



Viking Mines Limited

ABN 38 126 200 280

Annual report
for the year ended 30 June 2016

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CORPORATE INFORMATION

Directors

Executive Chairman: John (Jack) Gardner
Executive Director: Peter McMickan
Non-Executive Director: Raymond Whitten

Company secretary

Michael Langoulant

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Solicitor

Jackson MacDonald
Level 17, 225 St Georges Terrace
Perth WA 6000

Auditor

Rothsay Chartered Accountants
Level 1, Lincoln Building
4 Ventnor Avenue
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Stock Exchange Listing

Australian Securities Exchange (ASX code: VKA; VKAO)

OPERATIONS REPORT

Ghana Projects

The Viking Mines mineral licences are located in southern Ghana, West Africa (Figure 1) in one of the most strongly gold endowed and tightly held geological provinces in the world, the Ashanti Gold Belt. Numerous multi-million ounce gold deposits are located within and on the margins of the Ashanti Gold Belt, including two of the largest gold deposits in the world, Obuasi and Tarkwa.

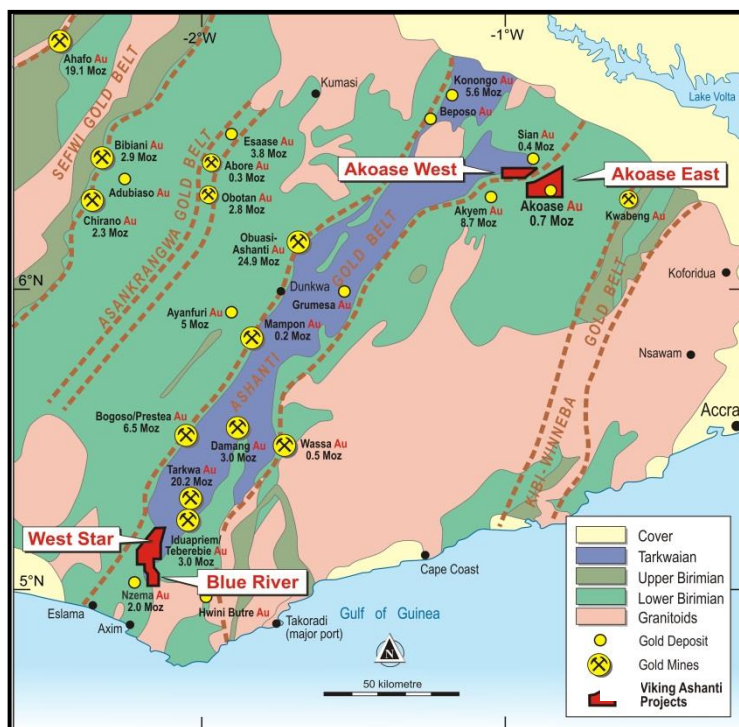


Figure 1: Viking Mines Gold Project Locations, Southern Ghana

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

The Akoase project is located approximately 125km north-northwest of Accra in southern Ghana, with sealed road access within 5km and grid power within 10km of the project area.

The Akoase prospecting licences are located in the northern part of the Ashanti gold belt. A number of major gold mines and projects lie within this belt, including Newmont's 8.7 million ounce Akyem gold project which is approximately 25km southwest of the Akoase project area.

In June 2015 the Company announced that it had executed a sale contract for the Akoase Gold Project for an overall transaction value of US\$10 million cash. The purchaser, Akoase Resources Limited (ARL) is the Chinese party that controls Akroma Gold Limited, the owner of the Sian gold project located 12kms from Akoase. Sian has historically reported an NI 43-101 Indicated and Inferred resource of 396,000 ounces.

During the year ARL paid the balance of the USD2 million non-refundable deposit to Viking. A further USD6 million becomes payable upon completion of the sale.

The final payments of the USD2 million deposit were received by Viking in January 2016. Since that time Viking has made significant progress in obtaining the necessary government approvals to transfer the Akoase tenements to ARL; including responding to various Minerals Commission requisitions for additional information in relation to the sale.

Viking believes that obtaining a tax clearance from the Ghana Revenue Authority for its Ghanaian incorporated subsidiary remains the only outstanding matter to be completed before Ministerial approval can be obtained. This necessary tax clearance certificate is expected to be received in the September quarter.

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Once Ministerial approval for the transfer of the sale tenements is received a further US\$6 million in Akoase sales proceeds becomes immediately payable to Viking.

Non-payment of this amount may void the sale transaction and, in that event, the Akoase project ownership would then remain with Viking with is no obligation upon Viking to refund any portion of the US\$2 million deposit already paid by ARL. Viking has no reason to expect that ARL may default on its sale completion obligations.

Akoase Sale Transaction Details

Viking has contracted to sell the Akoase gold project for total sales consideration of US\$10 million as follows:

- USD2,000,000 – already received by Viking
- USD6,000,000 – to be paid in cash within 5 days after all conditions precedent have been satisfied. The only remaining condition relates to Viking obtaining the Ghanaian Minister of Lands and Natural Resources approval to the transfer of the sale tenement
- US\$ 2,000,000 – to be paid in cash as a gold production royalty

An Inferred mineral resource estimate, classified in accordance with the JORC (2012) Code, of 20.6 Mt @ 1.2 g/t Au for 790,000 ounces of contained gold, at a 0.5 g/t Au cut-off was completed for the Akoase East deposit in September 2013.

West Star/Blue River Joint Venture Project (Viking 100% hard rock rights only)

The West Star/Blue River project is located approximately 185km west of Accra (Figure 1), with sealed road access within 5km and grid power within 10km of the project area. No field activity was undertaken during the year.

Viking has 100% of the hard rock rights over the West Star/ Blue River project via joint venture agreements with the tenement holder. The tenement holder and Joint Venture partner owns the alluvial rights on the West Star/Blue River project.

As a result of alleged non-compliance with the Mining Act the tenement holder has received formal notification from the Minerals Commission that the tenements have been rescinded/or will not be renewed.

Viking has sought legal opinion on this matter and has made submissions to the Minerals Commission in an endeavour to protect its hard rock interests. Until this matter is resolved such that Viking project rights are confirmed Viking is unable to undertake any further exploration activities on these tenements.

It is possible that Viking may not have its hard rock rights in this area re-affirmed.

Viking had planned a reconnaissance drill program to test a strong gold in soil anomaly located adjacent to the Salman shear zone in the northern part of the West Star prospecting licence.

Mongolia Projects

Berkh Uul Coal Project (Viking 100%)

Berkh Uul is located 400 km north of Ulaanbaatar in northern Mongolia within the Orkhon-Selege coal district and within 20km of the Russian border (Figures 2 and 3). The project is within 40km of rail access into Russian off-take markets, in close proximity to water, infrastructure and transport.

The deposit consists of shallow, consistent coal seams of high quality bituminous coal amenable to open pit mining. Viking had confirmed a local industrial demand for unwashed Berkh Uul coal, due to its low ash and relatively high calorific value. Four MOU's have been signed with the following government entities:

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- Darkhan Thermal Power Plant - a major supplier of electricity to Mongolia's second largest city, the commercial and industrial centre of Darkhan, and the northern region of Mongolia. This plant is being upgraded with coal consumption to increase from approximately 400,000t per year to approximately 600,000t per year
- Erdenet Power Plant - a major supplier of electricity to the Erdenet copper mine, located 180km west of Darkhan City. The plant consumes approximately 250,000t of coal per year
- Darkhan Metallurgical Plant - located close to Darkhan City, it is expanding its current 100,000 tpa steel milling capacity.
- Khutul Cement and Lime Plant, Mongolia's largest cement manufacturer, located approximately 60km west of Darkhan City, has plans to expand its coal consumption from the current 250,000 t per year to around 400,000t to 500,000 t per year to meet growing domestic demand for its cement products.

