



Annual Report
2021

ABN 38 126 200 280



DIRECTORS

Michael Cox – Interim Non-Executive Chairman
Julian Woodcock – Managing Director and CEO
David Hall – Non-Executive Director

COMPANY SECRETARY

Sarah Wilson

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

15-17 Old Aberdeen Place
West Perth WA 6005
Telephone: +61 8 6245 0870

SHARE REGISTER

Automic Pty Ltd
Level 5, 126 Philip Street
Sydney NSW 2000
Telephone: 1300 288 664 (within Australia)
Telephone: +61 2 9698 5414 (outside Australia)
Email: hello@automic.com.au

AUDITOR

Rothsay Auditing
Level 1, Lincoln House, 4 Ventnor Avenue
West Perth WA 6005

SOLICITORS

Automic Legal Pty Ltd
Level 5, Philip Street
Sydney NSW 2000

STOCK EXCHANGE LISTING

Viking Mines Limited shares are listed on the Australian Securities Exchange (ASX : VKA)

WEBSITE

www.vikingmines.com

CORPORATE GOVERNANCE STATEMENT

The Company's Corporate Governance Statement can be found on the Company's website: www.vikingmines.com/investor-centre/corporate-governance/



CONTENTS

- 4
Chairman's Letter
- 6
Review of Operations
- 15
Annual Mineral Resource Statement
- 19
Directors' Report
- 32
Auditors' Independence Declaration
- 34
Statement of Profit or Loss and Other Comprehensive Income
- 35
Statement of Financial Position
- 36
Statement of Changes in Equity
- 37
Statement of Cash Flows
- 38
Notes to the Financial Statements
- 64
Independent Auditor's Report
- 68
Shareholder Information



CHAIRMAN'S LETTER

Dear Shareholders,

The last 12 months have been a transformative period for Viking Mines.

In November, the Company made a move into the Western Australian resources sector through the strategic acquisition of 100% of the First Hit Gold Project ("First Hit") from Red Dirt Mining Pty Ltd.

First Hit is located 45km west of Menzies in the Eastern Goldfields and comprises the First Hit Mine and numerous advanced exploration targets, each with the potential to be repeats of the First Hit Mine. Significantly, prior to Viking's ownership, no mining or exploration had been undertaken on the project since 2002.

The First Hit mine is a historical underground operation with prospector mining records stretching back to the 1930s. First Hit was subsequently drilled and developed by Barra Resources between 2001 and 2002, with production reported to have been limited to ~30,000oz at 7.7g/t Au at a time of depressed gold prices sub-US\$320oz.

The First Hit growth strategy has two objectives. Firstly, identify additional resources at the First Hit mine by extending current mineralisation through successful exploration and development of additional narrow vein, high-grade shoots. Secondly, project growth will be delivered through expanding the current portfolio through targeted tenement expansion and M&A, with a focus on mature assets with a defined development pathway.

Shortly after acquiring First Hit, the Board was delighted to appoint Julian Woodcock as Chief Executive Officer. Julian is an experienced geologist, with 20 years of exploration and development experience through previous roles with Evolution Mining and Gold Fields Australia. Most recently, Julian was Exploration Manager for Gold Road Resources, where he was responsible for leading a large gold exploration team and successfully discovered new orebodies, defined 300,000oz of Indicated Resources and converted 1.3Moz from Inferred to Indicated Resources at the Gruyere Gold Mine. Julian was also appointed Managing Director in April.

The Company has taken a measured approach to exploration at First Hit, with a key focus on understanding the geology and mineralisation of both the high-grade shoot at First Hit and surrounding areas. The Company has completed two drill campaigns, a Diamond Drill program which tested the historical workings and potential extensions of the deposit, and an Air Core drill program which tested the tenement package to identify additional targets. Importantly, both programs were successful in outlining key features of the mineralisation and potential extensions and prospective targets outside of the current high-grade shoot. The details from both programs played a key role in shaping a targeted and extensive follow-up Reverse Circulation drilling programme which is due to commence in Q2 FY22.

This is an exciting programme for the Company and I look forward to its completion and announcing the results in the coming months.

After having spent several years in litigation in Ghana seeking to obtain payment from the sale of Akoase, it was pleasing to receive the final installment of US\$3 million. However, the matter is not finished as we await Court judgment and further receipt of a US\$2 million



royalty payment as well as costs and interest. The funds from the sale of Akoase further strengthened our balance sheet and we are well placed to advance key exploration activities well into FY2022.

Activities in Mongolia were discontinued during the year, with the prospect of obtaining compensation from the Mongolian Government becoming less likely and activity became more difficult with ongoing travel restrictions in place due to COVID-19. Whilst the same travel restrictions have seen the exploration activity work in Ghana grind to a halt, management continues to assess important data on the tenements to determine our next step in Ghana.

I would like to take the time to thank Charles Thomas (Non-Executive Director) and Raymond Whitten (Executive Chairman) who both resigned from their roles during the year. Charles and Raymond were long-term members of the Board and played a critical role in shaping the bright future of Viking. Charles and Raymond were focused on ensuring that Viking secured the right long-term project, and a management team which has the credentials to develop the project and generate long-term value for the Company's stakeholders. With First Hit now our flagship project and the management team in place, Charles and Raymond have achieved what they set out to deliver and leave the Company in a strong position. I would also like to thank Dean Jagger, who resigned as Company Secretary to pursue a new opportunity. I, along with the rest of the Board, wish Charles, Raymond and Dean all the best in their new endeavors and thank them for their tireless work.

With the move of focus to Western Australia, we have relocated our company operations to the State Capital City of Perth and have established a fit for purpose exploration office. With this change, we have brought in several new team members. Dave Hall joins me on the board as non-Executive Director and brings a wealth of experience in Corporate Development. Sarah Wilson also joins us as Company Secretary and Colleen Handy as our accountant. I would like to welcome all the new team members to Viking at this exiting time in the Company's development.

Finally, I was honored to be appointed as Non-Executive Chairman following Raymond's departure and believe the Company has the right team, asset and strategy in place to continue its solid growth trajectory and deliver long-term shareholder value.

Yours sincerely,

Michael Cox

Acting Chairman



REVIEW OF OPERATIONS

Operations during FY2021 have seen the primary focus of Viking Mines pivot towards exploration in the Eastern Goldfields of WA and away from Africa and Mongolia. The initial exploration activity has already yielded some exciting results which provides several key targets for exploration activity in FY2022. Activities that have occurred over the previous year at each location have been discussed below.

AUSTRALIA

First Hit Project, Western Australia.

On 26 November 2020¹, the Company entered into a conditional agreement to acquire 100% of Red Dirt Mining Pty Ltd, the owner of the First Hit high-grade gold project, located 150km north-west from Kalgoorlie in Western Australia (Figure 1). First Hit is in the Eastern Goldfields of WA, situated along the Mt Ida greenstone belt and northern extensions of the Zuleika shear zone.



Figure 1; Location map of the First Hit Project in the Eastern Goldfields of Western Australia.



The acquisition of Red Direct Mining Pty Ltd was subsequently approved by Shareholders at the extraordinary general meeting held on 29 January 2021².

The First Hit Project encompasses the historical high-grade First Hit gold mine and numerous exploration targets on the surrounding tenure. Limited bedrock testing has been completed along strike from the known mineralisation and no significant exploration activity had been undertaken since operations ceased in December 2002.

CSA Global was engaged to support Viking with the rapid advancement of the First Hit Project on completion of the acquisition. The Perth-based geosciences team are leading practitioners in gold geology, structural understanding, and orebody knowledge, as well as practical exploration knowledge.

Field activities started within 4 weeks of acquiring the project with Diamond Drilling commencing on 26 February 2021³ followed by AC drilling on 17 March 2021⁴.

On 16 June 2021 the Company announced the completion of the diamond drill programme encompassing 19 holes for 3,924m representing the inaugural diamond drilling campaign and the first drilling in nearly 20 years to test the First Hit mineralisation. The drill programme consisted of 2 phases, each with specific objectives. Phase 1 involved 15 holes (including one abandoned hole) for 3,283m, testing immediately in and around the historical mine workings to expand an understanding of the geology and controls to mineralisation. From these 15 holes, 11 attained target, testing the lode position. Two holes hit old workings, one hole deviated above the identified plunge of the lode system and one hole was abandoned shortly after collaring due to excessive deviation meaning it would not reach the target zone.

Phase 2 consisted of a further 4 holes to north and south of the historic workings. This phase drilled 641m with the primary objective of identifying additional mineralised shoots to demonstrate the continuity of the First Hit structure. From this program, all holes intersected the targeted structural position with shearing and quartz veining observed.

Both programmes have provided Viking with extensive data to review the project and plan subsequent follow up drill programmes.

The first assays from the diamond drill programme were announced on 24 June 2021⁵ returning a significant intercept in hole VDD012 grading **1m at 47.05g/t Au** from 173m with associated visible gold in the core. The distribution and tenor of gold grades received reflected those observed in the historical data sets.

On 9 July 2021⁶ and subsequent to the end of the financial year, the Company announced visible gold sighted in two drillholes testing below the First Hit mine workings during a follow up review post sampling (Figure 2). A further announcement was made on 23 July 2021⁷ sighting visible gold in hole VDD016 located 165m north of the historic First Hit Mine workings (Figure 3).

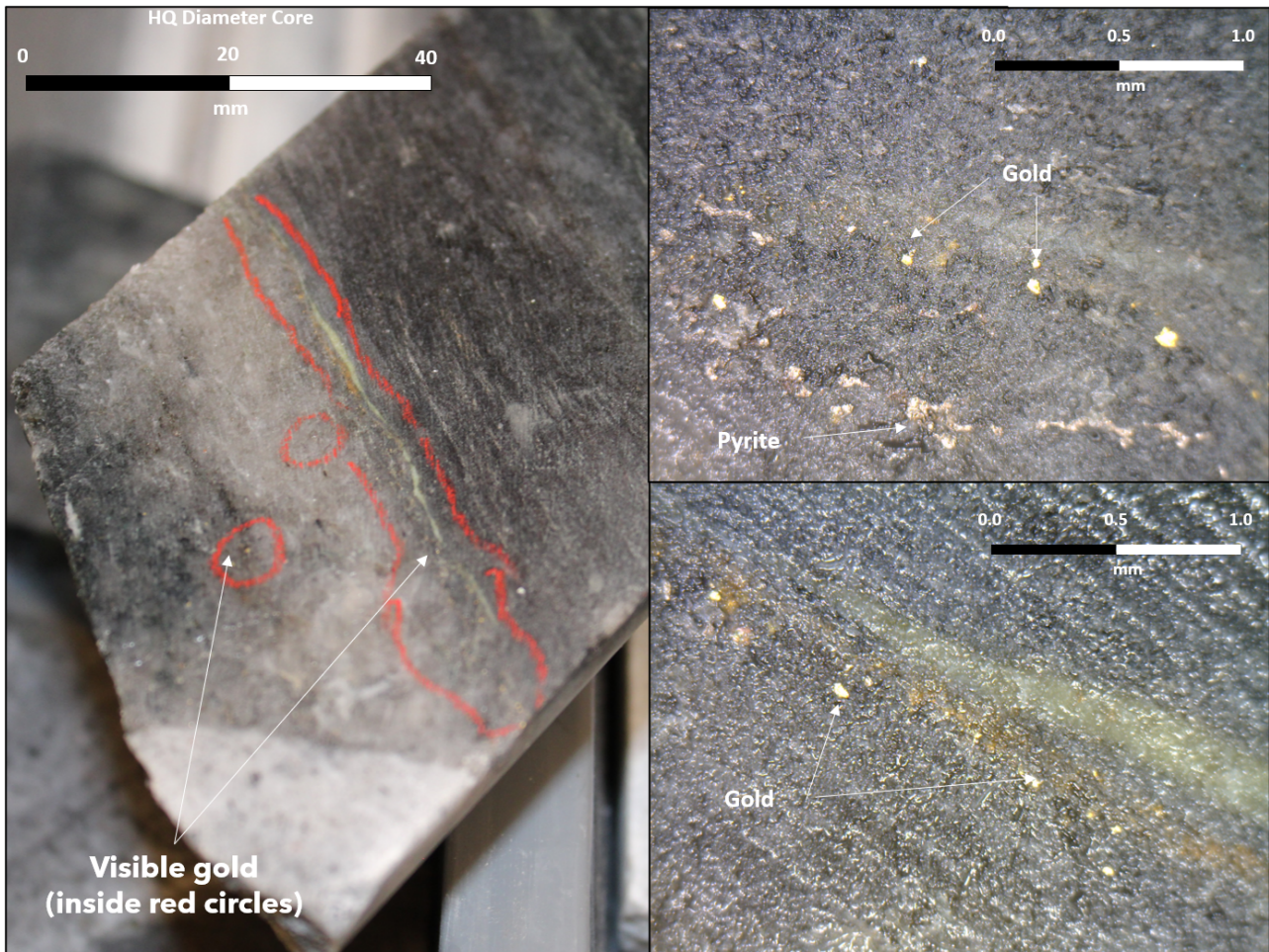


Figure 2; Visible gold seen in hole VDD015 at 302.8m depth downhole. Red circles denote where visible gold has been seen. Close up images are of the gold seen in the core. Interval assays 0.5m at 71.64g/t Au from 302.8m⁸.

