

VIKING MINES INCREASES GROUND HOLDING ALONG STRIKE FROM FIRST HIT PROJECT

Announcement Highlights:

- Viking Mines (**ASX:VKA**) has negotiated the purchase of the adjoining prospecting licence immediately south of the First Hit historic gold mine.
- The increase in ground holding provides an additional 1.8km of strike of prospective geology.
- The tenement secures the potential continuity of gold mineralisation from First Hit at depth.
- Data on the tenement shows almost no drill testing on the tenement has occurred.
- Transported cover over the tenement is likely to have rendered shallow historical geochemical sampling ineffective.
- Programme of Work (POW) application submitted to allow for drilling to take place as soon as granted.

CEO Julian Woodcock commented *"Acquiring this tenement is a key part of Viking's strategy to both secure the potential for the depth extensions of the First Hit mineralisation in conjunction with the fertile structural corridor on which it lies. The surprising and exciting part was identifying that this structural corridor hasn't been drill tested at all on the lease. The absence of any drilling over 1.8km of strike leaves a lot of room to find more shoots like First Hit which only have a footprint of a couple of hundred metres at best. We are now able to incorporate this tenement into our up-and-coming Air-Core drilling programme scheduled to take place in Q1 2021 to test the prospective extensions."*

Viking Mines Limited (ASX:VKA) ("Viking" or "the Company") is pleased to announce the acquisition of tenement P30/1126 in the prospective Ida Greenstone belt, Western Australia. The tenement has been purchased 100% from Australia Menzies Emerald Pty Ltd for a consideration of A\$20k cash, a 1% NSR and for the vendor to retain all rights to Emeralds on the tenement.

This tenement, in addition to the First Hit Project package which is to be acquired through the purchase of Red Dirt Ming Pty Ltd (due to be completed after Viking's EGM on 29th January), increases the ground holding of the contiguous block around the First hit gold mine by 28% to 6.4km². With the recent application for tenement E30/529 (Ref ASX release 8 January 2021), Viking's land holding post transactions and grant of tenements will be 28.5km² (Figure 1).

The land package being established by the Company in the Eastern Goldfields is strategically located 150km NW of Kalgoorlie and within 100km radius of 4 operating mills (Figure 4).

Tenement Evaluation

The 1.8km² tenement lies immediately due south of First Hit. A review of the Total Magnetic Intensity (TMI) geophysics datasets shows that all the prospective rock units and structures identified on the First Hit tenure continue directly on to the tenement (Figure 2). Any potential depth extensions from known mineralisation at First Hit could extend on to this tenement ~700m south of the deepest mineralised intercepts.

Freely available government data (WAMEX) search has identified only 6 shallow RAB holes previously drilled on the tenement in the 1990's totalling 107m which form a line of drilling to the south-west of the tenement (Figure 2). Viking is in the process of sourcing any available data from these drilling results to determine if any gold or pathfinders were identified and get an understanding of the composition of the regolith and depth of cover. These drillholes are located 1.8km south-southwest from the nearest drilling which is on the First Hit mining lease. As such the structures and rocks hosting the First Hit mineralisation do not appear to have been tested.

An evaluation of the satellite imagery shows a drainage channel crosses the tenure and potentially covering it in younger transported sediments (an interpretation which is further supported by a review of the radiometrics). This may have rendered previous attempts at geochemistry ineffective, meaning that any gold in the bedrock could be masked by this transported cover. This may explain why no prior drilling has been undertaken over this otherwise prospective geological position (Figure 3).

Next Steps

As the tenement has been purchased and it is live and granted, Viking can commence non-disturbing ground activities immediately. As such, a Programme of Work (POW) application has been submitted to allow a first pass Air Core (AC) drilling programme to take place alongside the existing approved POW's for Reverse Circulation (RC) and Diamond Drilling (DD) on the First Hit mining tenement. AC programme planning is well advanced across the First Hit tenements and will now be extended to cover tenement P30/1126. A drill contractor is being sourced and initial estimates are drilling will commence in Q1 2021.

The Company is in the process of securing the WAMEX datasets and incorporating them into the internal Company database. These data will be used to support a re-interpretation of the bedrock geology across the First Hit project for the purpose of drillhole targeting and is expected to be completed by the end of January.