The MOU's state the government entities intent to enter into future purchase agreements for Berkh Uul project coal, and establishes testing of a bulk sample as a basis for technical evaluation of the coal.

However in early 2015 a Mongolian Government review of the Law on Prohibiting Mineral Exploration and Extraction near Water Sources, Protected Areas and Forests (commonly referred to as the "Long Name Law") resulted in Viking being advised that approximately 53% of the Berkh Uul prospecting licence falls within a headwaters of rivers zone and is subject to a determination of an exclusion zone under the Long Name Law. This government determination impacts upon the Company's current coal resource.

After raising this determination Viking established that the Mineral Resource Authority of Mongolia (MRAM) and the Ministry of Tourism, Green Development and Environment were prepared to review the exclusion zones at Berkh Uul.

Viking subsequently lodged a formal written submission with MRAM and a Government working group was formed to review Viking's submission. A field inspection of the project area was undertaken by representatives from the Ministry of Tourism, Green Development and Environment, accompanied by two Company representatives in June 2016. Viking expects to receive a formal response on the status of the government review process, following this field inspection, in the September quarter.

The Berkh Uul deposit has a JORC (2012) coal resource of 38.3 Mt. Of this, 21.4Mt is classified as Indicated and 16.9Mt classified as Inferred. The coal is bituminous in rank (ASTM classification) with average in situ quality as follows: Total Moisture 19.8%, Calorific Value 5,323 kcal/kg (air dried basis, adb), Ash 15.5% (adb), and Total Sulphur 0.37% (adb).

The Berkh Uul resource is reported in the Mineral Resources Statement below in Tables 2 and 3.

Khonkhor Zag Coal Project (Viking 100%)

Khonkor Zag is an anthracitic coal project located 1,400km southwest of Ulaanbaatar in Western Mongolia (Figure 2). It is strategically located within 40km of China's Burgastai border port with an existing haul road adjoining the tenement.

The current mining licence was granted in April, 2013, for a period of 30 years.

Government approvals have already been received for the Khonkhor Zag Environmental Impact Assessment, and the Feasibility Study Report, which provides a clear pathway for any future mining, and coal production at Khonkhor Zag. Excellent scope exists to develop Khonkhor Zag as a low cost, high margin premium coal project close to Chinese markets.

No on-ground work was undertaken during the year. The Company is in the process of evaluating options for the development of this project.



Figure 2: Viking Mines Project Locations, Mongolia



Figure 3: Location of Berkh Uul Coal Project in Northern Mongolia

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Corporate

The Company's plans for the 2016/7 financial year are to advance development/sale of the Mongolian coal projects, complete the sale of the Akoase gold project in Ghana, and to actively seek a mineral project farm-in/acquisition opportunity. The new project opportunities being considered will be complementary to the Company's existing project portfolio and consistent with its core objective to acquire near term production assets with potential to deliver sustainable cash flow.

Mineral Resources Statement

The Mineral Resources statement for the Company, as at 30 June 2016 is summarized below:

Akoase Gold Project, southern Ghana, Viking 100% ownership reducing to 0% upon completion of sale

The Akoase East resource has been independently estimated by internationally recognized and qualified resource consultancy GHD Pty Ltd in accordance with the JORC (2012) Code. An Inferred mineral resource estimate of 20.6 Mt @ 1.2 g/t Au for 790,000 ounces of contained gold, at a 0.5 g/t Au cut-off was completed for the Akoase East deposit in September 2013 (Table 1).

The Akoase East resource estimate is based on geological, drilling and assay information up to the end of August 2013. It includes approximately 10,000 metres of historical Reverse Circulation (RC) drilling data, plus data from approximately 10,000 metres of RC and 3,000 metres of diamond drilling completed by Viking between 2010 and 2013.

Table 1: Akoase East JORC (2012) Inferred Resource Estimate (September 2013)

TOTAL			
Cut off (g/t Au)	Million tonnes	Au g/t	Oz Au (x 1,000)
0.4	21.6	1.2	800
0.5	20.6	1.2	790
0.75	16.9	1.3	710
1.0	12.0	1.5	570
BY WEATHERING TYPE			
Oxide			
Cut off (g/t Au)	Million tonnes	Au g/t	Oz Au (x 1,000)
0.4	5.9	1.2	220
0.5	5.7	1.2	217
0.75	4.6	1.3	194
1.0	3.2	1.5	156
Fresh			
Cut off (g/t Au)	Million tonnes	Au g/t	Oz Au (x 1,000)
0.4	15.6	1.2	581
0.5	14.8	1.2	570
0.75	12.3	1.3	518
1.0	8.7	1.5	417

Ordinary Kriging whole block estimates using 25mE x 25mN x 10mRL parent block dimensions. Reported using gold (Au) lower cut-off grades (preferred cut-off is 0.5 g/t Au). Using rounded figures in accordance with the Australian JORC Code (2012) guidance on Mineral Resource Reporting.

Viking is not aware of any new information or data that materially affects the above resource calculation, and that all material assumptions and technical parameters underpinning the estimated resource continue to apply and have not materially changed.

The Akoase East resource estimate and associated report was completed by internationally recognised resource consultants GHD Pty Ltd in September 2013. The resource estimate has been reviewed by Viking's Competent person, Mr Peter McMickan, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM), member number 105742.

Mr McMickan has approved to the Akoase East resource estimation as outlined in this report in accordance with the requirements of the JORC Code (2012) and ASX Rules.

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Berkh Uul Coal Project, northern Mongolia, Viking 100% ownership

An Indicated and Inferred coal resource estimate, classified in accordance with the JORC (2012) Code, for the Berkh Uul coal project was completed in March 2014. The resource estimate was completed for Auminco Mines Ltd by internationally recognized and qualified consultancy group, RungePincockMinarco Ltd, and totals 38.3 Mt. Of this, 21.4Mt is classified as Indicated and 16.9Mt classified as Inferred (Table 2). The coal is bituminous in rank (ASTM classification) with average in situ quality as follows: Total Moisture 19.8%, Calorific Value 5,323 kcal/kg (air dried basis, adb), Ash 15.5% (adb), and Total Sulphur 0.37% (adb) (Table 3).

Tables 2 and 3: Berkh Uul JORC (2012) Indicated and Inferred Resource Estimate (February 2014)

Table 2: Berkh Uul JORC (2012) Coal Resource Tonnage (million tonnes in situ)					
Resource type	Seam	Measured	Indicated	Inferred	Total
Open Cut	1	–	4.4	3.5	7.9
	2	–	2.6	0.3	3.0
	OC subtotal	–	7.0	3.9	10.9
Underground	1	–	8.2	8.3	16.5
	2	–	6.2	4.8	10.9
	UG subtotal	–	14.4	13.1	27.4
Grand Total		–	21.4	16.9	38.3

Sum of columns may not equal the total due to rounding

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Table 3: Berkh Uul JORC (2012) Coal Resource Quality