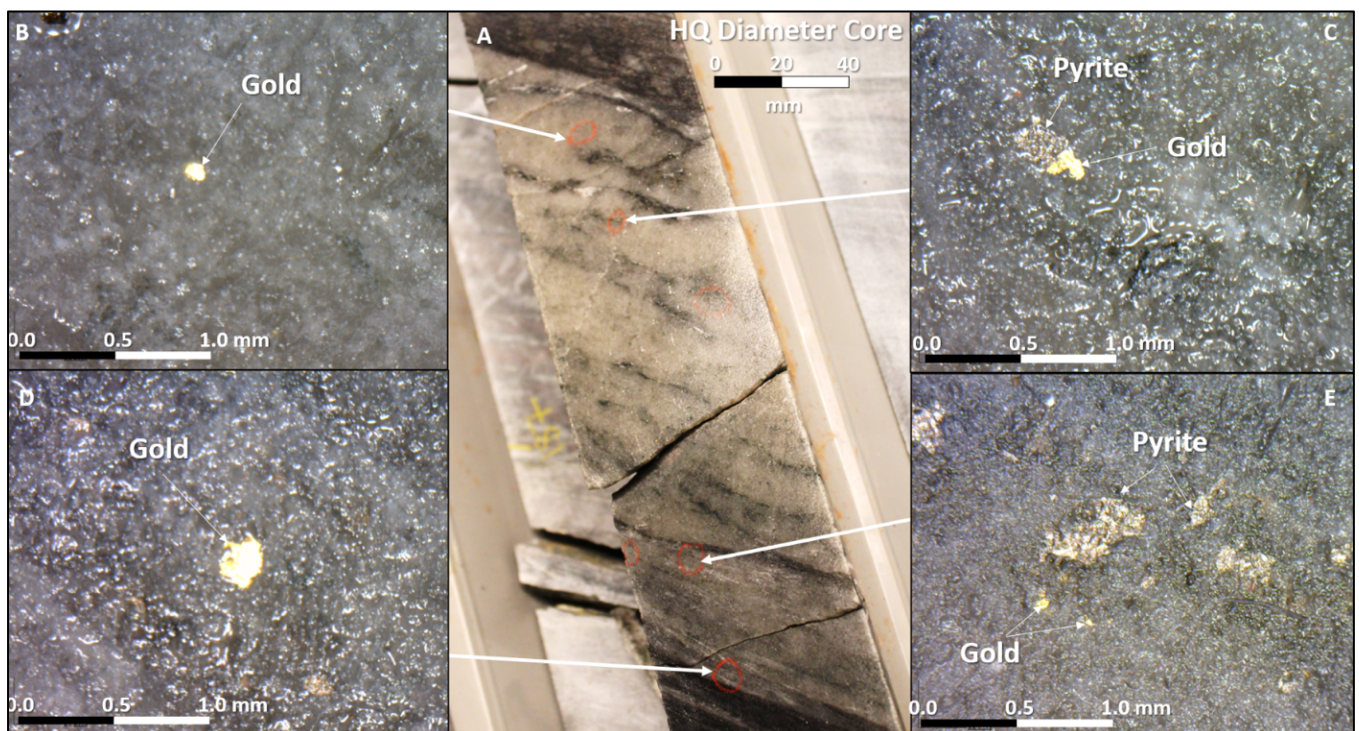


Figure 3; Photos of quartz vein with visible gold seen in HQ diamond core from hole VDD016 starting at 57.95m depth down hole. Interval assays 1m at 13.52g/t Au from 57m. A; 20cm quartz vein (not true width) with visible gold sighted in red circles, B-E; zoom in images showing gold in core at multiple positions in the vein⁷.



The remainder of the assay results for the diamond programme were announced on 30 August 2021⁸. Results confirmed that drilling has successfully intersected significant, high-grade mineralisation at depth including VDD013 delivering **5.0m at 3.67g/t Au** including **1.0m at 11.16g/t Au** and VDD015 delivering **7.06m at 5.93g/t Au**, including **0.5m at 71.64 g/t Au** (Figure 4).

The sighting of visible gold in 5 of the 11 holes reaching target, combined with the assay results received, confirm both the presence of high-grade material remaining in the central part of the First Hit mine workings (VDD012) and the depth extension potential of both the Evans (VDD013 & VDD015) and Kylie (VDD009 & VDD014 lodes (Figure 4).

Most significantly is the intercept received in hole VDD016 delivering **1.0m at 13.52g/t Au** located 165m north of the historic mine workings and only 50m below surface. This hole is outside of the current limits of drilling defining the First Hit mine and could represent an additional shoot to the North (Figure 4). This result represents one of the key follow up targets for Viking to pursue in FY2022.

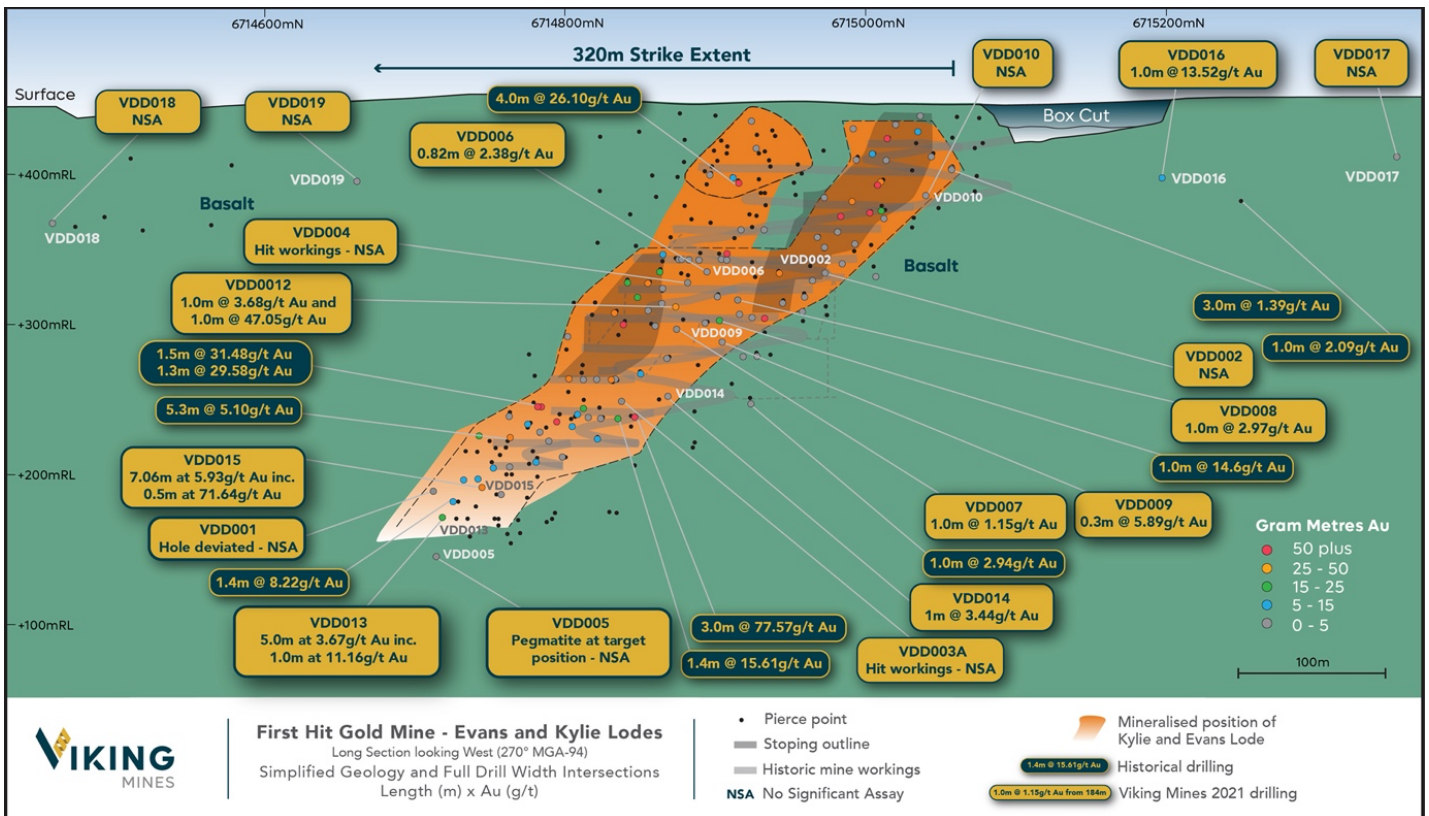


Figure 4; Long section showing historic mine workings at First Hit, location of diamond drillholes completed by Viking Mines Ltd and historical drill intercepts. Note the intercept in hole VDD016 ~165m north of the historic mine workings.

On 19 August 2021 the Company announced that all outstanding gold and multielement results had been received and the geological interpretation completed for the Company's Air Core (AC) drill programme undertaken on the First Hit Project. The Phase 1 AC programme consisted of 328 holes for a total of 5,080m drilled with 2,482 samples delivered to the laboratory. This programme was completed on time and budget and



achieved the objectives of testing key structures and stratigraphic coverage across the contiguous tenure of the First Hit Project. Four follow up targets have been identified in addition to the mineralisation identified along the First Hit trend. The Company will review these targets for follow up activity in FY2022.

As a result of Viking's exploration activity, gold mineralisation has been identified, both along strike of the historical mine workings and at depth beneath the historical mine workings. The opportunity to identify additional gold mineralisation will continue with further exploration activity in FY2022, potentially leading to the discovery of new shoots as part of the First Hit system.

Licencing

On 6 April 2021⁹, the Company announced that the Western Australian Government Department of Water and Environmental Regulation (DWER) had granted a 'Licence to Take Water' ("the 5C licence" or "the licence") to the Company under Regulation 5C of the Rights in Water and Irrigation act of 1914. Securing the licence allows the Company to utilise the water in the mine workings for specific site-based activities as well as commence the work required to apply for a works approval to discharge water from the mine into the environment. This is a key step in the process required to allow the company to move to dewatering the mine should future activity demonstrate the economic potential of gold extraction at First Hit.

GHANA

Akoase Gold Project

In June 2015 the Company executed a sale contract for the Akoase Gold Project for an overall transaction value of USD\$10 million, of which USD\$8 million was to be paid in cash. Of the cash component the Company was paid USD\$5 million on sale execution. The remaining USD\$3 million was due by 31 December 2017 with a grace period until 31 January 2018 but was not paid by this date.

As announced on 22 October 2018¹⁰, the Company's lawyers in Ghana commenced proceedings against Akoase Resources Limited, BXC Company Ghana Limited and Cheng Yi. Since that time, the matter has been proceeding through the court process in the High Court (Commercial Division) in Ghana.

During the reporting period, the case was allocated hearing dates on 5, 6 and 10 May 2021 in the High Court in Ghana. On the 17 June 2021¹¹, the Company was subsequently notified the court had adjourned to hand down its judgement on 28 July 2021.

On 30 July 2021¹² and subsequent to the end of FY2021, the Company announced that Viking's subsidiary company Resolute Amansie Ltd ("RAL") had confirmed that it received a bank deposit of USD\$3M from BXC Company Ghana Ltd. This amount does not cover the full amount owed with costs and interest outstanding as well as an ongoing royalty due on production from the Akoase Gold Project up to a maximum value of USD\$2M.

On 11 August 2021¹³, the Company announced that Resolute Amansie Ltd had utilised the USD\$3M received from BXC Company Ghana Ltd to part repay the intercompany loans



owed by RAL to Viking. Viking will continue to support RAL in recovering the outstanding costs, interest, and royalty.

