versus estimated block grades. Table 11-6 provides a comparison of mineral resource estimates between IDW and OK based on exactly the same conditions as described above.

Table 11-6: Comparison of Mineral Resource Estimate between IDW and OK

Method of Estimate	Volume(m^3)	Tonnage(t)	Au(g/t)	Au (oz)
IDW	3,174,882	7,492,722	0.64	154,174
OK	3,174,882	7,492,722	0.63	151,765

The data and discussion as above indicates that the block model constructed by KCT is reliable.

11.11 Mineral Resource Classification

Mineral resource classification is typically a subjective concept; industry best practices suggest that resource classification should consider the confidence in the geological continuity of the mineralised structures, and the quality and quantity of exploration data supporting the estimates and the geostatistical confidence in the tonnage and grade estimates. Appropriate classification criteria should aim at integrating both concepts to delineate regular areas at similar resource classification.

KCT is satisfied that the geological modelling honours the current geological information and knowledge. The sample locations and the assay data are sufficiently reliable to support resource evaluation. The sampling information was acquired primarily from pits with most data taken on a general grid spacing of 200–100 m.

Generally, for mineralization exhibiting good geological continuity investigated at an adequate spacing with reliable sampling information accurately located, KCT considers that no extrapolation assessment was conducted, and blocks estimated based on the variogram range can be classified as

Indicated Resources, where the Inferred Resources was thereafter not included in the mineral estimation.

Classification of Mineral Resources incorporates the terms and definitions from the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) published by the Joint Ore Reserve Committee (JORC).

Based on these JORC guidelines KCT has assigned the Kwahu Praso estimates to the Indicated Mineral Resource category based on the current information available. In determining the appropriate classification criteria for the Kwahu Praso Concession, several factors were considered:

• JORC requirements and guidelines;

• observations from the site visit in 2015;

• quality of data used in the estimation;

• geological analysis and geological interpretation;

• quality of the estimated block model; and

• experience with other deposits of similar style.

11.12 Mineral Resource Statement

The 2012 Edition of the JORC Code defines a mineral resource as:

"(A) concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity, and other geological characteristics of a Mineral Resource are known, estimated, or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated, and Measured categories".

The "reasonable prospects for eventual economic extraction" requirement generally implies that the quantity and grade estimates meet certain economic thresholds and that the mineral resources are reported at an appropriate cut-off grade taking into account extraction scenarios and processing recoveries. In order to meet this requirement, KCT considers that major portions (include area A, B and C) of the Osuben gold deposit are amenable for an open pit.

The block model quantities and grade estimates were thus reviewed to determine the portions of the Osuben gold deposit from conceptual assumptions for open pit mining operation based on parameters summarized in Table11-7. Therefore, the cut-off grade of 0.20 g/t Au was assumed in KCT's resource model.

Table 11-7: Conceptual Assumptions Considered for Open Pit Resource Reporting

Parameter	Value	Unit	Comments
Gold Price	1,261	USD/oz	Based on the average market price from 03/01/2014-02/28/2015[6]
Mining Dilution	8	%	Assume an open pit mining operation
Mining Recovery	98	%	
Processing Recovery	88	%	See Section 10.2
In Situ Cut-Off Grade	0.20	g/t	See Section 11.2

Gold is sold in troy ounces ("oz"); 1 oz = 31.1034 g. At a price of USD 40.54 per gram, the cut-off grade is set at 0.20 g/t.

Figure 11-9 provides the distributions of all defined mineralized domains based on cut-off grade of 0.20 g/t Au by KCT.

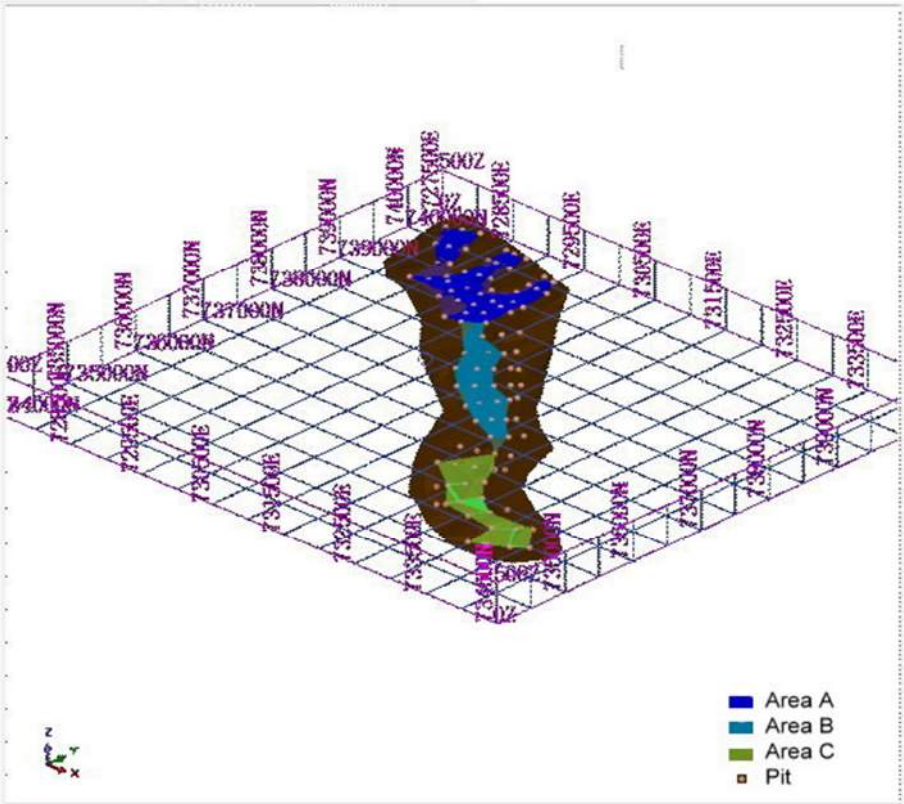


Figure11-9: Distribution of All Mineralised Domains of Osuben gold Deposit

For better comprehension and easy comparison, Table 11-8 provides the global mineral resource estimates for mining license.

Table 11-8: Global Mineral Resource Estimates

Area	Overburden Volume(m^3)	Gravel Volume(m^3)	Tonnage(t)	Au (g/t)	Au (oz)
A	8,022,172	2,135,820	5,040,535	0.78	126,405
B	2,398,352	511,914	1,208,117	0.31	12,041
C	2,677,989	527,148	1,240,070	0.33	13,199
Total	13,098,513	3,174,882	7,492,722	0.63	151,765

As of 10 March 2015, KCT concludes that the Osuben gold deposit has a JORC Code Indicated gold mineral resource of about 7,493 thousand tonnes with an average grade of 0.63 g/t Au, based on a cut-off grade of 0.20 g/t Au as shown in Table 11-9.

The Table below gives KCT's JORC Compliant Mineral Resource Statement for the Kwahu Praso Concession as at 10th March 2015, as signed off by Kwabena Atta Mensah, a Competent Person as defined by the JORC Code. All of the material within the KCT model reported at a cut-off grade of 0.2 g/t, which has been calculated using a gold price of USD1,261 per oz, and suitable benchmarked technical and economic parameters for open pit mining and conventional placer gold material processing.

Table 11--9: Gold Mineral Resource Statement of the Osuben Gold Deposit by KCT as of March 2015

Resource Category	Gravel (1000 m^3)	Tonnage (1000 t)	Au (g/t)	Au (1000 g)	Au (1000 oz)
Indicated	3,175	7,493	0.63	4,720	152

Mineral resources are reported in relation to a conceptual open pit mining operation.

All figures are rounded to reflect the relative accuracy of the estimate. Raw assays have not been capped.

Gold mineral resources are reported at a cut-off grade of 0.20 g/t Au, based on following parameters: the mining dilution of 8% for a combined open pit mining, processing recovery of 88%, and the gold price of USD 1,261 per oz. The information in this report which relates to Mineral Resource estimates is based on information compiled by Mr Kwabena Atta Mensah. And he has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kwabena Atta Mensah consents to the reporting of this information in the form and context in which it appears.

11.13 Grade Sensitivity Analysis

In general, Osuben gold deposit, the mineral resources estimated by KCT are sensitive to the selection of the reporting cut-off grade. To illustrate this sensitivity, the global model quantities and grade estimates at different cut-off grades. The reader is cautioned that this image should not be misconstrued as representing a Mineral Resource Statement. It is presented solely to illustrate the sensitivity of the block model estimates to the selection of cut-off grade.

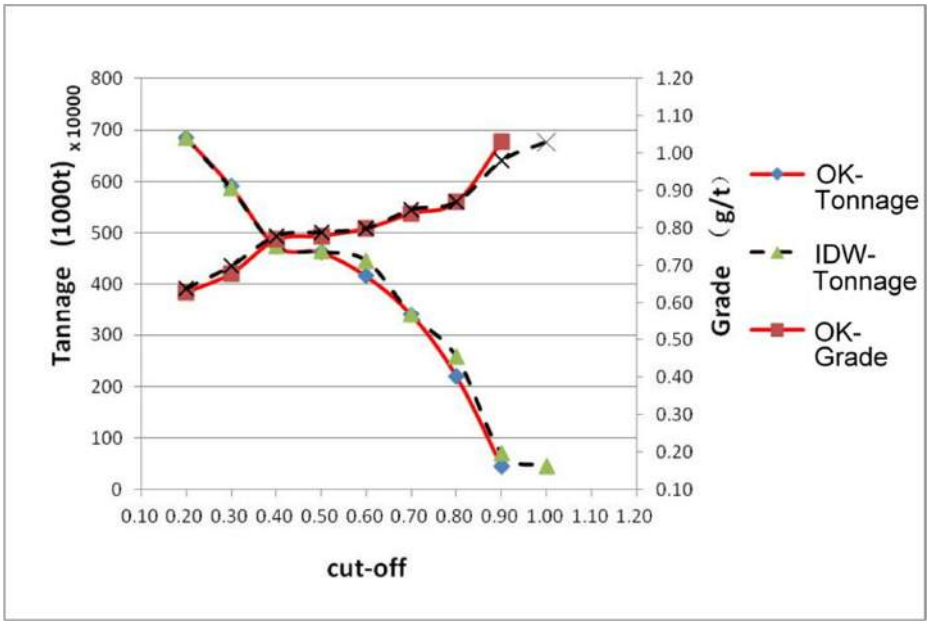


Figure 11-10: Grade Tonnage Curves of the Osuben Gold Deposit

12 ENVIRONMENTAL IMPACT ASSESSMENT

12.1 Laws, Regulations, and Environmental Policy of Ghana

The EPA granted a prospecting license to Soon Mining in September 2013. All the required environmental protection measures were implemented in the exploration stage. An environmental assessment of the mining lease has been submitted to EPA and currently is being negotiated.

12.1.1 EPA Regulations

The EPA imposes certain requirements on mining concessions. Placer gold mines are required to reserve 20 m from both sides of the river, and may not conduct excavations within this zone. Other areas may require fees for crop compensation.

Backfilling is required after pit excavation. For areas in which the crop compensation was limited to ground crops, after backfilling the land shall be returned to the landlord.

The Company must submit an Environmental Impact Assessment ("EIA") report from time to time. The following paragraphs discuss EIA report requirements.

12.1.2 Submission of the Report to EPA

The EIA report must be submitted to the EPA. The Environmental Impact Statement must include a provisional Environmental Management Plan, as well as Closure and Reclamation plans.

The EPA also requires the following for the duration of mining operations:

- Monthly monitoring returns;
- An annual environmental report; and
- An update of the Environmental Management Plan ("EMP") every three (3) years.

12.1.3 Environmental Policy and Management

The management of Soon Mining is committed to complying with policies and responsible operating practices which promote the conservation or enhancement of the natural and social environments in which the Company operates. The Environmental Policy is included as Appendix 7.

The Company has designated a team responsible for reclamation and revegetation, recruited from the local population and trained and supervised by the Environmental Department. The Environmental Department is also responsible for the environmental monitoring program.

12.2 Environment Impact Assessment

12.2.1 Ecological Environment

Land clearance and project development will result in the direct loss of small tracts of secondary forest. Apart from these small pockets of secondary forest, the project area does not show much resemblance to the original habitat. Habitat degradation is a result of ongoing commercial and illegal logging activity as well as other forms of land degradation prevalent in the area. Despite the degraded nature of the vegetation, baseline surveys indicated that the project area supported four mammal species considered to be of international conservation concern.

While all of the species of international significance are forest zone species adaptable to a forested environment, none are dependent on primary or mature forest cover. It is expected that all of these species abound in greater numbers (or densities) in the protected areas to the east and west. Even though local loss in species habitat and subsequent diversity numbers are probable, it is highly likely that regeneration will take place once rehabilitation is undertaken after mine closure.

12.2.2 Air Quality

Site clearance, mining operation, mineral processing, haulage, and vehicle movement will be the principal sources of airborne particulates (dust) associated with the construction and operation of the project. These activities will have a local impact on the local environment, as some of the project facilities will be located less than 300 m away from existing settlements. However, the local climatic conditions, including annual rainfall, are likely to limit this potential impact to just a few months of the year.

The Company will implement standard procedures for the control of fugitive dust such as regular spraying of roads, speed limits for vehicles, and in-plant dust suppression equipment as indicated in the design of the processing plant.

12.2.3 Processing Water

The drainage of the area of influence is dominated by the Pra and Afram Rivers, as well as other small streams. Numerous small streams in the area which show a dendritic drainage pattern suggest low percolation but high incidence of runoff and/or flooding during the rainy season. Drawdown of the groundwater is unlikely to impact any village boreholes because of the high recharge rates due to rainfall pattern in the area. Generally, the sources of water supply for the processing plant are from local rivers and boreholes, and will not affect water used by the local villagers.

Mineral processing procedures applied to placer gold do not use added chemicals, and therefore do not have the potential to cause acid mine drainage. The processing water and wastewater treatment system in the processing plant requires two stages of sediment basins and a large-scale sewage filtering and disposal system. After treatment the processing water can be recycling and reused in mineral processing.

12.2.4 Tailings

As no chemicals are added during mineral processing, there are no pollution issues from chemical processing water and construction of a tailings storage plant is not needed for placer gold tailings. The stockpiled tailings may be recycled for road or other construction uses. However, care must be taken when choosing the location for the tailings stockpile that it not interfere with nearby residents, where possible.

12.2.5 Backfilling

According to the rules and regulations of EPA in Ghana, all sampling and mining excavations must be backfilled. The estimated costs of treatment of processing water, stockpiling of tailings and backfilling are discussed in detail below.

12.2.6 Socio-Economic Environment Impacts

The proposed development will result in a number of impacts on the socio-economic environment of the project area. The project will not require resettlement of any village. Affected farmers and landowners will be paid the appropriate compensation. Soon Mining will approach all compensation issues in an open and transparent manner. Land required for project development will have a significant impact on local communities by removing agricultural land from production and requiring the relocation of farmers. Soon Mining will make compensation payments to those farmers. Farmers resettled from the project area will be encouraged to continue their farming activities on land not directly required by project.

Natural resources play an important role in the livelihood strategies of all of the affected communities in the project area. The activities and components associated with the operational phase of the mine will impact negatively on the areas' natural resources. However, the project will create local jobs, and its monthly contribution to the local economy in terms of employment and other ancillary benefits will be significant. The direct employment opportunities created by the

project represents a significant positive socio-economic opportunity for the local economy, especially given the high unemployment and relatively low-income levels in the Kwahu South District. The low education and skills levels in the area will need to be addressed in order to maximise the employment opportunities for the local community during the operational phase. Soon Mining is actively working with the affected communities to assess skill levels and implement training programs prior to the commencement of project development, such that employment opportunities can be realised by local inhabitants. The project will represent the largest development in the Kwahu South District and will result in an influx of opportunistic workers and job seekers to the area. The influx of workers and job seekers will result in additional spending in the local economy.

Aside from the increasing opportunity of employment, the project is enhancing local infrastructure, including replacing mud homes with brick houses, replacing stream water sources with borehole wells, installing sanitation systems, construction of more schools, introducing electricity to communities not previously serviced, improving local roads, and establishing health clinics.

12.2.7 Community Development

Soon Mining recognizes that the mining operations and community development are inseparable. The Company is committed to following international best practices in negotiations with the local community and authorities. The compensation package was agreed upon with the affected villagers, and approved by the Land Valuation Board. Best practices will continue to be followed in future consultations, negotiations, agreements, and subsequent implementation.

Soon Mining maintains, and is expanding, sustainable development programs for the improvement of community infrastructure, sustainable livelihoods, and stakeholder engagement. The Company has planned to provide funding for local community and national assistance projects in Ghana, to be used for community development projects.

This fund is maintained by donations by Soon Mining of 5% of mine profits after tax (mining royalty 5%).

13 INTERPRETATION AND CONCLUSION

Based on the work done and verifications presented in this report, the Mineral Resource is classified as Indicated, with an inventory of 7,493 thousand tonnes (equal to 3,175 thousand cubic metres) of gold-bearing gravel at an average grade of 0.63 g/t (equal to 1.49 g/m^3) Au, for 152 thousand ounces of gold.

Soon Mining has obtained a mining lease for the concession. The company has started EIA since June, 2014. Currently, it is in negotiations with the EPA and the representatives of the local villages to organize a joint social responsibility program. Soon Mining may commence mining operations once this program's initiation has been confirmed.

KCT makes the following conclusions are drawn from the summary information presented herein.

- Technical standards are appropriate and conform to industry best practices. Appropriate precautions are in place to ensure that standards are not permitted to slip (i.e., regular audits and management visits to site) and appropriate interventions are taken when necessary.
- The Mineral Resource Estimate presented herein has considered appropriate estimation method and verification, therefore the estimation of Mineral Resource is credible.
- Processing test work completed to date has been appropriate for the style of mineralization and no issues have been identified that might impact negatively on gold recoveries in future mining operations.
- The report is the outcome of a thorough geostatistical analysis and mineral resource estimation calculation, using high quality data and an appropriate methodology, by independent resource evaluation consultants.
- In accordance with the geological conditions of Soon Mining concession, it is concluded that the Project has the potential to host economic quantities of gold mineralization and that Soon Mining, if current exploration practices are maintained, has the ability to realize this potential.

KCT also makes the following comments regarding relevant risks in relation to the mineral resource estimate:

- **Risks for processing:** the gravity test was selected and carried out for the placer gold deposit. Based on the results of metallurgical testwork, there was almost no gold bearing in the tailings. In KCT's opinion, the risks to the deposit from processing are medium to low.
- **Risks for the market prices of gold:** fluctuating market prices for gold will have a significant impact on the economically optimum cut-off grade. However, the deposit contains enough high grade resources to partly offset the potential price impact. In KCT's opinion, the risks to the deposit from market price fluctuations are medium to low.
- **Risks for mining:** Although open pit mining is adopted, industrial accidents, labour disputes and human resource management shall still be taken into consideration. In KCT's opinion, the risks to the deposit from mining are medium to low.
- **Risks for resource estimate:** although the current Mineral Resource represents a reasonable global estimate, in KCT's opinion, the risks to the deposit from resource estimate are medium to low.

14 RECOMMENDATIONS

KCT offers the following recommendations for future consideration. Overall, more detailed geological studies in other regions outside Osuben should be conducted to improve the understanding of regional and local controls on mineralization. In particular, further to establish the geometry of high grade ore extensions, so the potential extensions may be tested.

Recommendations for placer gold:

- The higher grade section should be prioritized for mining operation. Phased mining and the surrounding explored area may be tested.
- Prospecting should continue after starting mining operations, with the other zones of known placer gold deposits as the priority.
- Further processing test work should be undertaken to ascertain the possible increase of gold recoveries.

Recommendation for lode gold:

- Appropriate geochemical samples should be collected.
- The exploration of geochemical and geophysical targets to identify additional zones of mineralization should continue.
- Trenches should be excavated to improve the geological understanding of the dimension and prove or disprove their continuity.
- All trenches should be channel sampled as well as geologically mapped.
- Basic drilling is required to ascertain the location ore bodies.
- More diamond core drilling should be encouraged, as a means to better understand prospect geology.
- All samples submitted to the laboratory for analysis must be pulverized to 90% passing -200 mesh.

