



Viking Ashanti Limited

ABN 38 126 200 280

Interim report
for the half year ended
31 December 2011

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Corporate Information

Directors	John W (Jack) Gardner Peter McMickan Trygve Kroepelien Mark Newlands
Company secretary	Michael Langoulant
Registered office and principal place of business	16 Ord Street West Perth, Western Australia 6005 Telephone: (08) 9261 7300 Facsimile: (08) 9322 8892 Website: www.vikingashanti.com
Share registry	Computershare Investor Services Pty Ltd Reserve Bank Building Level 2 45 St George's Terrace Perth, Western Australia 6000
Auditors	Rothsay Chartered Accountants Level 18 152 – 158 St Georges Terrace Perth, WA, 6000 Ph: 9227 0552
Solicitors	Jackson McDonald Lawyers 140 St Georges Terrace, Perth, Western Australia 6000
ASX codes	Viking Ashanti Limited is listed on the Australian Stock Exchange (Shares: VKA)

Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Viking Ashanti Limited ("the Company") and the entities it controlled at the end of, or during, the half year ended 31 December 2011. In order to comply with the Corporations Act 2001 the directors report as follows:

DIRECTORS

The following persons were directors of Viking Ashanti Limited during the whole of the period and up to the date of this report:

John W (Jack) Gardner – *Non-executive Chairman*
Peter McMickan – *Managing Director*
Trygve Kroepelien – *Non-executive Director*
Mark Newlands - *Non-executive Director*

OPERATIONS

During the six months to 31 December, 2011, Viking Ashanti received results from 46 drill holes, metallurgical test work results and soil sampling results from its Akoase gold exploration project in Ghana, West Africa (Figure 1). Highlights included:

- **Better intersections at depth below existing Akoase East resource include 12m @ 2.13 g/t Au, 9m @ 1.10 g/t Au, and 6m @ 1.32 g/t Au.**
- **Drilling results reconfirm potential for extending resource immediately along strike to the northeast; 13m @ 2.54 g/t Au and 3m @ 3.14 g/t.**
- **Intersections including 5m @ 3.57 g/t Au, 1m @ 8.27 g/t Au, and 12m @ 0.93 g/t Au at Dave Flats prospect, indicating potential for a new zone of mineralization.**
- **At the Alimac prospect, soil sampling results confirm extension of the gold-in-soil anomaly that defines the Akoase East deposit to the northeast, for a further 1.4km.**
- **Preliminary metallurgical test work on Akoase East deposit indicates oxide mineralization gold recovery of 93-96% and fresh mineralization gold recovery of 85-90% using conventional leaching and flotation processes.**

1. Akoase Project

Drilling

Assay results were received from an additional 10 Reverse Circulation (RC) pre-collared diamond holes and 5 RC holes (Tables 2 and 3, Figures 2 and 3) at Akoase East. At the northern end of the Akoase East deposit, a step out RC hole (AKRC134), 50 metres northeast of the limit of previous drilling, has returned highly encouraging intersections of 13m @ 2.54 g/t Au and 3m @ 3.14 g/t Au. This hole, combined with previous Viking drilling, demonstrates that multiple zones of mineralization continue for at least a further 100 metres northeast immediately along strike of the current resource at Akoase East, and that excellent potential exists for further extensions of the resource in this area.

Assay results from 10 pre-collared diamond holes, drilled to extend the Akoase East deposit at depth, continue to intersect multiple zones of mineralization at gold grades comparable to the average resource

grade. Better intersections include 12m @ 2.13 g/t Au and 9m @ 1.10 g/t Au in hole AKRC016D, and 6m @ 1.32 g/t Au and 3m @ 1.43 g/t Au in hole AKRC017D.

Results from drilling of 31 Reverse Circulation (RC) holes at Akoase East's Dave Flats prospect were received (Table 4, Figures 2 and 4). The RC holes, drilled on 200m line spacing, were designed to test geochemical and geophysical targets along part of the Kadewaso structural trend, on which the Akoase East gold resource is located.

Better intersections from this new drilling include 5m @ 3.57 g/t Au and 4m @ 1.58 g/t Au in hole AKRC163, 1m @ 8.27 g/t Au in hole AKRC164, and 12m @ 0.93 g/t Au in hole AKRC155.

The most encouraging results, returned from holes AKRC 155, 163 and 164, suggest that a second, new zone of mineralization either parallel to or splaying off the main Kadewaso trend may be present immediately northeast of the Kadewaso village.

