

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Soon Mining Limited

ABN

45 603 637 083

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) administration	(148)	(148)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(147)	(147)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) transaction costs #	(251)	(251)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other - introduced from re-organisation #	4,526	4,526
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	4,275	4,275

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	4,275	4,275
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	15	15
1.17	Repayment of borrowings	(42)	(42)
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	(27)	(27)
	Net increase (decrease) in cash held	4,101	4,101
	#		
1.20	Cash at beginning of quarter/year to date	6	6
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,107	4,107

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Cash at Beginning of Quarter/ Year to Date

Cash at beginning of quarter/year to date in this appendix 5B is not the same as the cash on hand shown in the balance sheet of the Soon Mining Limited ("SML") at 31 December 2015 because this report is prepared on the basis of a consolidated group which came into being on 18 March 2016. The financial statements as at 31 December 2015 for SML were prepared for the company as a single entity prior to the formation of the consolidated group.

As a result of the formation of the group during the quarter, the cash at the beginning of the period is shown as the cash held by Ocean Blue International Limited as ("Soon Mining Ghana /SMG"). The cash held by SML, which includes net cash received arising from the share offering, has been presented under Net Investing Cash Flows under the category 'other'.

Management has determined that the acquisition of Soon Mining Ghana/ SMG, which occurred on 18 March 2016 upon SML being admitted to the official list of the ASX, does not represent a business combination as outlined in Australian accounting standard 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.

+ See chapter 19 for defined terms.

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	30
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The amount at 1.23 above represents non-executive director and executive directors' salaries (including SG superannuation).

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 18th March 2016, the debt owing to Ching-Tiem Huang by OBI's subsidiary Soon Mining Ghana amounting to AUD\$1,267,400, being US\$901,042 fixed at an exchange rate of \$0.7109377 as at 31 October 2015 was settled by the issue of 6,337,000 ordinary shares.

In addition, the debt owing by the Company to Ching-Tiem Huang amounting to \$642,973 was settled by the issue of 3,214,865 ordinary shares.

A total of \$1,910,373 was converted into 9,551,865 ordinary shares at \$0.20 per share.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

+ See chapter 19 for defined terms.

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Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	45
4.2 Development	1,044
4.3 Production	-
4.4 Administration	163
Total	1,252

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4,107	6
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,107	6

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	Not applicable			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	3	3	NA	NA
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	157,128,865 -	32,128,865 -	NA NA	NA NA
7.5	+Convertible debt securities <i>(description)</i>	Not applicable			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Not applicable			
7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter	Not applicable			
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>	Not applicable			

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)	Not applicable
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
Director

29th April 2016
Date:

Print name:
Ching-Ling Chi

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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