An exploration program incorporating the above points should be implemented. It is recommended that this program be conducted in two phases:

Phase 1:

- Detailed surface mapping of the mineralized trend.
- Structural work to ascertain controls on mineralization and assist with the planning of further drill programs;
- Trenching in between the known mineralizations; and
- Testing drilling to ascertain the locations of ore bodies;

Phase 2 is on-going program upon the results of Phase 1:

- Drilling to testify to a Mineral Resource; and to extend the strike length of known mineralization; and
- Metallurgical work on mineralized material.

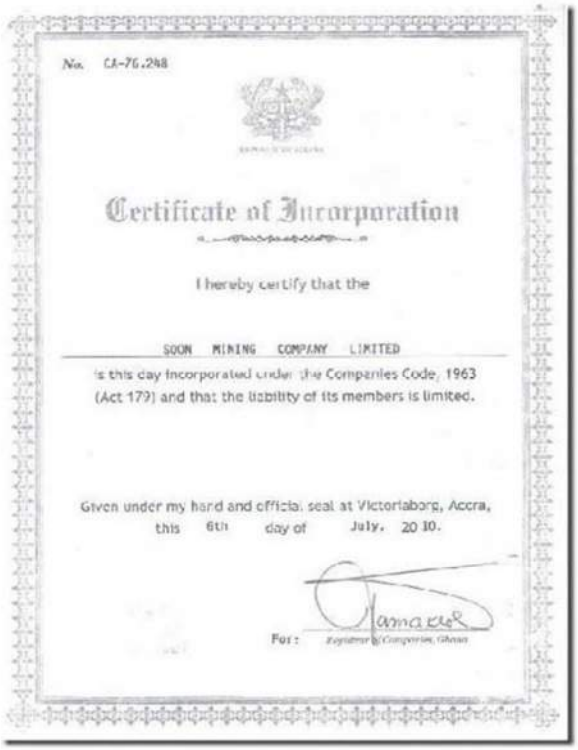
The Company should arrange an adequate budget to fund significant exploration programs and complete the above recommendations. Details of planned work programs should be regularly reviewed and adjusted, as necessary, based on the results on ongoing exploration, and exploration strategies and results should be reviewed on a regular basis and compared to those used for other styles of gold mineralization.

15 REFERENCES

[1] Foli Gordon, "Terminal Report" of "Gold Reconnaissance Licence Kwahu Praso Area", 2011
[2] Solomon Anum, "Kwahu Praso Concession Feasibility Study", Soon Mining, 2013
[3] Web address of Soon Mining is www.soonmining.com, 2015
[4] Web address of Ashanti Goldfields is www.anglogold.com, 2015
[5] Suale Abukari, Interpretation of Airborne Geophysical Data on the Soon Concession, 2013
[6] Web address of International Gold Price is www.kitco.com, 2015

Appendix

Appendix 1: Copy of the Business Certifications of Soon Mining Company Limited



No. CA-76,248

Certificate of Incorporation

I hereby certify that the

SOON MINING COMPANY LIMITED

is this day incorporated under the Companies Code, 1963 (Act 179) and that the liability of its members is limited.

Given under my hand and official seal at Victoriaborg, Accra, this 6th day of July, 2010.

For: Registrar of Companies, Ghana

No. CA-76,248 TIN-324Y065585

COMPANIES CODE, 1963

REPUBLIC OF GHANA

CERTIFICATE TO COMMENCE BUSINESS

I hereby certify that

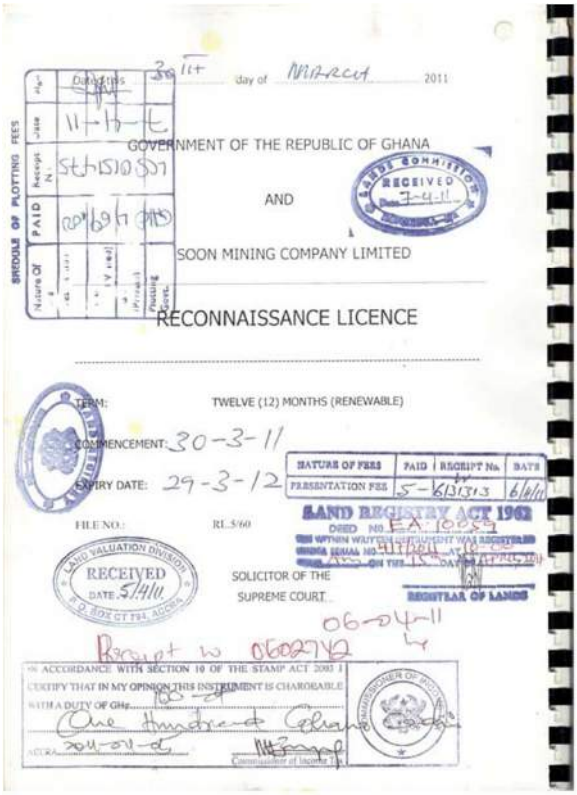
SOON MINING COMPANY LIMITED

having complied with the provision of Sections 27 and 28 of the Companies Code, 1963 is entitled to commence business with effect from 7th July, 2010.

Given under my hand at Accra this 7th day of July, 2010.

Assistant Registrar of Companies

Appendix 2: Copies of Licenses for Reconnaissance, Prospecting and Mining Lease



day of MARCH 2011

GOVERNMENT OF THE REPUBLIC OF GHANA

AND

SOON MINING COMPANY LIMITED

RECONNAISSANCE LICENCE

TERM: TWELVE (12) MONTHS (RENEWABLE)

COMMENCEMENT: 30-3-11

EXPIRY DATE: 29-3-12

NATURE OF FEES	PAID	RECEIPT No.	DATE
PRESENTATION FEE	5-	613313	6/4/11

LAND REGISTRY ACT 1962

DEED NO. EA 10055

FILE NO.: RL.5/60

SOLICITOR OF THE SUPREME COURT

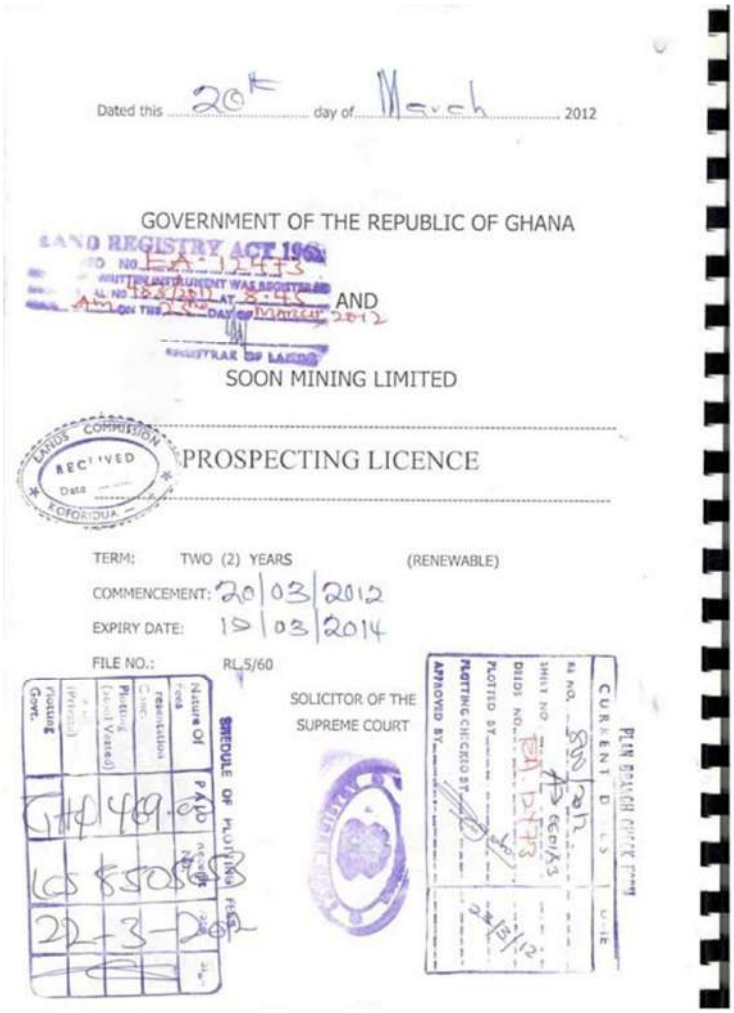
REGISTRAR OF LANDS

06-04-11

Receipt No 0602742

IN ACCORDANCE WITH SECTION 10 OF THE STAMP ACT 2005 I CERTIFY THAT IN MY OPINION THIS INSTRUMENT IS CHARGEABLE WITH A DUTY OF GH¢

ACCRA 2011-04-06



Dated this 20th day of March 2012

GOVERNMENT OF THE REPUBLIC OF GHANA

LAND REGISTRY ACT 1962
NO. EA-12473
AND

SOON MINING LIMITED

LANDS COMMISSION RECEIVED Date KOFORIDUA

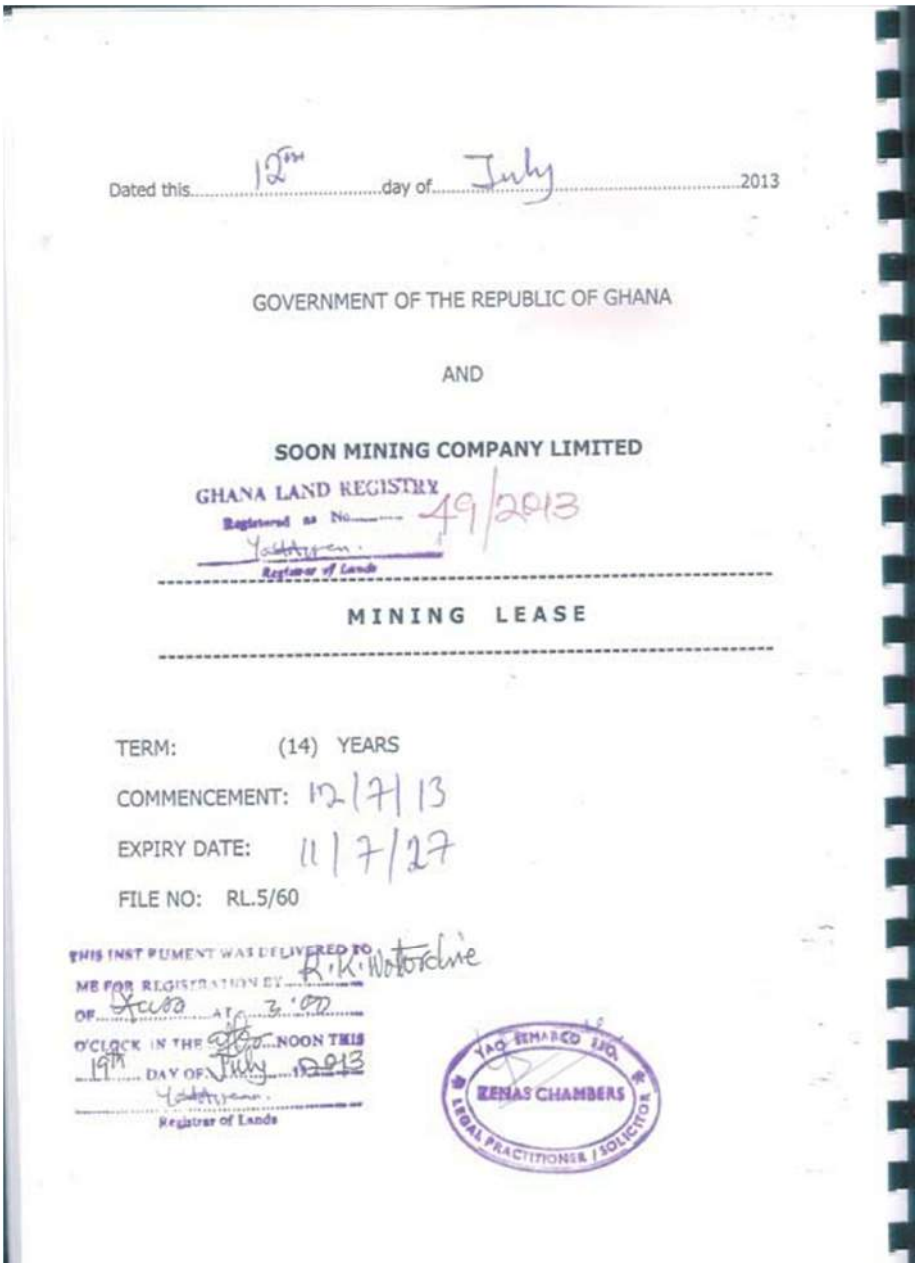
PROSPECTING LICENCE

TERM: TWO (2) YEARS (RENEWABLE)
COMMENCEMENT: 20/03/2012
EXPIRY DATE: 19/03/2014
FILE NO.: RL5/60

SOLICITOR OF THE SUPREME COURT

SCHEDULE OF PLOTTING FEES

PLAN BRANCH



Dated this 12TH day of July 2013

GOVERNMENT OF THE REPUBLIC OF GHANA

AND

SOON MINING COMPANY LIMITED

GHANA LAND REGISTRY
Registered as No. 49/2013
Registrar of Lands

MINING LEASE

TERM: (14) YEARS

COMMENCEMENT: 12/7/13

EXPIRY DATE: 11/7/27

FILE NO: RL.5/60

THIS INSTRUMENT WAS DELIVERED TO ME FOR REGISTRATION BY R.K. Wolfordine OF Accra AT 3:00 O'CLOCK IN THE afternoon NOON THIS 19th DAY OF July 2013
Registrar of Lands

YAO BENARCO ESQ. BENAS CHAMBERS LEGAL PRACTITIONER / SOLICITOR

MINERALS COMMISSION
12 Switchback Road Residential Area, Cantonments
P. O. Box M 248, Accra-Ghana
Tel: (233-302) 772783 / 772786 / 773053 / 771318 Fax: (233-302) 773324
E-mail: mincom@mc.ghanamining.org
Website: www.ghana-mining.org

Our Ref: RL.5/60

8th April, 2014

The Managing Director
Soon Mining Co. Ltd
P. O. Box PMB.22
Legon, Ghana

Dear Sir,

RE: TERMINAL REPORT ON KWAHU PRASO PROSPECTING LICENCE OF SOON MINING COMPANY LIMITED

We refer to your application dated 7th March, 2014 relating to the subject above and wish to inform you that the validity period of your prospecting licence (19.74km^2) at Kwahu Praso in the Eastern Region will be extended for a period of twelve (12) months subject to the payment of the following fees:

a) Processing fee of **GH¢1,210.00 (One Thousand, Two Hundred & Ten Ghana Cedis)**.

b) Annual Mineral Right Fee of **GH¢7,279.00 (Seven Thousand, Two Hundred & Seventy-Nine Ghana Cedis)*** in accordance with the Minerals and Mining (Licensing) Regulations, 2012 (L.I. 2176).

Accordingly, we advise that you pay the above fees by Banker's Draft to the Minerals Commission before the extension is granted.

The offer remains open for a period of Thirty (30) days from the date of this letter. If it is not accepted within the said period your application for extension of the licence shall lapse.

Yours faithfully,

(ELLIS P. ATIGLAH)
ASST. MANAGER, SECTORAL POLICY & PLANNING
For: CHIEF EXECUTIVE OFFICER

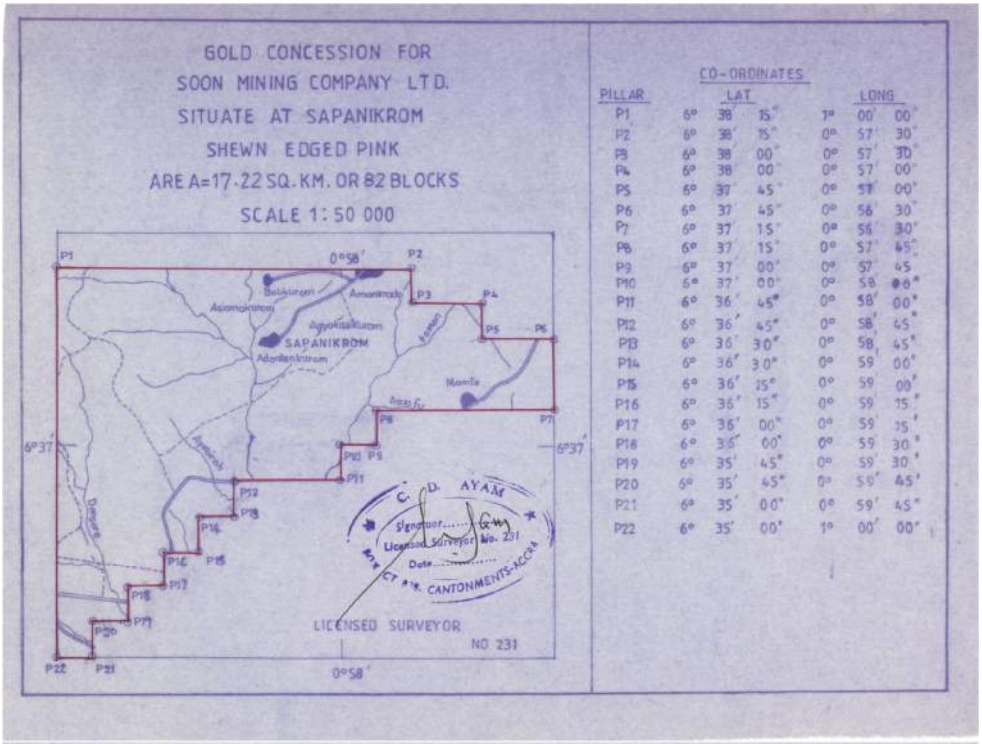
MINERALS COMMISSION PAID Date: 28/04/14

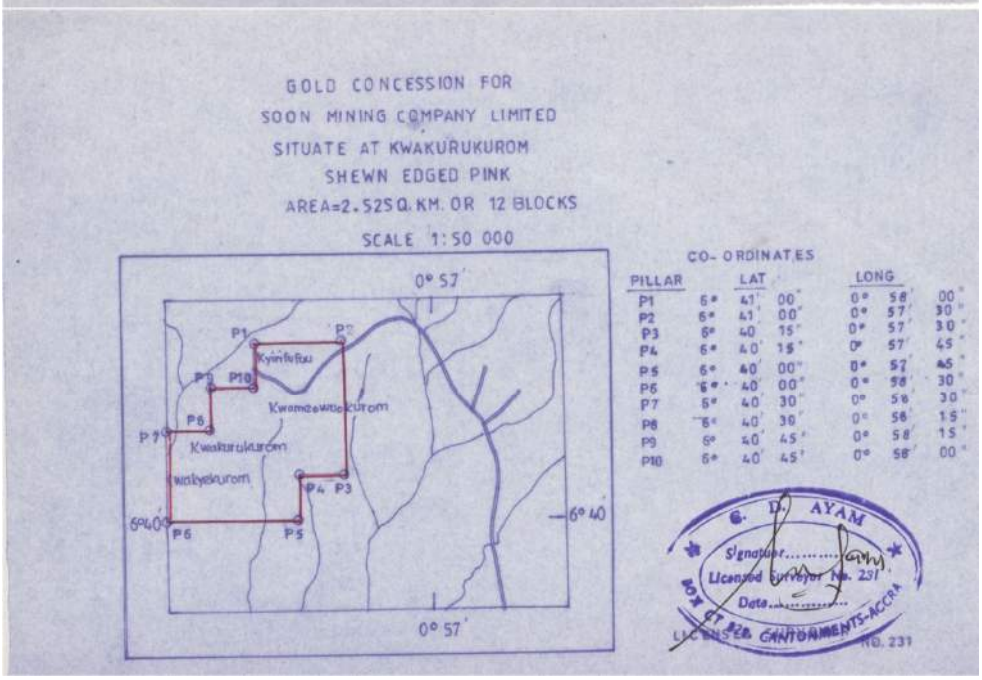
cc: The Director Finance & Administration, Minerals Commission, Accra
The Audit Unit, Minerals Commission, Accra

* *Please note that this figure is based on a rate of GH¢77.44/block/year and 1 block (cadastral unit) is equivalent to 0.21km^2.*