To support this re-interpretation, the company has organised for a close spaced gravity survey (25m x 50m) to be completed across the First Hit Project tenements. The survey has been scheduled to take place late January and it will now be extended to cover tenement P30/1126. The purpose of the gravity survey is to complement the existing datasets and improve the geological interpretation. The gravity survey will capture changes in rock density which can infer the presence of intrusive units. In parts of the Goldfields, these intrusive units can have an influence on the presence and tenor of mineralisation.

This announcement has been authorised for release by the Board of the Company.

A handwritten signature in black ink, appearing to read 'JW'.

Julian Woodcock
CEO
Viking Mines Limited

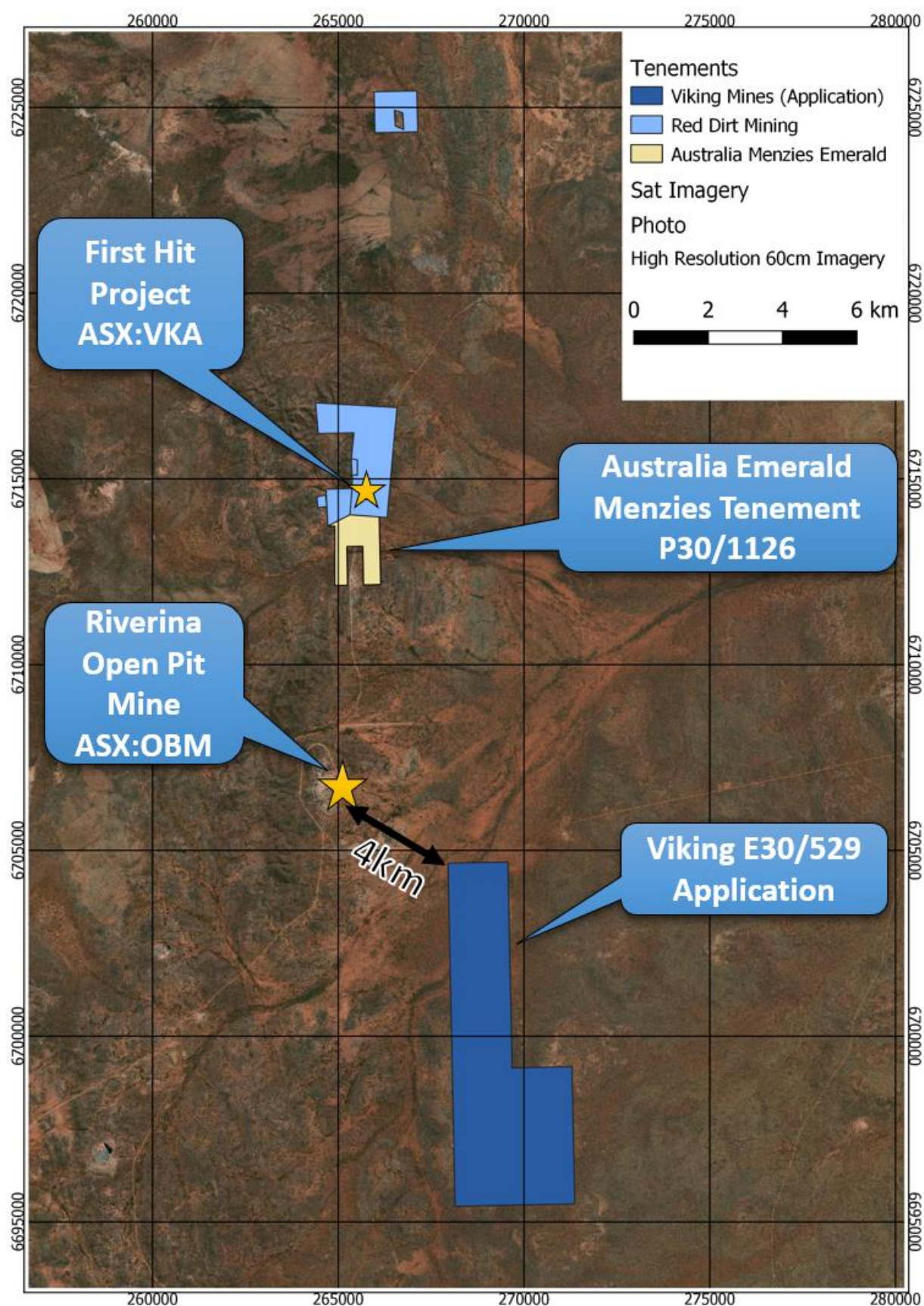


Figure 1: Location of Viking Mines, Red Dirt Mining and Australia Menzies Emerald Pty Ltd Tenements