This drilling also confirms that the southern extensions of the Akoase East mineralization continues for 400 metres immediately southwest of the current resource, as indicated by previous drilling results (refer ASX announcement 13 July 2011) and holes AKRC 159 (5m @ 1.65 g/t Au) and AKRC 160 (5m @ 0.62 g/t Au).

A further 1.8 strike km of the Kadewaso structural trend, to the southern licence boundary remains to be drill tested.

Soil geochemistry

A soil sampling program infilling sample spacing to 200m x 50m has been completed over the Alimac prospect, immediately northeast of the Akoase East deposit (Figures 2 and 4). The program was designed to infill a 2.5 strike km area along the Kadewaso structural trend between the Akoase East deposit and the Andy Hills prospect further to the northeast. Some 439 soil samples were collected from the "B" horizon, sieved to -2mm, pulverized and analysed for gold by ALS Chemex in Kumasi, Ghana, using 50g fire assay with AAS finish (5 parts per billion lower detection limit).

The results from the sampling program have outlined two sub-parallel geochemically anomalous trends (using a lower threshold of 50 parts per billion gold), which are interpreted to represent the northeastern extensions of the soil anomaly that defines the Akoase East gold deposit (Figure 4). The anomalous trends extend for 1.4km along strike and are up to 400m wide.

Assay results were received from a soil geochemistry sampling program designed to infill and extend soil coverage around the Andy Hills prospect at Akoase East. Sample spacing over the prospect area is now 200m x 50m, with results confirming the Andy Hills soil anomaly as a 1,200m long and 100m wide anomaly at >50 ppb Au.

A 3,000 metre RC drilling program which commenced early November has been designed as a first test of the Alimac and Andy Hills prospect soil anomalies. Holes will be drilled on traverses spaced from 200m up to 600m along the anomalous trends.

A 400m x 50m soil sampling program was completed on the Akoase West licence, with 487 samples collected. This sampling program is targeting favorable structural positions interpreted from regional geology and geophysics in the southwest area of the licence. Assay results are awaited.

Metallurgical test work

The results from preliminary metallurgical test work on the Akoase gold deposit indicate that the mineralization is free milling using conventional CIP/CIL and flotation processes, with a significant amount of the gold recoverable by gravity separation methods (Table 1).

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The test work program involved the crushing and grinding of 3 kg of the oxide and fresh composite drill samples to a standard 80% passing 75 micron, head assay including gold and multi-element assays, gravity recovery of coarse gold, and 48 hour leaching (simulating carbon-in-pulp process) under controlled conditions.

The test work program was repeated on a second 3kg fresh split, to look at the effects of a finer grind and diagnostic leaching of the tails. This work demonstrated that a finer grind results in improved recoveries, and that a further 11% of the gold is associated with sulphide species which could be recovered by conventional flotation, grinding and leaching processes.

The gold recoveries and reagent consumptions for both the oxide and fresh composite sample are considered typical and within industry standards for free milling gold deposits. Some organic carbon was present in the samples, resulting in potential for re-absorption of gold. Further test work is planned to optimize the gold recoveries from the fresh mineralization.

Table 1: Metallurgical Results Summary

Parameter	unit	3kg composite sample			
		Oxide	Fresh #1	Fresh #2	
Grind size (80% passing)	micron	75	75	75	45
Head assay	g/t gold	2.86	1.61	1.5*	1.5*
Gravity gold recovery	%	35.5	46.6	44.9	47.7
24 hr gold recovery	%	93.6	79.2	73.2	80.9
48 hr gold recovery	%	97.7	81.6	73.2	79.1
Gold in sulphides	%		ND	11.3	ND
Expected overall gold recovery (after optimization)	% (range)	93-96	85-90	85-90	85-90
NaCN consumption	kg/t	0.47	0.96	0.34	0.39
Lime consumption	kg/t	2.4	1.1	0.75	0.79

*ND - not determined *calculated*

Resource guidance

A new JORC classified resource estimate for the Akoase East deposit, incorporating upgraded technical data and all Viking Ashanti drilling results, is planned to be completed by end March 2012. Work in preparing the new estimate follows an analysis by Viking Ashanti's technical consultants of recently acquired topographical and other data. This analysis indicated some material deficiencies in the project's pre-existing 496,000 ounce Inferred gold resource estimate, indicating that this estimate could be overstated by around 25%.

