

QUARTERLY REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

- **Completion of 72-hole, 6,723, RC drilling program at First Hit**
- **First assay results received for 7 holes, delivering high-grade, near-surface intercepts, with key results including:**
 - **VKRC0023: 2m at 9.67g/t Au from 26m¹**
 - **VKRC0066: 2m at 4.26g/t Au from 75m¹**
- **First set of results support the potential for an additional mineralised shoot 720m north of the historic, high-grade First Hit Gold Mine**
- **Additional hole planned and drilled at Jana's Reward following identification of gold nuggets and gold in quartz associated with historic workings**
- **Results for remaining 65 holes expected this quarter and post assessment and release, VKA to commence planning for follow-up drill programs**
- **Exploration Licence E29/1133 granted, 68 block (~200km²) tenement located 25km North of First Hit with geological review underway**
- **Continued positive progress of Ghana litigation, with Viking successfully applying for appointment of independent expert**
- **Strong cash position of \$5.6M as of 31 December 2021**

Viking Mines Ltd (Viking or the Company) is pleased to present its quarterly activities report for the period ended 31 December 2021 (**December quarter**).

The Company's primary focus remained on the execution and completion of the RC drilling programme at the First Hit high-grade gold project (**First Hit**), located in Western Australia.

AUSTRALIA

First Hit Project, Western Australia

Viking completed its 72 hole, 6,723m RC drilling program at First Hit (**Error! Reference source not found.**), with visible gold identified in 5 of the 72 drill holes.

Prospect	No Holes	Metres
First Hit North	30	2,437
First Hit North additional traverse	6	654
First Hit South	14	1,669
Twin Peaks	10	903
Jana's Reward	11	990
Jana's Reward additional hole testing old workings	1	70
TOTAL	72	6,723

Table 1; First Hit Project targets tested as part of the 2021 RC drill programme with number of holes and metres drilled detailed



Included in this total is 7 additional holes for 724 metres that were planned and completed to test additional areas at the First Hit North and Jana's Reward targets, which were identified as drilling progressed. To accommodate this drilling in the programme, holes initially planned on the Emerald target 10km North of First Hit were postponed to focus on these higher priority targets proximal to First Hit.

The 72-hole program was designed to identify narrow-vein, high-grade gold shoots, with a primary focus on replicating the high-grade shoot of the historic First Hit gold mine, which produced ~30koz ounces of gold at an average grade of ~7.7g/t Au.

Importantly, the first 7 holes reported on 22 December 2021 highlight the excellent potential of First Hit to host multiple additional mineralised shoots, with significant results outlined below (Figure 1 & Figure 2).

720m North of the First Hit historic mine workings:

- VKRC0023: 2m at 9.67g/t Au from 26m¹
- VKRC0066: 2m at 4.26g/t Au from 75m¹

These results confirmed the presence of high-grade gold and the potential for a newly discovered high-grade shoot 720 metres north of the First Hit gold mine and support the observation of visible gold at the target intervals as announced on 1 and 15 November 2021.

220m North of the First Hit historic mine workings:

- VKRC0008: 1m at 4.56g/t Au from 64m²
- VKRC0009: 1m at 2.55g/t Au from 98m²

These results confirmed the continuity of the First Hit structure from historic workings and compare with the variable nature of the mineralisation as previously observed at First Hit.

The frequency and occurrence of high-grade gold identified 720m North of the First Hit mine workings demonstrated potential for a high-grade shoot to be defined with further drilling. At 80m drill spacing, a single high-grade result leaves sufficient untested strike length either side of the intercept to host a mineralised shoot up to 160m in length (distance to the adjoining drill sections). The planning of additional holes in the field (VKRC0066 & VKRC0067) to reduce the drill spacing and the subsequent intersection of gold in hole VKRC0066 confirmed continuity of a potential shoot.