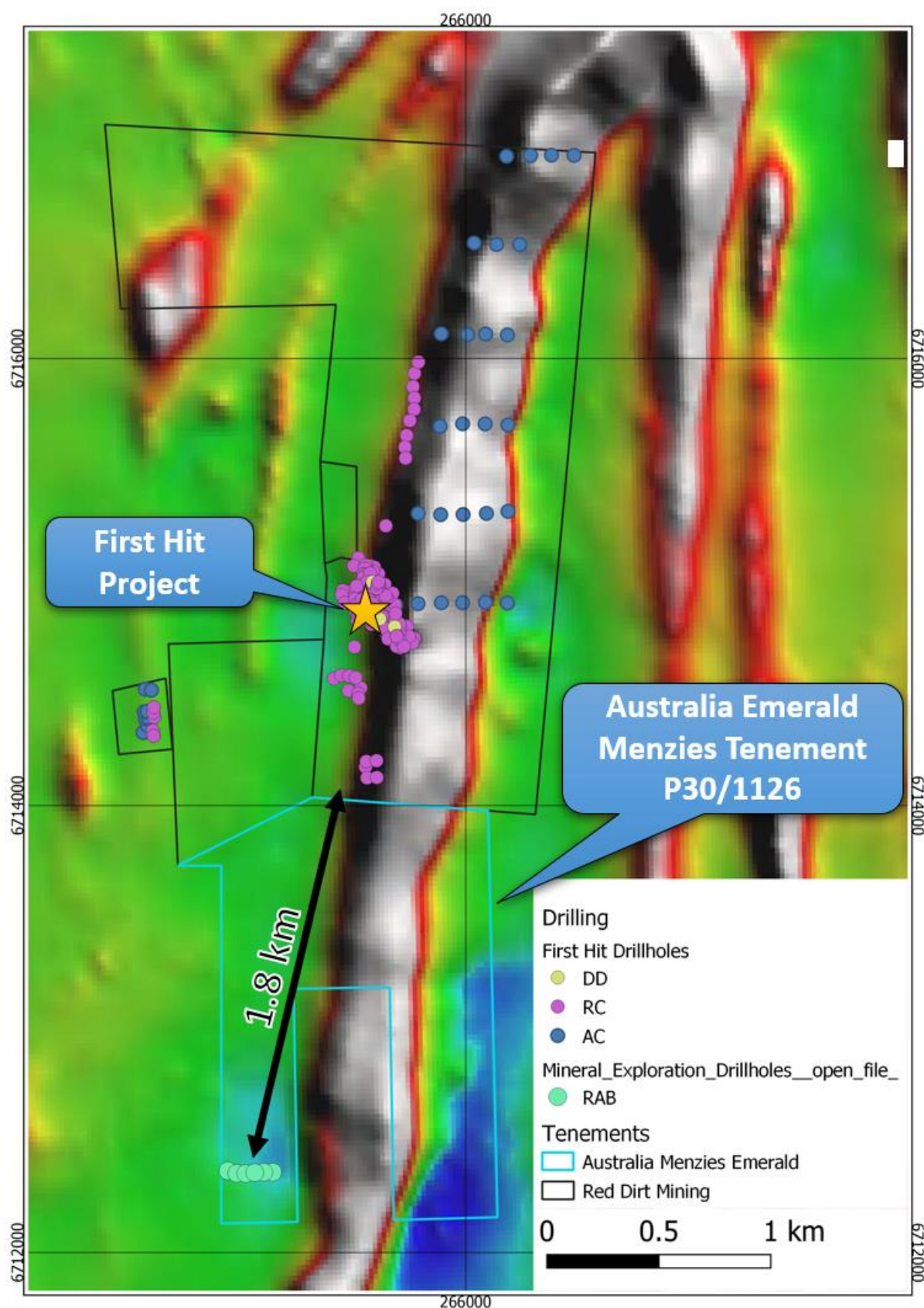


Figure 2: First Hit Project and P30/1126 tenements with all historical drilling locations by type and Total Magnetic Intensity image background