Akoase sale proceeds summary:

- USD\$5 million – paid as at the end of the reporting period;
- USD\$3 million – paid subsequent to the end of the reporting period; and
- a further USD\$2 million via royalties from production remain unpaid.
- Costs and interest to be determined by the court.

At the scheduled judgement hearing on 28 July 2021, the judge presiding over the case deferred the date of judgement to 18 October 2021. The Company is continuing to pursue its legally entitled costs, interest and royalty from the Akoase Gold Project.

Tumentu Gold Project

No on ground activity took place during the reporting period.

Following on from the drilling campaign that was completed at the project early in 2020, the Board continues to review the Tumentu gold project to determine the next steps. The Board will further consider this project in the coming months and will update the market on its future plans for this project.

Butre Gold Project

No field activities took place during the reporting period.

Butre is located in the Ahanta West region of Ghana. The Company is conducting a review on the project in consultation with its geological consultants in Ghana. The Board will further consider this project in the coming months and will update the market on its future plans for this project.

MONGOLIA

Subsequent to a review of operations in Mongolia, and with consideration to the Company's strategic growth and focus on First Hit and Ghana, the Board decided to move away from the assets in Mongolia and to cease operations in the jurisdiction during the reporting period.

As of the end of FY2021, the Company has stepped away from all operations in Mongolia.

Berkh Uul Coal Project

No on ground activity took place during the reporting period.

During the reporting period, Viking continued to seek resolution relating to changes to boundaries of protected areas affecting the Berkh Uul prospecting license, introduced under Long Name Law in 2010. The Company commenced action against the Mineral Resources and Petroleum Authority of Mongolia in this regard (MRPAM). During the reporting period, the Company received the written decision from the judge of the First Instance Administrative Court. The Court resolved to invalidate the response of MRPAM which refused to resolve the compensation request of the Company and uphold certain



parts of the Company's claim seeking compensation. MRPAM have appealed this decision and the matter will be heard in the Appellate Court.

Khonkhor Zag Coal Project

No on ground activity took place during the reporting period.

CORPORATE

Capital Raising

On 26 November 2020¹⁴, the Company announced it had received firm and binding commitments in a placement to sophisticated and professional investors, raising \$750,000 at \$0.01c per fully paid ordinary share. This raising provided working capital to progress the Red Dirt Mining projects. The shares were issued in two tranches: Tranche 1 was issued on 7 December 2020; Tranche 2 was issued on 1 February 2021 after being approved at the extraordinary general meeting held on 29 January 2021¹².

The Company also undertook a Rights Issue, with the Offer Booklet being dispatched to Shareholders on 7 December 2020. The Rights Issue provided existing shareholders with the opportunity to participate in a 1 for 4 (1 new Offer Share for every 4 existing Shares), non-renounceable pro-rata entitlement offer, at the Issue Price of \$0.01 per fully paid ordinary share (Entitlement Offer). Following the completion of the Entitlement Offer, including the shortfall, the Company raised a total of \$784,294.64 (before costs) via the issue of 78,429,464 Shares.

On 16 April 2021¹⁵, the Company announced it had received firm and binding commitments to raise \$4,000,000 (before costs) through a placement of 111,111,111 fully paid ordinary shares at \$0.036 per Share in an oversubscribed offer. All shares were issued on 22nd April 2021¹⁶.

Board Changes

On 5 January 2021¹⁷, Mr Julian Woodcock was appointed as Chief Executive Officer of the Company.

Mr Woodcock is a highly respected geologist with 2 decades of experience in all aspects of the extractive and mineral exploration industry and with direct association to notable multimillion ounce gold discoveries. In his most recent role as Exploration Manager for Gold Road Resources he led a large gold exploration team to discover new orebodies and define 300 koz of Indicated Resources and also converted 1.3 Moz from Inferred to Indicated Resources at the Gruyere gold mine. Previous appointments include Exploration Manager for Evolution Mining in their Mungari Operations and also for Gold Fields Australia at the St Ives Gold Mine.

Mr Woodcock has a proven history of successfully leading exploration teams discover and develop new gold projects. Mr Woodcock has also held various international positions for Gold Fields Ltd and Kinross Gold.

As announced on 22 April 2021¹⁸, Mr Julian Woodcock was subsequently appointed to the Board of the Company as Managing Director and Mr Charles Thomas resigned as Non-Executive Director of the Company.



Performance Shares

As per the sale agreement made with the vendors of Red Dirt Mining Pty Ltd, 85,000,000 performance shares will vest on the achievement of 1 of 4 performance milestones. At the date of signing of this report, none of the performance milestones have been achieved.

Corporate events subsequent to 30 June 2021

Board Changes

On 22 July 2021¹⁹ the Company announced the appointment of Mr David Hall as Non-Executive director. Mr Hall has 35 years industry experience, most recently working in corporate development with large mining organisations including Newmont and Northern Star. Mr Hall brings complimentary skills and experience to the Viking Board to support the Company's long-term growth and strategic objectives.

On 3 August 2021²⁰, the Company announced that Executive Chairman, Mr Ray Whitten AM, had resigned effective immediately and current Non-Executive Director, Mr Michael Cox had been appointed as interim non-executive Chairman, effective immediately. Mr Cox is well placed to serve as interim Chair for Viking given his time working as a Non-Executive director on the board. Viking will review the needs of the Company in due course after the completion of the current and subsequent exploration phases at First Hit and ensure the board composition retains the right mix of skill sets to ensure the future success of the Company.

Corporate

On 26 July 2021²¹, the Company announced the appointment of Ms Sarah Wilson as Company Secretary and a change of Registered Office and Principal Place of Business. At the same time, Mr Dean Jagger resigned as Company Secretary.

The Company's new contact details are:

Registered Office: 15-17 Old Aberdeen Place, West Perth, WA 6005

Principal Place of Business: 15-17 Old Aberdeen Place, West Perth, WA 6005

No other material matters have occurred subsequent to the end of the year which requires reporting on other than those which have been noted above or reported to ASX.



REFERENCES

1. Refer ASX announcement titled "Acquisition of high-grade gold projects in Eastern Goldfields of Western Australia" on 26 November 2020.
2. Refer ASX announcement titled "Results of Extraordinary General Meeting" on 29 January 2021.
3. Refer ASX announcement titled "Viking commences diamond drilling at historic high-grade First Hit gold mine" on 26 February 2021.
4. Refer ASX announcement titled "Viking commences AC drilling across First Hit project tenements" on 17 March 2021.
5. Refer ASX announcement titled "Viking receives first diamond results & sights visible gold" on 24 June 2021.
6. Refer ASX announcement titled "Viking exploration update: visible gold sighted in drilling below mine workings" on 9 July 2021.
7. Refer ASX announcement titled "Viking sights visible gold in step out hole 165m north of historic First Hit mine workings" on 23 July 2021.
8. Refer ASX announcement titled "Viking diamond drilling delivers high-grade results of up to 71g/t & identifies new target" on 30 August 2021.
9. Refer ASX announcement titled "Viking advances dewatering strategy and obtains licence to take water from First Hit" on 6 April 2021.
10. Refer ASX announcement titled "Akoase gold project outstanding payment - Update" on 22 October 2018.
11. Refer ASX announcement titled "Viking obtains judgement date for Ghana Litigation" on 17 June 2021.
12. Refer ASX announcement titled "Viking subsidiary receives payment of USD\$3M as part of Ghana litigation" on 30 July 2021.
13. Refer ASX announcement titled "Viking receives USD\$3M as part payment of intercompany loans" on 11 August 2021.
14. Refer ASX announcement titled "Acquisition of high-grade gold projects in Eastern Goldfields of Western Australia" on 26 November 2020.
15. Refer ASX announcement titled "Viking receives firm commitments for \$4M in capital raise" on 16 April 2021
16. Refer ASX announcement titled "Cleansing Notice under section 708A of the Corporations Act" on 22 April 2021
17. Refer ASX announcement titled "Viking Mines appoints Chief Executive Officer to advance high-grade gold acquisition" on 5 January 2021
18. Refer ASX announcement titled "Viking Mines appoints CEO Julian Woodcock as Managing Director" on 22 April 2021
19. Refer ASX announcement titled "Viking Mines appoints Non-Executive Director" on 22 July 2021
20. Refer ASX announcement titled "Viking resignation of chairman Ray Whitten AM & appointment of Michael Cox as Interim Chair" on 22 July 2021
21. Refer ASX announcement titled "Change of Company Secretary and Company address" on 26 July 2021



ANNUAL MINERAL RESOURCE STATEMENT

The Mineral Resources Statement for the Company, as at 30 June 2021 is summarised below.

There has been no change to the Mineral Resource estimates for the Akoase Gold Project or the Berkh Uul Coal Project compared to the previous financial year. However the Company notes it has divested the Akoase Gold Project and ceased tenure to the Berkh Uul Coal Project and will not report the associated Mineral Resource going forward.

AKOASE GOLD PROJECT, SOUTHERN GHANA, (VIKING 0% FOLLOWING COMPLETION OF SALE)

An Inferred Mineral Resources 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, as announced to ASX in September 2013 (Table 1).

The Akoase East Mineral 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 Mineral Resource Estimate (September 2013) - 0% interest by Viking following completion of sale

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.



Competent Person

The Akoase East Mineral Resource estimate and associated report was completed by internationally recognised resource consultants GHD Pty Ltd in September 2013. The Mineral Resource estimate was reviewed by Mr Peter McMickan. At the time of review, Mr McMickan was Viking’s Competent Person and was a full-time employee of Viking and a Member of the Australasian Institute of Mining and Metallurgy, member number 105742.

At the time of review, Mr McMickan was responsible for the Akoase East Mineral Resource estimation and had 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. At the time of review, Mr McMickan approved the Akoase East Mineral Resource estimation as outlined in this report in accordance with the requirements of the JORC Code (2012) and ASX Listing Rules.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Mineral Resources Statement to the original market release and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Post the end of the financial year, as announced on 30 July 2021, the Company completed its divestment of the Akoase Gold Project.

BERKH UUL COAL PROJECT, NORTHERN MONGOLIA, (VIKING 0% OWNERSHIP FOLLOWING CESSATION OF TENURE)

An Indicated and Inferred coal Mineral Resource estimate, classified in accordance with the JORC (2012) Code, for the Berkh Uul coal project was completed in March 2014. The Mineral Resource estimate was completed by internationally recognised 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) - 0% interest by Viking following cessation of tenure

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
	OC subtotal	-	7	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



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

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. Sum of columns may not equal the total due to rounding.

Competent Person

The competent person of the Berkh Uul Mineral 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 Mineral Resource estimation as outlined in this annual report in accordance with the requirements of the JORC Code (2012) and ASX Listing Rules.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Mineral Resources statement released to the market in an announcement on 13 October 2017 and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.



Governance

A summary of the main governance arrangements and internal controls that Viking has put in place with respect to its estimates of Mineral Resources and the estimation process include use of industry standard drilling and sub-sampling techniques, a chain of custody for sample integrity, use of standards, blanks and duplicates in sample analysis, internal database validation and use of internationally recognised independent resource consultants with internal peer review of estimation assumptions and techniques. Should external review of the resource estimates be required, the Company will engage a Competent Person.

The complete range of governance and internal controls for the Mineral Resource estimates outlined above are included in Table 1 of ASX announcement dated 4 October 2013 for the Akoase East Mineral Resource estimate, and Table 1 of ASX Announcement dated 17 March 2014 for the Berkh Uul Mineral Resource estimate.

Annual Mineral Resource Competent Person

The information in this report that relates to Mineral Resources is based on, and fairly reflects, information compiled by Mr Julian Woodcock, a Competent Person, who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM), from previous Competent Persons reports for the respective projects referred to above, as overseeing the Mineral Resource Estimates. Mr Woodcock is a member of the Australian Institute of Mining and Metallurgy and is a Shareholder and Director of the Company. Mr Woodcock has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking 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'. Mr Woodcock consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

DIRECTORS' REPORT

30 June 2021



The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Viking Mines Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The following persons were Directors of Viking Mines Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Michael Cox	Interim Non-Executive Chairman
Julian Woodcock	Managing Director and CEO (appointed 22 April 2021)
David Hall	Non-Executive Director (appointed 22 July 2021)
Charles Thomas	Non-Executive Director (resigned 22 April 2021)
Raymond Whitten AM	Executive Director and Chairman (resigned 3 August 2021)

Principal activities

The principal activity of the consolidated entity during the financial year was investment in mineral exploration projects.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$4,658,604 (30 June 2020: \$710,959).

A more detailed review of operations is included in the Operations Report accompanying this annual report.