Due to ongoing laboratory delays outside of the Company's control, turnaround time has been extended to >12 weeks. The Company still expects all the results for the holes to be received before the end of the March quarter (subject to no further delays) and will announce the results for each of the 4 drill targets tested once they are received and evaluated. Whilst these delays are very frustrating to Viking (and our shareholders), work continues on the following activities in advance of the assays being received:



- Loading of all drilling data and verification in 3D software as assays are returned
- Commencement of 3D modelling of the First Hit structure observed in drilling with the objective of assessing the >1.5km of strike of the First Hit structure which has now been drill tested by Viking
- Photon assay technique to be applied on identified mineralised zones to determine if any coarse gold is present which could increase the variability of grade observed in the assay results (Photon assay techniques vs fire assay)
- Selection of key samples for multielement analysis to assist in geological interpretation of host rock types and potential vectoring to high grade mineralisation and targeting

Once all results have been received, the Company will assess and evaluate and plan the follow up drill campaign.

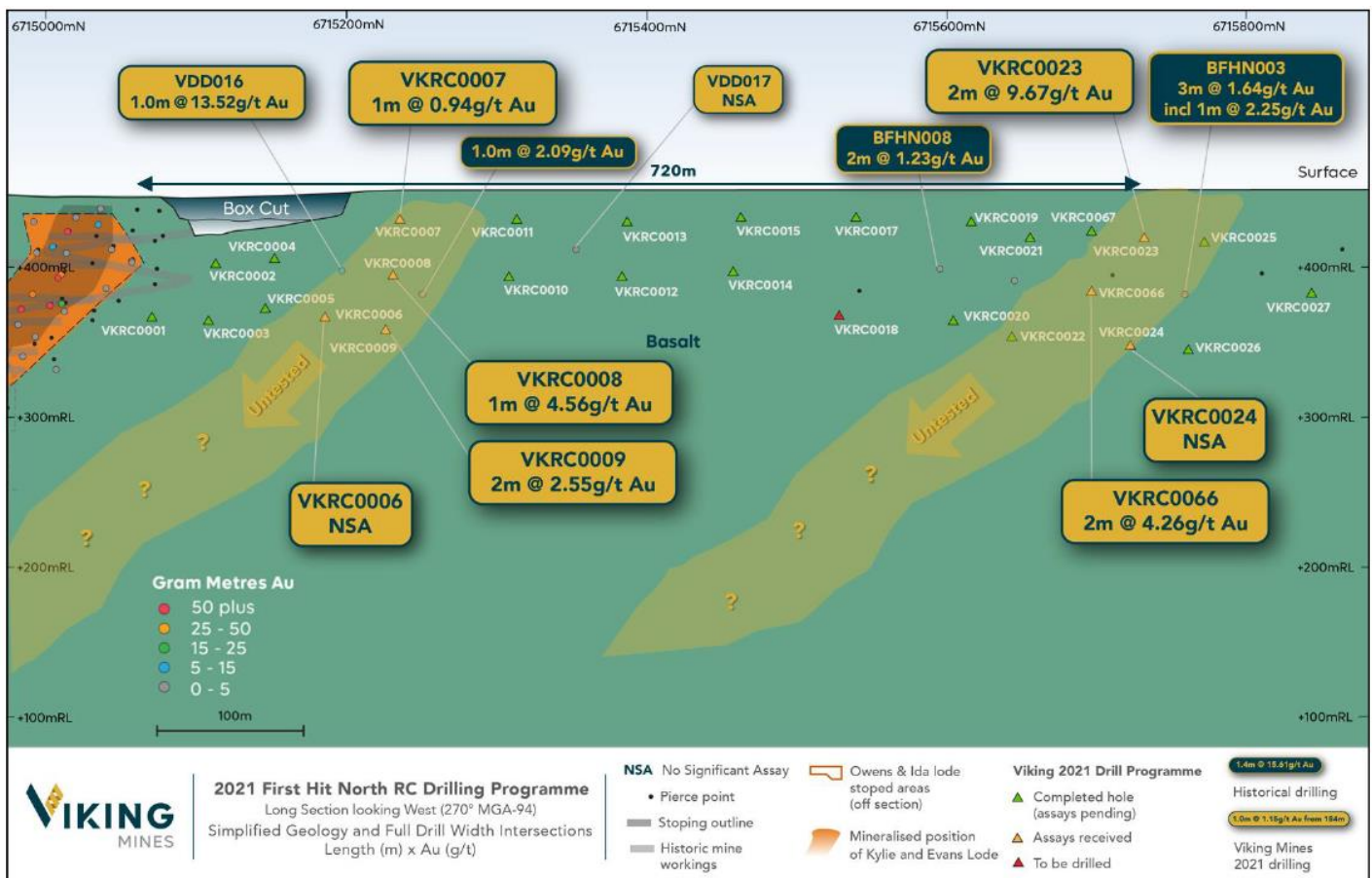


Figure 1; Long section of First Hit North target area showing assay results received up to the date of the news release (7 of the 27 completed drillholes) Note the high-grade results identified ~720m North of the historic mine workings. Outlines of potential lode positions (light orange) are based of the outline of mineralisation which occurs at the historic First Hit mine. All Viking results shown were reported on either 22 December 2021 (VKRC series¹) or 30 August 2021 (VKDD series²)