2. West Star/Blue River Project

Assay results from soil sampling programs, at 400m x 50m spacing, designed to infill and extend soil geochemistry coverage across the West Star licences were still awaited at the end of the reporting period. The licences cover 14 strike km of the regionally extensive north-south trending Salman shear zone, the major controlling structure hosting significant gold deposits at the nearby 2 million ounce Nzema gold mine.

Post December 31, 2011, a 3,000m program of RC drilling has commenced with two objectives; testing undrilled previously identified soil anomalies on the West Star licences, and infill drilling around historic economic grade and width drill intersections on the adjoining Blue River licence to the south.

3. Nyame Dzikan and Nchiadi Projects (VKA 51% joint venture interest)

Following a review of historic and recently acquired exploration data, the Company believes the potential for a substantial gold deposit is limited on both projects. Our local joint venture partner, Ahafo Ano South Goldfields Ltd. has been advised of Viking Ashanti's withdrawal from both the Nyame Dzikan and Nchiadi joint ventures.

CORPORATE AND ADMINISTRATION

As at 31 December 2011, Viking Ashanti has 69.2 million ordinary shares, and 6.0 million options on issue.

Viking Ashanti held its Annual General Meeting on 17 November 2011, at 16 Ord St., West Perth, Western Australia. Mr. Jack Gardner was re-elected as a Director of the Company.

With the current strong gold price and equities interest in West Africa, a number of corporate and farm-in opportunities for gold projects were reviewed during the half year. None are currently at an advanced stage of consideration.

Cash reserves at 31 December 2011 were A\$2.4 million.

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Table 2: Drilling Results Akoase East

Drill hole Information						Mineralized Intercepts					Comment
Hole ID	Easting	Northing	RL	dip/azimuth	hole depth (m)	from (m)	to (m)	intersection width (m)	grade (g/t Au)	oxidation	
AKRC006D	742485.5	713391.9	429.1	-55/140	134.6	72	73	1	2.32	fresh	
						106	113	7	0.85	fresh	
AKRC010D	743677.6	714325.7	448.9	-50/140	126	21	22	1	2.53	oxidized	
						40	41	1	2.26	oxidized	
						58	60	2	1.66	oxidized	
						72	73	1	2.33	oxidized	
AKRC011D	743319.5	714059.4	528.3	-51/140	192.2	7	8	1	2.36	oxidized	
						24	25	1	1.25	oxidized	
						42	43	1	2.26	oxidized	
						69	70	1	1.67	oxidized	
						75	77	2	1.46	oxidized	
AKRC012D	742629.0	713724.4	510.2	-55/140	155.4	7	10	3	1.07	oxidized	
						26	27	1	1.72	oxidized	
						29	31	2	2.31	oxidized	
						41	45	4	0.88	oxidized	
						61	62	1	2.60	oxidized	
						108	109	1	1.52	fresh	
						116	117	1	2.73	fresh	
132	136	4	1.13	fresh							
AKRC013D	742549.0	713661.2	481.4	-50/140	204.5	24	25	1	1.29	oxidized	
						99	100	1	1.32	fresh	
						107	109	2	1.90	fresh	
						143	144	1	1.85	fresh	
						149	152	3	1.42	fresh	
						157	159	2	0.74	fresh	
						179	180	1	1.97	fresh	
191	192	1	5.00	fresh							
AKRC015D	743310.4	714026.3	519.8	-55/140	120	0	1	1	1.76	oxidized	
						8	10	2	1.91	oxidized	
						15	16	1	2.05	oxidized	
						31	32	1	1.11	oxidized	
						36	39	3	1.40	oxidized	
90	94	4	0.54	fresh							
AKRC016D	743280.0	714027.8	517.9	-55/140	142.2	21	30	9	1.10	oxidized	
						33	45	12	2.13	oxidized	
						49	50	1	2.12	oxidized	

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Drill hole Information						Mineralized Intercepts					Comment
Hole ID	Easting	Northing	RL	dip/azimuth	hole depth (m)	from (m)	to (m)	intersection width (m)	grade (g/t Au)	oxidation	
						107	109	2	1.59	fresh	
AKRC017D	742481.7	713536.3	449.2	-55/140	188.1	44	48	4	0.60	oxidized	
						54	57	3	1.43	oxidized	
						116	117	1	2.88	fresh	
						141	142	1	2.49	fresh	
						153	154	1	1.25	fresh	
						156	162	6	1.32	fresh	
						167	168	1	2.22	fresh	
						170	171	1	1.72	fresh	
AKRC018D	744130.9	714969.4	438.1	-55/140	219.3	39	40	1	2.19	oxidized	
						91	92	1	0.88	fresh	
						94	95	1	1.35	fresh	
						161	164	3	2.05	fresh	
						171	172	1	0.89	fresh	
						179	180	1	1.64	fresh	
						183	186	3	1.03	fresh	
AKRC019D	744217.9	714943.9	407.3	-50/140	129	98	99	1	0.61	fresh	extension of AKRC104
						100	101	1	0.66	fresh	
AKRC134	744274.1	714948.1	374.4	-50/140	87	23	36	13	2.54	oxidized	
						45	46	1	2.19	oxidized	
						57	60	3	3.14	oxidized	
						66	67	1	0.93	oxidized	