COVID-19

With the onset of the COVID-19 crisis in late March 2020, and in response to the global economic uncertainty caused by the pandemic, the Company continues to implement measures to maintain low operational expenditure and reduce costs where possible. These measures have assisted in mitigating the impact of COVID-19 on the Company's activities.

COVID-19 has reduced the planned activities for the Company's operations in Ghana and has impacted the timing of being able to adequately assess the current projects in Ghana.

Acquisition of Red Dirt Mining Pty Ltd ('RDM')

On 26 November 2020, the Company announced that it had entered into a conditional share sale agreement to acquire 100% of the issued capital in RDM. The acquisition of RDM was unanimously approved by Shareholders at the Extraordinary General Meeting held 29 January 2021.

The acquisition of RDM is consistent with the Company's strategy of reviewing farm-in/acquisition opportunities to complement its existing operations as well as offering the potential to build scale.

As consideration for 100% of the issued capital of RDM, the Company issued the RDM vendors 410 million consideration shares and 85 million performance shares.

Board and Management

On 4 January 2021, Julian Woodcock was appointed CEO of the Company and on 22 April 2021, Julian Woodcock joined the Board as Managing Director and CEO.

Charles Thomas resigned as a Non-Executive Director on 22 April 2021.

Capital Raising

In December 2020 to February 2021, the Company raised \$1.5 million (less costs) with the issue of 153 million shares.

In April 2021, the Company raised \$4.0 million (less costs) with the issue of 111 million shares.



Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

Ghana litigation

The Company's Ghanaian subsidiary, Resolute Amansie Ltd ('RAL') received USD 3 million on 29 July 2021 as part settlement of costs owed from BXC Company Ghana Ltd, a defendant in the legal proceedings against the purchaser of the Akoase Gold Project in Ghana. Ghana High Court has deferred judgement on the court case until 18 October 2021, however the Company remains confident of a successful outcome of the case.

Change in Directorships

David Hall appointed Non-Executive Director on 22 July 2021. On 3 August 2021 Ray Whitten AM resigned as Executive Chairman and Michael Cox was appointed as Interim Non-Executive Chairman.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The Company continues to identify and evaluate new value-creating opportunities in the mining sector.

The Company continues its review of mineral project farm-in/acquisition opportunities with the objective of acquiring resource assets that have the potential of being world class.

First Hit Project, Western Australia

The Company continued to progress the development of its First Hit Project during the reporting period. Refer to the detailed Operations Review on page 6 of the Annual Report for a comprehensive overview.

Tumentu Gold Project, Ghana

The Company continues to assess the results of the drilling program completed, and will consider if any when and further work will be completed on the project.

Butre Gold Project, Ghana

The Company is assessing if any when and work will be completed on the project.

Litigation Ghana

The Company is proceeding against the Purchaser of the Akoase project and the Guarantors seeking a further USD 2 million in royalties from production together with interest and costs. The matter is progressing in the High Court of Ghana (Commercial Division).

Environmental regulation

The consolidated entity is subject to significant environmental legal regulations in respect to its exploration and evaluation activities in the countries where it holds tenements. There have been no known breaches of these regulations and principles.



Information on Directors

Name: Michael Cox
Title: Interim Non-Executive Chairman

Experience and expertise: Mr Cox holds both a Bachelor of Science (Geology) degree from the University of Sydney and a Bachelor of Laws degree from University of Technology, Sydney. He has run a private corporate advisory services firm since 2008.

He commenced his career as a mining analyst for stockbroking firms followed by a role being responsible for the delineation and grade control of a developing bentonite deposit. He then moved into various board positions and corporate development roles with a number of listed and unlisted public companies including NSX Ltd, CEAL Ltd, Syngas Ltd, Benitec Ltd, Queensland Opals NL and Multi-E-Media Ltd.

Other current Directorships: Nil
Former Directorships (last 3 years): Non-Executive Chairman of NSX Limited (ASX:NSX)
Interests in shares: Nil
Interests in options: 10,000,000

Name: Julian Woodcock (appointed 22 April 2021)
Title: Managing Director and CEO

Experience and expertise: Mr Woodcock joined the Company as CEO on 4 January 2021.

Mr Woodcock is a Geologist and has over 20 years' experience in all aspects of the extractive and mineral exploration industry and has been directly associated with notable multimillion ounce gold discoveries. In his former role as Exploration Manager for Gold Road Resources he led a large exploration team to discover new orebodies and define 300 k oz of new Indicated Resources and converted 1.3 M oz from Inferred to Indicated Resources at the Gruyere gold mine. Previous appointments include Exploration Manager for Evolution Mining Mungari Operations and for Gold Fields Australia at the St Ives Gold Mine as well as various international positions for Gold Fields Ltd and Kinross Gold.

Mr Woodcock has a proven history of leading exploration teams which discover and develop new gold projects.

Other current Directorships: Nil
Former Directorships (last 3 years): Nil
Interests in shares: 5,000,000 (at date of appointment)
Interests in options: Nil

DIRECTORS' REPORT

30 June 2021



Name: David Hall (appointed 22 July 2021)
Title: Non-Executive Director

Experience and expertise: Mr Hall is an accomplished Mining Professional with 35 continuous years of experience in the gold and base metals sector. Notably, across the last 15 years Mr Hall has gained extensive experience in Corporate Development, with large gold mining organisations, including Newmont and Northern Star. He has been directly involved with transactions of major gold deposits, notably Jundee and the Golden Mile in Western Australia and is very familiar within the jurisdiction within which Viking is focussed.

Through his appointment to the Company as a Non-Executive Director, Mr Hall brings a wealth of strong gold industry knowledge in the Australian, SE Asian, African and European regions to Viking and provides additional complimentary skills to support the direction and contribute to the development of the strategy of the Company.

Other current Directorships: Nil
Former Directorships (last 3 years): Nil
Interests in shares: Nil
Interests in options: Nil

Name: Raymond Whitten AM
Title: Executive Director and Chairman (resigned 3 August 2021)

Experience and expertise: Mr Whitten was appointed a Director on 29 October 2014. Mr Whitten is an admitted solicitor with over 48 years' experience having previously acted as President of the City of Sydney Law Society.

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

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.

Previously, Mr Whitten served 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 was appointed as a Member of the Order of Australia on 8 June 2020 for significant service to the law, particularly to legal reform and consumer protection.

Other current Directorships: Nil
Former Directorships (last 3 years): Nil
Interests in shares as at date of resignation: 57,407,881
Interests in options as at date of resignation: 10,000,000



Name:	Charles Thomas (resigned 22 April 2021)
Title:	Non-Executive Director
Experience and expertise:	<p>Mr Thomas holds a Bachelor of Commerce from UWA majoring in Corporate Finance. Mr Thomas is an Executive Director and Founding Partner of GTT a leading boutique corporate advisory firm based in Australia.</p> <p>Mr Thomas has worked in the financial service industry for more than 15 years and has extensive experience in capital markets as well as the structuring of corporate transactions. Mr Thomas has significant experience sitting on numerous ASX boards spanning the mining, resources and technology space.</p> <p>Mr Thomas's previous directorships include among others AVZ Minerals Ltd (ASX:AVZ), Liberty Resources Ltd (ASX:LBY), Force Commodities Limited (ASX:4CE) and Applabs Technologies Ltd (ASX:ALA) where he was responsible for the sourcing and funding of numerous projects. Mr Thomas is currently the Executive Chairman of Marquee Resources Limited (ASX:MQR) and Non-Executive Director of Chase Mining Corporation Limited (ASX:CML).</p>
Other current Directorships:	Executive Chairman of Marquee Resources Limited (ASX: MQR) since 2016 Non-Executive Director of Chase Mining Corporation Limited (ASX:CML) since 2018
Former Directorships (last 3 years):	Nil
Interests in shares as at date of resignation:	55,075,000
Interests in options as at date of resignation:	10,000,000

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company Secretary

Sarah Wilson (appointed 26 July 2021)

Sarah has over 8 years' experience in corporate advisory and corporate governance roles which have included managing equity transactions, IPOs and RTOs, mergers and acquisitions, corporate restructures and due diligence investigations for boards of ASX listed and unlisted companies. Additionally, Ms Wilson has managed and monitored internal corporate governance and compliance plans and has a broad knowledge of the ASX Listing Rules and the Corporations Act.

Dean Jagger (resigned 26 July 2021)

Mr Jagger was Company Secretary from the beginning of the period until 23 July 2021.

Mr Jagger worked in the company secretarial division of Automic Group, a company that offers Legal, Registry, Company Secretarial, Governance, Finance and Insurance services. Mr Jagger provided company secretarial and corporate compliance services to several listed public and private companies and has over 10 years' experience in the financial services sector.



Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

	Directors' meetings held	Directors' meetings attended
Raymond Whitten	11	11
Charles Thomas (resigned 22 April 2021)	10	10
Michael Cox	11	11
Julian Woodcock (appointed 22 April 2021)	2	2

David Hall was appointed on 22 July 2021, post the end of the financial year.

Held: represents the number of meetings held during the time the Director held office.

Remuneration report (audited)

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 2021. 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 consolidated entity, directly or indirectly, including any Director (whether Executive or otherwise) of the Company, and includes all Executives of the Company and the consolidated entity.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Employment contracts/Consultancy agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

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.

Directors' fees

Non-Executive Directors receive a separate fixed fee for their services as Directors. The current Directors' fee pool is \$500,000 per annum to be allocated at the discretion of the Board.

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.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following Directors of Viking Mines Limited:

- Raymond Whitten
- Charles Thomas (resigned 22 April 2021)
- Michael Cox
- Julian Woodcock (from his appointment as Managing Director and CEO 22 April 2021)

And the following person:

- Julian Woodcock (appointed CEO on 4 January 2021 until reclassified as Executive Director on 22 April 2021 upon his appointment as appointed Managing Director and CEO)

DIRECTORS' REPORT

30 June 2021



	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	
	\$	\$	\$	\$	\$	\$	\$
2021							
<i>Non-Executive Directors:</i>							
Michael Cox	60,883	-	-	5,784	-	42,105	108,772
Charles Thomas (resigned 22 Apr 2021)	50,736	-	-	4,820	-	42,105	97,661
<i>Executive Directors:</i>							
Raymond Whitten [^]	162,268	-	-	14,315	-	42,105	218,688
Julian Woodcock (from 22 Apr 2021) * [^]	37,500	-	-	3,563	717	16,874	58,654
<i>Other Key Management Personnel:</i>							
Julian Woodcock (from 4 Jan 2021 to 22 Apr 2021) * [^]	78,741	-	-	6,988	1,106	26,035	112,870
	<u>390,128</u>	<u>-</u>	<u>-</u>	<u>35,470</u>	<u>1,823</u>	<u>169,224</u>	<u>596,645</u>

* Julian Woodcock is classified as 'Other KMP' from his appointment date as CEO on 4 January 2021 until 22 April 2021. Mr Woodcock is classified as an Executive Director upon his appointment as Managing Director and CEO from 22 April 2021.

The above table pro-ratas Mr Woodcock's remuneration between his time as Executive Director and his time as Other KMP.

Mr Woodcock's \$42,909 total equity-settled shares relate to amortisation of the expected value of 4,000,000 shares to be issued, subject to Shareholder approval, upon completion of his continuous employment to 30 November 2021.

[^] Cash salary and fees include the movement in annual leave provision and long-service leave provision for all KMPs excluding Non-Executive Directors.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	
	\$	\$	\$	\$	\$	\$	\$
2020							
<i>Non-Executive Directors:</i>							
Michael Cox	68,583	-	-	5,784	-	-	74,367
Charles Thomas	60,883	-	-	5,784	-	-	66,667
<i>Executive Directors:</i>							
Raymond Whitten [^]	164,370	-	-	14,315	-	-	178,685
	<u>293,836</u>	<u>-</u>	<u>-</u>	<u>25,883</u>	<u>-</u>	<u>-</u>	<u>319,719</u>

[^] Raymond Whitten's 30 June 2020 remuneration includes an amount of \$165,000 salary (including superannuation) plus an amount of \$13,685 to indicate the movement in his annual leave provision in accordance with the Corporations Regulations.

DIRECTORS' REPORT

30 June 2021



The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2021	2020	2021	2020	2021	2020
<i>Non-Executive Directors:</i>						
Michael Cox	61%	100%	-	-	39%	-
Charles Thomas	57%	100%	-	-	43%	-
<i>Executive Directors:</i>						
Raymond Whitten	81%	100%	-	-	19%	-
Julian Woodcock (from 22 Apr 2021)	72%	-	27%	-	1%	-
<i>Other Key Management Personnel:</i>						
Julian Woodcock (from 4 Jan 2021 to 22 Apr 2021)	76%	-	23%	-	1%	-

Refer to note 25 for related party transactions.