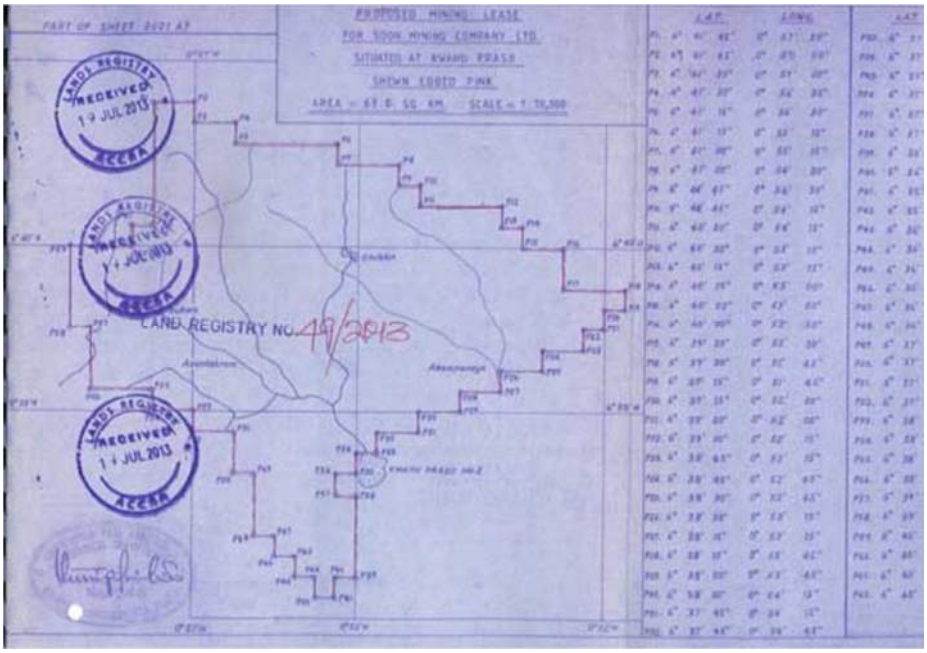
EXT OFFER - SK

Copy of the Map Showing the Prospecting Area





Appendix 3: Copy of the Map Showing the Mining Lease Area of Kwahu Praso Concession



Appendix 4: Analysis Results of Samples in Areas Outside Osuben

Region	Lab no.	Grade (g/t)	Lat	Long
Akwasisasukurom	SMLS133	0.26	6.656150	-0.88885
	SMLS134	<0.01	6.660633	-0.88535
	SMLS135	<0.01	6.662042	-0.89098
Kwahu Praso	SMLS137	0.83	6.624687	-0.90959
	SMLS139	2.11	6.624346	-0.91074
	SMLS141	1.25	6.623174	-0.91018
Awusu	SMLS142	<0.01	6.612292	-0.92791
	SMLS143	<0.01	6.615042	-0.92454
	SMLS144	<0.01	6.618208	-0.93083
	SMLS145	<0.01	6.619142	-0.92663
	SMLS147	<0.01	6.623067	-0.93288
	SMLS149	<0.01	6.626975	-0.92721
Nkurakan	SMLS150	<0.01	6.644958	-0.93114
	SMLS151	0.7	6.649075	-0.93141
	SMLS152	<0.01	6.654517	-0.93226
Muramuraa	SMLS153	<0.01	6.639383	-0.95313
	SMLS154	<0.01	6.643167	-0.94829
	SMLS155	0.28	6.645900	-0.94504
	SMLS157	0.15	6.650458	-0.94246
	SMLS159	0.66	6.656033	-0.94104
Fomanso	SMLS161	0.1	6.618483	-0.98312
	SMLS162	0.1	6.616625	-0.98100
Sapanikurom	SMLS163	<0.01	6.626700	-0.97749
	SMLS164	<0.01	6.626208	-0.97598
	SMLS165	<0.01	6.628592	-0.97579
	SMLS167	0.16	6.630042	-0.97946
Sukwa	SMLS169	<0.01	6.661033	-0.95846
	SMLS170	0.1	6.646967	-0.97096
	SMLS171	<0.01	6.650542	-0.96941
	SMLS172	0.72	6.652608	-0.96910
	SMLS173	<0.01	6.659783	-0.96771
	SMLS174	0.37	6.657292	-0.96630
	SMLS175	0.86	6.656350	-0.96463

Appendix 5: Analysis Results of Pit Samples (Including 42 Control Samples)

5A: Analysis Results and Coordinate of Pillars

SOON MINING

	Method	WEI-21	Au-AA26
	Analyte	Recvd Wt.	Au
		kg	ppm
		0.02	0.01
1	SMLS01	1.37	0.83
2	SMLS02	1.75	0.51
3	SMLS03	1.65	0.88
4	SMLS04	1.45	1.1
5	SMLS05	1.24	0.58
6	SMLS06	1.55	0.55
7	SMLS07	1.3	0.93
8	SMLS08	1.7	1.13
9	SMLS09	1.59	1.85
10	SMLS10	1.7	1.03
11	SMLS11	1.54	0.66
12	SMLS12	1.68	1.04
13	SMLS13	1.49	0.73
14	SMLS14	1.26	0.89
15	SMLS15	1.77	0.65
16	SMLS16	1.69	0.67
17	SMLS17	1.5	0.73
18	SMLS18	1.25	0.75
19	SMLS19	1.55	1.24
20	SMLS20	1.81	<0.01
21	SMLS21	1.67	0.72
22	SMLS22	1.95	0.91
23	SMLS23	1.8	0.58
24	SMLS24	1.92	0.56
25	SMLS25	1.77	0.78
26	SMLS26	1.45	0.81
27	SMLS27	1.81	0.98
28	SMLS28	1.47	0.45
29	SMLS29	1.62	0.46
30	SMLS30	1.91	0.85
31	SMLS31	1.5	0.79
32	SMLS32	1.54	0.31
33	SMLS33	2.1	0.56
34	SMLS34	1.91	0.72
35	SMLS35	1.35	1.02
36	SMLS36	1.48	0.98
37	SMLS37	1.51	0.62
38	SMLS38	1.36	1.16
39	SMLS39	1.63	0.87
40	SMLS40	1.61	<0.01
41	SMLS41	1.04	0.73
42	SMLS42	1.79	0.48
43	SMLS43	1.57	0.51

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44	SMLS44	1.62	0.75
45	SMLS45	1.9	0.95
46	SMLS46	1.77	0.56
47	SMLS47	1.72	0.46
48	SMLS48	1.82	0.73
49	SMLS49	1.55	1.28
50	SMLS50	1.82	0.97
51	SMLS51	1.76	1.03
52	SMLS52	1.99	0.7
53	SMLS53	1.85	0.51
54	SMLS54	1.49	0.45
55	SMLS55	1.72	0.42
56	SMLS56	1.67	0.44
57	SMLS57	1.7	0.45
58	SMLS58	1.48	0.47
59	SMLS59	1.58	0.38
60	SMLS60	1.16	<0.01
61	SMLS61	1.58	0.15
62	SMLS62	1.35	0.12
63	SMLS63	1.56	0.24
64	SMLS64	1.7	0.28
65	SMLS65	1.44	0.22
66	SMLS66	1.11	0.21
67	SMLS67	1.82	0.14
68	SMLS68	1.64	1.17
69	SMLS69	1.66	0.24
70	SMLS70	1.57	0.26
71	SMLS71	1.41	0.23
72	SMLS72	1.73	0.13
73	SMLS73	1.19	0.1
74	SMLS74	1.53	0.29
75	SMLS75	1.55	0.25
76	SMLS76	1.53	0.26
77	SMLS77	1.66	0.27
78	SMLS78	1.4	0.74
79	SMLS79	1.55	0.16
80	SMLS80	1.38	<0.01
81	SMLS81	1.34	0.11
82	SMLS82	1.62	0.28
83	SMLS83	1.42	0.33
84	SMLS84	1.43	0.36
85	SMLS85	1.22	0.24
86	SMLS86	1.73	0.26
87	SMLS87	1.59	0.15
88	SMLS88	1.7	0.48
89	SMLS89	1.77	0.22
90	SMLS90	1.69	0.35
91	SMLS91	1.36	0.27

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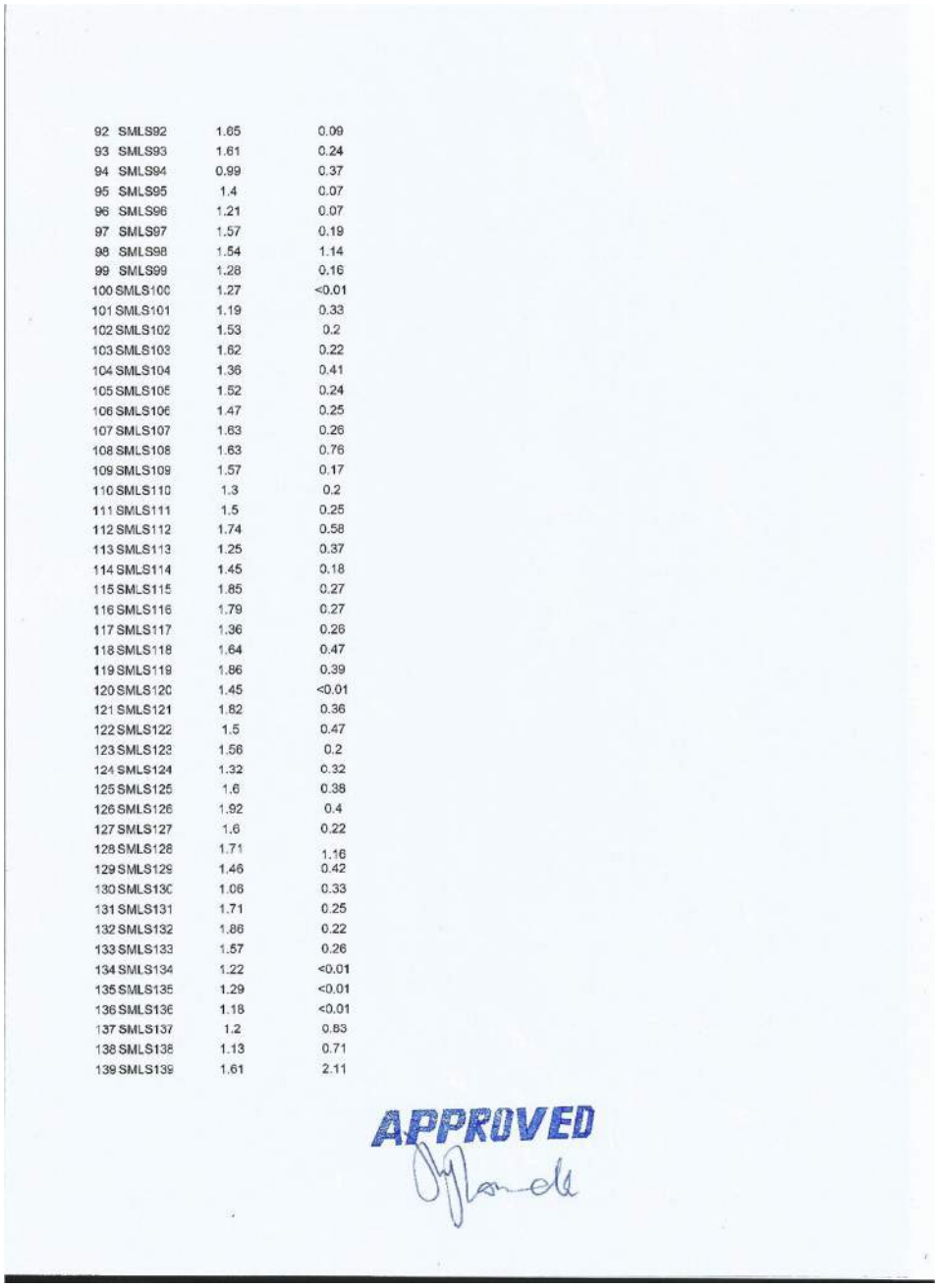

92	SMLS92	1.65	0.09
93	SMLS93	1.61	0.24
94	SMLS94	0.99	0.37
95	SMLS95	1.4	0.07
96	SMLS96	1.21	0.07
97	SMLS97	1.57	0.19
98	SMLS98	1.54	1.14
99	SMLS99	1.28	0.16
100	SMLS100	1.27	<0.01
101	SMLS101	1.19	0.33
102	SMLS102	1.53	0.2
103	SMLS103	1.62	0.22
104	SMLS104	1.36	0.41
105	SMLS105	1.52	0.24
106	SMLS106	1.47	0.25
107	SMLS107	1.63	0.26
108	SMLS108	1.63	0.76
109	SMLS109	1.57	0.17
110	SMLS110	1.3	0.2
111	SMLS111	1.5	0.25
112	SMLS112	1.74	0.58
113	SMLS113	1.25	0.37
114	SMLS114	1.45	0.18
115	SMLS115	1.85	0.27
116	SMLS116	1.79	0.27
117	SMLS117	1.36	0.26
118	SMLS118	1.64	0.47
119	SMLS119	1.86	0.39
120	SMLS120	1.45	<0.01
121	SMLS121	1.82	0.36
122	SMLS122	1.5	0.47
123	SMLS123	1.56	0.2
124	SMLS124	1.32	0.32
125	SMLS125	1.6	0.38
126	SMLS126	1.92	0.4
127	SMLS127	1.6	0.22
128	SMLS128	1.71	1.16
129	SMLS129	1.46	0.42
130	SMLS130	1.06	0.33
131	SMLS131	1.71	0.25
132	SMLS132	1.86	0.22
133	SMLS133	1.57	0.26
134	SMLS134	1.22	<0.01
135	SMLS135	1.29	<0.01
136	SMLS136	1.18	<0.01
137	SMLS137	1.2	0.83
138	SMLS138	1.13	0.71
139	SMLS139	1.61	2.11

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140	SMLS140	1.51	<0.01
141	SMLS141	1.21	1.25
142	SMLS142	1.77	<0.01
143	SMLS143	1.61	<0.01
144	SMLS144	1.51	<0.01
145	SMLS145	1.21	<0.01
146	SMLS146	1.51	<0.01
147	SMLS147	1.81	<0.01
148	SMLS148	1.61	0.46
149	SMLS149	1.96	<0.01
150	SMLS150	1.71	<0.01
151	SMLS151	1.81	0.7
152	SMLS152	1.7	<0.01
153	SMLS153	1.41	<0.01
154	SMLS154	1.71	<0.01
155	SMLS155	1.41	0.28
156	SMLS156	1.58	0.27
157	SMLS157	1.87	0.15
158	SMLS158	1.45	1.18
159	SMLS159	1.58	0.66
160	SMLS160	1.66	<0.01
161	SMLS161	1.73	0.1
162	SMLS162	1.61	0.1
163	SMLS163	1.31	<0.01
164	SMLS164	1.61	<0.01
165	SMLS165	1.61	<0.01
166	SMLS166	0.91	<0.01
167	SMLS167	1.37	0.16
168	SMLS168	1.16	0.74
169	SMLS169	1.54	<0.01
170	SMLS170	1.51	0.1
171	SMLS171	1.28	<0.01
172	SMLS172	1.31	0.72
173	SMLS173	1.22	<0.01
174	SMLS174	1.51	0.37
175	SMLS175	1.67	0.86

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The Coordinate Pillars of Pit Samples in Osuben

No	Sample ID	Lab ID	grade(g/t)	Length(m)			N	E
1	SM1	SMLS01	0.83	12.0	to	15.0	739866.3	728143.6
2	SM2	SMLS02	0.51	2.0	to	2.5	739940.7	728313.6
3	SM3	SMLS03	0.88	12.0	to	15.0	739996.9	728511.3
4	SM4	SMLS04	1.10	10.0	to	12.5	739549.8	728314.5
5	SM5	SMLS05	0.58	1.8	to	2.3	739600.3	728457.7
6	SM6	SMLS07	0.93	12.0	to	15.0	739661.0	728628.8
7	SM7	SMLS09	1.85	1.6.0	to	2.1	739255.3	728625.0
8	SM8	SMLS10	1.03	12.0	to	15.0	739312.2	728738.3
9	SM9	SMLS11	0.66	8.0	to	10.5	738822.1	728645.6
10	SM10	SMLS12	1.04	1.6	to	2.1	738924.3	728815.5
11	SM11	SMLS13	0.73	10.0	to	12.5	739095.2	728902.2
12	SM12	SMLS14	0.89	6.0	to	8.0	739017.0	728991.3
13	SM14	SMLS15	0.65	10.0	to	12.5	738695.4	729172.6
14	SM15	SMLS17	0.73	2.0	to	2.5	738888.9	729170.7
15	SM16	SMLS19	1.24	1.9	to	2.6	739043.9	729232.7
16	SM17	SMLS21	0.72	7.0	to	9.0	738772.3	729378.8
17	SM18	SMLS22	0.91	6.0	to	8.0	739040.3	729428.2
18	SM19	SMLS23	0.58	8.0	to	10.5	738411.0	729528.8
19	SM20	SMLS24	0.56	2.5	to	3.3	738623.1	729623.4
20	SM21	SMLS25	0.78	2.5	to	3.1	738821.4	729549.2
21	SM22	SMLS27	0.98	6.0	to	8.2	739005.4	729636.9
22	SM23	SMLS29	0.46	2.5	to	3.2	738467.1	729716.6
23	SM24	SMLS30	0.85	3.0	to	3.8	738756.2	729755.1
24	SM25	SMLS31	0.79	2.5	to	3.2	738975.0	729781.9
25	SM26	SMLS32	0.31	2.5	to	3.2	738618.3	729918.4
26	SM27	SMLS33	0.56	10.0	to	12.5	739288.5	728973.3
27	SM28	SMLS34	0.72	1.5	to	2.0	739348.5	729125.0
28	SM29	SMLS35	1.02	11.0	to	13.5	739362.6	729260.9
29	SM30	SMLS37	0.62	10.0	to	12.5	739182.2	729461.7
30	SM31	SMLS39	0.87	9.0	to	11.5	729666.5	739316.2
31	SM32	SMLS41	0.73	2.0	to	2.5	739141.3	729796.7
32	SM33	SMLS42	0.48	9.0	to	11.5	739113.5	729956.1

33	SM34	SMLS43	0.51	12.0	to	14.5	739647.5	728955.1
34	SM35	SMLS44	0.75	1.5	to	2.0	739655.4	729062.4
35	SM36	SMLS45	0.95	12.0	to	15.0	739649.8	729258.2
36	SM37	SMLS47	0.46	13.0	to	16.0	739922.3	728942.9
37	SM38	SMLS49	1.28	1.5	to	2.0	739925.5	729061.2
38	SM39	SMLS50	0.97	12.0	to	14.5	739924.3	729228.2
39	SM40	SMLS51	1.03	13.0	to	16.0	739521.5	729650.2
40	SM41	SMLS52	0.70	1.6	to	2.1	739522.8	729757.5
41	SM42	SMLS53	0.51	12.0	to	14.5	739514.3	729914.6
42	SM43	SMLS54	0.45	13.0	to	16.0	739767.4	729637.0
43	SM44	SMLS55	0.42	9.0	to	11.0	739747.9	729783.7
44	SM45	SMLS57	0.45	8.0	to	10.5	738960.1	729938.8
45	SM46	SMLS59	0.38	2.0	to	2.5	738380.2	730089.7
46	SM47	SMLS61	0.15		to		738523.7	730231.7
47	SM48	SMLS62	0.12		to		738685.4	730332.8
48	SM49	SMLS63	0.24	2.5	to	3.0	737989.9	730216.3
49	SM50	SMLS64	0.28	2.5	to	3.1	738150.2	730390.4
50	SM51	SMLS65	0.22	3.0	to	3.7	738253.8	730509.4
51	SM52	SMLS67	0.14		to		738360.2	730591.9
52	SM53	SMLS69	0.24	2.5	to	3.0	737669.0	730399.0
53	SM54	SMLS70	0.26	2.6	to	3.1	737797.8	730566.6
54	SM55	SMLS71	0.23	3.0	to	3.7	737926.5	730695.5
55	SM56	SMLS72	0.13		to		738047.7	730805.6
56	SM57	SMLS73	0.10		to		738078.1	730888.7
57	SM58	SMLS74	0.29	2.7	to	3.3	737377.1	730690.1
58	SM59	SMLS75	0.25	2.6	to	3.1	737507.6	730823.3
59	SM60	SMLS77	0.27	3.2	to	3.9	737642.7	730959.9
60	SM61	SMLS79	0.16		to		737773.2	731067.7
61	SM62	SMLS81	0.11		to		737849.2	731138.7
62	SM63	SMLS82	0.28	2.6	to	3.1	737131.6	731061.6
63	SM64	SMLS83	0.33	2.5	to	3.0	737256.2	731118.6
64	SM65	SMLS84	0.36	2.7	to	3.3	737406.1	731231.9
65	SM66	SMLS85	0.24	2.9	to	3.5	737534.5	731292.2
66	SM67	SMLS87	0.15		to		737624.5	731310.3
67	SM68	SMLS89	0.22	3.0	to	3.6	736955.2	731365.6