Resource type	category	Seam	TM (%)	IM (%)	Ash (% adb)	VM (% adb)	FC (% adb)	TS (% adb)	CV (kcal/kg adb)	Rdis
Open Cut	Ind	1	20.8	13.5	14.4	32.6	39.5	0.34	5373	1.35
		2	21.0	13.7	9.8	34.9	41.6	0.35	5693	1.31
		subtotal	20.9	13.6	12.7	33.4	40.3	0.34	5493	1.33
	Inf	1	18.9	12.0	20.1	30.9	37.1	0.37	5011	1.39
		2	20.9	13.8	10.0	34.5	41.7	0.37	5684	1.32
		subtotal	19.1	12.1	19.2	31.2	37.5	0.37	5066	1.38
	OC subtotal		20.3	13.1	15.0	32.6	39.3	0.35	5342	1.35
Underground	Ind	1	18.9	12.2	18.8	31.3	37.8	0.34	5110	1.38
		2	20.9	13.7	10.3	33.9	42.0	0.42	5681	1.32
		subtotal	19.7	12.8	15.2	32.4	39.6	0.37	5355	1.35
	Inf	1	18.7	12.0	19.6	31.0	37.4	0.35	5050	1.39
		2	21	13.8	10.6	33.8	41.8	0.43	5657	1.32
		subtotal	19.6	12.6	16.3	32.0	39.0	0.38	5272	1.36
	UG subtotal		19.6	12.7	15.7	32.2	39.3	0.38	5313	1.36
Grand Total			19.8	12.8	15.5	32.3	39.3	0.37	5323	1.35

Sum of columns may not equal the total due to rounding

Note: Air Dried Basis(adb); TM- total Moisture; IM-Inherent Moisture; VM-Volatile Matter; FC – Fixed Carbon; TS- Total Sulphur; CV- Calorific Value; Rdis- in situ Relative Density.

The principal author of the Berkh Uul resource estimate and associated report is Mr Brendan Stats, who is a professional geologist with over 10 years' experience in mining and mineral resource estimation. Mr Stats is a Senior Geologist of RungePincockMinarco Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy member number 311313.

Mr Stats is responsible for the Berkh Uul resource estimation and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and for the activity to report a mineral resource. Mr Stats has approved the Berkh Uul resource estimation as outlined in this report in accordance with the requirements of the JORC Code (2012) and ASX Rules.

Peter McMickan
Executive Director

Forward Looking Statements: This document may include forward looking statements. Forward looking statements may include, but are not limited to statements concerning Viking Mines Limited's planned exploration programs and other statements that are not historical facts. When used in this document, 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.

DIRECTORS' REPORT

Your Directors present their annual financial report on the consolidated entity (referred to hereafter as the “Group”) consisting of Viking Mines Limited (the “Company” or “Parent”) and the entities it controlled at the end of, or during, the financial year ended 30 June 2016. In order to comply with the Corporations Act, the Directors report as follows:

Directors

The following persons were Directors of the Company during the whole of the financial period and up to the date of this report:

John William (Jack) Gardner (Executive Chairman)

Jack Gardner was appointed a Director on 27th July 2007. He graduated with Bachelor of Engineering from the University of Melbourne in 1962 and has a Master of Business degree from Curtin University. He is a Fellow of The Institution of Engineers Australia.

Mr Gardner has a long and distinguished career in servicing the mining industry in Australia as well as in West Africa. As a Director and General Manager of Minproc Engineers he was responsible for design and construction of gold and base metal plants. He established Minproc in Ghana where the company became that country’s leading mining project engineers.

In Ghana he also headed Ghana Manganese Company (GMC) as Executive Chairman after negotiating the purchase of its projects from the Government of Ghana. Privately owned, GMC grew from 300,000 tpa to 1.7 million tpa of manganese carbonate shipments, until it was acquired for cash. Mr Gardner has been a Director of Mincor Resources Limited since its inception and 1996 ASX listing.

Mr Gardner was also associated with Guinor from 1993, overseeing a number of expansions of the Lero heap leach project, and was pivotal in the development of the 350,000 oz pa LEFA Corridor Project. Guinor was acquired by Crew Gold Corporation Inc.

Peter McMickan (Executive Director)

Peter McMickan was appointed a Director on 27th July 2007. He graduated with an Honors Degree in Geology from the University of Melbourne, Australia in 1977 and has post-graduate qualifications in Mineral Economics from Macquarie University and is a Member of the Australasian Institute of Mining and Metallurgy.

His professional career has spanned 34 years worldwide with a number of major, well respected international exploration and mining companies including Newmont, Pancontinental Mining, BP Minerals, Kalgoorlie Consolidated Gold Mines and Homestake. He is a highly regarded geologist and manager, with a proven track record of business and technical success throughout his career.

His recent experience covers corporate, senior management and technical supervision of mining, development and exploration projects throughout Australia, Africa and Europe. He managed the mine geology, exploration and successful resource development of Guinor’s Lero gold project in Guinea, West Africa. During his four years with the company, the company’s exploration spend increased to US\$1 million per month, which sustained the existing heap leach operation and resulted in expansion of the resource to over 4Moz of gold in the space of two years. This expanded resource base underpinned a major re-development of the Lero project to a 6Mtpa CIP/CIL operation producing 350,000 ounces of gold per year.

Raymond Whitten (Non-Executive Director & Deputy Chairman)

Raymond Whitten was appointed a director on 29 October 2014. Mr Whitten is an admitted solicitor with over 40 years’ experience having previously acted as President of the City of Sydney Law Society.

Mr Whitten is an experienced investor with a wide range of investment interests and has served as a Director of many private and public companies. In 2005 as Chairman of the National Stock Exchange of Australia Limited (NSX) he was responsible for its successful IPO on the ASX in 2005.

His current roles include serving as Chairman of Whittens & McKeough, a boutique Sydney law firm specialising in mergers and acquisitions and corporate law. Mr Whitten was formerly the Deputy Chairman of the Safety, Return to Work and Support Board (a board formed under statute responsible for determining the general policies and direction for the following agencies: Workcover NSW, Motor Accidents Authority NSW and Lifetime Care and support Authority NSW).

Mr Whitten holds a Bachelor of Arts and Bachelor of Laws from the University of Sydney, a Masters of Laws from the University of Technology, Sydney, is an accredited specialist in business law and is a Notary Public.

DIRECTORS' REPORT

Interests in the shares and options of the Company and related bodies corporate

The following relevant interests in shares and options of the Company or a related body corporate were held by the directors and their associates as at the date of this report.

Directors	Number of fully paid ordinary shares	Number of options over ordinary shares
John Gardner	22,507,643	3,000,000
Raymond Whitten	42,095,782	12,244,503
Peter McMickan	4,046,837	250,000

Company Secretary

Michael Langoulant

Mr Langoulant is a Chartered Accountant with almost 30 years' experience in corporate administration and fundraising for public companies. Mr Langoulant had ten years with large international accounting firms, and has acted as chief financial officer, company secretary and director for a number of publicly listed companies. Mr Langoulant established his own corporate services consultancy firm in 1994.

Principal activity

The principal activity of the Group during the financial period was investment in mineral exploration projects.

Dividends

No dividend has been paid or declared since the start of the financial period and the Directors do not recommend the payment of a dividend in respect of the financial period.

Review of operations

Information on the operations of the Group is set out in the review of Operations Report on pages 4 to 10 of this Annual Report.

Significant changes in the state of affairs

Apart from as outlined in the Operations Report there have been no significant changes in the state of affairs of the Group to the date of this report.

Matters subsequent to the end of the financial period

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Likely developments and expected results

Additional comments on expected results of certain operations of the Group are included in the review of operations and activities.

Environmental legislation

The Group is subject to significant environmental legal regulations in respect to its exploration and evaluation activities in Ghana. There have been no known breaches of these regulations and principles.