Employment contracts/Consultancy agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Raymond Whitten
Title:	Executive Director and Chairman
Agreement commenced:	2 October 2018
Term of agreement:	(a) Remuneration: fixed annual salary \$165,000 including employer superannuation guarantee contribution and any fringe benefit tax payable; (b) Non-cash benefits: the Executive may also be eligible to receive an annual bonus upon satisfaction of performance indicators to be agreed between the Board and the Executive. (c) Termination: the Company and Mr Raymond Whitten may terminate the Executive Director and Chairman Agreement without cause by giving the other party one month notice.

DIRECTORS' REPORT

30 June 2021



Name: Julian Woodcock
Title: Managing Director and CEO
Agreement commenced: 4 January 2021
Term of agreement: (a) Remuneration: fixed annual salary \$225,000 plus employer superannuation guarantee contribution;

(b) Non-cash benefits:
- Upon completion of continuous employment to 30 November 2021 and subject to shareholder approval, Mr Woodcock or his nominee will receive 4,000,000 shares in the Company;
- upon achievement of completion of each performance milestones and subject to shareholder approval, Mr Woodcock will receive 4,000,000 performance shares in the Company for each milestone achieved, with the maximum being 20,000,000 performance shares for the five milestone conditions;

(c) Termination: the Company and Mr Woodcock may terminate the employment at any time by giving 3 months' notice in writing.

Share-based compensation

Issue of shares

Per Julian Woodcock's Executive Service Agreement as Chief Executive Officer commencing 4 January 2021, the following share tranches are available to Mr Woodcock:

- upon completion of continuous employment to 30 November 2021 and subject to shareholder approval, Mr Woodcock or his nominee will receive 4,000,000 shares in the Company; and

- upon achievement of completion of each performance milestones and subject to shareholder approval, Mr Woodcock will receive 4,000,000 performance shares in the Company for each milestone achieved, with the maximum being 20,000,000 performance shares for the five milestone conditions.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date		Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
29 November 2018		06 Dec 2018	06 Dec 2021	\$0.030	\$0.008
27 November 2020		15 Dec 2020	15 Dec 2022	\$0.030	\$0.008

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Raymond Whitten	5,000,000	29 Nov 2018	06 Dec 2018	06 Dec 2021	\$0.030	\$0.008
Charles Thomas	5,000,000	29 Nov 2018	06 Dec 2018	06 Dec 2021	\$0.030	\$0.008
Michael Cox	5,000,000	29 Nov 2018	06 Dec 2018	06 Dec 2021	\$0.030	\$0.008
Raymond Whitten	5,000,000	27 Nov 2020	15 Dec 2020	15 Dec 2022	\$0.030	\$0.008
Charles Thomas	5,000,000	27 Nov 2020	15 Dec 2020	15 Dec 2022	\$0.030	\$0.008
Michael Cox	5,000,000	27 Nov 2020	15 Dec 2020	15 Dec 2022	\$0.030	\$0.008

Options granted carry no dividend or voting rights.

DIRECTORS' REPORT

30 June 2021



The number of options over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Number of options granted during the year 2021	Number of options granted during the year 2020	Number of options vested during the year 2021	Number of options vested during the year 2020
Raymond Whitten	5,000,000	-	5,000,000	-
Charles Thomas	5,000,000	-	5,000,000	-
Michael Cox	5,000,000	-	5,000,000	-

Values of options over ordinary shares granted, exercised and lapsed for Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Value of options granted during the year \$	Value of options exercised during the year \$	Value of options lapsed during the year \$	Remuneration consisting of options for the year %
Raymond Whitten	42,105	-	-	19%
Charles Thomas	42,105	-	-	43%
Michael Cox	42,105	-	-	39%

Details of options over ordinary shares granted, vested and lapsed for Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Grant date	Vesting date	Number of options granted	Value of options granted \$	Value of options vested \$	Number of options lapsed	Value of options lapsed \$
Raymond Whitten	27 Nov 2020	15 Dec 2020	5,000,000	42,105	42,105	-	-
Charles Thomas	27 Nov 2020	15 Dec 2020	5,000,000	42,105	42,105	-	-
Michael Cox	27 Nov 2020	15 Dec 2020	5,000,000	42,105	42,105	-	-

Additional information

The earnings of the consolidated entity for the five years to 30 June 2021 are summarised below:

	2021 \$	2020 \$	2019 \$	2018 \$	2017 \$
Profit/(loss) after income tax	(3,965,419)	(710,959)	(496,472)	1,686,868	(3,481,078)
Share price at financial year end (\$)	\$0.029	\$0.007	\$0.010	\$0.025	\$0.012
Basic earnings per share (cents per share)	(0.78)	(0.23)	(0.16)	0.54	(1.21)
Diluted earnings per share (cents per share)	(0.78)	(0.23)	(0.16)	0.54	(1.21)



Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Raymond Whitten	45,926,307	-	11,481,574	-	57,407,881
Charles Thomas (resigned 22 April 2021)*	9,000,000	-	46,075,000	-	55,075,000
Michael Cox	-	-	-	-	-
Julian Woodcock	-	-	5,000,000	-	5,000,000
	<u>54,926,307</u>	<u>-</u>	<u>62,556,574</u>	<u>-</u>	<u>117,482,881</u>

* The balance at the end of the year represents the balance at date of resignation

Option holding

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Raymond Whitten	5,000,000	5,000,000	-	-	10,000,000
Charles Thomas (resigned 22 April 2021)*	5,000,000	5,000,000	-	-	10,000,000
Michael Cox	5,000,000	5,000,000	-	-	10,000,000
Julian Woodcock	-	-	-	-	-
	<u>15,000,000</u>	<u>15,000,000</u>	<u>-</u>	<u>-</u>	<u>30,000,000</u>

* The balance at the end of the year represents the balance at date of resignation

	Vested and exercisable	Vested and unexercisable	Balance at the end of the year
<i>Options over ordinary shares</i>			
Raymond Whitten	10,000,000	-	10,000,000
Charles Thomas (resigned 22 April 2021)*	10,000,000	-	10,000,000
Michael Cox	10,000,000	-	10,000,000
	<u>30,000,000</u>	<u>-</u>	<u>30,000,000</u>

* The balance at the end of the year represents the balance at date of resignation

This concludes the remuneration report, which has been audited.

Shares under option

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

Grant date	Expiry date	Exercise price	Number under option
29 November 2018	Exercisable on or before 6 December 2021	\$0.030	15,000,000
27 November 2020	Exercisable on or before 15 December 2022	\$0.030	15,000,000
			<u>30,000,000</u>

DIRECTORS' REPORT

30 June 2021



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.

Indemnity and insurance of 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.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the 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.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of Rothsay Auditing

There are no officers of the Company who are former partners of Rothsay Auditing.

Auditor's independence and non-audit services

Section 307C of the Corporations Act 2001 requires our auditors, Rothsay Auditing, 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 2020.

Auditor

Rothsay Auditing continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Michael Cox
Interim Non-Executive Chairman

30 September 2021



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.rothsay.com.au

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001**

As lead auditor of the audit of Viking Mines Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Viking Mines Limited and the entities it controlled during the year.

Rothsay Auditing

A handwritten signature in black ink, appearing to read 'Donovan Odendaal', written in a cursive style.

Donovan Odendaal
Partner
30 September 2021





ANNUAL FINANCIAL STATEMENTS CONTENTS

34

Statement of Profit or Loss and Other Comprehensive Income

35

Statement of Financial Position

36

Statement of Changes in Equity

37

Statement of Cash Flows

38

Notes to the Financial Statements

64

Independent Auditor's Report

68

Shareholder Information

GENERAL INFORMATION

The financial statements cover Viking Mines Limited ('the Company') as a consolidated entity consisting of Viking Mines Limited and the entities it controlled at the end of, or during, the year ('the consolidated entity'). The financial statements are presented in Australian dollars, which is Viking Mines Limited's functional and presentation currency. The functional currencies of the Company's foreign subsidiaries are United States Dollar ('USD').

Viking Mines Limited is a listed public Company limited by shares, incorporated and domiciled in Australia. Its registered office is and principal place of business is:

15-17 Old Aberdeen Place
West Perth WA 6005

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2021. The Directors have the power to amend and reissue the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021



	Note	Consolidated	
		2021	2020
		\$	\$
Revenue	4	152,375	54,280
Expenses			
Audit fees	21	(201,144)	(26,210)
Consultancy costs		(238,419)	(100,724)
Employee benefits expense		(405,875)	(236,136)
Superannuation expense		(35,469)	(25,883)
Depreciation and amortisation expense	9	(2,230)	-
Impairment of other assets		(10,638)	-
Impairment of exploration and evaluation asset	10	(694,545)	(299,660)
Foreign exchange gain (loss)		(112,448)	49,271
Share-based payment expense	18	(169,224)	-
Expenses relating to RDM acquisition		(356,879)	-
Expenses relating to exploration and evaluation		(2,277,508)	-
Other expenses		(306,600)	(125,897)
Loss before income tax expense		(4,658,604)	(710,959)
Income tax expense	5	-	-
Loss after income tax expense for the year attributable to the owners of Viking Mines Limited	16	(4,658,604)	(710,959)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		7,889	(128,923)
Other comprehensive income for the year, net of tax		7,889	(128,923)
Total comprehensive income for the year attributable to the owners of Viking Mines Limited		(4,650,715)	(839,882)
		Cents	Cents
Basic earnings per share	31	(0.78)	(0.23)
Diluted earnings per share	31	(0.78)	(0.23)

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021



	Note	Consolidated	
		2021	2020
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	6	3,076,877	1,417,196
Other receivables	7	221,694	6,199
Other	8	54,063	3,578
Total current assets		<u>3,352,634</u>	<u>1,426,973</u>
Non-current assets			
Right-of-use assets	9	185,627	-
Exploration and evaluation	10	4,100,000	664,340
Other	8	85,667	-
Total non-current assets		<u>4,371,294</u>	<u>664,340</u>
Total assets		<u>7,723,928</u>	<u>2,091,313</u>
Liabilities			
Current liabilities			
Trade and other payables	11	752,514	150,239
Employee benefits	12	44,745	22,378
Lease liabilities	13	58,380	-
Total current liabilities		<u>855,639</u>	<u>172,617</u>
Non-current liabilities			
Employee benefits	12	2,011	-
Lease liabilities	13	136,118	-
Total non-current liabilities		<u>138,129</u>	<u>-</u>
Total liabilities		<u>993,768</u>	<u>172,617</u>
Net assets		<u>6,730,160</u>	<u>1,918,696</u>
Equity			
Issued capital	14	31,830,027	22,537,072
Reserves	15	(359,387)	(536,500)
Accumulated losses	16	(23,999,255)	(19,340,651)
Equity attributable to the owners of Viking Mines Limited		<u>7,471,385</u>	<u>2,659,921</u>
Non-controlling interest		<u>(741,225)</u>	<u>(741,225)</u>
Total equity		<u>6,730,160</u>	<u>1,918,696</u>

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2019	22,537,072	(407,577)	(18,629,692)	(741,225)	2,758,578
Loss after income tax expense for the year	-	-	(710,959)	-	(710,959)
Other comprehensive income for the year, net of tax	-	(128,923)	-	-	(128,923)
Total comprehensive income for the year	-	(128,923)	(710,959)	-	(839,882)
Balance at 30 June 2020	<u>22,537,072</u>	<u>(536,500)</u>	<u>(19,340,651)</u>	<u>(741,225)</u>	<u>1,918,696</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2020	22,537,072	(536,500)	(19,340,651)	(741,225)	1,918,696
Loss after income tax expense for the year	-	-	(4,658,604)	-	(4,658,604)
Other comprehensive income for the year, net of tax	-	7,889	-	-	7,889
Total comprehensive income for the year	-	7,889	(4,658,604)	-	(4,650,715)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 14)	5,192,955	-	-	-	5,192,955
Share-based payments (note 32)	-	169,224	-	-	169,224
Issue of equity to the vendors of Red Dirt Mining Pty Ltd (RDM) as consideration for 100% of the issued share capital of RDM (note 14 and note 30)	4,100,000	-	-	-	4,100,000
Balance at 30 June 2021	<u>31,830,027</u>	<u>(359,387)</u>	<u>(23,999,255)</u>	<u>(741,225)</u>	<u>6,730,160</u>

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2021



	Note	Consolidated	
		2021 \$	2020 \$
Cash flows from operating activities			
Payments to suppliers and employees		(3,324,716)	(458,288)
Interest received		636	21,218
ATO COVID-19 cash flow boost received		48,965	34,975
ATO fuel rebate received		19,285	-
Net cash used in operating activities	29	<u>(3,255,830)</u>	<u>(402,095)</u>
Cash flows from investing activities			
Payments for exploration and evaluation	10	(30,205)	(489,083)
Payments for security deposits	8	<u>(132,042)</u>	<u>-</u>
Net cash used in investing activities		<u>(162,247)</u>	<u>(489,083)</u>
Cash flows from financing activities			
Proceeds from issue of shares	14	5,534,296	-
Share issue transaction costs	14	<u>(341,341)</u>	<u>-</u>
Net cash from financing activities		<u>5,192,955</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		1,774,878	(891,178)
Cash and cash equivalents at the beginning of the financial year		1,417,196	2,388,027
Effects of exchange rate changes on cash and cash equivalents		<u>(115,197)</u>	<u>(79,653)</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>3,076,877</u></u>	<u><u>1,417,196</u></u>

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



Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The consolidated entity has incurred net losses after tax of \$4,658,604 (2020: \$710,959) and net cash outflows from operations of \$3,255,830 (2020: \$402,095) for the year ended 30 June 2021. At year end, cash and cash equivalents were \$3,076,877 (2020: \$1,417,196). As the consolidated entity is in the exploration stage and does not generate operating cash inflows, the consolidated entity is dependent on further capital raises or external financing to maintain operations.