68	SM69	SMLS90	0.35	2.5	to	3.0	737083.5	731460.0
69	SM70	SMLS91	0.27	3.0	to	3.6	737188.1	731570.1
70	SM71	SMLS92	0.09		to		737268.6	731630.1
71	SM72	SMLS93	0.24	2.5	to	3.0	736798.0	731721.1
72	SM73	SMLS94	0.37	2.5	to	3.1	736927.5	731850.0
73	SM74	SMLS95	0.07		to		737047.8	731952.3
74	SM75	SMLS97	0.19		to		736413.3	731656.4
75	SM76	SMLS99	0.16		to		736485.0	731835.3
76	SM77	SMLS101	0.33	2.5	to	3.0	736559.5	732019.6
77	SM78	SMLS102	0.20		to		736112.0	732178.6
78	SM79	SMLS103	0.22	2.5	to	3.0	736005.2	731735.5
79	SM80	SMLS104	0.41	4.4	to	5.0	736095.3	731912.4
80	SM81	SMLS105	0.24	2.5	to	3.0	736176.3	732093.2
81	SM82	SMLS107	0.26	3.3	to	4.1	736294.2	732264.1
82	SM83	SMLS109	0.17		to		736354.8	732355.3
83	SM84	SMLS110	0.20		to		735603.9	732099.7
84	SM85	SMLS111	0.25	2.5	to	2.9	735696.5	732179.3
85	SM86	SMLS112	0.58	3.0	to	3.6	735841.7	732294.8
86	SM87	SMLS113	0.37	4.5	to	5.6	736001.6	732399.2
87	SM88	SMLS114	0.18		to		735293.7	732399.3
88	SM89	SMLS115	0.27	2.5	to	3.0	735372.2	732457.2
89	SM90	SMLS117	0.26	2.5	to	3.0	735513.2	732533.7
90	SM91	SMLS119	0.39	2.8	to	3.4	735736.1	732631.5
91	SM92	SMLS121	0.36	2.9	to	3.5	735346.0	732803.5
92	SM93	SMLS122	0.47	2.5	to	3.0	735549.3	732923.2
93	SM94	SMLS123	0.20		to		735702.2	733002.1
94	SM95	SMLS124	0.32	2.7	to	3.2	735283.5	733185.4
95	SM96	SMLS125	0.38	3.1	to	3.7	735440.6	733379.3
96	SM97	SMLS127	0.22	3.5	to	4.2	735573.0	733498.2
97	SM98	SMLS129	0.42	5.0	to	5.9	734885.6	733237.8
98	SM99	SMLS130	0.33	2.6	to	3.1	734983.8	733405.7
99	SM100	SMLS131	0.25	3.2	to	3.9	735105.3	733619.7
100	SM101	SMLS132	0.22	3.8	to	4.6	735216.6	733784.0

5B: Analysis Results of Control Samples

1. Comparison of Reference Standards

	Reference Standard		Assayed ALS		Relative Error
№	ID	Au(ppm)	Lab ID	Au(ppm)	(%)
1	GSD SE32	0.46	SMLS028	0.45	-0.55
2	GSD SE32	0.46	SMLS058	0.47	0.54
3	GSD SE32	0.46	SMLS088	0.48	1.06
4	GSD SE32	0.46	SMLS118	0.47	0.54
5	GSD SE32	0.46	SMLS148	0.46	0.00
6	GSD SG35	0.74	SMLS018	0.75	0.34
7	GSD SG35	0.74	SMLS048	0.73	-0.34
8	GSD SG35	0.74	SMLS078	0.74	0.00
9	GSD SG35	0.74	SMLS108	0.76	0.67
10	GSD SG35	0.74	SMLS138	0.71	-1.03
11	GSD SG35	0.74	SMLS168	0.74	0.00
12	GSD SH37	1.16	SMLS008	1.13	-0.66
13	GSD SH37	1.16	SMLS038	1.16	0.00
14	GSD SH37	1.16	SMLS068	1.17	0.21
15	GSD SH37	1.16	SMLS098	1.14	-0.43
16	GSD SH37	1.16	SMLS128	1.16	0.00
17	GSD SH37	1.16	SMLS158	1.18	0.43

2. Comparison of Blank Samples

№	Blank	Lab ID	Au(ppm)
1	Blank	SMLS020	<0.01
2	Blank	SMLS040	<0.01
3	Blank	SMLS060	<0.01
4	Blank	SMLS080	<0.01
5	Blank	SMLS100	<0.01
6	Blank	SMLS120	<0.01
7	Blank	SMLS140	<0.01
8	Blank	SMLS160	<0.01

3. Comparison of Duplicate Sample Assaying Results

	Assay		Duplicate Assay		Relative Error
№	Lab ID	Au(ppm)	Lab ID	Au(ppm)	(%)
1	SMLS005	0.58	SMLS006	0.55	-1.33
2	SMLS015	0.65	SMLS016	0.67	0.76

3	SMLS025	0.78	SMLS026	0.81	0.94
4	SMLS035	1.02	SMLS036	0.98	-1.00
5	SMLS045	0.95	SMLS046	0.56	-12.91
6	SMLS055	0.42	SMLS056	0.44	1.16
7	SMLS065	0.22	SMLS066	0.21	-1.16
8	SMLS075	0.25	SMLS076	0.26	0.98
9	SMLS085	0.24	SMLS086	0.26	2.00
10	SMLS095	0.07	SMLS096	0.07	0.00
11	SMLS105	0.24	SMLS106	0.25	1.02
12	SMLS115	0.27	SMLS116	0.27	0.00
13	SMLS125	0.38	SMLS126	0.4	1.28
14	SMLS135	<0.01	SMLS136	<0.01	0.00
15	SMLS145	<0.01	SMLS146	<0.01	0.00
16	SMLS155	0.28	SMLS156	0.27	-0.91
17	SMLS165	<0.01	SMLS166	<0.01	0.00

4. Comparison of ALS Lab and GSD Lab Assaying Results

	ALS Lab		GSD Lab		Relative Error
№	Lab ID	Au(ppm)	Lab ID	Au(ppm)	(%)
1	SMLS011	0.66	SMGS001	0.39	-12.86
2	SMLS033	0.56	SMGS002	0.53	-1.38
3	SMLS045	0.95	SMGS003	0.98	0.78
4	SMLS084	0.36	SMGS004	0.38	1.35
5	GSD SH37	1.16	SMGS005	1.14	-0.43
6	SMLS112	0.58	SMGS006	0.61	1.26
7	SMLS003	0.88	SMGS007	1.52	13.33
8	SMLS131	0.25	SMGS008	0.33	6.9
9	SMLS085	0.24	SMGS009	0.25	1.02
10	Blank	<0.01	SMGS010	<0.01	0.00
11	SMLS139	2.11	SMGS011	2.03	-0.97
12	SMLS151	0.70	SMGS012	0.67	-1.09
13	SMLS145	<0.01	SMGS013	<0.01	0.00
14	SMLS159	0.66	SMGS014	0.69	1.11
15	SMLS167	0.16	SMGS015	0.15	-1.61
16	SMLS172	0.72	SMGS016	0.77	1.68

5C: Analysis Results of Verification Samples

1. Comparison of Duplicate Field Sample Assaying Results

№	Assay		Duplicate Assay		Relative Error
	Lab ID	Au(ppm)	Lab ID	Au(ppm)	(%)
1	SMLS027	0.98	SMDS001	1.15	3.99
2	SMLS055	0.42	SMDS002	0.36	-3.85
3	SMLS085	0.24	SMDS003	0.18	-7.14
4	SMLS114	0.18	SMDS004	0.26	9.52

2. Comparison of Twinned Pitting Sample Assaying Results

№	Assay		Duplicate Assay		Relative Error
	Lab ID	Au(ppm)	Lab ID	Au(ppm)	(%)
1	SMLS022	0.91	SMCS001	0.75	-4.82
2	SMLS035	1.02	SMCS002	1.35	6.96
3	SMLS075	0.25	SMCS003	0.38	10.32
4	SMLS090	0.35	SMCS004	0.22	-11.40
5	SMLS112	0.58	SMCS005	0.39	-9.79

3. Comparison of Infilled Pitting Sample Assaying Results

In accordance with location of sampling points as well as the gravel grade and gravel thickness in two adjacent points, estimated the sampling points' value of gravel grade and gravel thickness is made by inverse proportion to square of distance, as the below Estimated fields. Then, Relative Error(%) is got by their comparison with the grade and thickness(length) obtained by actual sampling and estimated.

No	Lab ID	Estimated		N	E	Assay			
		Grade (g/t)	Length (m)			Grade (g/t)	Relative Error(%)	Length (m)	Relative Error(%)
1	SMIS01	1.62	0.50	739162.5	728682.8	2.23	7.92	0.65	6.52
2	SMIS02	1.27	0.50	739025.1	728770.7	0.97	-6.70	0.59	4.13
3	SMIS03	0.84	1.57	738971.9	729035.4	1.24	9.62	1.65	1.24
4	SMIS04	0.78	1.01	738926.3	729105.9	0.43	-14.50	1.10	2.13
5	SMIS05	0.73	0.99	738846.5	729235.8	0.64	-3.28	0.46	-18.28
6	SMIS06	0.72	1.53	738803.8	729310.3	0.87	4.72	1.33	-3.50
7	SMIS07	0.67	1.62	738725.8	729457.4	0.29	-19.80	1.11	-9.34
8	SMIS08	0.62	1.21	738670.7	729536.7	0.54	-3.45	1.05	-3.54
9	SMIS09	0.25	0.50	737708.6	730458.3	0.17	-9.52	0.73	9.35
10	SMIS10	0.25	0.50	737748.5	730517.7	0.35	8.33	0.67	7.26
11	SMIS11	0.25	0.56	737831.6	730608.2	0.34	7.63	0.83	9.71

12	SMIS12	0.24	0.63	737878.9	730657.7	0.20	-4.55	0.45	-8.33
13	SMIS13	0.28	0.50	737417.8	730916.5	0.31	2.54	0.65	6.52
14	SMIS14	0.30	0.50	737331.7	731018.4	0.32	1.61	0.20	-21.43
15	SMIS15	0.34	0.50	737171.5	731297.4	0.50	9.52	0.59	4.13
16	SMIS16	0.36	0.54	735970.3	731996.2	0.25	-9.02	0.29	-15.06
17	SMIS17	0.30	0.46	735822.4	732093.5	0.28	-1.72	0.25	-14.79
18	SMIS18	0.26	0.43	735584.6	732277.6	0.28	1.85	0.19	-19.35
19	SMIS19	0.26	0.47	735483.3	732364.5	0.19	-7.78	0.66	8.41
20	SMIS20	0.34	0.53	735341.6	733242.3	0.33	-0.75	0.41	-6.38
21	SMIS21	0.36	0.57	735379.1	733317.8	0.53	9.55	0.77	7.46
22	SMIS22	0.30	0.65	735504.7	733445.9	0.13	-19.80	0.93	8.86

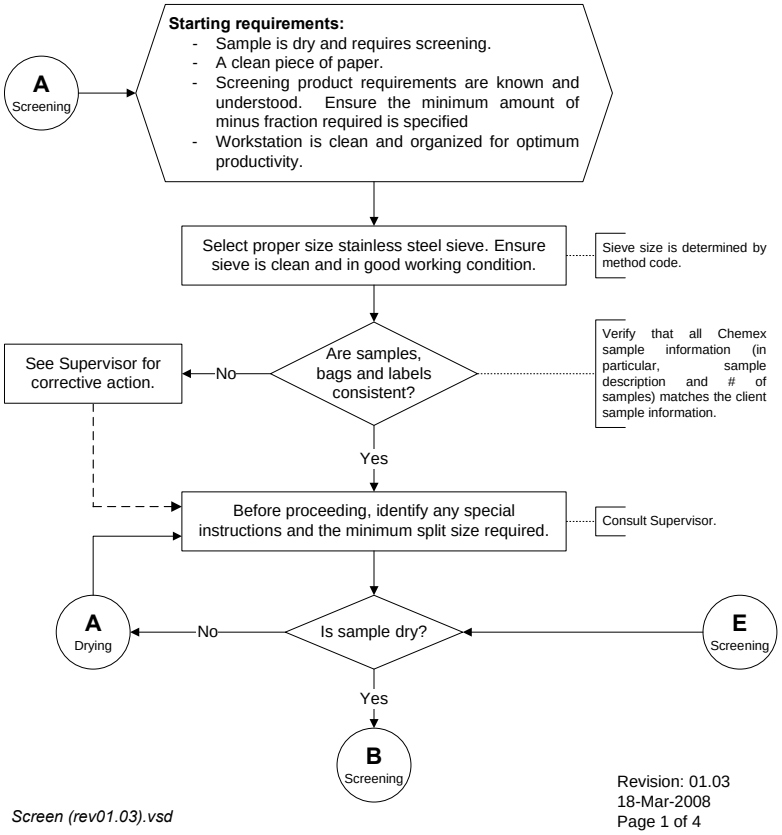
Appendix 6: Basic Analysis Procedure of ALS

ALS CHEMEX
Sample Preparation Procedures - Screening of Soil/Sediment/Till

SCREENING STANDARD OPERATING PROCE DURE

Scope:	Standard operating procedure for all screening activities for field soil/ sediment/till samples.
Health & Safety:	Safety goggles, dust masks, ear plugs and gloves must be worn during the screening process.
Special Equipment:	Wooden or rubber mallet. (**Note:** Do not use steel.)
References:	Sample Preparation Procedures - Drying.
Required Documents:	Workstation Log with "Date" and "Operator", "Work numbers", "Client Codes" of Samples prepared, and bags with labels.

Procedure:



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Appendix 7: Environmental Policy

Soon Mining will operate its open-pit gold mine and mineral processing plant in a responsible manner that is aligned with the evolving priorities of our stakeholders. Our actions will reflect the broad spectrum of values that we share with our stakeholders and will promote our ongoing efforts to protect our employees, stakeholders, customers and the natural environment.

Soon Mining's commitment to best-practice environmental stewardship will be achieved by the following actions:

- Incorporate environmental controls for the prevention of pollution and use best management practices in all project stages from project design through to operations and closure.
- Regularly assess environmental conditions through all project stages, from project design through mine closure, thereby identifying all issues of environmental concern and establishing objectives and strategies for their management.
- Establish credible monitoring and verification programs to measure environmental effects and ensure compliance with legal requirements and with our environmental policy, and communicate the results in an effective manner.
- Implement management systems to ensure that there is a continuous improvement in environmental performance.
- Provide for the effective involvement of communities in decisions that affect them by: treating them as equals; respecting their cultures, customs and values; and considering their needs, concerns and aspirations in making our decisions.

Provide training and resources to develop employees and build competencies related to their environmental and social responsibilities so ensuring that all employees are equipped to accept responsibility for the environment in which we operate.

Appendix 8: JORC 2012 Table 1 Check List Comments

Section 1 Sampling Techniques and Data	
Criteria	**Explanation**
Sampling techniques	Pitting was conducted downwards vertically by a dimension size of 1m x1m with samples being collected from depths 1.5m to 16m according to the occurrences of the placer golds. All materials in the layer for sampling were collected with depths of From and To being recorded clearly. Representative samples were collected via coning and quartering at the site lab, with half of it being logged and stored safely, the other half sent for analysis. No crushing or grinding were conducted for the assay samples to keep its representativeness for gravity dressing of the gold placers. The assay lab was being asked to conduct the analyses in a way of dealing with gold placers (as detailed in this section 1 Quality of assay data and laboratory tests)
Drilling techniques	As appropriate for site works, manual downward vertical pitting was conducted rather than percussion drilling. The dimensions were kept the same (1m x 1m) for the total pitting depth of 16m. Plumbs and laser zenith meter (PLS3) were used for the calibration and orientation of the pit.
Drill sample recovery	The recoveries of pitting sampling were recorded in the logging of 133 pits, which were detailed in the report. Sample recovery was maximized through pitting technologies, with almost all the materials being collected thanked to the openness of the pits. All samples are in dry status in sampling process.
Logging	133 pits has been geotechnically and geologically logged (lithology, mineralization, alternation, density), in addition to logging of surrounding soils. Pitting samples logging is to a level of quality required for this level of exploration and resource calculation. Pitting samples has been qualitatively logged to a pre-determined standard Excel table template. It has been photographed with labels. All 133 pitting samples and soils above and surrounding have been completely logged from top to bottom of pit including all intersections.
Sub-sampling techniques and sample preparation	Half of the pitting samples collected via coning and quartering were to be sent for analysis. Sample preparation was conducted at the site lab in line with the requirements of ALS Chemex laboratory. According to the beneficiation technology of gravity dressing, no crushing or grinding was necessary for the ALS lab during the gold placer analyses. A total of 42 control samples (including 17 duplicates, 17 CRMs and 8 Blocks) were inserted into a total of 133 basic assay samples. 3 Au (Certified Reference Material) standards were used in the 133 sampling program, all fall within ±2SD. No assays of blanks returned more than 0.01ppm. Almost 100% of duplicates returned results within +10% and -10% of the originals. Further details are within the report.
Quality of assay data and laboratory tests	The analytical procedures used (ALS Chemex) are adequate. Placer gold must be selected proper size stainless sieve. Big size gravel would not be analyzed, while its weight would still be contained in the result of the assays (see Appendix 6). No geophysical tools were used. Adequate field and internal quality procedures have been used. Methods AAS ALS Chmex are SANAS accredited. The external laboratory checks (GSD) have been undertaken. At the GSD laboratory, conventional methods similar to those employed by ALS were used.
Verification of sampling	The Competent Person had verified 4 samples during the site visit with errors falling in the scope of ±10%. 5 coupled pits were opened at designated positions within 5-10m to the

and assaying	original pits, which had shown similar characteristics with the latter with assay results deviations falling in the scope of ±12%. All field data was put into digital format by entering into an Excel spreadsheet by the staffs of the site lab. GSD was the contractor of the field data. No adjustments were made to raw assay data.
Location of data points	The pits were located by field geologists via hand-held GPS, while the verification was conducted by the site lab to ensure its survey precisions. Correct coordinates in the database of the report were confirmed. All GPS are based on the WGS 84 datum. For modeling purposes a topographic layer, the area is relatively flat and any major error would not be significant to the final resource model.
Data spacing and distribution	One placer sample was collected from each pit. This is appropriate for alluvial resource estimation as all samples are composited for resource estimation. The coefficient of variation in the Statistical Analysis had confirmed the geological and grade continuities. At this level of mineral resource estimation data spacing is sufficient for the classification applied and reflects pit spacing. In this case of placer resources, no sample composite was employed.
Orientation of data in relation to geological structure	With sampling conducted in vertically downward pitting, no issues of bearing were raised concerning the sampling bias.
Sample security	Samples were kept in a secure compound until delivery to the laboratory. Only trusted contracted company employees were involved in the sampling process. The Senior on-site geologist overviewed sample security.
Audits or reviews	Mr. Kwabena Atta Mensah, professional geologist, the Competent Person, travelled to the Kwahu Praso site, Ghana (Sep 2013) and observed the site lab and field staffs' logging, sampling process, sample security and reviewed internal and external QA/QC results. He also collected 4 duplicates and conducted 5 coupled pits which had all given quite correlated results.

Section 2 Reporting of Exploration Results	
Criteria	**Explanation**
Mineral tenement and land tenure status	Confirmatory information has been provided by Soon to KCT detailing current (2011- 2015) tenement extents, expiry dates, current reference numbers. No verification by KCT has been made regarding location and expiry. No information or details on agreements and partnerships of the Kwahu Praso project area has been provided to KCT.
Exploration done by other parties	The airborne magnetic and radiometric geophysical survey carried out by Aerodat Inc.
Geology	Ashanti Gold Belt is dominated by volcanic belt trending northeast-southwest. The Kwahu Praso deposit is found along the northeastern margin of the Ashanti Belt. A large portion of the license area is under Tarkwaian sediments and post-Birimian rocks. These deposits host gold in the form of nuggets, flakes, and grains within the gravel layer.
Drill hole Information	133 pits information is included in table format within the report detailing pits, meters and samples taken.