Indemnification and insurance of Directors and officers

During the financial period the Company has paid premiums in respect of a contract insuring all Directors and officers of the Company and its controlled entities against liabilities incurred as Directors or officers to the extent permitted by the *Corporations Act 2001*. Due to a confidentiality clause in the contract the amount of the premium has not been disclosed.

Meetings of Directors

During the financial period there were 7 formal Directors' meetings. All other matters that required formal Board resolutions were dealt with via written circular resolutions. In addition, the Directors met on an informal basis at regular intervals during the financial period to discuss the Group's affairs.

DIRECTORS' REPORT

The number of meetings of the Company's board of Directors attended by each director were:

	<i>Directors' meetings held</i>	<i>Directors' meetings attended</i>
J Gardner	7	7
R Whitten	7	7
P McMickan	7	7

Shares under option

Outstanding share options at the date of this report are as follows:

Grant Date	Date of expiry	Exercise price	Number of options
October – December 2014	30 April 2017	\$0.09	44,771,552
December 2014	15 November 2016	\$0.20	3,000,000

No option holder has any right under the options to participate in any other share issue of the Company or any other controlled entity.

Shares issued on the exercise of options

During the current financial year there were no shares issued upon the exercise of options.

DIRECTORS' REPORT

Remuneration Report

This report outlines the remuneration arrangements in place for the key management personnel of Viking Mines Limited (the "Company") for the financial year ended 30 June 2016. The information provided in this remuneration report in relation to the current financial year has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Company, and includes all executives of the Company and the Group

Key Management Personnel

(i) Directors

J Gardner (Chairman)

R Whitten (Non-executive Deputy Chairman)

P McMickan (Executive Director)

(ii) Other executives

M Langoulant (Company Secretary)

Details of Directors' and executives' remuneration are set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Employment contracts/Consultancy agreements
- D Share-based compensation

A Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aims to align executive reward with the creation of value for shareholders. The key criteria for good reward governance practices adopted by the Board are:

- competitiveness and reasonableness
- acceptability to shareholders
- performance incentives
- transparency
- capital management

The framework provides a mix of fixed salary, consultancy agreement based remuneration, and share based incentives.

The broad remuneration policy for determining the nature and amount of emoluments of Board members and senior executives of the Company is governed by the full Board. Although there is no separate remuneration committee the Board's aim is to ensure the remuneration packages properly reflect Directors and executives duties and responsibilities. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention and motivation of a high quality Board and executive team.

The current remuneration policy adopted is that no element of any director/executive package be directly related to the Company's financial performance. Indeed there are no elements of any Director or executive remuneration that are dependent upon the satisfaction of any specific condition. The overall remuneration policy framework however is structured in an endeavour to advance/create shareholder wealth.

Non-executive Directors

Fees and payments to non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed annually by the Board and are intended to be in line with the market.

Remuneration Report (cont)

Directors' fees

Two of the Directors are executives with the one being non-executive. Non-executive Directors receive a separate fixed fee for their services as directors. The current non-executive Director fee is set at \$25,000 per annum per non-executive director.

Retirement allowances for Directors

Apart from superannuation payments paid on salaries, there are no retirement allowances for Directors.

Executive pay

The executive pay and reward framework has the following components:

- base pay and benefits such as superannuation
- long-term incentives through participation in employee equity issues

Base pay

All executives are either full time employees or consultants that are paid on an agreed basis that have been formalised in consultancy agreements.

Benefits

Apart from superannuation paid on executive salaries there are no additional benefits paid to executives.

Short-term incentives

There are no current short term incentive remuneration arrangements.

Employee/Consultant options

To ensure that the Company has appropriate mechanisms in place to continue to attract and retain the services of suitable directors and employees, the Company has issued options to key personnel.

There have been no employee option issues during the financial period.

B Details of remuneration

Amounts of remuneration

Details of the remuneration of the Directors and key management personnel (as defined in AASB 124 *Related Party Disclosures*) of the Company and the Group for the year ended 30 June 2016 are set out in the following tables. There are no elements of remuneration that are directly related to performance.

The key management personnel of the Group are the Directors of the Company and those executives that have authority and responsibility for planning, directing and controlling the activities of the Group.

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Remuneration of key management personnel

Year ended
30 June 2016

Name	<i>Salary and/or fees</i> \$	<i>Post- employment – Superannuation</i> \$	<i>Share-based payment</i> <i>Option issues</i> \$	<i>TOTAL</i> \$
Director				
J Gardner	33,699	3,201	-	36,900
R Whitten	16,712	1,588	-	17,300
P McMickan	86,433	33,261	-	119,694

Key management personnel

M Langoulant**	-	-	-	-
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Year ended
30 June 2015

Director				
J Gardner	50,000	-	-	50,000
R Whitten	25,000	-	-	25,000
P McMickan	134,553	10,931	-	145,484
T Kroepelien*	-	-	-	-

Key management personnel

M Langoulant**	-	-	-	-
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* Mr Kroepelien resigned as a director in October 2014.

** Fees for bookkeeping, accounting and corporate administration services of \$72,000 (2015:\$72,000) were paid to a company of which he is a director and shareholder.

C Employment contracts/Consultancy agreements

On appointment to the Board, all non-executive Directors enter into a service agreement with the Company in the form of a letter of appointment.

D Share-based compensation

Options

Options are granted to employees and consultants as determined by the Board. There have been no options issued to key management personnel during the last financial year.

DIRECTORS' REPORT

Auditor independence and non-audit services

Section 307C of the *Corporations Act 2001* requires our auditors, Rothsay Chartered Accountants, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on the next page and forms part of this Directors' report for the year ended 30 June 2016.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the consolidated entity are important. The Company has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The auditor has not provided any material non-audit services meaning that auditor independence was not compromised.

Proceedings on behalf of Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the Directors.



Jack Gardner
Executive Chairman
Perth, Western Australia

11th August 2016

*R*OTHSA Y

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
Viking Mines Ltd
Suite 2, Level 1
47 Havelock St
West Perth WA 6005

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 30 June 2016 financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Rolf Garda (Lead auditor)



Rothsay

Dated 11TH AUGUST 2016 .



Chartered Accountants

Viking Mines Limited
ABN 38 126 200 280

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	Consolidated 2016 \$	2015 \$
Other income	2	<u>6,905</u>	352,615
Other expenses	2	<u>(799,029)</u>	(2,445,616)
Loss before income tax expense	2	(792,124)	(2,093,001)
Income tax expense	3	<u>-</u>	-
Loss after income tax expense		(792,124)	(2,093,001)
Net loss for the year		(792,124)	(2,093,001)
Other comprehensive income			
Exchange differences on translation of foreign operations		(50,940)	(74,963)
Income tax relating to components of other comprehensive income		<u>-</u>	-
Other comprehensive income, net of tax		(50,940)	(74,963)
Total comprehensive loss for the year		(843,064)	(2,167,964)
Loss attributable to:			
Owners of the Company		(792,124)	(2,093,001)
Non-Controlling Interest		<u>-</u>	-
		(792,124)	(2,093,001)
Total comprehensive loss attributable to:			
Owners of the Company		(835,144)	(2,167,964)
Non-Controlling Interest		<u>-</u>	-
		(843,064)	(2,167,964)
		Cents	Cents
Basic loss per share (cents per share)	4	(0.3)	(1.0)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Viking Mines Limited
ABN 38 126 200 280