During the period ended 30 June 2021, raised \$5.534 million through equity issuances to fund the ongoing exploration program in Western Australia. While the Company has the ability to reduce costs, this would be at the expense of the exploration program, and as a result this is not the current intention of the consolidated entity.

The Directors have assessed that the consolidated entity is and will remain a going concern and believes that the going concern basis of preparation of the accounts is appropriate, however is subject to consolidated entity's ability to implement the following potential actions:

- scale back or deferral of exploration expenditure;
- deferral of discretionary operating and capital expenditures if required;
- raising equity funds in capital markets, based on a history of successful equity raisings; and
- raising of debt funding if required.

Should the consolidated entity not be successful in managing its cashflow through the above means, there may be uncertainty whether the consolidated entity would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include adjustments relating to the recoverability or classification of the recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.



Note 1. Significant accounting policies (continued)

Basis of consolidation

The consolidated financial statements comprise the financial statements of Viking Mines Limited and its controlled entities as at 30 June 2021 (the consolidated entity).

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 intercompany transactions have been eliminated in full. Controlled entities are fully consolidated from the date on which control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Company. 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.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Viking Mines Limited's functional and presentation currency. The functional currencies of the Company's foreign subsidiaries are United States Dollars ('USD').

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The consolidated entity recognises revenue as follows:

Interest income

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.



Note 1. Significant accounting policies (continued)

Government grants

Government grant income is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.



Note 1. Significant accounting policies (continued)

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Exploration and evaluation expenditure

Exploration costs are expensed as incurred.

The costs relating to the Ghana operations were capitalised from 1 July 2018 to 31 December 2020. During this period the Ghana operations were considered to be active exploration activities. From 1 January 2021 the board has determined that the Ghana operations have ceased to be considered active exploration activities.

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.

Impairment of deferred exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has significant uncertainty regarding its value, the uncertain recoverability is impaired in the year in which the decision is made.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

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

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.



Note 1. Significant accounting policies (continued)

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.



Note 1. Significant accounting policies (continued)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Viking Mines Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the consolidated entity has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the consolidated entity may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the consolidated entity's financial statements.



Note 2. Critical 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:

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share-based payment transactions

The consolidated entity 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 either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 3. Operating segments

The consolidated entity is organised into one operating segment: the resources sector in three geographical locations - Ghana, Mongolia and Western Australia. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. Accordingly, under the management approach outlined only one operating segment has been identified and no further disclosures are required.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 4. Revenue

	Consolidated	
	2021	2020
	\$	\$
ATO COVID-19 cash flow boost	48,965	34,975
ATO fuel rebate	23,485	-
Other income	79,289	-
Interest revenue	636	19,305
	<u>152,375</u>	<u>54,280</u>
Revenue	<u>152,375</u>	<u>54,280</u>

Note 5. Income tax expense

	Consolidated	
	2021	2020
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(4,658,604)	(710,959)
Tax at the statutory tax rate of 26% (2020: 27.5%)	(1,211,237)	(195,514)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Impairment of assets	183,928	82,407
Share-based payments	43,998	-
Foreign exchange movement	42,046	16,748
Cash flow boost income not assessable	(12,731)	(9,618)
Other net expenses (deductible)/not deductible for tax purposes	74,077	(6,430)
	(879,919)	(112,407)
Current year tax losses not recognised	879,919	112,407
Income tax expense	<u>-</u>	<u>-</u>

	Consolidated	
	2021	2020
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	6,179,139	2,794,836
Potential tax benefit @ 25% (2020: 26%)	1,544,785	726,657

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	Consolidated	
	2021	2020
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Employee benefits	12,157	6,154
Accrued expenses	2,600	4,125
Total deferred tax assets not recognised	<u>14,757</u>	<u>10,279</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 5. Income tax expense (continued)

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 6. Cash and cash equivalents

	Consolidated	
	2021	2020
	\$	\$
Current assets		
Cash at bank	3,076,877	1,417,196

Note 7. Other receivables

	Consolidated	
	2021	2020
	\$	\$
Current assets		
Other receivables	613	1,147
BAS receivable	221,081	5,052
	221,694	6,199

Note 8. Other

	Consolidated	
	2021	2020
	\$	\$
Current assets		
Prepayments	7,688	3,578
Security deposits	46,375	-
	54,063	3,578
Non-current assets		
Security deposits	85,667	-
	139,730	3,578

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 9. Right-of-use assets

	Consolidated 2021	2020
	\$	\$
<i>Non-current assets</i>		
Lease contract - right-of-use asset	187,857	-
Less: Accumulated depreciation	(2,230)	-
	<u>185,627</u>	<u>-</u>

The lease contract relates to the Perth office principal place of business.

Note 10. Exploration and evaluation

	Consolidated 2021	2020
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation capitalised asset	3,244,205	3,214,000
Less: Accumulated amortisation	(2,250,000)	(2,250,000)
Less: Impairment	(994,205)	(299,660)
	<u>-</u>	<u>664,340</u>
Exploration and evaluation acquired WA tenement assets	4,100,000	-
	<u>4,100,000</u>	<u>664,340</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Western Australia Gold Project \$	Mongolia - Berkh Uul Coal Project \$	Mongolia - Khonkhor Zag Coal Project \$	Ghana - Akoase Gold Project \$	Ghana - Tumentu Gold Project \$	Total \$
Balance at 1 July 2019	-	288,874	10,786	-	175,257	474,917
Additions	-	-	-	-	489,083	489,083
Impairment charge	-	(288,874)	(10,786)	-	-	(299,660)
Balance at 30 June 2020	-	-	-	-	664,340	664,340
Additions through purchase of WA tenement assets *	4,100,000	-	-	-	30,205	4,130,205
Impairment charge	-	-	-	-	(694,545)	(694,545)
Balance at 30 June 2021	<u>4,100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,100,000</u>



Note 10. Exploration and evaluation (continued)

* *WA tenement assets*

On 26 November 2020, the Company announced that it had entered into a conditional share sale agreement to acquire 100% of the issued capital in Red Dirt Mining Pty Ltd ('RDM'). The acquisition of RDM was unanimously approved by Shareholders at the Extraordinary General Meeting held 29 January 2021.

As consideration for 100% of the issued capital of RDM, the Company issued the RDM vendors 410million consideration shares and 85 million performance shares.

The 85 million performance shares shall vest and convert into VKA company shares on a one-for-one basis subject to the achievement of one of the four agreed milestones within five years from their date of issue. Management have assessed the probability of the agreed milestones to be 0% as at 30 June 2021. Accordingly, the performance share value has not been recognised in the acquisition value of WA tenement assets.

The acquisition of the WA tenement assets is consistent with the Company's strategy of reviewing farm-in/acquisition opportunities to complement its existing operations as well as offering the potential to build scale.

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.

The Mongolian assets were impaired to nil in the year ended 30 June 2020. There continues to be no acceptable offers for the project during the reporting period and no expectation of any change in this position.

Note 11. Trade and other payables

	Consolidated	
	2021	2020
	\$	\$
<i>Current liabilities</i>		
Trade payables	292,100	95,162
Accrued expenses	437,538	39,790
Other payables	22,876	15,287
	<u>752,514</u>	<u>150,239</u>

Refer to note 19 for further information on financial instruments.

Note 12. Employee benefits

	Consolidated	
	2021	2020
	\$	\$
<i>Current liabilities</i>		
Employee benefits	44,745	22,378
<i>Non-current liabilities</i>		
Employee benefits	2,011	-
	<u>46,756</u>	<u>22,378</u>

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 12. Employee benefits (continued)

The current portion of this provision includes the total amount accrued for annual leave entitlements; the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service; and also those where employees are entitled to long service leave pro-rata payments in certain circumstances.

Provision for non-current employee benefits represents amounts accrued for long service leave entitlements that have not vested due to employees not having completed the required period of service.

Based on past experience, the consolidated entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the consolidated entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Note 13. Lease liabilities

	Consolidated	
	2021	2020
	\$	\$
<i>Current liabilities</i>		
Lease liability - lease contract	58,380	-
<i>Non-current liabilities</i>		
Lease liability - lease contract	136,118	-
	<u>194,498</u>	<u>-</u>
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	-	-
Additions to lease borrowings 18 June 2021	194,498	-
Repayment of lease liabilities	-	-
Closing balance	<u>194,498</u>	<u>-</u>

The lease liability relates to the Perth office principal place of business.

Refer to note 19 for further information on financial instruments.

Note 14. Issued capital

	Consolidated			
	2021	2020	2021	2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,021,258,431</u>	<u>313,717,856</u>	<u>31,830,027</u>	<u>22,537,072</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 14. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Number of Shares	Issue price	\$
Balance	1 July 2019	313,717,856		22,537,072
Balance	30 June 2020	313,717,856		22,537,072
Ordinary Shares issued - placement	7 December 2020	47,057,678	\$0.010	470,577
Ordinary Shares issued - placement	23 December 2020	56,478,496	\$0.010	564,785
Ordinary Shares issued - placement	24 December 2020	21,950,968	\$0.010	219,510
Ordinary Shares issued - placement	1 February 2021	27,942,322	\$0.010	279,424
Ordinary shares issued to the vendors of Red Dirt Mining Pty Ltd (RDM) as consideration for 100% of the issued share capital of RDM	1 February 2021	410,000,000	\$0.010	4,100,000
Ordinary shares issued to broker	1 February 2021	33,000,000	\$0.010	330,000
Share issue costs - share based payment to broker	1 February 2021	-		(330,000)
Ordinary Shares issued - placement	22 April 2021	111,111,111	\$0.036	4,000,000
Share issue costs		-		(341,341)
Balance	30 June 2021	1,021,258,431		31,830,027

Movements in options

Details	Date	Number of Options
Balance	1 July 2019	27,000,000
Expiry of Unlisted Options issued to advisor	30 June 2020	(12,000,000)
Balance	30 June 2020	15,000,000
Unlisted Options issued to Directors	27 November 2020	15,000,000
Balance	30 June 2021	30,000,000

Movements in performance shares

Details	Date	Number of Performance Shares
Balance	1 July 2019	-
Balance	30 June 2020	-
Performance Shares issued to the vendors of Red Dirt Mining Pty Ltd (RDM) as consideration for 100% of the issued share capital of RDM	1 February 2021	85,000,000
Balance	30 June 2021	85,000,000

Ordinary shares

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.



Note 14. Issued capital (continued)

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.

Share buy-back

There is no current on-market share buy-back.

Options

15,000,000 Unlisted Remuneration Options were issued to Directors, each with an exercise price of \$0.0300 per option, vesting immediately on issue date 6 December 2018, and expiring on 6 December 2021.

15,000,000 Unlisted Remuneration Options were issued to Directors, each with an exercise price of \$0.0300 per option, vesting immediately on issue date 27 November 2020, and expiring on 15 December 2022.