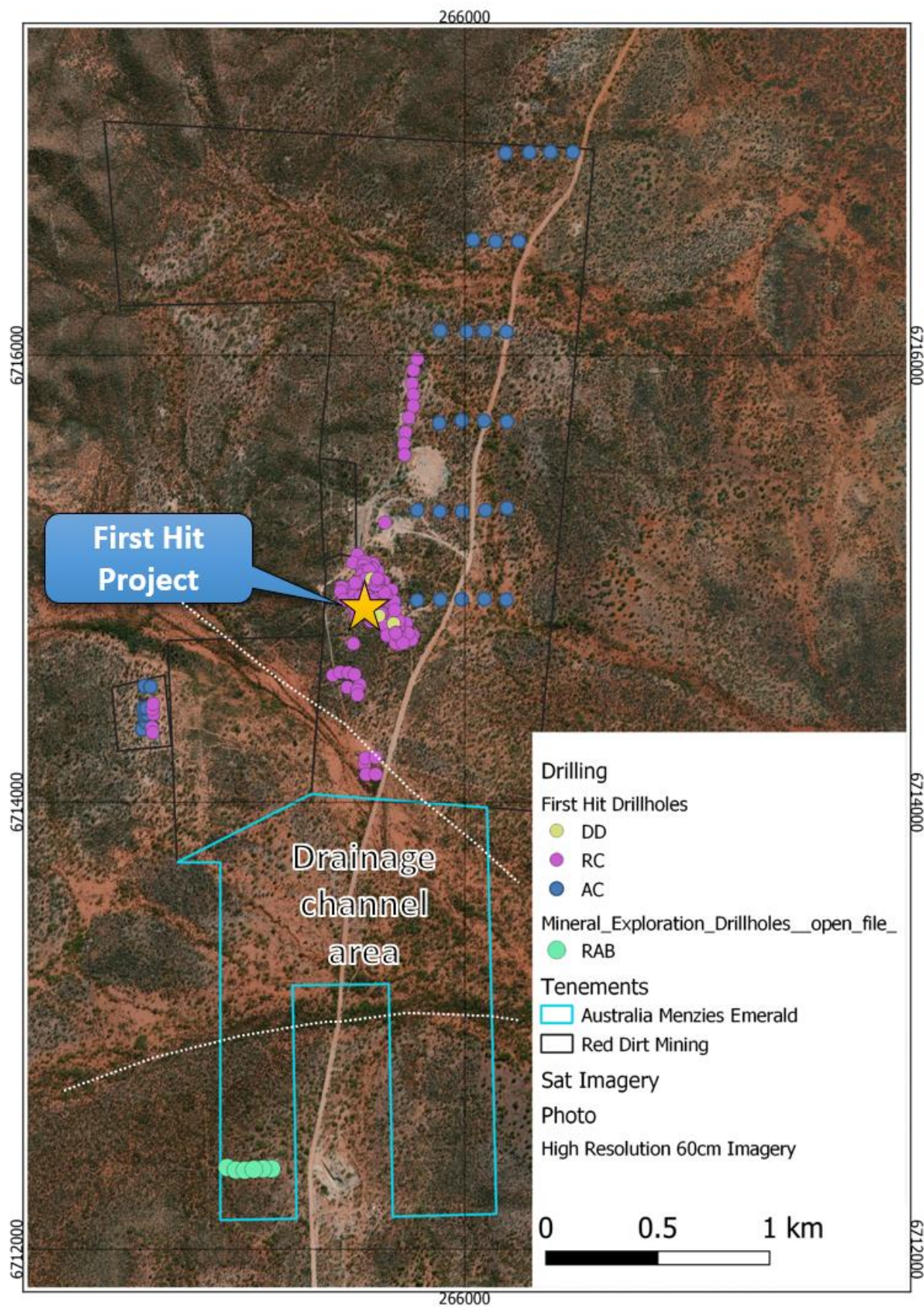


Figure 3: First Hit Project and P30/1126 tenements with all historical drilling locations by type and satellite image showing drainage features