Table 3: RC Drilling Results Akoase East southwest extension

Drill hole Information						Mineralized Intercepts					Comment
Hole ID	Easting	Northing	RL	dip/azimuth	hole depth (m)	from (m)	to (m)	intersection width (m)	grade (g/t Au)	oxidation	
AKRC123	742159.8	712786.4	298.4	-50/140	70	27	28	1	1.33	oxidized	
						51	52	1	3.90	oxidized	
AKRC124	742136.9	712820.7	295.1	-50/140	63	36	37	1	1.72	oxidized	
AKRC126	742376.9	713098.3	317.2	-50/140	73	55	56	1	0.66	oxidized	
AKRC133	742037.6	712639.6	277.3	-50/140	69	68	69	1	0.55	oxidized	

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Table 4: Drilling Results Dave Flats Prospect

Drill hole Information						Mineralized Intercepts				
Hole ID	Easting	Northing	RL	dip/azimuth	hole depth (m)	from (m)	to (m)	intersection width (m)	grade (g/t Au)	oxidation
AKRC135	742003.3	712433.5	291.8	-50/140	83	NSA				
AKRC136	741911.1	712501.9	269.7	-50/140	60	32	34	2	0.49	oxidized
AKRC137	741971.4	712453.7	279.2	-50/140	80	NSA				
AKRC138	741927.7	712483.8	270.6	-50/140	65	NSA				
AKRC139	741867.1	712294.1	263.5	-50/140	68	NSA				
AKRC140	741837.0	712319.0	260.9	-50/140	55	NSA				
AKRC141	741777.8	712334.9	259.9	-50/140	60	NSA				
AKRC142	741754.8	712368.8	266.1	-50/140	58	NSA				
AKRC143	741760.8	712124.9	258.9	-50/140	58	NSA				
AKRC144	741716.9	712162.3	259.3	-50/140	69	NSA				
AKRC145	741692.8	712185.3	259.4	-50/140	65	3	4	1	0.73	oxidized
						7	9	2	2.17	oxidized
AKRC146	741657.4	712211.6	258.5	-50/140	66	NSA				
AKRC147	741539.4	712056.6	253.9	-50/140	65	27	28	1	1.08	oxidized
AKRC148	741584.5	712033.6	253.4	-50/140	53	NSA				
AKRC149	741614.3	712006.3	251.2	-50/140	65	NSA				
AKRC150	741652.2	711995.6	252.2	-50/140	73	NSA				
AKRC151	741588.2	711786.2	252.2	-50/140	75	NSA				
AKRC152	741547.6	711811.0	248.9	-50/140	37	NSA				
AKRC153	741455.3	711654.0	247.5	-50/140	89	NSA				
AKRC154	741287.1	711543.4	243.4	-50/140	59	19	20	1	1.01	oxidized
AKRC155	741218.7	712069.3	250.5	-50/140	65	54	66	12	0.93	oxidized
AKRC156	741310.4	711985.7	253.4	-50/140	77	NSA				
AKRC157	741437.0	711902.3	250.6	-50/140	59	NSA				
AKRC158	741114.1	711911.9	250.4	-50/140	65	NSA				
AKRC159	742299.3	713036.7	333.8	-50/140	53	35	40	5	1.65	oxidized
						45	46	1	0.91	oxidized
						50	52	2	0.96	oxidized
AKRC160	742092.5	712756.3	283.9	-50/140	65	46	47	1	0.60	fresh
						49	54	5	0.62	fresh
						59	60	1	0.56	fresh
AKRC161	741286.1	711774.6	246.7	-50/140	65	NSA				
AKRC162	741187.9	711854.7	249.5	-50/140	65	63	65	2	1.19	oxidized
AKRC163	740949.0	711798.0	241.4	-50/140	47	6	10	4	1.58	oxidized
						15	20	5	3.57	oxidized
						37	38	1	0.64	fresh
AKRC164	741014.4	711747.2	243.7	-50/140	56	14	15	1	8.27	oxidized
AKRC165	741164.5	711629.6	243.6	-50/140	69	NSA				