Performance Shares

85,000,000 Performance Shares were issued to the vendors of Red Dirt Mining Pty Ltd (RDM) on 1 February 2021 as consideration for 100% of the issued shares of RDM. These are convertible into one share at nil consideration, subject to satisfaction of any one of the following vesting conditions:

- (i) 200kozgs inferred resource (gold) at above 4g/t underground or 2g/t open pit combined calculated (for both underground or open pit combined) at a cut-off of 0.5g/t;
- (ii) undertaking 5,000 metres of drilling on the project with 6 holes or more than 8g/t over 3 metres each;
- (iii) establishment of a toll treatment or ore production agreement with a mill within 180km of project; and
- (iv) completion of a feasibility study with a net present value of not less than \$50 million using a discount rate of 10%.

The milestone must be achieved by 1 February 2026. On conversion, each of the Shares will rank equally in all aspects with all existing Shares previously issued by the Company.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or Company was seen as value adding relative to the current Company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 15. Reserves

	Consolidated	
	2021	2020
	\$	\$
Foreign currency reserve	(892,431)	(900,320)
Share-based payments reserve	533,044	363,820
	<u>(359,387)</u>	<u>(536,500)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 15. Reserves (continued)

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve \$	Share-based payments reserve \$	Total \$
Balance at 1 July 2019	(771,397)	363,820	(407,577)
Foreign currency translation	(128,923)	-	(128,923)
Balance at 30 June 2020	(900,320)	363,820	(536,500)
Foreign currency translation	7,889	-	7,889
Share-based payments, note 32	-	169,224	169,224
Balance at 30 June 2021	<u>(892,431)</u>	<u>533,044</u>	<u>(359,387)</u>

Note 16. Accumulated losses

	Consolidated 2021 \$	2020 \$
Accumulated losses at the beginning of the financial year	(19,340,651)	(18,629,692)
Loss after income tax expense for the year	(4,658,604)	(710,959)
Accumulated losses at the end of the financial year	<u>(23,999,255)</u>	<u>(19,340,651)</u>

Note 17. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 18. Share-based payments

Options



Note 18. Share-based payments (continued)

Options	Class	Exercise price	Number under option
Unlisted Director Options, issued as part of share-based compensation for remuneration	Vested on 6 December 2018 Expiring on 6 December 2021	\$0.0300	15,000,000
Unlisted Director Options, issued as part of share-based compensation for remuneration	Vested on 15 December 2020 Expiring on 15 December 2022	\$0.0300	15,000,000
			<u>30,000,000</u>

Refer to note 32 for details on valuation model inputs to determine fair value.

Equity incentive shares

Per Julian Woodcock's service agreement as Chief Executive Officer commencing 4 January 2021, 4,000,000 shares are to be issued subject to Shareholder approval upon completion of continuous employment to 30 November 2021.

Performance shares

Per Julian Woodcock's service agreement as Chief Executive Officer commencing 4 January 2021, the following performance share tranches are available subject to achievement of the milestones:

- (a) 4,000,000 performance shares upon achievement of performance milestone - resource target - attainment of 200koz;
- (b) 4,000,000 performance shares - upon achievement of performance milestone - project acquisition - delivery M&A to achieve one of the hurdles: 1. >50koz; 2. >\$2m acq costs; 3. >\$2m JV earn in spend;
- (c) 4,000,000 performance shares - upon achievement of performance milestone - share price tranche 1 \$0.10;
- (d) 4,000,000 performance shares - upon achievement of performance milestone - share price tranche 2 \$0.15; and
- (e) 4,000,000 performance shares - upon achievement of performance milestone - share price tranche 3 \$0.20

	Consolidated	
	2021	2020
	\$	\$
Share-based payments expense		
Amortisation of share based payment options based on vesting conditions above	126,315	-
Amortisation of share based payments for CEO equity incentive shares, non-vested	42,909	-
	<u>169,224</u>	<u>-</u>

Note 19. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('Finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.



Note 19. Financial instruments (continued)

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. As each of the individual entity within the group primarily transact in their own respective functional currency, foreign currency risk is deemed to be minimal.

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

Interest rate risk is deemed to be minimal as the consolidated entity exposure on interest risk mainly on its cash at bank.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The consolidated entity deemed its credit risk to be minimal as its financial assets are mainly cash held at financial institutions.

Liquidity risk

The consolidated entity is not exposed to any significant liquidity risk.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.



Note 19. Financial instruments (continued)

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2021	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	292,100	-	-	-	292,100
Other payables	-	461,774	-	-	-	461,774
<i>Interest-bearing - variable</i>						
Lease liability	5.00%	66,852	72,100	71,126	-	210,078
Total non-derivatives		820,726	72,100	71,126	-	963,952
Consolidated - 2020						
Consolidated - 2020	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	95,162	-	-	-	95,162
Other payables	-	55,077	-	-	-	55,077
Total non-derivatives		150,239	-	-	-	150,239

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 20. Key management personnel disclosures

Directors

The following persons were Directors of Viking Mines Limited during the financial year:

Raymond Whitten	
Charles Thomas	Resigned as Director on 22 April 2021
Michael Cox	
Julian Woodcock	Appointed Director on 22 April 2021

Other key management personnel

The following person also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Julian Woodcock	Appointed CEO on 5 January 2021
-----------------	---------------------------------

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 20. Key management personnel disclosures (continued)

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2021	2020
	\$	\$
Short-term employee benefits	393,488	293,836
Post-employment benefits	35,470	25,883
Long-term benefits	1,823	-
Share-based payments	169,224	-
	<u>600,005</u>	<u>319,719</u>

Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Rothsay Auditing, the auditor of the Company, and unrelated firms:

	Consolidated	
	2021	2020
	\$	\$
<i>Audit services - Rothsay Auditing</i>		
Audit or review of the financial statements	<u>39,000</u>	<u>24,000</u>
<i>Audit services - unrelated firms</i>		
Audit or review of the financial statements	<u>162,144</u>	<u>-</u>

During the year ended 30 June 2021, USD 13,230 (A\$18,693 equivalent) was paid to Veritas Associates (Ghana) for the audit of the subsidiary entity Resolute Amansie Limited (Ghana) for the year ended 30 June 2016.

During the year ended 30 June 2021, USD 112,115 (A\$143,451 equivalent) was paid to PricewaterhouseCoopers (Ghana) for the audit of the subsidiary entity Resolute Amansie Limited (Ghana) for the years ended 30 June 2017, 30 June 2018, 30 June 2019 and 30 June 2020.

Note 22. Contingent assets

Ghana litigation

In relation to the June 2015 sale of Akoase gold project in Ghana, the Company received a payment of USD3m on 29 July 2021 as part settlement owed by BXC Company Ghana Ltd and is pursuing a further USD 2 million in royalties from production, interest and costs. Ghana High Court judgement is expected 18 October 2021 and the Board remain confident that the Company will receive a positive judgement for this case.

Note 23. Contingent liabilities

Ghana litigation

The lawyers in Ghana have indicated the consolidated entity's legal fees owing to be in the order of USD 155k. These have not been expensed in the profit and loss of the consolidated entity and will be included in costs claimed from the defendant in the legal proceedings in relation to the Akoase gold project sale.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 24. Commitments

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.

Note 25. Related party transactions

Parent entity

Viking Mines Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 27.

Key management personnel

Disclosures relating to key management personnel are set out in note 20 and the remuneration report included in the Directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2021	2020
	\$	\$
Payment for other expenses:		
Consulting fees paid to GTT Ventures Pty Ltd, a Company related to Charles Thomas, for professional and consulting fees relating to capital raising services	305,625	-
Wages paid to administration staff, an employee related to Julian Woodcock	943	-
Other transactions:		
33,000,000 Shares valued at \$0.01 per share issued to GTT Ventures Pty Ltd, a Company related to Charles Thomas, as a broker fee	330,000	-

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 26. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2021	2020
	\$	\$
Loss after income tax	(4,572,025)	(397,051)
Total comprehensive income	(4,572,025)	(397,051)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 26. Parent entity information (continued)

Statement of financial position

	Parent	
	2021	2020
	\$	\$
Total current assets	3,297,234	1,393,866
Total assets	18,805,002	13,242,532
Total current liabilities	815,548	58,594
Total liabilities	951,666	58,594
Equity		
Issued capital	31,830,027	22,537,072
Share-based payments reserve	533,044	363,820
Accumulated losses	(14,509,735)	(9,716,954)
Total equity	<u>17,853,336</u>	<u>13,183,938</u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021 and 30 June 2020.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 27. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2021 %	2020 %
Associated Gold Fields Pty Ltd	Australia	100.00%	100.00%
Bold Resources Pty Ltd	Australia	100.00%	100.00%
BRX LLC	Mongolia	100.00%	100.00%
Auminco Coal LLC	Mongolia	100.00%	100.00%
Khonkhor Zag Coal LLC	Mongolia	100.00%	100.00%
Salkhit Altai LLC	Mongolia	100.00%	100.00%
Ghana Mining Investments Pty Ltd	Australia	100.00%	100.00%
Kiwi International Resources Pty Ltd	Australia	100.00%	100.00%
Resolute Amansie Ltd*	Ghana	100.00%	90.00%
Red Dirt Mining Pty Ltd	Australia	100.00%	-

* 100% of rights to profits

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.

Note 28. Events after the reporting period

Ghana litigation

The Company's Ghanaian subsidiary Resolute Amansie Ltd ('RAL') received USD 3 million on 29 July 2021 from BXC Company Ghana Ltd, a defendant in the legal proceedings against the purchaser of the Akoase Gold Project in Ghana. Ghana High Court has deferred judgement on the court case until 18 October 2021. The Company remains confident of a successful outcome of the case.

Change in Directorships

David Hall appointed Non-Executive Director on 22 July 2021. On 3 August 2021, Ray Whitten AM resigned as Executive Chairman and Michael Cox was appointed as Interim Non-Executive Chairman.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 29. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2021 \$	2020 \$
Loss after income tax expense for the year	(4,658,604)	(710,959)
Adjustments for:		
Depreciation and amortisation	2,230	-
Impairment of non-current assets	705,183	299,660
Share-based payments	169,224	-
Foreign exchange differences	112,448	(49,271)
Other non-cash items	6,641	-
Change in operating assets and liabilities:		
Decrease/(increase) in other receivables	(214,882)	5,148
Increase in prepayments	(4,723)	(2,391)
Increase in trade and other payables	602,275	42,033
Increase in employee benefits	24,378	13,685
Net cash used in operating activities	<u>(3,255,830)</u>	<u>(402,095)</u>

Note 30. Non-cash investing and financing activities

	Consolidated 2021 \$	2020 \$
Additions to the right-of-use assets	187,857	-
410,000,000 ordinary shares issued to the vendors of Red Dirt Mining Pty Ltd (RDM) as consideration for 100% of the issued share capital of RDM, see note 10 'Exploration and evaluation'	4,100,000	-
33,000,000 ordinary shares issued to broker GTT Ventures Pty Ltd, an entity associated with Charles Thomas, a Director of the Company, in relation to capital raising costs, see note 14 'Issued capital' and note 25 'Related party transactions'	330,000	-
	<u>4,617,857</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 31. Earnings per share

	Consolidated 2021 \$	2020 \$
Loss after income tax attributable to the owners of Viking Mines Limited	<u>(4,658,604)</u>	<u>(710,959)</u>
	Cents	Cents
Basic earnings per share	(0.78)	(0.23)
Diluted earnings per share	(0.78)	(0.23)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>595,889,513</u>	<u>313,717,856</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>595,889,513</u>	<u>313,717,856</u>

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

Note 32. Options

Options outstanding at the end of the financial period have the following expiry date and exercise prices:

Option	Class	Exercise price	Number under option
Unlisted Director Options, issued as part of share-based compensation for remuneration	Vested on 6 December 2018 Expiring on 6 December 2021	\$0.0300	15,000,000
Unlisted Director Options, issued as part of share-based compensation for remuneration	Vested on 15 December 2020 Expiring on 15 December 2022	\$0.0300	15,000,000
			<u>30,000,000</u>

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the Company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

Set out below are summaries of options granted under the plan:

	Number of options 2021	Weighted average exercise price 2021	Number of options 2020	Weighted average exercise price 2020
Outstanding at the beginning of the financial year	15,000,000	\$0.030	27,000,000	\$0.037
Granted	15,000,000	\$0.030	-	\$0.000
Expired	<u>-</u>	\$0.000	<u>(12,000,000)</u>	\$0.046
Outstanding at the end of the financial year	<u>30,000,000</u>	\$0.030	<u>15,000,000</u>	\$0.030
Exercisable at the end of the financial year	<u>30,000,000</u>	\$0.030	<u>15,000,000</u>	\$0.030

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



Note 32. Options (continued)

2021							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
06/12/2018	06/12/2201	\$0.030	15,000,000	-	-	-	15,000,000
27/11/2020	15/12/2022	\$0.030	-	15,000,000	-	-	15,000,000
			<u>15,000,000</u>	<u>15,000,000</u>	<u>-</u>	<u>-</u>	<u>30,000,000</u>

Weighted average exercise price \$0.030 \$0.030 \$0.030 \$0.030 \$0.030

2020							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
04/07/2017	30/06/2020	\$0.046	12,000,000	-	-	(12,000,000)	-
06/12/2018	06/12/2201	\$0.030	15,000,000	-	-	-	15,000,000
			<u>27,000,000</u>	<u>-</u>	<u>-</u>	<u>(12,000,000)</u>	<u>15,000,000</u>

Weighted average exercise price \$0.037 \$0.000 \$0.000 \$0.046 \$0.030

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2021 Number	2020 Number
06/12/2018	06/12/2021	15,000,000	15,000,000
27/11/2020	15/12/2022	15,000,000	-
		<u>30,000,000</u>	<u>15,000,000</u>

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
27/11/2020	15/12/2020	\$0.023	\$0.030	90.00%	-	0.14%	\$0.008

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021



In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Michael Cox
Interim Non-Executive Chairman

30 September 2021



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.rothsay.com.au

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
VIKING MINES LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Viking Mines Limited (“the Company”) and its controlled entities (“the Group”) which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors’ declaration of the Company.