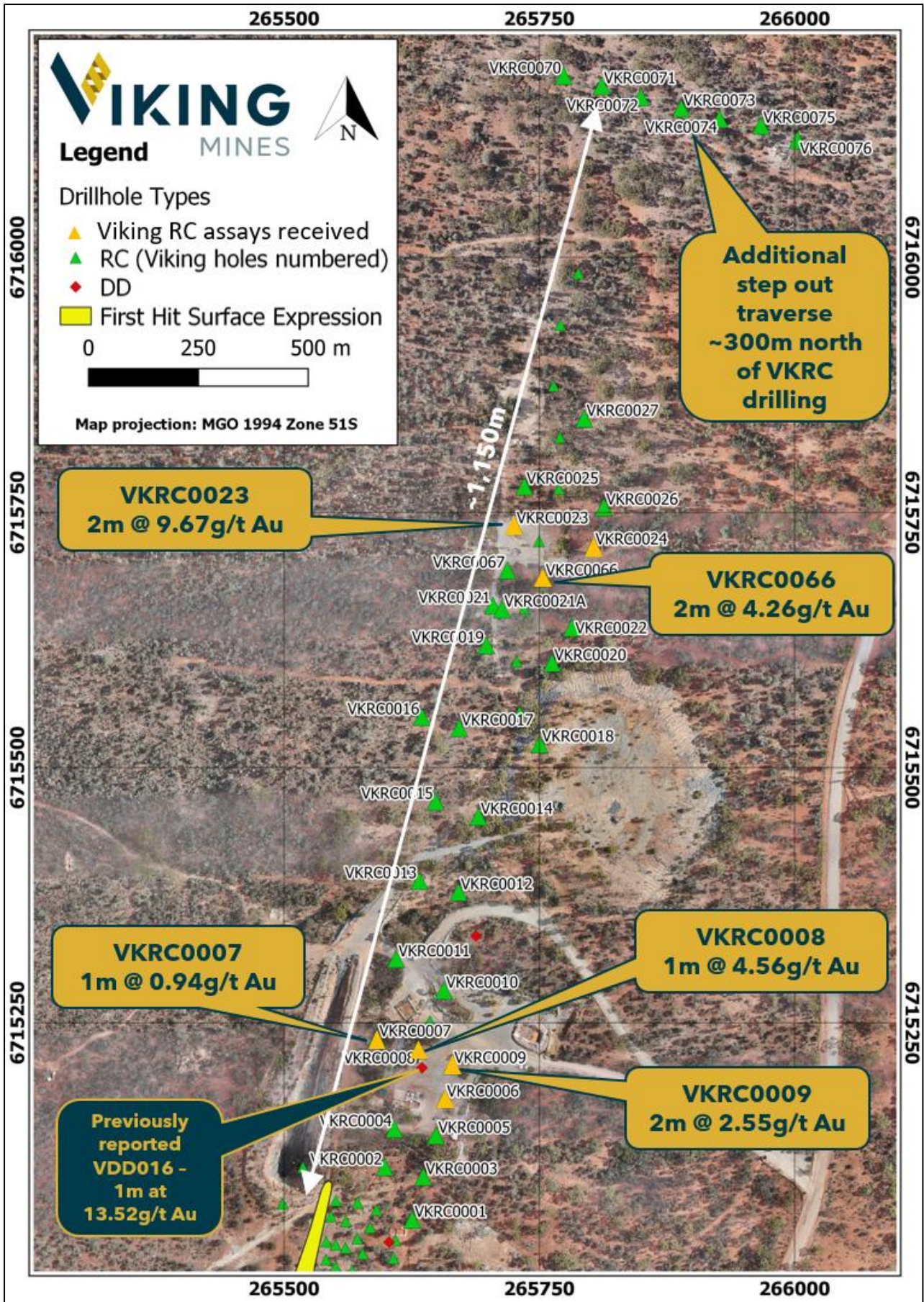


Figure 2; First Hit North target area with the assay results received as of and as released on 22 December 2021¹. Note the location of the additional step out line 300m further North of the Viking RC drilling.



Figure 3; View to the south along the First Hit North target showing the RC drill rig drilling hole VKRC0067.

Exploration Licence E29/1133 Granted

On 5 January 2022, the Department of Mines, Industry, Regulation and Safety (**DMIRS**) informed Viking Mines it had granted exploration licence E29/1133 which covers >200km² of poorly explored tenure (Figure 4).

The tenement was pegged by Viking due to its prospective location to the east of the Zuleika & Ida Shears and its proximity 22km to the North of the First Hit Project. The tenement encompasses up to ~20 km strike length of deformed and highly metamorphosed Archean greenstone stratigraphy which lies underneath younger cover. There has been extremely limited prior exploration with no surface sampling or drilling previously recorded.

The tenement is well placed to compliment First Hit and can be serviced by exploration programmes associated with the First Hit project and infrastructure. It is well located between the Red Dirt Metals' Mt Ida Lithium and Gold Projects to the northwest and the Ora Banda Mining tenure to the southwest.

Viking pegged the tenement due to its lack of prior exploration and its location in a prospective greenstone belt and emerging lithium province.

Now that the tenure has been granted, conceptual targeting and exploration planning will commence with the objective of undertaking fieldwork late in FY22.