The site split half core NQ diamond core and RC chip samples (approx. 3kg each) from each hole were collected at 1m down hole intervals and submitted to ALS Chemex laboratories in Kumasi, Ghana for gold analysis. The analytical method was 50g fire assay/AAS finish with a 0.01 g/t Au detection limit. Significant results reported are nominally above 0.5 g/t Au over a minimum down-hole interval of 1 metre, with no top

cut applied. Assay quality control procedures included insertion of certified reference standards, blanks and duplicates. True intersection widths are estimated to be approximately 75% of reported drill intersection widths.

Figure 1: Project locations in Southern Ghana

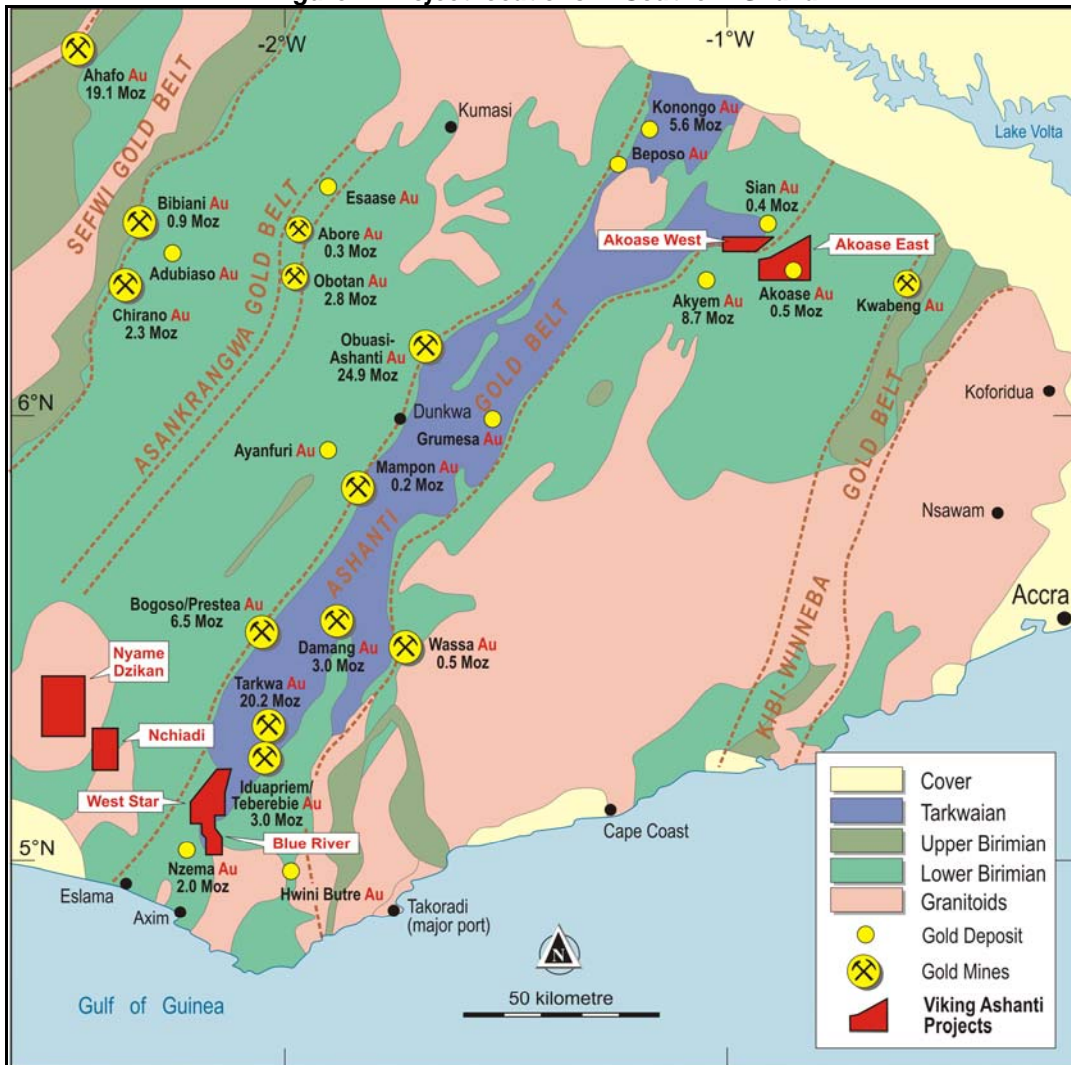


Figure 2: Akoase East Project Geology