Data aggregation methods	A lower cut-off grade of 0.2 g/t has been used in presenting the mineralized intervals. The highest gold sample value was at 1.86 g/t, which was considered not an outlier and therefore no cap grade cutting was conducted. As in this case of placer resources, no sample composite was necessary, as well as no metal equivalents were calculated.
Relationship between mineralization widths and intercept lengths	The gold mineralization is mainly hosted in contact zone. The estimated cut-off grade of 0.2 g/t Au was used to construct the solid body modelling. All electronic data has been imported into Surpac v6.5 for validation against the pit database and topography wireframes. The extrapolation distance was abandoned where no pit could be referenced. Thus, the mineralized body intersected by sample engineering is approximately 7 km long by 200-600 m wide and average thickness is 1.01m. Further details are within the report.
Diagrams	A grade model was used to calculate the resource. 3D image of the modeled high grade zones (>0.2 g/t Au) is present within drill holes. A section and plan of the grade zones is within the report.
Balanced reporting	Reporting was fully representative of the data provided at this stage
Other substantive exploration data	There were geological observations conducted by KCT in the report, as well as analyses of geophysical exploration anomalies of Mr. Abukari. Soil samples were collected by KCT. KCT had also evaluated the groundwater, geology and lithology. The metallurgically tested recovery is 88%, with bulk density at 2.36 t/m^3. As for the gravity dressing of the placers, no potential hazardous or pollutant materials had been identified. See the texts of the report for detailed description.
Further work	The initial minery should be started from the high grade sections. For next step exploration works, the report had defined target areas, with staged works being scheduled in Chapter 14.

Section 3 Estimation and Reporting of Mineral Resources	
Criteria	**Explanation**
Database integrity	Data was received in electronic format. Data checks were implements during uploading of electronic data into Surpac v6.5 software and at various stages of resource estimation to ensure no duplicate samples and omission occurred. The collected data which included sample number, depth of pit, grade and sample length have been imported into Surpac. Logical errors will be checked by software first before the manual check.
Site visits	Mr. Kwabena Atta Mensah, professional geologist, Competent Person, travelled to the Kwahu Praso site, Ghana (Sep 2013) to observe pitting and sampling procedures, sample security and general site operations and collect check samples. Competent person did not find other extra work which was implemented but only some extra verification pits pitted during Oct 2014 to Jan 2015(as stated in 6.3.3 of this report) in their last visit of mining area in March 2015.
Geological Interpretation	The district hosts three general categories of placer deposits. These deposits are characteristic of the larger drainage channels and consist of well sorted, rounded, tightly packed quartz gravels of various thicknesses overlain by various amounts of clay, silt, or sandy overburdens. The grain size in the gravels increases with depth and there is usually a marked concentration of gold at the base. The gold bearing gravels directly overlie weathered and clay rich bedrock and in turn are overlain by a layer of fine grained silt and clay (overburden). Infilled pitting sampling had confirmed the continuity of the grade. The modeling of the placer deposit was based on the interpretation of the data and the appendices. The data used in resource estimate of the report of Kwahu Praso is from pitting (2011-2014)

	with some geologic interpretations drawn from previous surveys. An assessment was made by geochemical signature. Location and geological setting support the deposit model. The topography is the major influencing factor for the deposits of the alluvial sediments and the grade continuity. No major offset has been recognized in the geology.
Dimensions	The mineralized body intersected by sample engineering is approximately 7 km long by 200-600 m wide and average thickness is 1.01m.
Estimation and modeling techniques	All resource modelling used Surpac v6.5 software. The Mineral Resource Estimate presented herein has considered the appropriate cut-off grade and applied Ordinary Kriging ("OK") method to estimate all resource blocks, and used Inverse Distance Weighted ("IDW") squares method to validate the estimate. Model parameter specifics are detailed within th report. No economically valued by-products were identified. No hazardous elements or non-grade variables were identified. No assessment of selective mining units was made for this Resource Estimate. The resource estimate is based on modelled grade. No individual high grade caps were implemented of the data. Visual validation of pit grade intercept to modelled block grade was made in section and plan view and in relation to gravel layers. Swath plots were used to validate resource estimation using "OK" and "IDW" to compare grade modelling in vertical section and plan against average grade. Further details are within the report.
Moisture	Tonnage calculation was conducted as per the bulk density of consisting of dry gravel mineralization samples. Each sample was oven-dried at 105°C for 24 hours.
Cut-off parameters	KCT has used the estimated total cost of the first year, then deducting the estimated percentage and comparing the result to the average international gold price from the past year to calculate the cut-off grade of the area. Therefore, KCT made an opinion that it is acceptable to use 0.20 g/t as the basis for estimating all the areas. During the process, the expansion coefficient and bulk density have been taken into account in order to obtain the overall operating cost per tonne.
Mining factors or assumptions	It is proposed that Kwahu Praso concession be exploited by trip mining. This method has been successfully employed elsewhere in Ghana and in other areas of West Africa. For the open pit mining, the gold recovery is estimated at 88%, and the mining recovery is assumed at 98% and the mining dilution is 8%. In selecting the mining method, the following essential parameters were taken into consideration: • The mining method should be technically and economically feasible; • The mining method should maintain a high standard of safety for the workers and local residents; and • The mining should have minimal impact on the environment.
Metallurgical factors or assumptions	Gravity but not Carbon-in Leach ("CIL") processing may be necessary for placer gold, so only the gravity test was carried out. This was determined in light of the metallogenic factors of the local alluvial placers as well as the gravity dressing methods being commonly utilized in adjacent placer mining activities. Based on the test results and comparing with test results carried out on gravels of similar

	characteristics in other Ghanaian mines, KCT considers 88% to be the optimum recovery rate.
Environmental factors or assumptions	The company has started EIA since June, 2014. The report was submitted to EPA. Currently, it is in negotiations with the EPA and the representatives of the local villages. The potential environmental impacts of mining waste and process residue include particles (dusts) in air, sands containing sewage, tailings and stripped surface soil. Conceived treatment methods include: • The Company will implement standard procedures for the control of fugitive dust such as regular spraying of roads, speed limits for vehicles, and in-plant dust suppression equipment; • The plant requires two stages of sediment basins and a large-scale sewage filtering and disposal system. After treatment the processing water can be recycling and reused in mineral processing; • The stockpiled tailings may be recycled for road or other construction uses. However, care must be taken when choosing the location for the tailings stockpile that it not interfere with nearby residents, where possible; and • All sampling and mining excavations must be backfilled.
Bulk density	Specific gravity ("SG") determinations using a water displacement method were conducted by the on-site lab, including a total of 126 samples from 100 pits at Osuben, 26 samples from 20 pits at other six areas, consisting of dry gravel mineralization samples. Average bulk density for gravel is 2.36 t/m^3 at Osuben and 2.38 t/m^3 at other six areas.
Classification	Mineral resource classification should consider the confidence in the geological continuity of the mineralized structures, and the quality and quantity of exploration data supporting the estimates and the geostatistical confidence in the tonnage and grade estimates. The sample locations and the assay data are sufficiently reliable to support resource evaluation. Generally, for mineralization exhibiting good geological continuity investigated at an adequate spacing with reliable sampling information accurately located, blocks estimated based on the variogram range can be classified as Indicated Resources.
Audits or reviews	According to Au grade, the mineral resource estimate using "IDW" squares method and "OK" interpolation, the differences were 0.01g/t and 2,409 oz of grade and resources respectively, which were all within the error scope of ±2%. The resource estimation was completed by Mr. Kwabena Atta Mensah, Competent Person, and reviewed by Dr. Emmanuel Kwesi Brabtoh including data, method and results of the estimation.
Discussion of relative accuracy/ confidence	The resource estimate for the Kwahu Praso project is accurate to the level of data received and using methods of acceptable of geostatistical (resource) estimation. The accuracy and levels of confidence are deemed appropriate by the Competent Person listed on the report. All model parameters are included within the report. All assumptions are based on local estimates. As no production data were available at present, no comparison has been undertaken with production data.

9 SOLICITOR'S TENEMENT REPORT

ANKU.ANKU AT-LAW
LEGAL PRACTITIONERS AND
INTELLECTUAL PROPERTY CONSULTANTS
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Solicitor's Report

GHANA TENEMENTS

1. SOLICITOR'S REPORT ON GHANAIAN TENEMENTS

1.1. *Introduction, Scope and Purpose of Report*

This report is prepared for inclusion in a prospectus to be issued by Soon Mining Limited in relation to its initial public offering for subscription of up to 25,000,000 fully paid ordinary shares at $0.20 each to raise up to A$5 million (**Prospectus**).

The report relates to the granted Kwahu Praso Area Mining Lease and Prospecting License in Ghana identified in **section 1.3** of this report (**Tenements**).

We act on the instructions of Soon Mining Limited ACN 603 637 083, a company duly incorporated in Australia, and have been requested to provide opinion on relevant laws as pertain to the tenements held by Soon Mining Company Limited, a company duly incorporated in Ghana (**SMC**), and the conditions attached to same that may impact on the mining or transfer thereof. We have also been requested to review relevant licenses while presenting a summary of material contracts and risks or risk factors specific to mining operations within the concession area.

An overview of the Tenements is contained in Schedule 1, which is attached and together, with the notes to Schedule 1 form part of this report.

1.2 *Searches.*

We have conducted the following searches:

- court searches:
  a. dated 6th February 2015 of High Court, Koforidua, Eastern Region;
  b. dated 24th February 2015 of High Court, (Lands Division) Accra;
  c. dated 25 February 2015 of High Court (Commercial Division), Accra; and
- a search report of the Minerals Commission dated 2nd March 2015.

1.3 *Laws and documents reviewed and enquiries made.*

In the process of preparing this report we have reviewed copies of the following documents:

(a) a copy of the Mining Lease Agreement dated 12th July 2013 between the Government of Ghana and SMC (**Mining Lease** or **Lease**);

(b) a copy of Prospecting License Agreement dated 20th March 2013 between SMC and Ministry of Lands and Natural Resources and the renewal letter dated 29th April 2014 (**Prospecting License**);
(c) a letter dated 21st November 2010 from the Minerals Commission, Ghana to SMC informing it of the Commission's recommendation to the Ministry of Lands and Natural Resources for the grant of a Reconnaissance License to SMC in respect of Kwahu Praso Area, Eastern Region;
(d) Ministry of Lands and Natural Resources Reconnaissance license, land register number LVD 5221/2011; Deed number EA10059 registered in the name of SMC dated 30th March 2011 in respect of Kwahu Praso Area, Eastern Region of Ghana;
(e) a letter dated 23rd March 2012 from the Lands Registry Division, Koforidua, Eastern Region of Ghana to SMC informing it of the return of Prospecting License granted by the Republic of Ghana acting by the Minister of Lands and Natural Resources to SMC registered in that office as Deed number EA12473 and serial number 483/2012 in respect of Kwahu Praso Area, Eastern Region of Ghana;
(f) Prospecting License for 85.98 km^2 registered in the name of SMC in that office as LVD 5635/2012; RE800/2012;
(g) a letter dated 7th May 2013 from the Mineral Commission, Ghana to SMC informing it of the Commission's recommendation to Minister of Lands and Natural Resources for the grant of a Mineral Lease to SMC in respect of Kwahu Praso Area, Eastern Region of Ghana;
(h) a letter dated 7th May 2013 from the Minerals Commission to SMC informing it of the payment to the Administrator of Stool Lands the appropriate ground rent for the Lease;
(i) Mining Lease registered in the name of SMC as 49/2013; LVD 14205/2013 in respect of Kwahu Praso Area, (63.0 km^2 out of the total 85.98 km^2 prospecting area granted SMC), Eastern Region of Ghana.
(j) we have received written confirmation from the Minerals Commission that it recommended the grant of a mining lease of 63.0 km^2 (out of the 85.98 km^2 total prospecting area granted to SMC) and same has since been granted to SMC expiring on 11th day of July 2027 for a term of 14 years subject to renewal;
(k) a letter dated 29th April 2014 from the Minerals Commission extending the validity period for the Prospecting License for the remaining 19.74 km^2 granted SMC;
(l) the receipts listed in Schedule 2 hereof for reconnaissance, prospecting, mining and other fees in respect of the Tenements.

(The above documents are collectively referred to in this report as "**the Documents**")

This report is limited to the Laws of Ghana of general application at the date of the opinion and it is given on the basis that it be governed by and construed in accordance with, the laws of Ghana. We have made no investigation of and likewise do not express or imply any views on, the laws of any other country of jurisdiction other than those in Ghana.

We conducted physical due diligence on the Tenements to assess actual and potential risk(s).

1.3 *Assumptions*

For the purposes of this opinion, we have made the following assumptions:

(a) we have made all appropriate searches of the relevant registries including the Minerals Commission, the various courts listed in Section 1.2 hereof, the Registrar General's Department and inspected all relevant documents. We have however, not examined any records of any governmental authorisations or orders, certificates of public officials or of representatives of the parties or any other documents not stated above making our opinion a qualified one in that regard.
(b) all signatures on documents submitted to us and obtained by us are genuine, all documents submitted to us and obtained by us as copies conform to authentic original documents; and
(c) all agreements executed by SMC with all parties with regard to the various licenses are duly authorised.

1.4 *Qualifications*

(a) The obligations of the parties to any contractual document to which SMC is a party may not necessarily be enforceable or and/or enforced by the courts in all circumstances in accordance with its terms and/or additional terms may be imposed by the courts.
(b) We have not investigated and, except as expressly stated in this report, make no comment in relation to SMC in connection with accounting or financial matters, intellectual property and IT matters and company secretarial or administrative matters.
(c) We have at all times in the course of the investigations relied on the materials provided by SMC and from our searches and enquiries detailed in Section 1.3(a) above.

1.5 *Summary of results*

Based on the review of documents examined, the oral confirmations received from the Mineral Commission and subject to the qualifications set out herein, we confirm that at the date of the opinion hereof:

(a) the Kwahu Praso Area Mining Lease and Prospecting License are registered at the Minerals Commission in the name of SMC and that SMC is able to exercise its rights thereunder freely without reference to any other party. Schedule 1 to this report sets out the details of the Kwahu Praso Area Mining Lease and Prospecting License including the terms, expenditure, obligations, rent, area and other associated matters which are the subject of this report;
(b) Kwahu Praso Area Mining Lease and Prospecting License are in good standing and have no current or pending threat of revocation or cancellation;
(c) The prospecting license which covers an area of 19.74 km^2 was last extended on 29th April, 2014 and will expire on 28th April, 2015. SMC has advised that it intends to apply for a renewal of the Prospecting License;

(d) the Kwahu Praso Area, in respect of which, and upon the recommendations of the Minerals Commission to the Minister of Lands in accordance with the Minerals and Mining Act, (Act703) the Minister granted to SMC mining rights to all that piece of land (85.98 km^2 in total) out of which a lease has been issued for 63.0 km^2 for a term of 14 years from July 2013 and subject to renewal; and the remaining 19.74 km^2 is under a prospecting license;

(e) SMC has paid, within the time limited for so doing, all the fees required to be paid by it for the grant of the Mining Lease and Prospecting License in respect of this area. The Minerals Commission has told us that SMC is in material compliance of its obligations under the Mining Lease and Prospecting License under applicable law and that no circumstances currently exist that would prevent the execution of mining activities;

(f) The Minister responsible for mines has the exclusive authority, on the recommendation of the Minerals Commission, to grant mineral rights pursuant to the provisions of the Minerals and Mining Act, 2006 (Act703). The holder of the Tenements, SMC, is entitled to enter the land in respect of which the mineral right has been granted, subject to the payment of compensation where applicable to the land owner or occupier and as agreed with SMC and the land owner or occupier or as determined by the Minister responsible for Lands and Mineral Resources;

(g) The process of compensation is active and the Environmental Protection Agency whose mandate it is to compile a Social Responsibility Report is yet to present its report;

(h) Having executed and been issued with Mining Lease and Prospecting License in respect of Kwahu Praso Area, SMC will have the exclusive right to conduct the activities permitted by those Tenements and to exercise all rights as the holder and beneficial owner of the Tenements subject to the rights granted under the Agreement;

(i) Per the relevant searches conducted as of the date of this report, there is no actual or pending material dispute on any of the Tenements, which may result in the cancellation or suspension of the Tenements;

(j) Subject to obtaining the consent of the Minister for Mines therefor, any Agreement in respect of SMC (Ghana)'s rights to use and having acquired the Tenements is valid and legally binding under the laws of Ghana and does not breach any terms or conditions of Tenements; and

(k) In the event that a party acquires title to the Tenements pursuant to an Agreement with SMC, said party's title to the Tenements will not be affected by any change. However in some cases the approval of the Minister for Lands would be acquired for such a change.

2. *Review of the tenements*

2.1 The Prospecting License

SMC previously held a Prospecting License for the whole of the Kwahu Praso Area (85.98 km^2). SMC applied for a portion of the land covered by the Prospecting License into a Mining Lease (as discussed below). SMC currently holds 19.74 km^2 under it the Prospecting License, which will expire on 28 April 2015. SMC has advised that it intends to apply for a renewal of the Prospecting License.

In accordance with the Minerals and Mining Act, 2006 **(Act 703)**, a holder of a reconnaissance license or a prospecting license may, prior to the expiration of the license, apply in the prescribed form for one or more mining leases in respect of all or any of the minerals the subject of the license. The Minister on the recommendation of the Commission shall, within sixty days of receipt of the application and subject to all obligations having been satisfied, grant the applicant a mining lease on conditions specify in the lease, such term shall be renewable from time to time.

2.2 Terms of the Prospecting License

The Prospecting License for Soon Mining Company Limited was for an initial period of 2 years and subsequently upon expiry it shall be extended for another one year by the Minerals Commission and thereafter any application for a renewal of the entire License has to be made to the Ministry of Lands.

2.3 The Mining Lease

SMC has applied for a total of 63.0 km^2 area at Kwahu Praso in the Eastern Region for mining and has been granted Mining Lease in respect of Kwahu Praso Area. The Minerals Commission has in accordance with the Minerals and Mining Act, 2006 favourably recommended to the Minister the grant of Mining Lease and the Minister in accordance with Act 703 granted same to SMC in respect of the Kwahu Praso area of the Eastern Region of Ghana. SMC has paid, within the time limited for so doing, all the fees required to be paid by it for the grant of the mining lease in respect of this area.

The Minerals and Mining Act, 2006 (Act 703) requires the Minister to, where "a holder of a reconnaissance license or a prospecting license may, prior to the expiration of the license, apply in the prescribed form for one or more mining leases in respect of all or any of the minerals the subject of the license ….the Minister on the recommendation of the Commission shall, within sixty days of receipt of the application and subject to all obligations having been satisfied, grant the applicant a mining lease on conditions specify in the lease"

The Minerals Commission has told us that SMC is in material compliance of its obligations under the Kwahu Praso Area Mining Lease and Prospecting License and under applicable law and that no circumstances currently exist that would prevent the execution mining.

2.4 Terms of the Mining Lease

(a) Discovery of other minerals other than that of which right had been given.

Pursuant to clause 2(a) of the Mining Lease and subject to satisfactory arrangements between the Government and the Company, "the government shall grant the first option to the Company to work minerals other than gold and silver discovered in the Lease Area".

(b) Power of Government to exclude parts of the Mining Area.

The Government may by reasonable notice in writing to the Company exclude from the Lease Area, at any time from time to time, any part, which may be required for any stated public purpose whatsoever, based on some conditions.

(c) Termination

Clause 28 of the Lease allows the Government discretion to terminate it on the following grounds:

(i) failure to make any of the payments required by Act 703 on the payment date;
(ii) contravention or non-compliance by SMC with any other provisions and/or conditions of the Lease;
(iii) insolvency or entry by SMC into a composition with creditors to take advantage of any law for the benefit of debtors or go into liquidation. Whether voluntary or compulsory, except for the purposes of reconstruction or amalgamation; or
(iv) SMC knowingly submits any false statement to the Government in connection with the License.

Prior to any termination, the Government is required to give SMC notice setting out the grounds and allowing the Company 120 days to remedy the default. This is consistent with Act 703, which provides that the period to remedy in respect of the holder of a mineral right other than a mining lease must be not less than 60 days.

(d) Assets on Termination of Lease.

On termination of the Lease, SMC may within six months or subject to an extension of period by the Minister, remove the mining plant. A plant not removed within two months after notice (duly served on the Company by the Minister), of the expiration period above stated, the said plant shall vest in the Republic of Ghana after the expiry of the two months' notice.