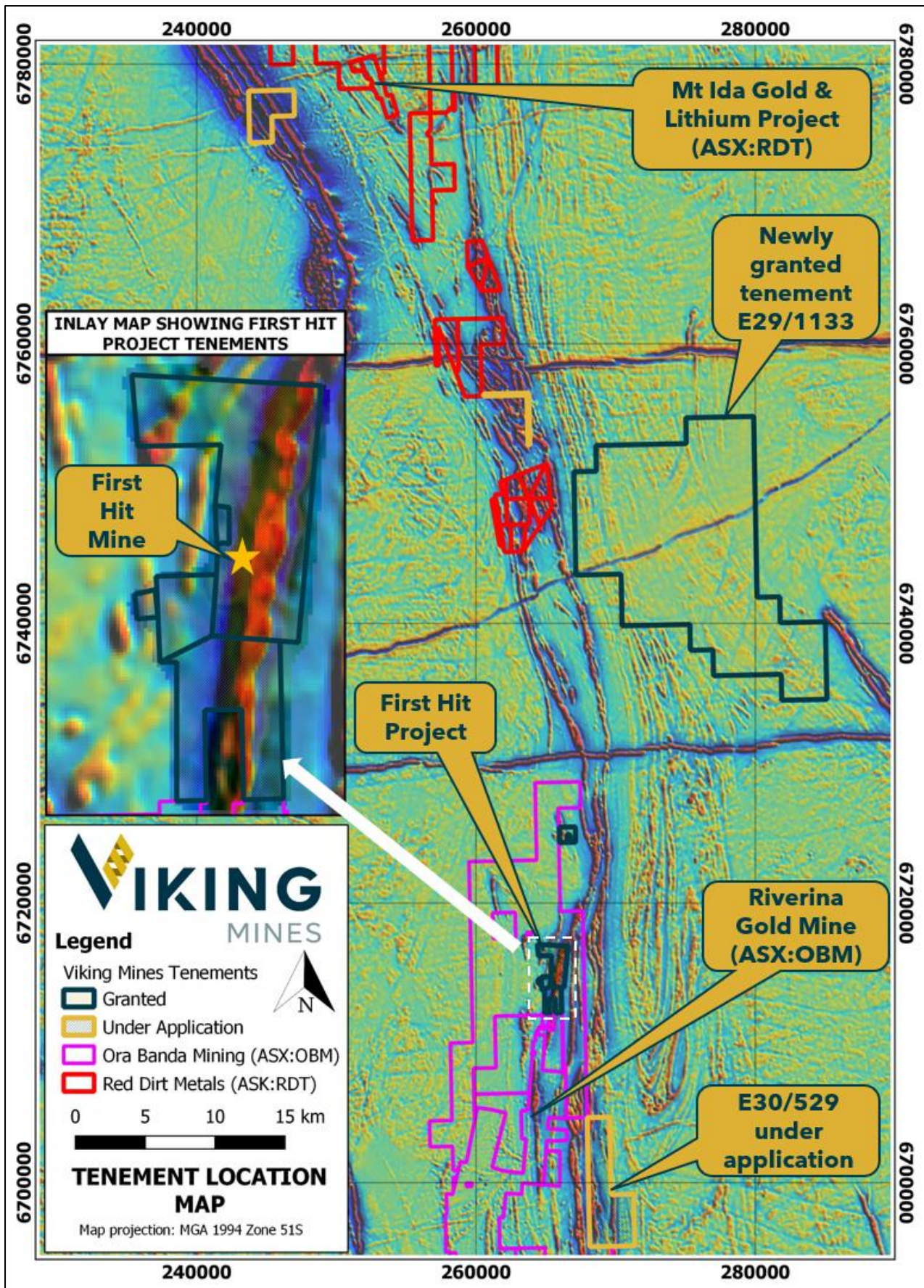


Figure 4; Map showing the location of Viking Mines tenements (granted and under application) and ground holdings of Ora Banda Mining and Red Dirt Metals along the Mt Ida and Zuleika shear zones. Note newly granted tenement E29/1133 25km North of the First Hit Project. Background image is freely available WA government magnetics image reduced to pole (RTP) 1st Vertical Derivative (1VD) map sheet 1057 (Menzies).



GHANA

Akoase Gold Project (VKA 100% - reducing to 0% upon completion of sale)

During the December quarter, Viking received a successful judgement on the case brought by Viking subsidiary Resolute Amansie Limited ("**RAL**") against the purchasers of the Akoase Project, namely Akoase Resources Limited, BXC Company Ghana Limited and Cheng Yi ("**the defendants**").

At a hearing on 18 October 2021, judgement was given by the High Court in Ghana (commercial division) in favour of Viking's subsidiary company RAL, in respect of all aspects of the claim against the defendants for payment of the outstanding balance of purchase price, costs, interest and royalty. The balance payment of the purchase price was received prior to judgement, but the remaining payments are outstanding as follows:

- US\$120k transfer fees;
- A royalty on any mining completed on the Akoase project (US\$40/ounce mined up to a maximum of US\$2M); and
- Interest on each of the above amounts.

The judge ordered that the defendants must provide to the court accounts in respect of the royalty to determine the amount payable. The matter was subsequently adjourned until 17 November 2021, at which time the accounts in relation to the royalty were to be considered along with RAL's claim for costs against the defendants.

The Defendants and their Counsel did not appear in court on 17 November 2021 and they also failed to provide to the Court accounts in respect of the royalty as instructed.

In response to the lack of information, legal representatives for Viking requested that the Court appoint an independent geologist to visit the Akoase Project to assess the amount of activity which has been completed to determine the amount of gold extracted, and report back to the Court so that the royalty payment could be determined.

On 9 December 2021, the Court granted the application and specified that the expert should be independent of either party. The Registrar of the Court is to liaise with both parties regarding the appointment and the Court has been adjourned until 2 February 2022.

The Company will continue to provide further information in relation to this matter as the proceedings progress.

Investigation completed by Viking using satellite imagery confirms significant activity has taken place over the past 3 years (Figure 5) at the Akoase Project. This provides confidence that the independent expert will identify that gold mining has been taking place and that the royalty (either in part or in full) should be ordered to be paid by the Court.



Figure 5; Satellite picture showing the Akoase project in March 2019 and January 2022. Significant surface activity has taken place which suggests mining is taking place. The extent of potential gold extraction is not known by Viking but should be determined by the independent expert.