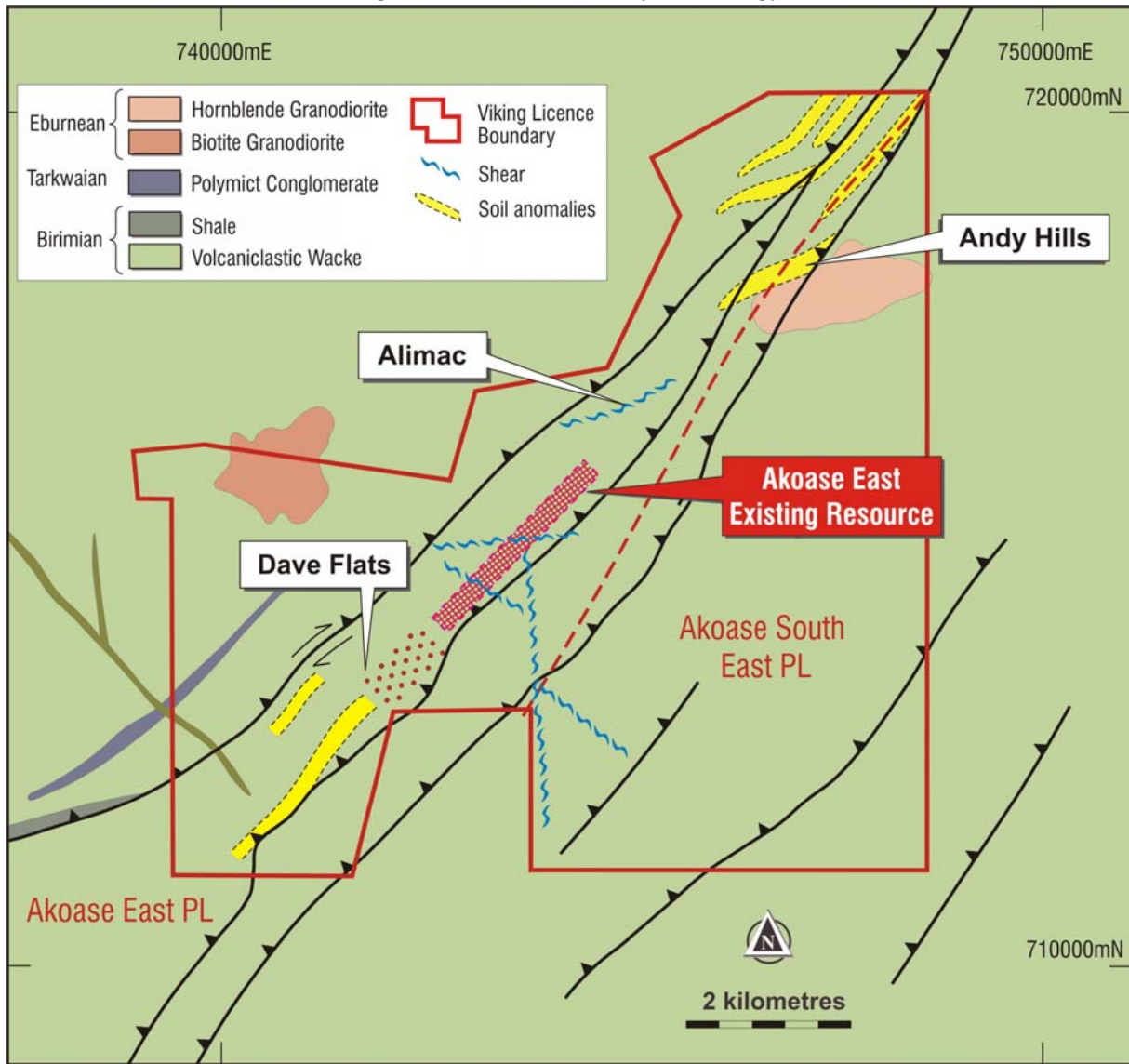


Figure 3: Akoase East Drill Hole Location Plan

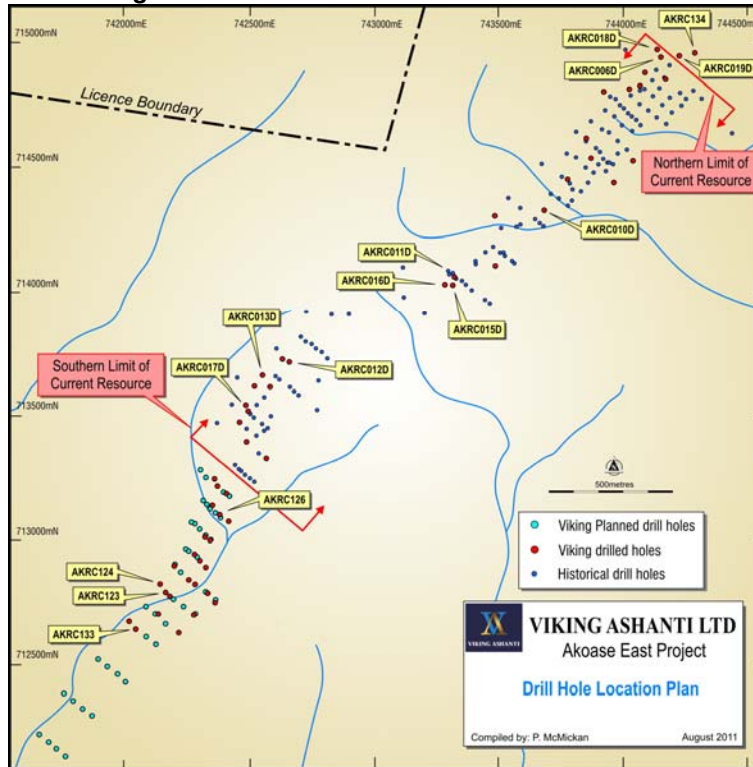
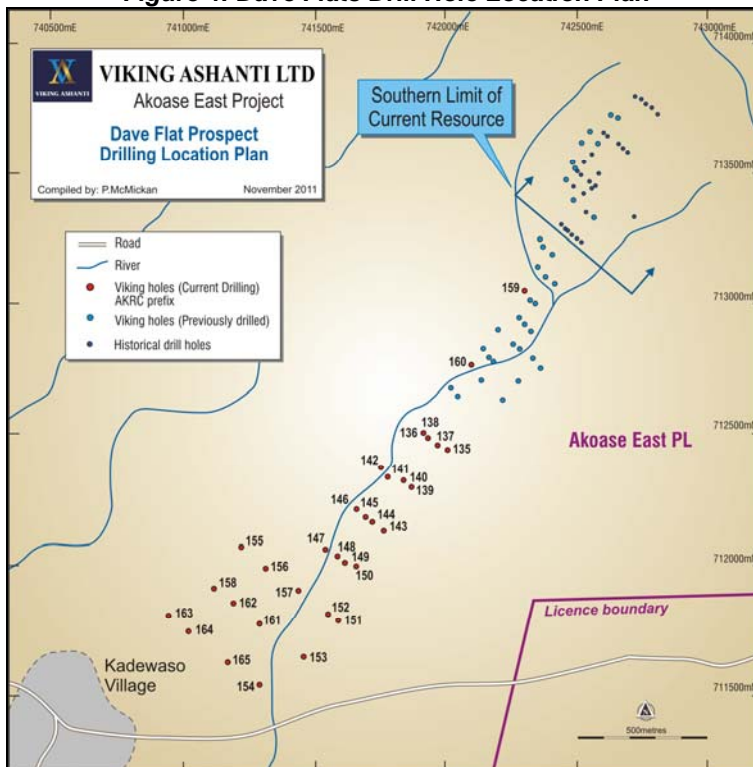



Figure 4: Dave Flats Drill Hole Location Plan



Auditors' independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the next page and forms part of the director's report for the period to 31 December 2011.

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



Peter McMickan
Managing Director

Perth
9 March 2012

Competent Persons Statement: The information in this Public Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter McMickan, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McMickan is a full time employee of Viking Ashanti Limited. Mr McMickan has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McMickan 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 Ashanti 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 Ashanti Limited believes that its expectations reflected in these forward looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward looking statements.

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Level 18, Central Park Building, 152-158 St Georges Terrace, Perth WA 6000
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 6364 5076 www.rothsay.com.au

The Directors
Viking Ashanti Limited
PO Box 359
West Perth WA 6872

Dear Sirs

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

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 31 December 2011 interim financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.