The Lease further provides that "no delay or omission or course of dealing by the Government "...shall, inter alia, impair any of its rights to terminate or constitute a waiver."

(e) Foreign Exchange

SMC is permitted by law to, for as long as it does not derive revenue from its operations, finance its operations by:

(i) converting sufficient foreign currency to Ghana currently to meet its Ghana currency operating expenses;
(ii) purchasing or hiring equipment from abroad as necessary for the conduct of operations and "importing to and/or using in Ghana freely and without restrictions such machinery, equipment, materials and services..."

The Lease provides that rentals and fees due to the Government may be required to be paid in dollars or other freely convertible currency.

(f) Force Majeure provisions of the Lease

The Lease is not subject to cancellation or suspension if it can be established that any breach was due to force majeure. The Lease provides that force majeure includes the following events: acts of God, war, insurrection, earthquake, storm, flood or other adverse weather condition. Any events arising as a result of the failure of SMC to observe good mining industry practice or any negligence by it or any of its employees or contractors shall not constitute force majeure.

The period of the Lease required to be extended on time equal basis to take account of any period of time during which SMC is affected by an event of force majeure. SMC is required to notify the Minister within forty-eight hours of any event of force majeure affecting its ability to fulfill the conditions hereof or any events, which may endanger the natural resources of Ghana and similarly notify the government of the restoration of normal conditions within forty-eight hours of normal restoration. It is expected that this provision shall complement any other requirements contained in the Mining Regulations in force in Ghana.

2.5 Rights and obligations relating to Tenements

SMC will incur all direct expenses on the Tenements to keep good standing with the mining law of the Republic of Ghana.

SMC, its employees, agents and independent contractors, will have the right to enter the leased area, do development or other mining activity as the owner in its sole discretion may consider advisable and remove from the Tenements and sell or otherwise dispose of mineral products.

The Kwahu Praso Area Mining Lease Agreement and Prospecting License Agreement are to be interpreted and governed according to the Laws of Ghana.

3. *An overview of the legal system in Ghana as it applies to mining activities.*

3.1 Background

The laws of Ghana include the Constitution of the Republic of Ghana, 1992 (**Constitution**) which is expressed to be "the supreme law of Ghana", laws passed by Parliament, rules and regulations made by persons authorized by the constitution and the common law. The common law is made up of the rules of law known as the common law and the doctrines of equity as well as the customary law of Ghana, the latter being laws that are applicable to ethnic communities in Ghana. Customary rules and practices generally govern land ownership, family matters and husband and wife as well as Chieftaincy.

Any law that is inconsistent with the provisions of the constitution is void. The Constitution guarantees certain fundamental human rights to every person irrespective

of, among other things, his place of origin. Among the rights so guaranteed are the right to own property and the right not to be deprived of such property by the State unless the taking of such property is in the public interest and effected under a law which makes provision for the prompt payment of fair and adequate compensation.

3.2 Mining Law in Ghana

In Ghana, the ownership of land on which there are mineral deposits is separate from the ownership of minerals. All minerals in their natural state in or upon any land or water are, under Ghanaian law, the property of the Republic of Ghana and vested in the President on behalf of the people of Ghana. Any transaction that involves the granting of rights for the exploitation of minerals requires Parliamentary ratification. Upon recommendation of the Minerals Commission, Parliament may however authorize other government agencies to approve the grant of rights to exploit minerals. We are not aware that Parliament has indeed exercised this power.

All Stool lands that is, attributable to a chieftaincy and representing the collective property of the people ruled by the Chief in question, are vested in the appropriate stool on behalf of, and in trust for, the community presided over by the chief in accordance with customary law. Pursuant to the provisions of the Constitution, the development of any stool land is not permitted unless the Regional Lands Commission has certified that the proposal is consistent with the development plan drawn up by the local District Assembly. There are also provisions in the Constitution governing the payment of revenues and royalties generated from stool lands and the general administration and development of such lands.

3.3 Laws and Regulations

The following laws and regulations govern mining in Ghana (this list is not exhaustive) as amended from time to time:

(a) the Constitution of the Republic of Ghana, 1992;
(b) Minerals and Mining Act, 2006 (Act 703) as amended by the Minerals and Mining (Amendment) Act, 2010 (Act 794);
(c) the Internal Revenue Act, 2000 (Act 592);
(d) the Minerals Commission Act, 1993 (Act 450);
(e) the Environmental Protection Agency Act, 1994 (Act 490);
(f) the Mining Regulations 1970, (LI 665); and
(g) the Environmental Assessment Regulations, 1999 (L.I. 1652).

The Minerals and Mining Act, 2006 empowers the Minister generally to make Regulations "for the purpose of giving effect" to the Act and expressly allows him to make Regulations, among other things, specifying criteria on which, if satisfied by the applicant, he is bound to approve an application.

3.4 Types of Minerals Rights

The following types of mineral rights are available in Ghana: reconnaissance license, prospecting license and mining lease.

(a) Reconnaissance license

This license entitles the holder to search for specified minerals by geochemical, geophysical and geological means. It does not permit drilling, excavation or other physical activities on the land, except where such activity exceeding twelve months and may be renewed, if the Minister responsible for mines is satisfied that it is in the public interest to do so, for periods not exceeding twelve months at a time. An application for renewal must be made not later than three months before the expiration of the term.

Pursuant to Act 703 the reconnaissance license confers on the holder the exclusive rights to carry on reconnaissance in the area in respect of a mineral. The holder of a reconnaissance license may apply for a mining lease once it establishes that minerals exist in the area in commercial quantities. Where such an application has been made by a holder who has exclusive rights to a mining lease may not be granted over that area in respect of the same mineral.

(b) Prospecting license

This license entitles the holder to search for specified minerals for a maximum of three years for an area not exceeding 760 contiguous blocks. A prospecting license is renewable for a period not exceeding three years with a reduction in area of half the initial area at the end of the initial period and at the end of any further period of renewal, of half the remaining area. However an area of 125 blocks which "form not more than three discrete areas" remain subject to the license. The holder may apply to the Minister for relief from the obligation to surrender any land if it can show any delay by a governmental institution or agency in the issue of a permit or carrying any other of its lawful activities resulted in a delay by the holder in carrying out its own obligations.

A prospecting license may not be granted over any area subject to a mining lease or in respect of which another prospecting license has been granted for the same mineral.

The holder of a prospecting license must commence prospecting operations within three months from the date of the issue of the license, or at a time specified by the minister.

(c) Mining lease

A mining lease entitles the holder to extract minerals. A holder of a reconnaissance license or a prospecting license may, prior to the expiration of the license, apply for one or more mining leases in respect of all or any of the minerals the subject of the license and in respect of all or any one or more of the blocks which constitutes the reconnaissance or prospecting area. A mining lease is granted for a period not exceeding thirty years. The area in respect of which a mining lease may be granted must not be less than one block or more than three hundred contiguous blocks each having a side in common with at least one other block the subject of the grant. The limits regarding the area of the mining leases may be exceeded where the Government considers that it is in the national interest to do so.

Act 703 provides that unless otherwise provided under the act, a mineral right shall not be granted to a person unless the person is a body incorporated under the Companies Code 1963 (Act 179), a partnership under the incorporated Private Partnership Act 1962, (Act 152) or authorized under an enactment in force. However, sections 79 of Act 703 states that a person who is not a citizen may apply for a mineral right in respect of industrial minerals provided the proposed investment in the mineral operations is US$10,000,000 or above.

3.5 Financial Obligations

(a) Annual Rent

Pursuant to section 23 of Act 703, the holder of a mineral right must pay an annual ground rent as may be prescribed by the Ministry of Land and Natural Resources. The Payment is made to the owner of the land or successors and assigning of the owner except in the case of annual ground rent in respect of mineral rights over stool lands, which shall be paid to the Office of the Administrator of Stool Lands. Where applicable, the fee must be in accordance with the office of the Administrator of Stool Lands Act 1994 (Act 481). The amount of such annual rent is specified in the relevant license or lease.

(b) Fees

According to section 24 of Act 703 an applicant for a mineral right is liable to pay an annual fee to the Minerals Commission. We understand from the Minerals Commission that this provision is not currently being enforced however this may change in the future.

(c) Royalties

Section 25 of Act 703 as amended by the Minerals and Mining (amendment) Act 2010, Act 794 stipulates a flat rate of 5% of the total revenue earned from minerals obtained by the holder of a mining lease.

(d) Foreign Exchange

Under section 30 of Act 703, the holder of a mining lease which earns foreign currency may be permitted by the Bank of Ghana to retain a portion of its foreign currency earnings in an external account and where the net earnings of the holder are in foreign exchange it may be permitted by the Minister responsible for finance to retain not less than 25% of foreign earnings in an external account to make certain capital expenditure, debt servicing and dividend payments.

Payments in foreign currency to or from Ghana between non-resident persons and resident persons must be made through a bank. Residents are permitted by Bank of Ghana notices to hold and operate "foreign currency accounts" into which they are permitted to receive transfers in foreign currency from abroad. They are also permitted to hold and operate "foreign exchange accounts".

The Bank of Ghana in its notice titled Operational Guidelines for the Foreign Exchange Act, 2006 (Act 723) states as follows: "under the Minerals and Mining Act 2006, the Bank of Ghana may permit the owner of a mining lease (for specified purposes) to retain in an account, a portion of the foreign exchange earned. Such export proceeds may be held in Foreign Accounts or Foreign Currency Accounts at local banks".

(e) Foreign Currency Accounts

Residents and non-residents may open and hold foreign currency accounts with any authorized dealer bank in Ghana. They may open deposit and/or current accounts with capital transfers and foreign exchange earned from sources abroad or other foreign currency accounts. The operation of the foreign currency accounts are declared by the Bank of Ghana free from any restrictions and transfers out of Ghana from these accounts and payments from the accounts may be made freely by the authorized dealer in convertible currencies.

(f) Foreign Exchange Accounts

The Bank of Ghana permits residents to maintain interest bearing foreign exchange accounts with any authorized dealer bank in Ghana. These accounts may be credited with foreign exchange obtained locally and foreign exchange not converted into cedis. Save for certain amounts, there are restrictions on making transfers from these accounts without documentation supporting the underlying transactions. A resident may transfer out up to US$10,000 per annum without documentation; importers are permitted a threshold of US$50,000 per annum without documentation.

(g) Corporate Tax

Income tax is payable in each year of assessment by persons who have been granted mining leases to carry out mining operations in Ghana. The Corporate tax rate is currently 35% of the chargeable income computed in accordance with Internal Revenue Act, 2000 (Act 592) for mining companies. Capital allowances are granted on mineral exploration and production rights and are computed in accordance with third Schedule of Act 592. The rate applicable is 20% of the cost base of assets.

(h) Withholding Tax

Resident companies must pay withholding tax of 8% on:

- Dividends paid to shareholders, whether they be resident or non-resident (no further Ghanaians tax is payable on dividends received):
- Management and technical services fees paid: and
- Interest paid to non-resident persons.

Branch of foreign companies doing business in Ghana are required to pay 10% tax on the branch profit repatriated in addition to any corporate tax.

(i) Capital Gains

According to section 95 of the internet Revenue Act, 2000, Act 592, capital gains tax is payable by a person at the rate of 10% of capital gains accruing to or derived by that person from the realization of a chargeable asset owned by that person. This is the excess of the consideration gained by that person from the realization over the cost base at the time of realization.

Capital gains is chargeable on assets ("chargeable asset") such as permanent or temporary buildings situated in Ghana; business and business assets, including goodwill, of a permanent establishment situated in Ghana; land situated in Ghana; shares of a resident company; part of, or any right or interest in, to or over any of the assets referred to above. However, "chargeable assets" do not include mineral exploration and production rights: certain assets in respect of mineral exploration and development costs; buildings, structures and works of a permanent nature which are likely to be of little or no value when the rights are exhausted or the exploration or development ends" and plant and machinery used in mining operations.

The principal enactment in section 23 of Act 592 has been amended by Internal Revenue (Amended) Act, 2012 (Act 839) and it states "A person engaged in mining operations shall not be allowed a deduction for expenses exclusively incurred in a mining area against revenue derived from another mining area belonging to that person or which that person has an interest, in determining that person's chargeable income for a basis period"

(j) Customs Duties

Section 29 of Act 703 provides that the holder of a mineral right may be granted exemption from payment of customs import duty in respect of plant, machinery, equipment and accessories imported specifically and exclusively for mineral operations.

(k) Value Added Tax and National Health Insurance Levy

Machinery and parts of machinery specifically designed for use in mining by Mining companies are exempted, pursuant to schedule 1 of the Value Added Tax, 2013, (Act 870) and Schedule 1 of National Health Insurance Act, 2003, (Act 650), from paying value added tax and national health insurance levy on machinery, apparatus, appliances and parts designed for use in mining as specified in Mining List.

(l) National Stabilization Fiscal Levy

National Stabilization Fiscal Levy Act, 2009, (Act 785) which used to impose a levy of 5% for national fiscal stabilization on the profits before tax of certain companies, including mining companies has been abolished effective January 2012.

(m) Compensation for resettlement and relocation

Section 74 of Act 703 provides that the owner or lawful occupier of any land subject to a mineral right is entitled to and may claim from the holder of the mineral right compensation for the disturbance of the rights of the owner or occupier. The amount of compensation payable is to be determined by agreement between the parties,

however, failing that, the matter shall be referred to the Minister who, in consultation with the Government agency responsible for land valuation, shall determine the compensation payable by the holder of the mineral right. The compensation to which an owner or lawful occupier may be entitled, may include compensation for, deprivation of the use of a particular use of the natural surface of the land, loss of or damage to immovable properties, in the case of land under cultivation, loss of earnings or sustenance suffered by the owner or lawful occupier having due regard to the nature of their interest in the land.

(n) Minimum expenditure

As stated above, section 79 of Act 703 allows a person who is not a citizen to apply for a mineral right in respect of industrial minerals so long as the proposed investment in the mineral operations is US$10,000,000 or above. Furthermore, the holder of an industrial mineral right must within the period of time specified in the holder's programme of mineral operations or further time permitted by the Minister expend an amount equal to or greater than US$10,000,000 or the Minister may suspend or cancel the mineral right.

3.7 Stability Agreement

The Minister may enter into a stability agreement with the holder of the mining lease to ensure that the holder of the mining lease will not, for a period not exceeding fifteen years from the date of the agreement, be
adversely affected by a new enactment, order, instrument or other action
made under a new enactment or charges to an enactment, order, instrument that existed at the time of the stability agreement that have the effect of imposing obligations upon the holder or applicant of the mining lease and cause an adverse effect. A stability agreement is subject to the ratification of Parliament.

3.8 Development Agreement

On the advice of the Minerals Commission, the Minister may enter into a development agreement under a mining lease with a person where the proposed Investment by the person will exceed US$ five hundred million subject to the ratification of Parliament. A development agreement may address mineral rights or operations to be conducted under the mining lease, environmental issues and settlement of disputes and may provide for the stability terms allowable under a stability agreement.

3.9 Statutory conditions attached to the grant of a Mineral Right

Pursuant to section 7 of Act 703, the Minister has the right of pre-emption
of all minerals raised, won or obtained in Ghana including any area covered by territorial waters, the exclusive economic zone or the continental shelf and products derived from the refining or treatment of these minerals.

Section 10 Act 703 requires that unless otherwise provided, a mineral right shall not be granted to a person unless the person is a body incorporated under the Companies Code

1963 (Act179), under the incorporated Private Partnerships Act 1962 (Act152) or under an enactment in force.

Section 13 of Act 703 prohibits the holder of a mineral right from removing or destroying a mineral obtained by the holder in the course of mineral operations without the permission in writing of the head of the inspectorate Division of the Minerals Commission.

Under section 16 of Act 703, the obligations of the mineral rights holder include that the holder of a mineral right shall at all times appoint a manager with the requisite qualification and experience to be in charge of
that holder's mineral operations and the holder of a mineral right shall notify the Head of the Inspectorate Division of the Minerals Commission in writing of the appointment of a manager and on each change of the manager.

3.10 Environmental Law

Environmental obligations under Ghanaian law are governed primarily by the Environmental Protection Agency Act, 1994 (Act 490) and the Environmental Assessment Regulations, 1999 (LI 1652). Furthermore, Act 703 provides that, prior to undertaking an activity or operation under a mineral right, the holder of the mineral right must obtain the necessary approvals and permits required from the Forestry Commission and the Environmental Protection Agency for the protection of natural resources, public health and the environment. Mining companies are required under Ghana's environmental laws to obtain an environmental permit before commencing mining operations and an environmental certificate within 24 months after commencing mining operations. These laws also require a mining company to rehabilitate land disturbed as a result of their mining operations pursuant to an environmental reclamation plan agreed with the Ghanaian environmental authorities and to submit an environmental management plan every three years during its operations. Any default of its obligations to reclaim disturbed land is secured by posting reclamation bonds.

3.11 Transfer of Mineral Right and Change in Control

(a) Assignment of mineral rights

Section 14 of Act 703 provides that a mineral right shall not in whole or in part be transferred, assigned, mortgaged or otherwise encumbered or dealt in, in a manner without the prior approval in writing of the Minister

(b) Change of control of Mining Company

Section 52 of Act 703 provides that a person may become a controller of a mining company if the person serves on the Minister notice in writing stating the intention to become a controller of the company and the Minister has, before the end of a period of two months, notified the person in writing that there is no objection to the person becoming a controller of the mining company or that elapsed without the Minister having served on the person a written notice of objection to the person becoming a controller of Company. Furthermore, pursuant to section 57, a mining company must

give written notice to the Minister of the fact that a person has become or ceased to be a controller of the company within fourteen days of the mining company becoming aware of the fact. Failure to give notice will attract a fine of US$1000 (one thousand United States dollars) or the Cedi equivalent payable to the Mineral Commission.

Where there is change in the name of the company the Minister of Lands shall be notified but transfer of shares simpliciter does not require any such notification.

3.12 Foreign Investment Law

The main law governing investment in Ghana generally is the Ghana Investment Promotion Centre Act, 1998 (Act 478). This law does not apply to mining or petroleum enterprises. It prescribes certain minimum capital requirements for companies involving foreign ownership and requires an enterprise with foreign ownership to register with the Ghana Investment Promotion Centre.

The law also provides certain guarantees against nationalization and exportation and states that "no person who owns, whether wholly or in part, the capital of an enterprise shall be compelled by law to cede his interest in the capital to any other person". The compulsory acquisition of any investment is not permitted unless it is in the national interest and effected under a law which makes provision for the payment of fair and adequate compensation and "a right of access to the High Court for the determination of the investor's interest or right and the amount of compensation to which he is entitled".

As indicated in 3.4(c) above, a mineral right may not be granted to a person unless the person is a body incorporated under the Companies Code 1963 (Act 179), a partnership under the incorporated Private Partnerships Act 1962 (Act 152) or authorized under an enactment in force.

There are certain areas from which foreign investment or ownership is restricted. Pursuant to the terms of the Constitution, persons who are not citizens of Ghana may not own more than a 50 year leasehold in land. Act 478 reserves certain businesses for Ghanaians only and a license to undertake small scale mining may not be granted to a person who is not a citizen of Ghana.

3.13 Corporate Law

The main law regulating companies incorporated or registered in Ghana is the Companies Act, 1963 (Act 179) as amended. The following companies are recognized and each may be private or public: companies with limited liability, unlimited companies and companies limited by guarantee, Act 179 contains a number of provisions protecting minority rights including the requirement that a company may not amend its Regulations without a special resolution of the shareholders. A special resolution is a resolution that is passed by not less than three-fourths of the votes cast by such members of the company as, being entitled so to do, and vote in person.

Act 179 also contains provisions limiting the powers of the directors of a company. In that regard, the directors may not without an ordinary resolution of the Company sell or dispose of the whole or substantially the whole of the undertaking of the company

and they may not exercise the company's powers of borrowing without an ordinary resolution of the shareholders if the borrowing will exceed the amount of stated capital of the company.

Furthermore, unless the prior approval of an ordinary resolution of the shareholders has been obtained, no new or unissued shares, other than treasury shares, in the company may be issued unless the same shall first have been offered on the same terms and conditions to all the existing shareholders or to all the holders of the shares of the class or classes being issued in proportion as nearly as may be to their existing holdings.