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	Consolidated 2016 \$	2015 \$
Current Assets			
Cash and cash equivalents	6	1,306,449	297,006
Trade and other receivables	7	16,502	39,387
Total Current Assets		1,322,951	336,393
Non-Current Assets			
Plant and equipment	8	-	1,723
Exploration project acquisition costs	9	3,320,328	5,500,000
Total Non-Current Assets		3,320,328	5,501,723
Total Assets		4,643,279	5,838,116
Current Liabilities			
Trade and other payables	10	152,846	384,619
Borrowings	11	-	120,000
Total Current Liabilities		152,846	504,619
Total Liabilities		152,846	504,619
Net Assets		4,490,433	5,333,497
Equity			
Issued capital	12	21,345,697	21,345,697
Reserves	13	224,971	275,911
Accumulated losses		(16,339,010)	(15,546,886)
Outside equity interest		(741,225)	(741,225)
Total Equity		4,490,433	5,333,497

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

Viking Mines Limited
ABN 38 126 200 280

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	Issued capital	Accumulated losses	Share based payments reserve	Foreign currency translation reserve	Outside Equity Interest	Total equity
Consolidated	\$	\$	\$	\$	\$	\$
Balance at 1 July 2014	16,852,732	(13,453,885)	244,000	106,874	(741,225)	3,008,496
Loss for the period	-	(2,093,001)	-	-	-	(2,093,001)
Other comprehensive income	-	-	-	(74,963)	-	(74,963)
Total comprehensive loss for the year	-	(2,093,001)	-	(74,963)	-	(2,167,964)
Shares issues, net of capital raising costs	4,492,965	-	-	-	-	4,492,965
Balance at 30 June 2015	21,345,697	(15,546,886)	244,000	31,911	(741,225)	5,333,497
Balance at 1 July 2015	21,345,697	(15,546,886)	244,000	31,911	(741,225)	5,333,497
Loss for the period	-	(792,124)	-	-	-	(792,124)
Other comprehensive income	-	-	-	(50,940)	-	(50,940)
Total comprehensive loss for the year	-	(792,124)	-	(50,940)	-	(843,064)
Shares issues, net of capital raising costs	-	-	-	-	-	-
Balance at 30 June 2016	21,345,697	(16,339,010)	244,000	(19,029)	(741,225)	4,490,433

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

Viking Mines Limited
ABN 38 126 200 280

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	Consolidated	
		Inflows/ (Outflows) 2016 \$	Inflows/ (Outflows) 2015 \$
Cash flows from operating activities			
Payments to suppliers and employees		(698,337)	(719,855)
Interest received		6,905	2,117
Interest expense		(7,600)	(23,464)
Net cash outflow from operating activities	21(a)	(699,032)	(741,202)
Cash flows from investing activities			
Payments for exploration and evaluation		(264,370)	(561,410)
Proceeds from sale of financial assets		-	14,691
Proceeds from sale of mining properties		2,179,672	348,232
Proceeds from sale of plant		-	2,241
Net cash outflow from investing activities		1,915,302	(196,246)
Cash flows from financing activities			
Proceeds from the issue of shares/options		-	1,468,437
Borrowings		-	120,000
Capital raising costs		-	(81,730)
Repayment of borrowings		(120,000)	(300,000)
Net cash inflow from financing activities		(120,000)	1,206,707
Net increase/(decrease) in cash held		1,096,270	269,257
Effect of exchange rate fluctuations on cash		(86,827)	(5,265)
Cash at the beginning of reporting period		297,006	33,014
Cash at the end of the reporting period	6	1,306,449	297,006

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 1: Statement of significant accounting policies

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and complies with other requirements of the law. The financial report has also been prepared on a historical cost basis. The Company is registered and domiciled in Australia.

(b) Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2015, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2016. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

(c) Statement of compliance

The financial report was authorised by the Board of directors for issue on 11 August 2016.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Viking Mines Limited and its controlled entities as at 30 June (the Group).

The financial statements of the controlled entities are prepared for the same reporting period as the Parent, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Controlled entities are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

(e) Significant accounting judgements estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Deferred exploration expenditure:

The Group's main activity is exploration and evaluation for minerals. The nature of exploration activities are such that it requires interpretation of complex and difficult geological models in order to make an assessment of the size, shape, depth and quality of resources and their anticipated recoveries. The economic, geological and technical factors used to estimate mining viability may change from period to period. In addition exploration activities by their nature are inherently uncertain. Changes in all these factors can impact exploration asset carrying values.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 1: Statement of significant accounting policies (continued)

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(g) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Temporary bank overdrafts are included in cash at bank and in hand. Permanent bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of 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 profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 1: Statement of significant accounting policies (continued)

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(i) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(j) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Office equipment – 20%

Plant and equipment – 20% - 40%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial period end.

(k) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 1: Statement of significant accounting policies (continued)

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior financial periods. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(l) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(m) Provisions

Where applicable, provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(n) Employee leave benefits

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(o) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to employees and consultants of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black and Scholes model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which any performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired, and

(ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 1: Statement of significant accounting policies (continued)

(p) Issued capital

Ordinary shares are classified as 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.

(q) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

(r) Exploration and evaluation expenditure

Exploration costs are expensed as incurred. Acquisition costs are accumulated in respect of each separate area of interest. Acquisition costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through the sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the Directors' decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period and accumulated acquisition costs written off to the extent that they will not be recovered in the future. Amortisation is not charged on acquisition costs carried forward in respect of areas of interest in the development phase until production commences.

Viking Mines Limited
ABN 38 126 200 280

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	Consolidated 2016	2015
	\$	\$
Note 2: Revenue and expenses		
(a) Revenue from continuing operations		
<i>Other revenue</i>		
Interest received	6,905	2,117
Profit on sale of financial assets	-	2,266
Proceeds on sale of mining properties	-	348,232
(b) Expenses		
Loss from ordinary activities before income tax expense includes the following specific expenses:		
Auditors' fees	39,141	49,109
Consultants	102,000	279,000
Depreciation	1,723	4,831
Direct exploration and project evaluation	264,370	561,410
Employee costs	174,894	220,485
Foreign exchange loss	35,888	5,265
Impairment of exploration project acquisition costs	-	1,313,957
Interest expense	7,600	23,464
Loss on sale of plant	-	14,301
Takeover transaction costs	-	(285,444)
Note 3: Income tax		
Income tax expense recognised in income statement		
<i>Current income tax</i>		
Current income tax payable	-	-
Income tax expense/(benefit) reported in statement of comprehensive income	-	-
Reconciliation to income tax expense on accounting loss		
Accounting loss before tax	(792,124)	(2,093,001)
Tax expense (revenue) at the statutory income tax rate of 30%	(237,637)	(627,900)
Sundry non-deductible expenses	63,025	100,370
Unrealised tax losses not recognised	174,612	527,530
Income tax expense	-	-

Viking Mines Limited
ABN 38 126 200 280

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 3: Income tax (cont)

	<u>Consolidated</u>	
	2016	2015
	\$	\$
Unrecognised deferred tax balances		
Deferred tax assets:		
Share issue costs	27,832	41,124
Tax revenue losses	3,090,186	2,845,530
	3,118,018	2,886,654
Deferred tax liabilities:		
	-	-
Net unrecognised deferred tax assets	3,118,018	2,886,654

Note 4: Earnings per share

Total basic loss per share (cents)	(0.3)	(1.0)
The loss and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:		
Net loss for the period	(792,124)	(2,093,001)
The weighted average number of ordinary shares	250,974,285	203,422,882

The diluted loss per share is not reflected as the result is anti-dilutive.

Note 5: Segment information

The Group has adopted AASB 8 *Operating Segments* which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess its performance. For management purposes, the Board of Directors of the Company has been defined as the Chief Operating Decision Maker.

