

# **SOON MINING LIMITED**

(ABN 45 603 637 083)

## **INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2017**

This interim financial report incorporating Appendix 4D is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3

**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES  
APPENDIX 4D - INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2017**

**1 Company details**

Name of entity: Soon Mining Limited  
ABN: 45 603 637 083  
Reporting period: For the half-year ended 30 June 2017  
Previous period: For the half-year ended 30 June 2016

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**2 Results for announcement to the market**

	<b>Half-year Ended 30 June 2017</b>	<b>Half-year Ended 30 June 2016</b>	<b>% Change</b>
	\$	\$	
Revenue from ordinary activities	5,625	4,649	21%
Loss from ordinary activities after tax attributable to the owner of Soon Mining Limited	(532,272)	(981,311)	(46%)
Loss for the half-year attributable to the owners of Soon Mining Limited	(532,272)	(981,311)	(46%)

The directors do not recommend the payment of a dividend. No dividend was paid during the period.

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**3 Net tangible assets**

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per share	1.93	2.38

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**4 Investment in Associated and Joint Ventures**

Soon Mining Limited has no investments in associates or joint ventures during the period.

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**5 Attachments**

The Interim Report of Soon Mining Limited for the half-year ended 30 June 2017 is attached.

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**6 Signed**



Ching-Tiem Huang  
Managing Director

Date 12/09/2017  
Brisbane QLD

# SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES

## DIRECTORS' REPORT

The directors present their report, together with the financial statements, on consolidated group (referred to hereafter as the 'consolidated group') consisting of Soon Mining Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2017.

### Directors

The names of the Directors in office at any time during, or since the end of, the period are:

Ching-Tiem Huang  
Ching-Ling Chi  
Jiahui Jeremiah Thum (non-executive)  
Garry Edwards (non-executive)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

### Principal Activities

During the financial year, the principal activities of the company consisted of mining and related activities, including exploration and preparation of mine site.

### Company Secretary

Mr Jiahui Jeremiah Thum is the current company secretary.

### Review of Operations

The consolidated loss of the consolidated group for the financial period after providing for income tax amounted to \$532,272.

The net assets of the consolidated group as at 30 June 2017 amount to \$3,040,364. These net assets are predominately made up of cash and cash equivalents and capitalised exploration costs.

On 11 February 2017, Soon Mining Ghana ("SMC") entered into an initial 3 year mining rights service agreement ("agreement") with Tecdrill Company Limited, a Ghanaian company, which is also related party. The agreement gives SMC the right to mine for alluvial gold in the Konongo Project and process the gold within the designated area and retain 85% of the gold production.

At present, there is a temporary nationwide mining suspension in Ghana due to nationwide investigation into illegal mining activities. To date SMC has not conducted any mining projects in Ghana and has under no circumstances engaged in any unauthorised or illegal activity. Once the mining suspension is lifted, SMC will continue with preparations to commence mining within the Konongo Project and continue the process of securing Environmental Protection Agency (EPA) approval for the Kwahu Praso Project.

Based on a previous suspension in Ghana, which occurred approximately three years ago and lasted approximately six months, the Company is hopeful that the suspension will be lifted in the next few months and not have a lasting impact on its long term operations.

A review of the operations of the consolidated group during the financial period and the results of those operations found that during the period, the Group continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the period.

**Rounding of Amounts**

The company is of a kind referred to in the Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this director's report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Ching-Tiem Huang  
Managing Director

Date 12/09/2017  
Brisbane QLD

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Soon Mining Limited for the half year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

*RSM*  
RSM AUSTRALIA PARTNERS

*AA*  
Albert Loots  
Partner

Brisbane, QLD  
Dated: 12 September 2017

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**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES  
30 JUNE 2017**

**Contents**

	Page
Statement of profit or loss and other comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Director's declaration	11
Independent auditor's review report to the members of Soon Mining Limited	12

**General information**

The financial statements cover Soon Mining Limited as a consolidated group consisting of Soon Mining Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Soon Mining Limited's functional and presentation currency.