3.14 Local Product/Employment

It is a requirement under Act 703 that the holder of a mineral right must in "the conduct of mineral operations, and in the purchase, construction and installation of facilities, give preference to materials and product made in Ghana, service agencies located in the country an owned by citizens, companies or partnership registered under the Companies Code 1963 (Act 179) or the incorporated Private Partnership Act, 1962".

Section 50 of Act 703 states that each holder of a mining lease must submit to the Minerals Commission a detailed programme for the recruitment and training of Ghanaian personnel. The submission of this programme is a condition for the grant of a mining lease.

Furthermore, Ghana's labour laws provide for the right of every worker to form or join a trade union of his or her choice. These laws, which govern working hours and conditions, provide for maximum hours of work and overtime periods.

3.15 Suspension or cancellation of a mineral right

Section 68 of Act 703 provides that a mineral right may be suspended or cancelled on the following grounds:

(i) failure to make any of the payments required by the Act on the payment date;
(ii) Insolvency or entry by the holder into a composition with creditors;
(iii) the holder knowingly submits any materially false statement to the Government in connection with the minerals right or submits such statement when it ought to have known that it was materially false; or
(iv) the holder becomes ineligible to apply for a mineral right.

Prior to any suspension or cancellation, the Government is required to give the holder notice setting out the grounds and allowing the holder not less than 120 days in the case of a mining lease or restricted mining lease and 60 days in the case of another mineral right to remedy the default. Where the breach is incapable of remedy, the holder may show cause to the Minister why the right should not be cancelled.

A mining lease is also liable to suspension or cancellation if the holder fails to carry out any or a material part of its programme or mineral operations for a period of 2 years or more. The right will not be suspended or cancelled if the holder can show good cause why such operations have not been carried out. On cancellation, the right of the holder

shall cease but without prejudice to the liabilities or obligations incurred by another person in relation to the mineral right prior to the date of cancellation.

3.16 Dispute resolution

(a) Court System

Ghana's court system consists of the Superior Court of Judicature including the Supreme Court (which is the highest court in the land and the final court of appeal), the Court of Appeal and High Court. The court system also includes the lower courts such as district and circuit courts.

The Judiciary is deemed by the Constitution to be independent.

The Constitution recognizes chieftaincy and provides that institution is guaranteed by the Constitution.

(b) Arbitration generally

Section 59 of the Alternative Dispute Resolution Act, 2010, (Act 798) provides that a foreign arbitral award shall be enforced by the High Court of Ghana if it is satisfied that:

(i) the award was made by a competent authority under the laws of the country in which the award was made;
(ii) a reciprocal arrangement exists between the Republic of Ghana and the country in which the award was made; or
(iii) the award was made under the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards or under any other international convention on arbitration ratified by Parliament; and
(iv) the party that seeks to enforce the award has produced, inter alia the original award.

Pursuant to section 57 of Act 798, an award may, by leave of the High Court, be enforced in same manner as a judgment or order of the court to the same effect. Where leave is granted by the court, judgment may be entered in terms of the award. However, an action may be brought on the award under common law.

Australia is not one of the countries which are recognized as reciprocal states for the purposes of enforcing an arbitration award in the summary manner contemplated by Act 798. However if the award in an arbitration held in Australia was made under the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards then it would be enforceable in the manner provided in Act 798.

(c) Dispute Resolution between the holder of a mineral right and the Republic of Ghana

Act 703 prescribes mechanisms for the resolution of disputes between the Republic of Ghana and the holder of a mineral right. These provisions require the parties to first attempt settlement by mutual discussion failing which the dispute may be referred to arbitration under the Alternative Dispute Resolution Act, 2010 (Act 798).

Where the holder of the mineral right is not a citizen of Ghana the dispute may be submitted to arbitration:

(i) in accordance with an international machinery for the resolution of investment disputes as agreed to by the parties; or

(ii) in accordance with (a) the framework of a bilateral or multilateral agreement on investment protection to which the Republic of Ghana and the country of which the holder is a national, are parties, or (b) if no bilateral or multilateral agreement exists, under the rules of procedure for arbitration of the United Nations Commission on International Trade Law.

Each mineral right is required to contain dispute resolution provisions.

4. *Impending legislative changes*

Enquires of the Minerals Commission indicate that a proposed draft Regulations on the Minerals Mining Act is currently under review. We understand that the proposed legislation may address issues such as farmland availability, blasting standards and the use and handling of chemicals, particularly cyanide.

The Minister has also in the 2015 Budget indicated that The Minerals Commission will review country's mining and environmental guidelines, intensify monitoring visits to illegal small scale mining sites to educate miners with respect to mainstreaming their activities and facilitate the formation of more District mining committees.

5. *Litigation – results of searches undertaken*

We have conducted the searches of the Courts as listed in section 2 and no litigation involving Soon Mining Company Limited.

6. *Risk factors*

Specific risk factors associated with operating in Ghana include:

Regulation of mineral rights

The holding of minerals rights in Ghana is subject to statutory control. Applications are required to be made for their grant and for their renewals. A failure to obtain the requisite mineral right of its renewal may result in a material adverse effect on the operations of a Ghana company and its ability to carry on mining activities.

Illegal mining

The presence of illegal miners on a mining concession is a general issue for miners in Ghana. Illegal miners generally use unsafe mining practices, which can result in environmental damage or persona injury and death. Illegal mining could have an adverse effect on the operations and consequently the financial condition of a mining company in Ghana.

Taxes and royalties

Ghanaian law imposes obligations to make certain payments by way of taxes, royalties and fees (including payment of withholding tax on dividends paid to foreign shareholders). Any changes in the level of such taxes, royalties and fees or the introduction of new taxes may impose significant increases in the cost of mining.

Labour laws

Ghanaian law imposes requirements that mining companies institute a localization policy providing the company's proposals for training and recruiting and products made in Ghana and to service companies. It is possible that new laws may be enacted imposing further obligations under Ghana's labour and local participation laws which may have a material adverse effect on the business and operations of the company.

Exchange control laws

Ghana's exchange control laws currently permit a mining company to retain a portion of its foreign currency earnings in an external account out of which certain payments including dividends to shareholders may be paid. The company may in the future be subject to exchange control laws that further restrict its ability to retain its foreign currency earnings abroad.

Compensation and resettlement

Act 703 requires the holder of a mineral right to compensate the owner or lawful occupier of any land subject to the holder's mineral right for the disturbance of the rights of the owner or occupier. The amount of compensation payable is to be determined by agreement between the parties but if the parties are unable to reach an agreement as to the amount of compensation, the matter shall be referred by either party to the Minister who, in consultation with the Government agency responsible for land valuation shall, determine the compensation payable by the holder of the mineral right. To the extent that the Company may be required to pay any claims for compensation, this could impose additional costs and burdens.

Environmental and health laws

Mining operations face risks of environmental and other health hazards. The occurrence of any of these dangers could delay or halt operations, increase operations costs and result in liability for the company. In particular, the environmental and health authorities have the power to require a shutdown of operations or to impose burdensome procedures for certain violations.

Consent and qualification

We consent to the inclusion of this report in the Prospectus and published in the form the company considers appropriate for the purpose mentioned in section 1 of this report.

This report is furnished exclusively to Soon Mining Limited ACN 603 637 083 for inclusion in the Prospectus and is not otherwise meant for distribution. It must not be relied upon by any other person or entity without the express consent of Soon Mining Limited ACN 603 637 083.

Yours faithfully,

ANKU.ANKU AT-LAW.

Schedule 1 – Summary of Kwahu Praso Area Mining Lease & Prospecting License.

Tenement	Registered **Holder(s)**	Proportion **Of Ownership**	Tenements **No**	Tenement **Type/ Mineral**	Tenements Area (km^2)	Annual rent **expenditure payable**	Grant **Date**	Expiry **Date**	Option **For Renewal**	Encumbrance
1. Kwahu Praso Area Mining Lease	Soon Mining Company Limited	100%	Land Registry Number 49/2013	Mining Lease for Gold	63.0 km^2 (Mining Lease)	GHC2299.50	12th July 2013	11th July 2027	Yes	No
2. Kwahu Praso Prospecting license	Soon Mining Company Ltd.	100%	Land Registry number RL5/60		19.74 km^2 (prospecting license)		29th April 2014	28th April 2015	Yes	No

SMC has right to use the Kwahu Praso Mining Lease under the Lease & Prospecting License

Schedule 2 - Soon Mining Company Limited: Receipts

1. Of the Mineral Commission 8th May 2013 in the sum of USD500.00 issued to Soon Mining Company Limited in respect of processing fee for the issuance of Mining Lease.
2. Of the Minerals Commission 8th May 2013 in the sum of USD100,000.00 issued to Soon Mining Company, Limited in respect of Consideration Fee for the issuance of Mining Lease (final payment).
3. Of the Minerals Commission 1st August 2014 in the sum of GHC 3,000.00 in respect of prospecting permit fee for the remaining 19.74 km^2.
4. Of the Minerals Commission 28th April 2014 in the sum of GHC8,489.00 in respect of prospecting license fee for the remaining 19.74 km^2.
5. Of the Administrator of Stool Lands dated 9th July February 2013 in the sum of GHC2,299.50 issued to Soon Mining Company Limited in respect of annual rent (for the period 2013) for the Kwahu Praso area (Mining Lease).

Footnotes

1. The currency code for the Ghanaian Cedi is GHC. As at March 4, 2015, GHC averaged the equivalent of approximately USD 0. 313

10 RISK FACTORS

There are specific risks which relate directly to the Company's business including its operations upon completion of the OBI Acquisition. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed. You should consider an investment in Soon as speculative and high risk.

10.1 Risks Specific to an Investment in the Company

10.1.1 ntroduction

An investment in Soon involves various risks and should be considered speculative. On completion of the Acquisition, Soon's business activities are subject to risk factors both specific to its business activities and of a general nature. While some of these risks can be mitigated by the use of appropriate safeguards and systems, others are outside the control of the Company and cannot be mitigated.

Before deciding whether to invest in Shares, prospective investors should carefully consider the risk factors described below, together with all other information contained in this Prospectus. If any of these risks and uncertainties, together with the possible additional risks and uncertainties of which the Directors are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's business, financial position or operating results could be materially and adversely affected.

In addition, potential investors should be aware that the value of shares on the ASX may rise and fall depending on a range of factors that may affect the market price of the Shares. These include local, regional and global economic conditions and sentiment towards equity markets in general. The Shares issued under this Prospectus carry no guarantee with respect to profitability, the payment of dividends, return of capital or the price at which the Shares may trade on the ASX. It should be noted that the list is not exhaustive and that certain other risk factors may apply.

You should carefully consider the risks and uncertainties set out below and the information contained elsewhere in this Prospectus before you decide whether to apply for Shares. You should also seek your own professional advice in relation to the risks associated with an investment in Soon and should make your own assessment as to whether to invest in Soon.

10.1.2 Key risks to an investment in Soon

The key risks which the Directors consider are associated with an investment in the Company are identified in the Investment Overview section of this Prospectus and again listed below.

Net asset backing risk

The market capitalisation of the Company will be significantly higher than the net asset value of the Company, based on the reviewed pro-forma statement of financial position as at 31 December 2014 set out in Section 6:

	Minimum raising	Maximum raising
Net asset value	$1,615,166	$3,510,116
Net asset backing per share	$0.0115	$0.0234

Development risk

The Company has not undertaken a feasibility study (as defined in the JORC Code) in relation to the mining of the existing Mineral Resources of the Project to determine whether it is feasible. There is no guarantee that there will be a positive outcome in relation to the economic viability of the Project. In particular, there is a risk that the grade from mining or the recovery of gold from processing will be less than anticipated. There is also a risk that the mining and processing costs will be higher than anticipated. Each of these risks may have a material adverse effect on Soon.

Exploration success

The Project has had relatively little exploration conducted by Soon Mining Ghana, and potential investors should understand that exploration and development are high-risk undertakings. There can be no assurance that exploration will result in the discovery of additional Mineral Resources. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The estimate of exploration costs are based on certain assumptions and the assumptions are subject to uncertainties.

Gold price changes

The price of gold as traded on global markets may have a material effect on Soon and the price at which the Shares trade on the ASX.

Limited operating history

Soon was incorporated on 12 January 2015 to acquire OBI and has limited operating and financial history. No assurances can be given that Soon will achieve commercial viability through the successful exploration of its assets. Until Soon is able to realise value from its projects, it is likely to incur ongoing operating losses.

Lack of independence of Board members

The Board will comprise of only one independent Director, being Jeremiah Thum. Ching-Tiem Huang (Managing Director) is married to Ching-Chen Chi (Executive Director). Ching-Ling Chi (CFO and Executive Director is also the sister of Ching-Chen Chi. There is a risk that there will be a lack of independent opinions on the Board, which may limit the ability of the Company to consider all reasonable options in decision making.

Changes to key personnel

The Company's business model depends on a management team with the talent and experience to develop exploration projects and Soon Mining Ghana's core business operations. There is a risk that operating and financial performance would be adversely affected by the loss of these key personnel.

No market sector diversification

On completion of the Acquisition, Soon's business will be entirely exposed to the mining sector and specifically to the Kwahu Praso Gold Project in Ghana. Soon's business will be materially adversely affected if the Project does not perform as expected.

Liquidity risk

As all of the Consideration Shares are subject to escrow for two years, this may adversely affect the liquidity of Shares being traded after listing. This may also result in a large number of Shares being released to the market at the end of the two year escrow period and adversely affect the market price of the Shares.

Significant holding

Titanoboa Group Limited will have a significant holding on completion of the Offer, detailed in Section 3.9. Mr Ching-Tiem Huang, the Managing Director and Chairman of Soon, also controls Titanoboa Group Limited. This means that Mr Huang and Titanoboa Group Limited will have the ability to influence the outcome of matters submitted to Shareholders. The sale of Shares in the future by Titanoboa Group Limited could adversely affect the market price of Shares.

10.2 Other specific risks to the Company

Operating risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment and many other factors beyond the control of the Company.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses

Additional requirements for capital

Exploration and development costs will reduce the cash reserves of the Company, which may not be replaced through the successful development of mining operations, or should these mining operations prove unsuccessful or perform below the required levels. The Company would then be dependent on seeking development capital, through equity, debt or joint venture financing, to support long term exploration and evaluation of its projects. Changes in the capital structure of Soon may affect the value of, and returns from, an investment in the Shares.

Failure to obtain sufficient funding for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production, or even loss of the tenements. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve material dilution to Shareholders.

Environmental

Although the Company intends to conduct its activities in an environmentally responsible manner, if it is responsible for environmental damage it may incur substantial costs for environmental rehabilitation, damage control and losses by third parties resulting from its operations. Environmental and safety legislation may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. This may lead to increased costs or other difficulties with compliance for Soon Mining Ghana.

Tenements in Ghana

The Company's tenements and relevant mining licences in Ghana are subject to the laws and regulations of that jurisdiction. The Company must therefore comply with all requirements under the relevant laws (including mining legislation) of Ghana and comply with licensing conditions such as minimum expenditure requirements and environment standards. There is no assurance that the government of Ghana will not make material changes to the laws relating to the tenements, or that approvals or renewals will be given as a matter of course or on similar economic terms. There is no guarantee that any tenements undergoing renewal in the future will be granted. There is also additional risk that changes to government policy could occur that could materially and adversely affect the Company's rights and costs associated with holding those tenements.

Legal system in Ghana

The legal system of Ghana is different to Australia. The commitment of local business, government officials and agencies and the judicial system to abide by legal requirements may be more uncertain than in Australia. These create particular concerns with respect to licences and agreements for business. The legal requirements may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that contractual arrangements, licences, licence renewal applications or other legal arrangements will not be adversely affected by the actions of the government or other relevant authorities in Ghana to the detriment of the Company. The effectiveness of the enforcement of legal arrangements by the Company also cannot be assured.

Community relations

The Company's ability to undertake exploration and mining activities on the tenements will depend in part on its ability to maintain good relations with the relevant local communities in Ghana. Any failure to adequately mange community expectations in relation to land access, mining activity, employment opportunities, impact on environment and local businesses and any other expectations may lead to disputes, disruptions in the exploration programme and potential delays or losses to the Company.

Sovereign risk

Ghana is a developing country and the Company's operations in the country are subject to numerous risks associated with operating in a developing country. These include economic, social and political instability, changes of law affecting foreign ownership, government participation, taxation and repatriation of income or return of capital. These risks may affect the viability and profitability of the Company.

Ability to exploit discoveries

It may not always be possible for Soon to participate in the exploitation of successful discoveries made in areas in which the Company has an interest. Such exploitation may involve the need to obtain licences or clearances from the relevant authorities, which may require conditions to be satisfied or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied.

Furthermore, the decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as those of Soon. Such further work may also require Soon to meet or commit to financing obligations, which it may not have anticipated or may not be able to commit to due to lack of funds or inability to raise funds.

10.3 General investment risks

Price of Shares

There are significant risks associated with any stock market investment. In the case of the Shares, these include:

- the Shares may trade on the stock market at, above or below the Offer Price;
- as the Shares have not previously been listed, they have no trading history and there is therefore no indication of the prices at which they may trade, or of the liquidity of the market for Shares; and
- the market price of the Shares may be affected by factors unrelated to the operating performance of Soon, such as those listed under the heading "Macro Economic Risks" below, investor sentiment, Australian and international stock market conditions, and the performance of other businesses and assets. The stock prices for many listed entities have in recent times been subject to wide fluctuations, which in many cases may be a reflection of a diverse range of influences not specific to that listed entity.

Macro-economic risks

Changes in the general economic outlook both in Ghana, Australia and globally may impact the future performance of Soon and its projects. Such changes may include:

- interest rates;
- contractions in the Ghana or Australian economy or increases in the rate of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economy activity);
- increases in expenses (including the cost of goods and services used by Soon);
- increase in unemployment rates; and
- fluctuations in equity markets in Australia and internationally.

Commodity price volatility and exchange rate risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors (outlined above).

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian dollars, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

No guarantee

Neither Soon, nor any other person gives a guarantee as to the amount of dividend from the Shares or the performance of Soon or the price at which the Shares may trade, nor do they guarantee the repayment of capital by Soon.

Competition risk

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.

Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the Directors' and Soon's control. Changes to accounting standards issued by the AASB could adversely impact the financial performance and position reported in Soon's financial statements.

Taxation

There may be tax implications arising from Applications for Shares, the receipt of dividends (both franked and, if any, unfranked) from Soon, participation in any on market Share buy-back and on the disposal of Shares.

Changes to the rate of taxes imposed on Soon are likely to affect Shareholder returns. In addition, an interpretation of Australian taxation laws by the Australian Taxation Office that differs to Soon's interpretation may lead to an increase in Soon's taxation liabilities.

Impact of hostilities, terrorism or other force majeure events

War, other hostilities, terrorism or major catastrophes can adversely affect global and Australian market conditions. Such events can have direct and indirect impacts on the Soon's business and earnings.

11 MATERIAL CONTRACTS

Set out below is a brief summary of the material contracts or arrangements which have been entered into by Soon and OBI (or Soon Mining Ghana as the case may be). These are important contracts for the Company and have been identified as relevant to potential investors in the Company.

11.1 Share purchase agreement

The Company has entered into a share purchase agreement (SPA) with Ocean Blue International Limited (OBI), a company incorporated in the British Virgin Islands, to acquire all of the shares issued in OBI. OBI owns all of the issued shares in Soon Mining Ghana, which means that by acquiring OBI, the Company will acquire Soon Mining Ghana.

OBI and Soon Mining Ghana are both companies controlled by Ching-Tiem Huang. The purpose of the Acquisition is to facilitate a listing of the OBI Group on the ASX through an Australian company.

The Acquisition will be completed by scrip consideration of 125,000,000 Shares and on completion, the Company will hold all of the Shares in OBI and OBI shareholder (immediately prior to issue of Shares under the Offer).
The SPA is subject to, amongst other things:

(a) the Company satisfying the requirements of the ASX Listing Rules and receiving conditional approval to be admitted to the official list of the ASX; and
(b) the Company successfully completing the Offer.
Completion of the SPA will occur one business days after satisfaction of all of the conditions set out in the SPA.

11.2 Constitution

The Constitution of the Company is a contract between the Company and each member, the Company and each Director and Company Secretary, and between a member and each other member pursuant to section 140 of the Corporations Act. Investors who take Shares under the Offer will become bound by the Constitution of the Company and must agree to observe and perform the provisions thereunder and any regulations or by-laws which may be made.