The Board of Viking Mines Limited reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period the Group operated predominately in one business and two geographical segments, being the resources sector in Ghana and Mongolia. Accordingly under the management approach outlined only one operating sector has been identified and no further disclosures are required in the notes to the consolidated financial statements.

Viking Mines Limited
ABN 38 126 200 280

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 6: Cash and cash equivalents

	Consolidated 2016	2015
	\$	\$
Cash at bank and on hand	581,512	14,388
Short term deposits	724,937	282,618
	1,306,449	297,006

(a) Reconciliation to Statement of Cash Flows

The above figures agree to cash at the end of the financial period as shown in the Statement of Cash Flows.

(b) Cash at bank

These are interest bearing accounts at a weighted average interest rate of 0.5% (2015: 0.0%).

(c) Cash balances not available for use

Total cash balances not available for use are nil (2015: \$28,585).

Note 7: Trade and other receivables

Current receivables		
GST	11,397	33,235
Other receivables	5,105	4,902
	16,502	38,137

Note 8: Plant and equipment

Consolidated	2016	2015
	Total	Total
	\$	\$
Opening balance	1,723	3,516
Acquired on takeover	-	22,077
Sold/scrapped during year	-	(19,039)
Depreciation charge	(1,723)	(4,831)
Closing net book value	-	1,723
Cost or fair value	6,116	6,116
Accumulated depreciation	(6,116)	(4,393)
Net carrying amount	-	1,723

The depreciation rates are as follows:
Plant and equipment 20-40%

Viking Mines Limited
ABN 38 126 200 280

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 9: Exploration project acquisition costs

	Consolidated 2016 \$	2015 \$
Opening balance	5,500,000	3,000,000
Acquired via takeover	-	3,813,957
Impairment charge	-	(1,313,957)
Sale of tenement proceeds	(2,179,672)	-
Acquisition costs in respect of areas of interest in the exploration phase	3,320,328	5,500,000

The recoupment of exploration project acquisition costs carried forward is dependent upon the recoupment of costs through successful development and commercial exploitation, or alternatively by sale of the respective areas.

In June 2015 the Company executed a sale and purchase agreement with Akoase resources Limited for the sale of the Akoase gold project in Ghana. Due to the existence of significant uncertainty as to whether the sale would be completed the non-refundable deposit funds received during the June 2015 financial year were taken directly to profit and loss.

However as at balance date the sale settlement process has progressed to a stage where the risk of the sale not completing has been significantly reduced. As a result the sale proceeds received during the June 2016 financial year have been offset against the carrying value of these tenements.

During the 2015 year the Company completed a takeover of 100% of the issued capital of Auminco Mines Limited for a total consideration, including transaction costs, of \$3,699,827. As part of this acquisition \$3,813,957 was allocated to the Auminco Mines coal tenements in Mongolia. The remaining amount of consideration was allocated to other assets and liabilities assumed as part of the acquisition. This acquisition was considered to be an asset acquisition rather than a business combination.

The acquisition is not deemed to be a business combination under AASB 3 Business Combinations as the assets and liabilities acquired are not considered to represent a business.

A subsequent impairment charge was raised in the 2015 year to reflect both a subsequent Mongolian government determination regarding the application of the Long Name Law upon the Berkh Uul coal project, plus the relinquishment of certain Mongolian project areas acquired via the Auminco Mines takeover.

Note 10: Trade and other payables

Trade payables *	129,123	360,369
Other payables	23,723	24,250
	152,846	384,619

* Trade payables are non-interest bearing and are normally paid on 30 day terms.

Note 11: Borrowings

	-	120,000
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During the 2015 year the Company obtained short term at call facilities totalling \$150,000 were obtained from two directors. These loans were fully repaid during the current year.

Viking Mines Limited
ABN 38 126 200 280

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Consolidated

2016 2015
\$ \$

Note 12: Issued capital

(a) Ordinary shares issued

250,974,285 (2015: 250,974,285) ordinary shares 21,345,697 21,345,697

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the parent entity, ordinary shareholders rank after all creditors and are fully entitled to any proceeds on liquidation.

(b) Movements in ordinary share capital:

Date	Details	Number of shares	Issue Price	\$
1 July 2014	Balance at the beginning of the year	112,688,225		16,852,732
24 Sept 2014	Option exercise	139	0.18	25
24 Sept 2014	Prospectus issue	31,412,269	0.038	1,193,666
27 Oct 2014	Takeover issue	45,753,330	0.037	1,692,873
27 Oct 2014	Prospectus issue	23,873,580	0.038	907,196
18 Dec 2014	Auminco debt acquisition	35,246,742	0.02	704,935
18 Dec 2014	Director placement	2,000,000	0.038	76,000
	Share issue costs	-		(81,730)
		<u>250,974,285</u>		<u>21,345,697</u>
30 June 2015		<u>250,974,285</u>		<u>21,345,697</u>
30 June 2016		<u>250,974,285</u>		<u>21,345,697</u>

(c) Share options

	Number of options 2016	2015
Listed options exercisable at \$0.09 on or before 30 April 2017	44,771,552	44,771,552
Unlisted options exercisable at \$0.20 on or before 15 November 2016	3,000,000	3,000,000

(d) Movements in share options

Listed options exercisable at \$0.09 on or before 30 April 2017		
Opening balance	44,771,552	-
Issued	-	44,771,552
Closing balance	<u>44,771,552</u>	<u>44,771,552</u>
Unlisted options exercisable at \$0.20 on or before 15 November 2016		
Opening balance	3,000,000	-
Issued	-	3,000,000
Closing balance	<u>3,000,000</u>	<u>3,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 13: Reserves

	Consolidated 2016 \$	2015 \$
Share compensation reserve	244,000	244,000
Foreign currency translation reserve	(19,029)	31,911
	224,971	275,911

- (a) Share compensation reserve
The share compensation reserve is used to record the value of equity benefits provided to consultants and directors as part of their remuneration. Refer Note 14.
- (b) Foreign currency translation reserve
The foreign currency translation reserve represents foreign exchange movements on the translation of financial statements for controlled entities from the functional currency into the presentation currency of Australian dollars.

Note 14: Share based payments

Share based payments consists of unlisted options issued to directors and consultants. The expense is recognised in the Statement of Comprehensive Income and Statement of Changes in Equity. The following share-based payment arrangements were in place during the current and prior periods:

	Number	Grant date	Expiry Date	Exercise price \$	Fair value at grant date
Unlisted employee options – 31 Aug 2014	10,000,000	26/11/2012	31/08/2014	\$0.18	\$0.011

Fair value of options granted

The fair value of the equity-settled share options granted to directors has been estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the Black and Scholes model used:

	Unlisted 31 August 2014
Dividend yield %	Nil
Expected volatility %	80%
Risk-free interest rate %	3.00%
Life of option	21 months
Exercise price	\$0.18
Grant date share price	\$0.08

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 15: Financial instruments

(a) Capital risk management

Prudent capital risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. The Board monitors its future capital requirements on a regular basis and will when appropriate consider the need for raising additional equity capital or to farm-out exploration projects as a means of preserving capital.

(b) Categories of financial instruments

The Group's principal financial instruments comprise of cash and short-term deposits.

The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

(c) Financial risk management objectives

The Group is exposed to market risk (including, interest rate risk and equity price risk), credit risk and liquidity risk.

The main risks arising from the Group's financial instruments are interest rate risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(d) Market risk

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

(i) Interest rate risk management

All cash balances attract a floating rate of interest. Excess funds that are not required in the short term are placed on deposit for a period of no more than 6 months. The Group's exposure to interest rate risk and the effective interest rate by maturity periods is set out below.