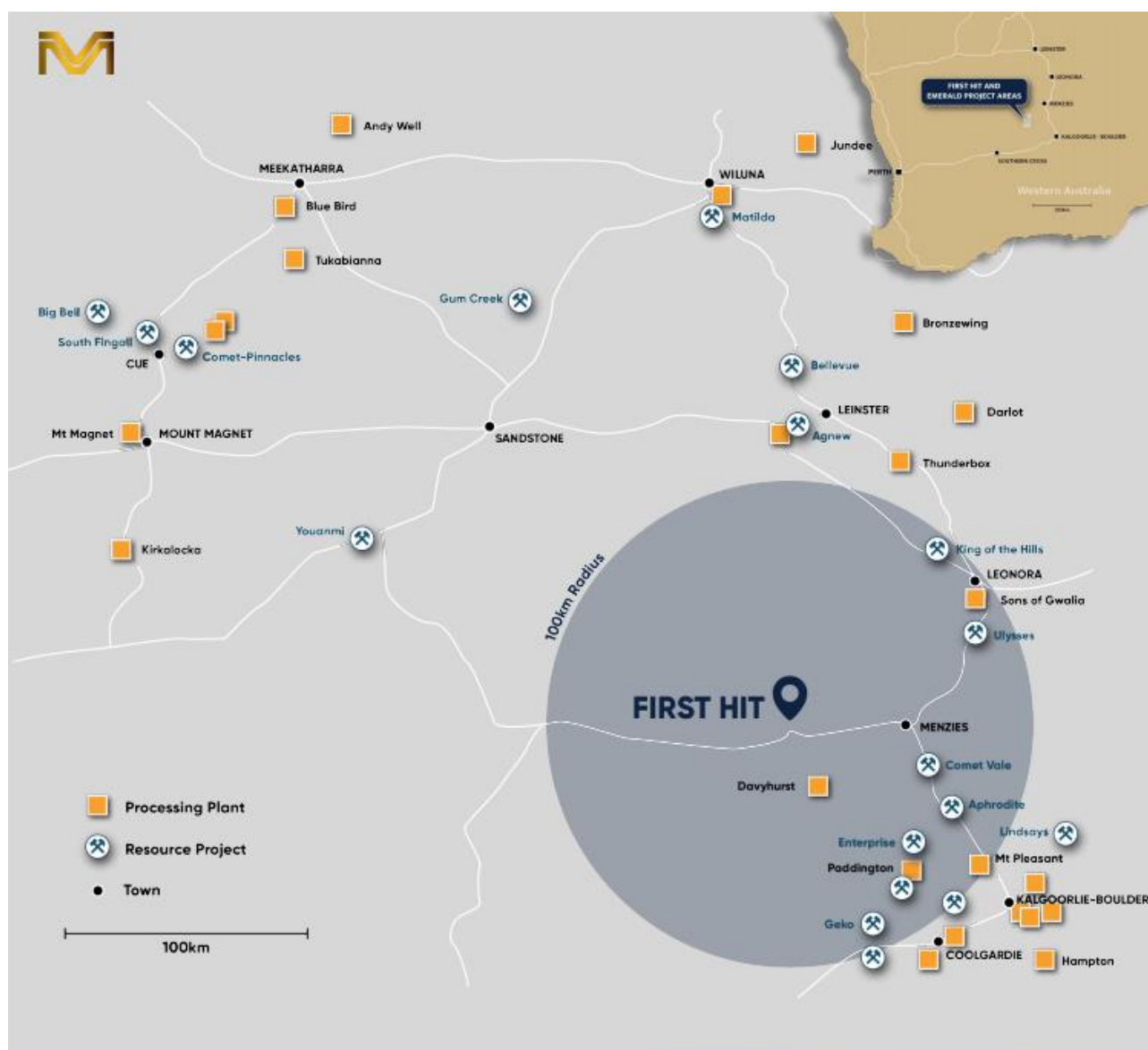


Figure 4: First Hit Gold project location and proximity to gold projects and processing plants

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Viking Mines Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Viking Mines Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements

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