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

- (i) giving a true and fair view of the Group’s financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (the “Code”) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

Viking Mines Limited (continued)

<i>Key Audit Matter - Cash and cash equivalents</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Group's cash and cash equivalents make up 37% of total assets by value and are considered to be the key driver of the Group's operations.</p> <p>We do not consider cash and cash equivalents to be at a high risk of significant misstatement or to be subject to a significant level of judgement.</p> <p>However due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures over the existence and valuation of the Group's cash and cash equivalents included but were not limited to:</p> <ul style="list-style-type: none">• Documenting and assessing the processes and controls in place to record cash transactions;• Testing a sample of cash payments to determine they were bona fide payments, were properly authorised and recorded in the general ledger; and• Agreeing significant cash and cash equivalents to independent confirmations. <p>We have also assessed the appropriateness of the disclosures included in the financial report.</p>
<i>Key Audit Matter - Exploration and evaluation expenditure</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Group continues to capitalise a significant amount of exploration and evaluation expenditure. The balance at year end makes up 57% of the total asset base.</p> <p>We do not consider exploration and evaluation expenditure to be at a high risk of significant misstatement, or to be subject to a significant level of judgement.</p> <p>However due to the materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures in assessing exploration and evaluation expenditure included but were not limited to the following:</p> <ul style="list-style-type: none">• We assessed exploration and evaluation expenditure with reference to AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>.• We tested a sample of exploration and evaluation expenditure to supporting documentation to ensure they were bona fide payments; and• We documented and assessed the processes and controls in place to record exploration and evaluation transactions. <p>We have also assessed the appropriateness of the disclosures included in the financial report.</p>



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
VIKING MINES LIMITED (CONTINUED)**

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/Home.aspx.

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
VIKING MINES LIMITED (CONTINUED)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters.

We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2021.

In our opinion the remuneration report of Viking Mines Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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.

Rothsay Auditing

Dated 30 September 2021

Donovan Odendaal
Partner

SHAREHOLDER INFORMATION

30 June 2021



The shareholder information set out below was applicable as at 23 August 2021.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares		Performance shares	
	Number of holders	% of total shares issued	Number of holders	% of total options issued	Number of holders	% of total performance shares issued
1 to 1,000	43	-	-	-	-	-
1,001 to 5,000	16	0.01	-	-	-	-
5,001 to 10,000	55	0.05	-	-	-	-
10,001 to 100,000	769	3.14	-	-	-	-
100,001 and over	651	96.80	3	100.00	8	100.00
	1,534	100.00	3	100.00	8	100.00
Holding less than a marketable parcel	328	0.38	-	-	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Number held	Ordinary shares % of total shares issued
VANGUARD SUPERANNUATION PTY LTD [VANGUARD INVESTMENT A/C]	101,500,000	9.94
ING INVESTMENT FUND PTY LTD [ING INVESTMENT FUND A/C]	91,300,000	8.94
MCNEIL NOMINEES PTY LIMITED	39,744,176	3.89
BARBARY COAST INVESTMENTS PTY LTD [WHITTEN SUPER FUND A/C]	38,638,655	3.78
SYRACUSE CAPITAL PTY LTD [THE ROCCO TASSONE S/F A/C]	32,638,889	3.20
CITYSCAPE ASSET PTY LTD [CITYSCAPE FAMILY A/C]	30,000,000	2.94
SYRACUSE CAPITAL PTY LTD [TENACITY A/C]	26,117,405	2.56
TRIBECA NOMINEES PTY LTD	23,000,000	2.25
FARADAY NOMINEES PTY LIMITED [BRONTE INVESTMENT A/C]	20,000,000	1.96
GTT GLOBAL OPPORTUNITIES PTY LTD	19,420,000	1.90
CITICORP NOMINEES PTY LIMITED	14,198,240	1.39
ALISSA BELLA PTY LTD [THE C&A TASSONE SUPER A/C]	13,702,407	1.34
MR STEVEN WANG	13,250,000	1.30
TOPSFIELD PTY LTD [THE JOHN BOND INVESTMENT A/C]	12,550,000	1.23
BROWN BRICKS PTY LTD [HM A/C]	12,000,000	1.18
MR OWEN JOHN COOTE & MRS MONIQUE RENEE COOTE [PLATONIC SUPER FUND A/C]	11,133,843	1.09
SUNSET CAPITAL MANAGEMENT PTY LTD [SUNSET SUPERFUND A/C]	10,000,000	0.98
TORONA PTY LTD [ANYWHERE TRAVEL A/C]	10,000,000	0.98
FOREST INVESTMENT CORPORATION PTY LTD	8,359,858	0.82
ALISSA BELLA PTY LTD [THE C&A TASSONE SF NO 2 A/C]	8,000,000	0.78
	535,553,473	52.45

SHAREHOLDER INFORMATION

30 June 2021



Twenty largest unquoted equity security holders

The names of the twenty largest security holders of unquoted equity securities are listed below:

	Options over ordinary shares	
	Number held	% of total options issued
CHAOXS PTY LTD	10,000,000	33.33
MOUNTS BAY INVESTMENTS PTY LTD	10,000,000	33.33
BARBARY COAST INVESTMENTS PTY LTD	10,000,000	33.33
	<u>30,000,000</u>	<u>99.99</u>

	Performance shares	
	Number held	% of total performance shares issued
VANGUARD SUPERANNUATION PTY LTD [VANGUARD INVESTMENT A/C]	17,595,000	20.70
ING INVESTMENT FUND PTY LTD [ING INVESTMENT FUND A/C]	17,595,000	20.70
ADVANTAGE VENTURES PTY LTD [THE ADVANTAGE VENTURES A/C]	10,710,000	12.60
TRIBECA NOMINEES PTY LTD	8,500,000	10.00
PRINCIPAL GLOBAL INVESTMENTS PTY LTD [PRINCIPAL GLOBAL SF A/C]	7,650,000	9.00
TITUS INVESTMENT (WA) PTY LTD [THE ARGENT A/C]	7,650,000	9.00
LILKA ENTERPRISES PTY LTD [LILKA A/C]	7,650,000	9.00
JANATAR PTY LTD [THE JANATAR A/C]	7,650,000	9.00
	<u>85,000,000</u>	<u>100.00</u>

Unquoted equity securities

	Number on issue	Number of holders
<i>Options over ordinary shares issued:</i>		
Unlisted options issued 29 November 2018, exercisable at \$0.03 on or before 06 December 2021	15,000,000	3
Unlisted options issued 27 November 2020, exercisable at \$0.03 on or before 15 December 2022	15,000,000	3
<i>Performance shares issued:</i>		
Performance shares issued 1 February 2021, expiring 1 February 2026	85,000,000	8

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
Options over ordinary shares issued		-
CHAOXS PTY LTD		10,000,000
MOUNTS BAY INVESTMENTS PTY LTD		10,000,000
BARBARY COAST INVESTMENTS PTY LTD		10,000,000
Performance shares issued		-
VANGUARD SUPERANNUATION PTY LTD [VANGUARD INVESTMENT A/C]		17,595,000
ING INVESTMENT FUND PTY LTD [ING INVESTMENT FUND A/C]		17,595,000

SHAREHOLDER INFORMATION

30 June 2021



Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
VANGUARD SUPERANNUATION PTY LTD [VANGUARD INVESTMENT A/C]	101,500,000	9.94
ING INVESTMENT FUND PTY LTD [ING INVESTMENT FUND A/C]	91,300,000	8.94

	Options over ordinary shares	
	Number held	% of total options issued
CHAOXS PTY LTD	10,000,000	33.33
MOUNTS BAY INVESTMENTS PTY LTD	10,000,000	33.33
BARBARY COAST INVESTMENTS PTY LTD	10,000,000	33.33

	Performance shares	
	Number held	% of total performance shares issued
ING INVESTMENT FUND PTY LTD [ING INVESTMENT FUND A/C]	17,595,000	20.70
VANGUARD SUPERANNUATION PTY LTD [VANGUARD INVESTMENT A/C]	17,595,000	20.70
ADVANTAGE VENTURES PTY LTD [THE ADVANTAGE VENTURES A/C]	10,710,000	12.60
TRIBECA NOMINEES PTY LTD	8,500,000	10.00
PRINCIPAL GLOBAL INVESTMENTS PTY LTD [PRINCIPAL GLOBAL SF A/C]	7,650,000	9.00
JANATAR PTY LTD [THE JANATAR A/C]	7,650,000	9.00
TITUS INVESTMENT (WA) PTY LTD [THE ARGENT A/C]	7,650,000	9.00
LILKA ENTERPRISES PTY LTD [LILKA A/C]	7,650,000	9.00

Voting rights

Voting rights 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.

Options

All quoted and unquoted options do not carry any voting rights.

Performance shares

All quoted and unquoted performance shares do not carry any voting rights.

There are no other classes of equity securities.

SHAREHOLDER INFORMATION

30 June 2021



Tenement schedule Licence name, Licence type	Location	Licence Holder / JV Partners*	Viking Mines Ownership
Akoase West, Prospecting licence	Southern Ghana	Resolute Amansie Ltd	100% (reducing to zero % upon sale completion)
Akoase East, Prospecting licence	Southern Ghana	Resolute Amansie Ltd	100% (reducing to zero % upon sale completion)
Akoase South-East, Prospecting licence	Southern Ghana	Resolute Amansie Ltd	100% (reducing to zero % upon sale completion)
Tumentu, Prospecting licence	Southern Ghana	Resolute Amansie Ltd	100%
Butre, Prospecting licence	Ahanta West, Ghana	Resolute Amansie Ltd	100%
Berkh Uul, Exploration licence	Selenge province, Mongolia	BRX LLC	0%
Khonkhor Zag, Mining lease	Govi Altai province, Mongolia	Salkhit Altai LLC	0%
M30/0091 Mining licence	Western Australia	Red Dirt Mining Pty Ltd	100%
M30/0099 Mining licence	Western Australia	Red Dirt Mining Pty Ltd	100%
P30/1125 Prospecting licence	Western Australia	Red Dirt Mining Pty Ltd	100%
P30/1126 Prospecting licence	Western Australia	Australian Emerald Menzies Pty Ltd	100% (pending completion of transfer to VKA)
P30/1137 Prospecting licence	Western Australia	Red Dirt Mining Pty Ltd	100%
P30/1144 Prospecting licence	Western Australia	Red Dirt Mining Pty Ltd	100%
E30/0529 Exploration licence	Western Australia	Red Dirt Mining Pty Ltd	100%

* Resolute Amansie Ltd (Ghana) is a 100% owned subsidiary of Viking Mines Limited
BRX LLC and Salkhit Altai LLC (Mongolia) are 100% owned subsidiaries of Viking Mines Limited
Red Dirt Mining Pty Ltd (Australia) is a 100% owned subsidiary of Viking Mines Limited



REGISTERED OFFICE

15-17 Old Aberdeen Place
West Perth 6005 WA
E contact@vikingmines.com

VIKINGMINES.COM | ASX:VKA