Interest rate sensitivity analysis

As the Group has no interest bearing borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits.

At 30 June 2016, if interest rates had changed by +/- 50 basis points and all other variables were held constant, the Group's after tax loss would have been \$2,000 (2015: \$2,000) lower/higher as a result of higher/lower interest income on cash and cash equivalents.

(e) Credit risk management

Credit risk relates to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from any defaults.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 15: Financial instruments (cont)

(f) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. Cash deposits are only held with major financial institutions.

2016	Weighted Average Interest Rate	Less than 1 month	1-3 months	3 months – 1 year	5 + years	Total
Financial assets						
Cash and cash equivalents	0.5%	1,306,450	-	-	-	1,306,450
Trade and other receivables		16,502	-	-	-	16,502
		1,322,952	-	-	-	1,322,952
Financial liabilities						
Trade and other payables		152,846	-	-	-	152,846
Borrowings		-	-	-	-	-
		152,846	-	-	-	152,846
		1,170,106	-	-	-	1,170,106
2015						
Financial assets						
Cash and cash equivalents	0.5%	297,006	-	-	-	297,006
Trade and other receivables		38,137	-	-	-	38,137
		335,144	-	-	-	335,144
Financial liabilities						
Trade and other payables		384,619	-	-	-	384,619
Borrowings		-	-	120,000	-	120,000
		384,619	-	120,000	-	504,619
		(49,475)	-	(120,000)	-	(169,475)

Note 16: Commitments and contingencies

Exploration expenditure commitments

Minimum exploration expenditure commitments do not apply in either Ghana or Mongolia as those governments do not impose a minimum spend per licence. The exploration expenditure commitment is based on a work program system, whereby at the time for each renewal of a licence, the Company provides an outline of work planned and expected expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 17: Key management personnel disclosures

(a) Directors

At the date of this report the directors of the Company are:

JW Gardner – *Executive Chairman*

R Whitten – *Non-executive Deputy Chairman*

P McMickan – *Executive director*

(b) Key management personnel

M Langoulant – *Company secretary*

(c) Key management personnel compensation

	Consolidated	
	2016	2015
	\$	\$
Short-Term	136,844	209,553
Post-employment	38,050	10,931
	<hr/>	<hr/>
	174,894	220,484

Detailed remuneration disclosures of directors and key management personnel are contained on pages 15 to 17 of this report.

(d) Share based remuneration

No options have been provided as remuneration for key management personnel in the last two years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 17: Key management personnel disclosures (cont)

(d) Option holdings of key management personnel (cont)

Details of options provided as remuneration, together with the terms and conditions of the shares and options can be found in section D of the remuneration report. The following options were granted to directors subject to continuity of employment vesting conditions.

2016	Balance at the beginning of the financial period	Granted during the financial period	Expired during the financial period	Balance at the end of the financial period	Vested and exercisable at the end of the financial period
Name					

Director

J Gardner	-	-	-	-	-
R Whitten	-	-	-	-	-
P McMickan	-	-	-	-	-

Other key management personnel

M Langoulant	-	-	-	-	-
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2015	Balance at the beginning of the financial period	Granted during the financial period	Expired during the financial period	Balance at the end of the financial period	Vested and exercisable at the end of the financial period
Name					

Director

J Gardner	1,500,000	-	(1,500,000)	-	-
R Whitten	-	-	-	-	-
P McMickan	2,500,000	-	(2,500,000)	-	-
T Kroepelien*	1,000,000	-	(1,000,000)	-	-

Other key management personnel

M Langoulant	1,000,000	-	(1,000,000)	-	-
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* Resigned in October 2014.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

(e) Equity holdings of key management personnel

The number of shares in the Company held during the financial period by each director of the Company and key management personnel of the Group, including their personally related parties, are set out below

2016	Balance at start of	Movement during	Balance at the end of
Director - Ordinary shares	year	the year	the financial year
J Gardner	22,507,643	-	22,507,643
R Whitten	42,095,782	-	42,095,782
P McMickan	4,046,837	-	4,046,837
<i>Key management personnel</i>			
M Langoulant	1,501,316	-	1,501,316
2015			
Director - Ordinary shares			
J Gardner	10,487,643	12,020,000	22,507,643
R Whitten	-	42,095,782	42,095,782
P McMickan	3,046,837	1,000,000	4,046,837
<i>Key management personnel</i>			
M Langoulant	875,000	626,316	1,501,316

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 18: Related party disclosure

The ultimate parent entity in the wholly-owned group and the ultimate Australian parent entity is Viking Mines Limited. The consolidated financial statements include the financial statements of Viking Mines Limited and the controlled entities listed in the following table:

Name of entity	Country of incorporation	Class of shares	Equity holding 2016 %	2015 %
Auminco Mines Ltd	Australia	Ordinary	100	100
Bold Resources Ltd	Australia	Ordinary	100	100
Auminco Coal Pty Ltd	Australia	Ordinary	100	100
Auminco Coal LLC	Mongolia	Ordinary	100	100
Khonkhor Zag Coal LLC	Mongolia	Ordinary	100	100
BRX LLC	Mongolia	Ordinary	100	100
Salkhit Altai LLC	Mongolia	Ordinary	100	100
Associated Goldfields Pty Ltd	Australia	Ordinary	100	100
Ghana Mining Investments Pty Ltd	Australia	Ordinary	100	100
Kiwi International Resources Pty Ltd	Australia	Ordinary	100	100
Afore Mining Company Ltd	Ghana	Ordinary	90*	90*
Obenemase Gold Mines Ltd	Ghana	Ordinary	90*	90*
Resolute Amansie Ltd	Ghana	Ordinary	90*	90*
Kiwi Goldfields Ltd	Ghana	Ordinary	100	100

The only transactions between Viking Mines Limited and its controlled entities during this financial year consisted of loans between Viking Mines Limited and its controlled entities.

* 100% of rights to profits

Viking Mines Limited
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 19: Parent Entity Disclosures

Financial position

	30 June 2016	30 June 2015
	\$	\$
Assets		
Current assets	770,278	293,107
Non-current assets	3,320,328	5,500,000
Total assets	4,090,606	5,793,107
Liabilities		
Current liabilities	149,024	480,598
Total liabilities	149,024	480,598
Equity		
Issued capital	21,345,697	21,345,697
Retained earnings	(17,160,115)	(16,277,188)
Reserves	244,000	244,000
Total equity	3,941,582	5,312,509

Financial performance

	30 June 2016	30 June 2015
	\$	\$
Loss for the year	(882,927)	(2,168,024)
Other comprehensive income	-	-
Total comprehensive profit /(loss)	(882,927)	(2,168,024)

Note 20: Events after the balance sheet date

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 21: Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated	
	2016	2015
	\$	\$
<i>a) Reconciliation of loss from ordinary activities after income tax to net cash outflow from operating activities</i>		
Net loss for the year	(792,124)	(2,093,001)
Depreciation	1,723	4,831
Foreign exchange movements	35,886	5,265
Proceeds from sale of financial assets	-	(14,691)
Exploration and evaluation	264,370	561,410
Impairment of project acquisition costs	-	1,313,957
Proceeds from sale of mining properties	-	(348,232)
Proceeds from sale of PPE	-	(2,241)
Write back of 2014 takeover expenses	-	(285,444)
(Increase) / decrease in trade and other receivables	22,885	(9,760)
Increase / (decrease) in trade payables and provisions	(231,772)	126,704
Net cash outflow from operating activities	(699,032)	(741,202)

b) Non-cash financing and investing activities
 Nil

Note 21: Auditors' remuneration

The auditors of the Group are Rothsay Chartered Accountants.