Soon Mining is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

**Registered office**

Unit 10B  
8 Metroplex Avenue  
Murarrie  
QLD 4172

**Principal place of business**

Unit 10B  
8 Metroplex Avenue  
Murarrie  
QLD 4172

A description of the nature of the consolidated group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 September 2017

**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 30 JUNE 2017**

	Note	Consolidated	
		Half-year ended 30-Jun-17	Half-year ended 30-Jun-16
		\$	\$
<b>Revenue</b>		5,625	4,649
<b>Expenses</b>			
Employee benefits expense		(5,471)	(9,917)
Depreciation and amortisation expense		(2,740)	(9,871)
Listing expenses		-	(635,631)
Other expenses		(529,686)	(330,541)
<b>Loss before income tax expense</b>		<u>(532,272)</u>	<u>(981,311)</u>
Income tax expense		-	-
<b>Loss after income tax expense for the half-year</b>		<u>(532,272)</u>	<u>(981,311)</u>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(104,565)	(66,566)
Other comprehensive income for the half-year, net of tax		<u>(104,565)</u>	<u>(66,566)</u>
<b>Total comprehensive loss for the half-year</b>		<u><u>(636,837)</u></u>	<u><u>(1,047,877)</u></u>
		<b>Cents</b>	<b>Cents</b>
Basic and diluted loss per share		(0.4)	(0.7)

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017**

		<b>Consolidated</b>	
	<b>Note</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>
		<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		2,242,519	3,011,934
Trade and other receivables		2,790	13,072
Other assets		38,783	45,459
<b>TOTAL CURRENT ASSETS</b>		<b>2,284,092</b>	<b>3,070,465</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		390,694	408,395
Exploration and evaluation assets	2	515,484	397,111
<b>TOTAL NON-CURRENT ASSETS</b>		<b>906,178</b>	<b>805,506</b>
<b>TOTAL ASSETS</b>		<b>3,190,270</b>	<b>3,875,971</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		65,957	52,123
Financial liabilities		83,949	84,252
<b>TOTAL CURRENT LIABILITIES</b>		<b>149,906</b>	<b>136,375</b>
<b>TOTAL LIABILITIES</b>		<b>149,906</b>	<b>136,375</b>
<b>NET ASSETS</b>		<b>3,040,364</b>	<b>3,739,596</b>
<b>EQUITY</b>			
Issued capital	3	6,119,006	6,119,006
Reserves		(82,347)	(19,952)
Retained earnings		(2,996,295)	(2,359,458)
<b>TOTAL EQUITY</b>		<b>3,040,364</b>	<b>3,739,596</b>

*The above statement of financial position should be read in conjunction with the accompanying notes*



**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2017**

	<b>Issued Capital \$</b>	<b>Reserves \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>Consolidated</b>				
<b>Balance at 1 January 2016</b>	66,599	-	(1,102,190)	(1,035,591)
Loss for the period	-	-	(981,311)	(981,311)
Other comprehensive income for the half-year, net of tax	-	(48,755)	-	(48,755)
<b>Total comprehensive income for the half-year</b>	<b>66,599</b>	<b>(48,755)</b>	<b>(2,083,501)</b>	<b>(2,065,657)</b>
Foreign exchange translation reserve				
<i>Transactions with owners, in their capacity as owners:</i>				
Issue of share capital net of transaction cost	6,052,407	-	-	6,052,407
<b>Balance at 30 June 2016</b>	<b>6,119,006</b>	<b>(48,755)</b>	<b>(2,083,501)</b>	<b>3,986,750</b>
	<b>Issued Capital \$</b>	<b>Reserves \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>Consolidated</b>				
<b>Balance at 1 January 2017</b>	6,119,006	(19,952)	(2,359,458)	3,739,596
Loss for the period	-	-	(532,272)	(532,272)
Other comprehensive income for the half-year, net of tax	-	-	(104,565)	(104,565)
<b>Total comprehensive income for the half-year</b>	<b>6,119,006</b>	<b>(19,952)</b>	<b>(2,996,295)</b>	<b>3,102,759</b>
Foreign exchange translation reserve	-	(62,395)	-	(62,395)
<i>Transactions with owners, in their capacity as owners:</i>				
Issue of share capital net of transaction cost	-	-	-	-
<b>Balance at 30 June 2017</b>	<b>6,119,006</b>	<b>(82,347)</b>	<b>(2,996,295)</b>	<b>3,040,364</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 30 JUNE 2017**