11.3 Consultancy Agreements

The Company has entered into consultancy agreements with:

(a) Kirin International Limited, in respect of executive Director and chief financial officer services to be provided by Ching-Ling Chi;
(b) Titanoboa Group Limited, in respect of managing Director services to be provided by Ching-Tiem Huang;
(c) Brainpower Investment Management Limited, in respect of executive Director services to be provided by Ching-Chen Chi; and

(d) Independent Audit Services Pty Ltd ABN 87 168 884 875, in respect of executive Director and company secretary services to be provided by Jeremiah Thum.

Conditions precedent

Each agreement is subject to completion of the ASX listing by no later than 31 October 2015. If the ASX listing does not complete, the agreements will not become effective.

Fees

The fees payable under each of the consultancy agreements are as follows:

(a) for Kirin International Limited, a total of AUD$149,000 per annum (exclusive of GST);
(b) for Brainpower Investment Management Limited, AUD$20,400 per annum (exclusive of GST);
(c) for Titanoboa Group Limited, AUD$156,000 and GHS36,000 (Ghanaian New Cedi) per annum (exclusive of GST); and
(d) for Independent Audit Services Pty Ltd, AUD$28,000 per annum (exclusive of GST). If the ASX listing does not complete, Independent Audit Services Pty Ltd will be paid AUD$2,700 only (exclusive of GST).

Intellectual property

All intellectual property created in relation to services provided will belong to the Company.

Termination

Each agreement may be terminated by either party by one months' written notice.

Each agreement may also be terminated by the Company with immediate effect if:

(a) the consultant is unable to remedy a breach of the agreement within 14 days of a notice, or if the breach is not capable of being remedied;

(b) the Consultant:
  (i) disobeys any lawful order, directive or policy of the Company;
  (ii) repeatedly breaches or fails to observe any of the terms and conditions contained in the agreement;
  (iii) engages in any of the following activities:
    (A) stealing from the Company;
    (B) falsifying documents of the Company;
    (C) destroying property belonging to the Company;
    (D) committing the Company to liabilities beyond the Consultant's authority; or
    (E) engaging in conduct of a kind which, in the reasonable opinion of the Company, is likely to bring the Company into disrepute;
  (iv) becomes of unsound mind or permanently incapacitated by reason of accident or illness;

(c) a conflict of interest is notified to the Company; or

(d) a dispute arises.

11.4 Director loans

The following director loans are currently in place:

(a) Soon Mining Ghana as borrower and Ching-Tiem Huang (the proposed Managing Director and chairman of the Company) as lender have entered into a loan agreement on the following terms:

(i) loan amount of:

(A) USD $847,933 for the purpose of working capital up to and including 31 December 2014; and

(B) additional working capital required by Soon Mining Ghana from time to time up to completion of the Acquisition;

(ii) the loan amount shall be repayable within 2 business days of a demand from the lender, subject to the Company having sufficient cash generated from business operations to meet projected commitments for the next twelve months (for avoidance of doubt, the loan will not be paid by funds raised under the Offer or other capital raising);

(iii) no interest is payable on the loan amount; and

(b) Ching-Ling Chi as lender and Soon Mining Ghana as borrower have entered into a loan agreement on the following terms:

(i) loan amount of USD $29,533 for the purpose of working capital;

(ii) the loan amount shall be repayable within 2 business days of a demand from the lender, subject to the Company having completed the Acquisition and the ASX listing;

(iii) no interest is payable on the loan amount;

(c) Ching-Tiem Huang has agreed to loan amounts to the Company for the purpose of working capital up to completion of the Offer and for meeting all costs in relation to the Acquisition and the Offer from time to time up to completion of the Acquisition and the ASX listing. The loan will be repaid from the funds raised under the Offer. No interest is payable under this loan agreement.

11.5 Deed of access, indemnity and insurance

As permitted by the Constitution, the Company has entered into a deed of indemnity and access with each Director under which the Company agrees to:

(a) indemnify the Directors against certain liabilities incurred while acting as a Director;

(b) insure the Directors against certain risks to which the Directors are exposed to as a Director; and

(c) grant to the Directors a right of access to certain records of the Company,

for a period of up to 7 years after the Director ceases to be a director of the Company. These deeds of access, indemnity and insurance are in a usual form for documents of this nature.

The main risk the Company is exposed to under there agreements is that the Corporations Act or other legislation will alter in relation to how the Company is permitted to pay for insurance premiums for directors and officers insurance, or that indemnity provisions in relation to the liability of Directors will change under the Corporations Act. The agreements facilitate changes in the legislation by allowing what is permitted by law from time to time.

Shareholder approval has not been sought in relation to this financial benefit to the Directors because the indemnities exception in section 212 of the Corporations Act was considered by the Directors to apply at the time when each Director entered into the deed of access, indemnity and insurance.

The Company is in the process of obtaining directors and officers insurance cover.

12 ADDITIONAL INFORMATION

12.1 Company information

The Company was incorporated on 12 January 2015.

12.2 Constitution and rights and liabilities attaching to Shares

The Shares to be issued under this Prospectus will rank equally with the existing fully paid ordinary shares in the Company.

The rights attaching to ownership of the Shares arise from a combination of the Constitution, the Listing Rules, the Corporations Act and general law.

A brief summary of certain provisions of the Constitution and the significant rights attaching to Shares is set out below. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that Soon Mining is admitted to the official list of ASX. The Constitution may be inspected during normal business hours at the registered address of Soon Mining.

Shares

Subject to the Corporations Act, ASX Listing Rules, ASX Settlement Operating Rules and any rights and restrictions attached to a class of shares, Soon Mining may issue or grant options in respect of further shares on such terms and conditions as the Directors resolve.

Alteration of rights

The rights and restrictions attaching to any class of shares (unless provided by the terms of issue of the shares of that class), can only be varied with the consent in writing of members with at least three-quarters of the votes in that class, or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class.

Calls

The Board may from time to time call upon Shareholders for unpaid monies on their Shares, although this will not be relevant to the fully paid Shares being issued under this Prospectus. If such a call is made, Shareholders are liable to pay the amount of each call in the manner and at the time and place specified by the Board. Such calls may be payable by instalments, as determined by the Board. When a resolution of the Board authorising the call is passed, the call will be deemed to have been made. It may be revoked or postponed at the discretion of the Board.

Forfeiture and lien

Soon Mining is empowered to forfeit Shares in relation to any part of allotment monies, calls, instalments, interest and expenses which remains unpaid following any notice sent to a Shareholder. Such forfeiture must occur in accordance with the Constitution, the Corporations Act and the Listing Rules. Soon Mining has a first ranking lien or charge for unpaid calls, instalments and related interest and any amount it is legally required to pay in relation to a Shareholder's Shares. Unless the Board determine otherwise, the registration of a transfer of a Share operates as a waiver of the Soon Mining's lien on the Share.

Share transfers

Shares may be transferred in any manner required or permitted by the Listing Rules or the ASX Settlement Operating Rules and by any instrument in writing in any usual or common form or in any other form that the Board approves. The Board may refuse to register a transfer of securities of Soon Mining if permitted or required by the Listing Rules or the ASX Settlement Operating Rules.

No share certificates

Subject to the requirements of the Listing Rules and the Corporations Act, Soon Mining need not issue Share certificates.

Meetings

Each Shareholder and Director Soon Mining is entitled to receive notice of and attend any general meeting of Soon Mining. Two Shareholders must be present to constitute a quorum for a general meeting and no business may be transacted at any meeting except the election of a Chairman and an adjournment, unless the quorum required is present at the start of the business. Soon Mining is obliged to convene and hold an annual general meeting in accordance with the Corporations Act.

Voting rights

Each Shareholder has the right to receive notices of and to attend all general meetings of Soon Mining. Subject to restrictions on voting from time to time affecting any class of shares in Soon Mining and any restrictions imposed by the Corporations Act, each Share in Soon Mining carries the right to cast one vote on a show of hands and on a poll, one vote for each fully paid Share held and for each partly paid share held, a vote having the same proportionate value as the proportion to which the Share has been paid up. Voting may be in person or by proxy, attorney or representative.

Dividends

The Board may resolve to pay any dividend it thinks appropriate and fix the time for payment.
Each share of a class on which the Board resolves to participate in a dividend do so in the same proportion that the amount for the time being paid on the share bears to the total issue price of the share.

12.3 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director has, or has had within two years preceding lodgement of this Prospectus with ASIC:

(a) any interest in the formation or promotion of the Company, or in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; and

(b) no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director, either to induce him or her to become, or to qualify them as a Director, or otherwise, for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

12.3.1 Shareholding qualifications

Directors are not required to hold any Shares under the Constitution.

12.3.2 Directors' interests

The table below shows the interest of each Director (and their associates) in the Shares of the Company as at the date of this Prospectus.

Director	Shares
Ching-Chen Chi	1
Ching-Ling Chi	1
Ching-Tiem Huang	1
Jeremiah Thum	Nil
Total	3

The table below shows the interest of each Director (and their associates) in the shares of the Company immediately after Completion.

Director	Minimum Subscription	Percentage	Maximum Subscription	Percentage
C hing-Tiem Huang	64,375,000	45.98%	64,375,000	42.92%
Ching-Ling Chi	9,250,000	6.61%	9,250,000	6.17%
Ching-Chen Chi	22,500,000	16.07%	22,500,000	15%
Jeremiah Thum	Nil	Nil	Nil	Nil
Total	96,125,000	68.66%	96,125,000	64.09%
Shares on issue	140,000,000		150,000,000	

12.3.3 Directors' remuneration

The Constitution provides that the remuneration of Directors (excluding salaries to executive Directors) will not be more than the aggregate fixed sum determined by a general meeting or, until so determined, as resolved by Directors. The aggregate remuneration for non-executive Directors (excluding salaries to executive Directors) has been set by Directors at an amount to not exceed $250,000.

The remuneration of executive Directors will be determined from time to time by the Board having regard to the nature and extent of their responsibilities. The Board intends to review and consider the ongoing remuneration of Non-Executive Directors after the completion of the Acquisition in accordance with the Company's Corporate Governance policies and market practices.

The Company has entered into consultancy agreements in respect of the services to be provided by Directors Ching-Tiem Huang, Ching-Ling Chi, Ching-Chen Chi and Jeremiah Thum.

Please refer to Section 11 for further details.

12.4 Interests and fees of professionals

Other than as set out below or elsewhere in this Prospectus, no expert, promoter, or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with has, or had within two years before lodgement of this Prospectus with ASIC:

(a) any interest in the formation or promotion of the Company or in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; and
(b) not recorded any amounts or benefits or has not agreed to be paid benefits for services rendered by such persons in connection with the formation or promotion of the Company or the Offer.

PKF has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 7 of this Prospectus. In accordance with their terms of engagement, the Company estimates it will pay PKF a total of $25,000 (excluding GST) for these services and participation as a member of the due diligence committee. During the 24 months preceding lodgement of this Prospectus with the ASIC, PKF has completed a review of Soon Mining Company Ltd and has provided other accounting services and has been paid $21,000 for those services.

GRT Lawyers Pty Ltd has acted as the Company's legal advisers in respect of the Listing. The Company estimates that it will pay GRT Lawyers Pty Ltd a total of $100,000 (excluding GST) for these services. During the 24 months preceding the lodgement of the Prospectus with ASIC, GRT Lawyers Pty Ltd has received $108,073.50 from the Company for the provision of legal services.

Boardroom Pty Ltd has been appointed as the Company's share registry and to provide administrative services with respect to the processing of Applications received pursuant to this Prospectus. The Company estimates that it will pay Boardroom Pty Ltd a total of $5,000 (excluding GST) for these services. During the 24 months preceding the lodgement of the Prospectus with ASIC, Boardroom Pty Ltd has not received any other fees from the Company.

KCT Consulting Mining has acted as the Independent Geologist and has prepared the Independent Geologist's Report which is included in Section 8 of this Prospectus. OBI has paid KCT Consulting Mining a total of $54,674.43 for these services. During the 24 months preceding the lodgement of the Prospectus with ASIC, KCT Consulting Mining has received $55,412.34 in fees from OBI for previous work conducted by them.

Anku.Anku-at-Law (Anku) has prepared the Solicitor's Tenement Report which is included in Section 9 of this Prospectus. OBI has paid Anku a total of GHS 60,000 (Ghanaian New Cedi) for these services. During the 24 months preceding the lodgement of the Prospectus with ASIC, Anku has not received any other amounts from the Company or OBI. Anku has not received any money from the Company.

12.5 Related party transactions

At the date of this Prospectus, no material transactions with related parties, or director's interests or third parties exist or are contemplated that the Directors are aware of, other than those disclosed below.

Soon Mining Ghana previously entered into a loan agreement with Ching-Tiem Huang (Managing Director) and Ching-Ling Chi (CFO and Executive Director), respectively. For further details refer to Section 11.

The Company has an existing loan from the Managing Director Ching-Tiem Huang. For further details refer to Section 11. The Company has entered into consultancy agreements for management and director services to be provided by Ching-Tiem Huang, Ching-Chen Chi, Ching-Ling Chi and Jeremiah Thum. Please refer to Section 11 for further details.

12.6 Expenses of the Offer

It is estimated that approximately $568,318 (based on the Minimum Subscription) and approximately $673,368 (based on the Maximum Subscription) in expenses will be incurred or payable by the Company in respect of legal, accounting, independent expert's fees, commissions, printing, ASIC and ASX fees and other miscellaneous costs arising from this Prospectus and the Offer. The total costs are as set out in the table below:

	Minimum Subscription	Maximum Subscription
	($)	($)
ASIC fees	2,320	2,320
ASX fees[1]	106,105	108,420
Registry fees	5,000	5,000
Brokerage and other fees	182,000	282,000
Legal fees	178,210	178,210
Investigating Accountant's costs	25,000	25,000
Other accounting costs	21,000	21,000
Roadshow	15,000	15,000
Other statutory costs	33,683	36,418
Total[2]	568,318	673,368

Notes:
1. Includes current fees payable for ASX Restricted Securities which will be paid on expiry of the escrow period.
2. Excludes repayment of loan with Ching-Ling Chi of USD $29,533 (approximately A$36,202).

12.7 Consents

Each of the parties listed in this section (each a Consenting Party), to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the parties listed below have given and has not, before lodgement of this Prospectus with ASIC, withdrawn its written consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear:

• Anku.Anku-at-Law (Anku) has given its written consent to be named in this Prospectus and to the inclusion of the Solicitor's Tenement Report in Section 9 of this Prospectus in the form and context in which the information and report is included. Anku has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC;

• PKF has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 7 of this Prospectus in the form and context in which the information and report is included. PKF has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC;

• KCT Consulting Mining has given its written consent to being named as Independent Geologist in this Prospectus and to the inclusion of the Independent Geologist's Report in Section 8 of this Prospectus in the form and context in which the information and report is included. KCT Consulting Mining has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC; and

• GRT Lawyers Pty Ltd has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus as Australian legal adviser to Soon Mining in relation to the Offer in the form and context in which it is named.

•Boardroom Pty Ltd has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus as the Share Registry in the form and context in which it is named. Boardroom Pty Ltd has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry to Soon.

12.8 Disputes and Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

12.9 Taxation

The acquisition and disposal of Shares in the Company will have tax consequences, which will differ depending on the individual circumstances of each investor. All potential investors in the Company are urged to obtain independent professional financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. It is the sole responsibility of potential Applicants to inform themselves of their taxation position resulting from participation in the Offer.

The Directors do not consider that it is appropriate to give potential Applicants advice regarding taxation matters and consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of all the possible taxation positions of potential Applicants.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to any taxation consequences to investors of subscribing for Shares under this Prospectus.

12.10 International offer restrictions

This document does not constitute an offer of Shares of the Company in any jurisdiction in which it would be unlawful. Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (Companies Ordinance), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This document and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

12.11 Documents available for inspection

The following documents are available for inspection during normal business hours at the registered office of the Company:

- this Prospectus;
- the Constitution; and
- the consents referred to in Section 12.7 of this Prospectus.

13 DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company,

Jeremiah Thum
Non-Executive Director

17 July 2015

14 GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

A$ or $ means an Australian dollar.

Applicant means a person who submits an Application Form.

Application Form means the application form which accompanies this Prospectus (and includes a copy of the application form printed from the website at which Electronic Prospectus is located) relating to the Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by it known as Australian Securities Exchange (as the context requires).

ASX Listing Rules or Listing Rules means the official listing rules of ASX.

ASX Restricted Securities means any securities which are classified by the ASX as Restricted Securities under the ASX Listing Rules.

Board or Board of Directors means the board of Directors as constituted from time to time.

CHESS means Clearing House Electronic Sub-register System, which is operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX.

Closing Date means the closing date of the Offer as set out in the indicative timetable in Section 3 (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

Company or Soon means Soon Mining Limited (ACN 603 637 083).

Completion means the completion of the purchase of all the sale shares by Soon in accordance with the SPA.

Consideration Shares means 125,000,000 Shares issued to the OBI Vendors on Completion.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company at the date of this Prospectus.

Electronic Prospectus means the electronic copy of this Prospectus located at the Company's website: www.soonmining.com/prospectus.

Independent Geologist means KCT Consulting Mining.

Independent Geologist's Report means the report set out in Section 8.

Investigating Accountant means PKF.

Investigating Accountant's Report means the report set out in Section 7.

Issue Price means $0.20 (20 cents).

JORC Code means the Australasian code for reporting of exploration results, mineral resources and ore reserves.

Lodgement Date means the date this Prospectus was lodged with ASIC.

Material Contracts means the material contracts to which Soon or the OBI Group is a party that may be material in terms of the Offer for the operation of the business of the Company or otherwise may be relevant to a potential investor in the Company, and which are summarised in Section 11.

Maximum Subscription means the maximum subscription under the Offer being 25,000,000 Shares to raise $5,000,000.

Mineral Resource and **Mineral Resource Estimates** have the meaning given to those terms in the JORC Code.

Minimum Subscription means the minimum subscription under the Offer being 15,000,000 Shares to raise $3,000,000.

OBI means Ocean Blue International Limited, incorporated in BVI.

OBI Acquisition means completion of the SPA in order to affect the acquisition of OBI by the Company.

OBI Group means OBI and its wholly owned subsidiary, Soon Mining Ghana.

OBI Vendors or **Vendors** means the holders of shares in OBI

Offer means the offer of 15,000,000 Shares together with the capacity to accept oversubscriptions of a further 10,000,000 Shares under this Prospectus.

Offer Shares means the Shares offered under the Offer.

Official List means the Official List of ASX.

Official Quotation means quotation of the Shares on the Official List in accordance with the ASX Listing Rules.

Opening Date means the opening date of the Offer as set out in the indicative timetable in Section 3.5.

PKF means PKF (Gold Coast) (ABN 25 493 017 022).

Prospectus means this prospectus.

Recommendations means ASX Corporate Governance Principles and Recommendations (3rd Edition).

Sale Share means a fully paid ordinary share in the capital of OBI.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Boardroom Pty Ltd.

Shareholder means a holder of Shares.

Solicitor's Tenement Report means the report set out in Section 9.

Soon Mining Ghana means Soon Mining Company Limited (incorporated in Ghana).

SPA means the share purchase agreement between the Company and the OBI Vendors dated 31 March 2015 to acquire all of the issued share capital of OBI.

C CORPORATE DIRECTORY

CORPORATE DIRECTORY

Directors
Ching-Tiem Huang (Managing Director and Chairman)
Ching-Chen Chi (Executive Director)
Ching-Ling Chi (Executive Director)
Jeremiah Thum (Non-Executive Director)

Company Secretary
Jeremiah Thum (Company Secretary)

Registered Office
Unit 10 / 8 Metroplex Avenue
Murarrie QLD 4172
Telephone: +61 7 3351 1769
Email: sandyh@soonmining.com

Solicitor to the Offer
GRT Lawyers
Level 2, 400 Queen Street
Brisbane QLD 4000
Phone: +61 7 3309 7000

Investigating Accountant and Auditors
PKF (Gold Coast)
Level 5, RSL Centre,
9 Beach Road,
Surfers Paradise QLD 4217
Telephone: +61 7 5553 1000

Share Registry*
Boardroom Pty Ltd
Level 12, 225 George Street
Sydney NSW 2000
Telephone: 1300 737 760

This entity is included for information purposes only. They have not been involved in the preparation of this Prospectus.