	Consolidated	
	2016	2015
	\$	\$
Assurance services		
Rothsay Chartered Accountants:		
Audit and review of financial statements	23,000	35,000
Other firms		
Audit and review of financial statements	16,141	14,109
Total remuneration for audit services	39,141	49,109
Other services		
Rothsay Chartered Accountants:		
Other firms:	-	-
Total remuneration for other services	-	-
Total auditors' remuneration	39,141	49,109

DIRECTORS' DECLARATION

1. In the opinion of the directors:
 - a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the financial year then ended; and
 - ii. complying with Accounting Standards and Corporations Regulations 2001; and
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the year ended 30 June 2016.

This declaration is signed in accordance with a resolution of the Board of Directors.



Jack Gardner
Chairman

Perth, Western Australia
11 August 2016



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Phone 9486 7094 www.rothsayresources.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF VIKING MINES LIMITED

Report on the financial report

We have audited the accompanying financial report of Viking Mines Limited “(the Company)” which comprises the balance sheet as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors’ declaration of the consolidated entity comprising the company and the entities it controlled at the year’s end or from time to time during the year.

Directors’ Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors’ report.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity’s preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.



Chartered Accountants

Liability Limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).



Audit opinion

In our opinion the financial report of Viking Mines Limited is in accordance with the *Corporations Act 2001*, including:

- a) (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of their performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- b) the consolidated financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Audit opinion

In our opinion the remuneration report of Viking Mines Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

Rothsay

Rolf Garda
Partner

Dated 11TH AUGUST 2016



Chartered Accountants

ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 31 July 2016.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

		<i>Class of equity security</i>
		<i>Ordinary shares</i>
1	– 1,000	17
1,001	– 10,000	94
10,001	– 1,000,000	339
100,001	and over	46
		496
		496

There were 156 holders of less than a marketable parcel of ordinary shares.

B. Equity security holders

Twenty largest quoted equity security holders – ordinary shares

Name	No. held	% of issued shares
RESOLUTE MINING LTD	31,607,143	12.59
BARBARY COAST INVESTMENTS PTY LTD	14,060,908	5.60
GREENLINE INVESTMENTS PTY LTD	12,000,000	4.78
BARBARY COAST INVESTMENTS PTY LIMITED	8,244,737	3.29
J P MORGAN NOMINEES AUSTRALIA LIMITED	8,204,338	3.27
BARBARY COAST INVESTMENTS PTY LIMITED<WHITTEN FAMILY S/F>	7,000,036	2.79
RODBY HOLDINGS PTY LTD <SP TENG FAMILY A/C>	6,796,296	2.71
TORONA PTY LIMITED	6,867,887	2.66
ASLAN EQUITIES PTY LTD <ASLAN EQUITIES A/C>	5,714,286	2.28
JAYTU PTY LTD <J W GARDNER SUPER FUND A/C>	5,507,643	2.19
GILT NOMINEES PTY LTD	5,504,517	2.19
ONE MANAGAED INVT FUNDS LTD<1 A/C>	5,000,000	1.99
MR JOHN WILLIAM GARDNER + MRS JANET LEIGH GARDNER <JOHN WILLIAM GARDNER SUPERANNU>	5,000,000	1.99
NEWTON HOLDINGS PTY LTD <NEWTON BUILDING CO P/F A/C>	4,325,570	1.72
GILT NOMINEES PTY LTD	4,284,000	1.71
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,212,104	1.68
MR BUYANTOGTOKH DASHDELEG	4,132,358	1.65
MANSON GROUP PTY LIMITED <MANSON GROUP SUPER FUND A/C>	4,026,867	1.60
MR TRYGVE KROEPELIEN	3,874,000	1.54
RODBY HOLDINGS PTY LTD	3,627,397	1.45
	149,810,087	59.69
	149,810,087	59.69

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ADDITIONAL INFORMATION

Twenty largest quoted equity security holders – April 2017 options

Name	No. held	% of issued options
BARBARY COAST INVESTMENTS PTY LTD	6,460,655	14.43
GREENLINE INVESTMENTS PTY LTD	3,000,000	6.70
RODBY HOLDINGS PTY LTD <SP TENG FAMILY A/C>	2,265,432	5.06
TORONA PTY LIMITED	2,229,296	4.98
GILT NOMINEES PTY LTD	1,834,839	4.10
EMERALD PARTNERS PTY LTD	1,725,000	3.85
MR BUYANTOGTOKH DASHDELEG	1,668,330	3.73
INTEQ LIMITED	1,598,000	3.57
GILT NOMINEES PTY LTD	1,428,000	3.19
RODBY HOLDINGS PTY LTD	1,209,133	2.70
NEWTON HOLDINGS PTY LTD <NEWTON BUILDING COMPANY (BANKS)>	1,030,893	2.30
EMERALD PARTNERS PTY LTD	788,816	1.76
AMABEL PTY LTD <MCKEOUGH FAMILY A/C>	714,133	1.60
BELMONT AUST PTY LTD <BELMONT A/C>	675,000	1.51
INTEQ LIMITED	670,432	1.50
BRESRIM NOMINEES PTY LTD <DA HANNES SUPER FUND #2 A/C>	657,895	1.47
MR KR THORNTON & MRS AS THORNTON <THE THORNTON SUPER FUND>	621,627	1.39
GLENEAGLES ADVISORS PTY LTD	570,463	1.27
HJK HOLDINGS PTY LTD <ZEERUST INVESTMENTS A/C>	552,895	1.23
	31,803,924	71.04

C. Substantial shareholders

Substantial shareholders in the Company are set out below:

	Number Held	Percentage
Ordinary shares		
R Whitten	42,095,782	16.77
Resolute Group Ltd	31,607,143	12.59
Jaytu Pty Ltd ATF (John William Gardner Superannuation)	22,507,643	8.97

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

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E. Tenement schedule

Ghana

Licence name	Location	Licence type	Licence Holder/ JV Partners*	Viking Mines Ownership
Akoase West	southern Ghana	Prospecting licence	RAL	100%(reducing to zero)
Akoase East	southern Ghana	Prospecting licence	RAL	100%(reducing to zero)
Blue River**	southern Ghana	Mining lease	BRMCL/RAL	100% hardrock only**
West Star(1)**	southern Ghana	Prospecting licence	WMCL/RAL	100% hardrock only**
West Star (2)**	southern Ghana	Mining lease	WMCL/RAL	100% hardrock only**
Akoase South-East	southern Ghana	Prospecting licence	RAL	100% (reducing to zero)

RAL = Resolute Amansie Ltd is a 100% owned subsidiary of Viking Mines Ltd

BRMCL = Blue River Mining Company Ltd., WMCL = West Star Mining Company Ltd, both joint venture partners in the West Star/Blue River gold projects

* Reducing to zero subject to completion of the Akoase Sale Agreement

** Subject to revocation/renewal dispute with Minerals Commission

Mongolia

Licence name	Location	Licence type	Licence Holder/JV Partners*	Viking Mines ownership
Berkh Uul	Selenge province, Mongolia	Exploration licence	BRX LLC	100%
Khonkhor Zag	Govi Altai province, Mongolia	Mining lease	Salkhit Altai LLC	100%

* BRX LLC, and Salkhit Altai LLC are 100% owned subsidiaries of Viking Mines Ltd.