	<b>Consolidated</b>	
	<b>Half-year ended 30-Jun-17</b>	<b>Half-year ended 30-Jun-16</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	5,625	4,649
Receipts from customers and other receivables	10,282	-
Payments to suppliers and employees	(431,616)	(528,735)
Net cash provided by/(used in) operating activities	<u>(415,709)</u>	<u>(524,086)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration and evaluation assets	(141,915)	(14,156)
Purchase of property, plant and equipment	(91,043)	-
Net cash provided by/(used in) investing activities	<u>(232,958)</u>	<u>(14,156)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	4,142,030
Proceeds from related parties	-	15,605
Repayment of borrowings	-	(5,000)
Net cash provided by/(used in) financing activities	<u>-</u>	<u>4,152,635</u>
Net (decrease)/increase in cash held	(648,667)	3,614,393
Cash and cash equivalent obtained on acquisition of Ocean Blue International Ltd	-	162,102
Foreign exchange	(120,748)	(49,523)
Cash and cash equivalents at beginning of period	3,011,934	6,513
Cash and cash equivalents at end of period	<u><u>2,242,519</u></u>	<u><u>3,733,485</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2017**

**Note 1: Significant Accounting Policies**

These general purpose financial statements for the interim half-year reporting period ended 30 June 2017 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2016 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

***New or amended Accounting Standards and Interpretations adopted***

The consolidated group 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 or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Note 2: Exploration and Evaluation Assets**

	<b>Consolidated</b>	
	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b>\$</b>	<b>\$</b>
Exploration phase costs - at cost	515,484	397,111

The capitalised exploration assets carried forward above has been determined as follows:

Balance at the beginning of the period	397,111	371,014
Foreign currency movement	(23,542)	4,215
Expenditure incurred during the period	141,915	21,882
Balance at the end of the period	515,484	397,111

**Note 3: Share capital**

	<b>30-Jun-17</b>	<b>30-Jun-17</b>	<b>31-Dec-16</b>	<b>31-Dec-16</b>
	<b>No.</b>	<b>\$</b>	<b>No.</b>	<b>\$</b>
Balance at beginning of period	157,128,865	6,119,006	3	66,599
Issue of shares to OBI Vendors	-	-	124,999,997	1
Issue of shares to Chin Tiem Huang	-	-	9,551,865	1,910,373
Issue of shares to the market	-	-	22,577,000	4,515,400
Share issue costs	-	-		(373,367)
<b>Balance at end of period</b>	<b>157,128,865</b>	<b>6,119,006</b>	<b>157,128,865</b>	<b>6,119,006</b>

**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2017**

**Note 4: Fair value measurement**

*Recurring fair value measurements*

No financial instruments are subject to recurring fair value measurement as at the end of the reporting period.

Due to their short term nature, the carrying amounts of current receivables and current payables is assumed to approximate their fair value.

**Note 5: Contingent liabilities**

There have been no changes in contingent liabilities or contingent assets since the end of the previous annual reporting period.

**Note 6 : Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board which makes strategic decisions.

*Identification of reportable segments*

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Accordingly, management currently identifies the Group as having only one reportable segment, as at 30 June 2017. There have been no changes in the operating segment during the year. All significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the consolidated financial statement of the entity as a whole.

**Note 7 : Events after the reporting period**

No matters or circumstances have arisen since 30 June 2017 that has significantly affected, or may significantly affect the consolidated group's operations, the results of those operations or the consolidated group's state of affairs in future financial years.

**SOON MINING LIMITED ABN 45 603 637 083 AND CONTROLLED ENTITIES  
DIRECTORS' DECLARATION 30 JUNE 2017**

In the directors' opinion:

- i) the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- ii) the attached financial statements and notes give a true and fair view of the consolidated group's financial position as at 30 June 2017 and of its performance for the financial half-year ended on that date; and
- iii) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Ching-Tiem Huang  
Managing Director

Date 12/09/2017  
Brisbane QLD

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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
SOON MINING LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Soon Mining Limited which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of Soon Mining Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Soon Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report 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 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.

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*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Soon Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Soon Mining Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

  
RSM AUSTRALIA PARTNERS

  
Albert Loots  
Partner

Brisbane, QLD  
Dated: 12 September 2017