Tumentu Gold Project (VKA 100%)

No on ground activity has taken place in the last quarter.

Butre Gold Project (VKA 100%)

No activity has taken place in the last quarter.

CORPORATE

The Company has a strong cash position of \$5.6 million as of 31 December 2021.

The Company held its 2021 Annual General Meeting on 25 November 2021, where all resolutions put the meeting were passed on a poll.

As set out in section 6 of the attached Appendix 5B, the Company made payments to related parties of the entity of \$95,197 in the quarter ending 31 December 2021. This amount was made up of Director fees for the relevant period.

The Company advises that in accordance with the requirements of ASX Listing Rule 5.3, the Company's expenditure on exploration and evaluation activities for the quarter predominantly related to:

- Exploration costs for the First Hit project.
- Consulting fees for the First Hit and Ghanaian projects.
- Tenement administration and management costs for the First Hit and Ghanaian projects.
- General corporate and administration costs.



Other than as set out in this report, the Company undertook no substantive mining production and development activities during the quarter.

The provision of this announcement to ASX has been authorised by the board of directors of the Company.

Julian Woodcock
Managing Director and CEO
Viking Mines Limited

For further information, please contact:

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¹ ASX Announcement of 22 November 2021 - Viking receives high grade results 720m north of First Hit.

² ASX Announcement of 30 August 2021 - Viking DD results up to 71g/t as new target defined.



APPENDIX 1 - TENEMENTS HELD AS AT 31 DECEMBER 2021

Australia

License name	Location	License type	License Holder/ JV Partners*	Viking Mines Ownership
M30/0091	WA	Mining Licence	Red Dirt Mining Pty Ltd	100%
M30/0099	WA	Mining Licence	Red Dirt Mining Pty Ltd	100%
P30/1125	WA	Prospecting Licence	Red Dirt Mining Pty Ltd	100%
P30/1126	WA	Prospecting Licence	Viking Mines Ltd	100%
P30/1137	WA	Prospecting Licence	Red Dirt Mining Pty Ltd	100%
P30/1144	WA	Prospecting Licence	Red Dirt Mining Pty Ltd	100%
E29/1131	WA	Exploration Licence	Viking Mines Ltd	100% (under application)
E29/1133*	WA	Exploration Licence	Viking Mines Ltd	100%
E29/1169	WA	Exploration Licence	Red Dirt Mining Pty Ltd	100% (under application)
E30/0529	WA	Exploration Licence	Viking Mines Ltd	100% (under application)
P29/2652	WA	Prospecting Licence	Viking Mines Ltd	100% (under application)
P30/1160	WA	Prospecting Licence	Red Dirt Mining Pty Ltd	100% (under application)

Red Dirt Mining is a 100% owned subsidiary of Viking Mines Ltd.

* As noted above, E29/1133 was granted post the end of the December quarter, on 5 January 2022.

Competent Persons Statement

Information in this release that relates to Exploration Results on the Western Australian projects is based on information compiled by Mr Ian Stockton, who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Stockton is a full-time employee of CSA Global. Mt Stockton is engaged by Viking Mines Ltd as an independent consultant. Mr Stockton has sufficient experience which 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'. The Company confirms that it is not aware of any new information or data that materially affects the information and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original releases.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

VIKING MINES LIMITED

ABN

38 126 200 280

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(270)	(1,036)
(b) development		
(c) production		
(d) staff costs	(211)	(406)
(e) administration and corporate costs	(284)	(244)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(3)	(5)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(768)	(1,690)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	-	(13)
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets	-	62

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements	-	4,017*
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	-	4,066

* Revenue recorded in 2.2(b) above of \$4.017 million relates to the proceeds of the sale of the Akoase Project in Ghana, as reported to ASX on 30 July 2021.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(15)	(27)
3.10	Net cash from / (used in) financing activities	(15)	(27)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,268	3,076
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(768)	(1,690)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	4,066
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(15)	(27)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	102	161
4.6	Cash and cash equivalents at end of period	5,587	5,587

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,587	6,268
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,587	6,268

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	95
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(768)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(768)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,587
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,587
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.27
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

27 January 2022

Date:

Board of Viking Mines Limited

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.