Graham Swan (Lead auditor)

Rothsay Chartered Accountants

Dated 9 March 2012



Chartered Accountants

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

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Condensed Statement of Comprehensive Income
For the half year ended 31 December 2011

	Consolidated	
	2011	2010
	\$	\$
Continuing Operations		
Revenue	93,689	171,823
	93,689	171,823
Consulting fees	105,013	136,070
Employee benefits	230,572	207,164
Exploration and evaluation expenditure	1,616,406	872,910
Other expenses	192,325	259,791
	2,144,315	1,475,935
Loss before income tax expense	(2,050,626)	(1,304,112)
Income tax expense	-	-
Net loss for the period	(2,050,626)	(1,304,112)
Other comprehensive income for the period, net of tax	144,658	(19,296)
Total comprehensive loss for the period	(1,905,968)	(1,323,408)
Loss attributable to:		
Owners of the parent	(1,885,785)	(1,188,867)
Non-controlling interest	(164,873)	(115,245)
	(2,050,626)	(1,304,112)
Total comprehensive loss attributable to:		
Owners of the parent	(1,741,095)	(1,208,163)
Non-controlling interest	(164,873)	(115,245)
	(1,905,968)	(1,323,408)
	<u>Cents</u>	
Basic loss per share (cents per share)	(2.73)	(1.91)
Diluted loss per share (cents per share)	(2.73)	(1.91)

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

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Condensed Statement of Financial Position
As at 31 December 2011

	Note	Consolidated 31 December 2011 \$	Consolidated 30 June 2011 \$
Current Assets			
Cash and cash equivalents		2,395,311	4,026,056
Trade and other receivables		122,800	127,004
Other		7,681	38,864
Total Current Assets		2,525,793	4,191,924
Non-Current Assets			
Plant and equipment		52,777	58,656
Exploration project acquisition costs	2	6,373,110	6,373,110
Total Non-Current Assets		6,425,887	6,431,766
Total Assets		8,951,680	10,623,690
Current Liabilities			
Trade and other payables		656,448	425,502
Provisions		3,012	-
Total Current Liabilities		659,461	425,502
Total Liabilities		659,461	425,502
Net Assets		8,292,219	10,198,188
Equity			
Issued capital	3	14,547,939	14,547,939
Reserves		324,590	179,932
Accumulated losses		(6,099,404)	(4,213,649)
Outside equity interest		(480,907)	(316,034)
Total Equity		8,292,219	10,198,188

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

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Condensed Statement of Changes in Equity
For the half-year ended 31 December 2011

	Consolidated				Total equity
	Issued capital	Accumulated losses	Reserves	Non-controlling Interest	
	\$	\$	\$	\$	
Opening balance at 1 July 2010	14,547,939	(1,069,390)	308,482	(34,262)	13,752,769
		(1,304,112)			(1,304,112)
Loss for the period					
Other comprehensive income			(19,296)		(19,296)
Total comprehensive loss for the year		(1,304,112)	(19,296)		(1,323,408)
Outside equity interest in loss		115,245		(115,245)	-
Balance at 31 December 2010	14,547,939	(2,258,256)	289,186	(149,507)	12,429,362

	Consolidated				Total equity
	Issued capital	Accumulated losses	Reserves	Non-controlling Interest	
	\$	\$	\$	\$	
Opening balance at 1 July 2011	14,547,939	(4,213,649)	179,932	(316,034)	10,198,188
Loss for the period	-	(2,050,626)	-	-	(2,050,626)
Other comprehensive income	-	-	144,658	-	144,658
Total comprehensive loss for the year	-	(2,050,626)	144,658	-	(1,905,968)
Outside equity interest in loss	-	164,873	-	(164,873)	-
Balance at 31 December 2011	14,547,939	(6,099,404)	324,590	(480,907)	8,292,219

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

Viking Ashanti Limited
ABN 38 126 200 280

Condensed Statement of Cash Flows
For the half-year ended 31 December 2011

	Consolidated December 2011	Consolidated December 2010
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(719,836)	(591,366)
Interest received	93,689	111,001
Net cash outflow from operating activities	(626,147)	(480,365)
Cash flows from investing activities		
Payments for exploration	(1,004,598)	(872,910)
Payments for plant and equipment	-	(73,157)
Net cash outflow from investing activities	(1,004,598)	(946,067)
Net increase in cash held	(1,630,745)	(1,426,432)
Cash at the beginning of reporting period	4,026,056	7,671,100
Cash at the end of the reporting period	2,395,311	6,244,668

The above condensed cash flow statement should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements
For the half year ended 31 December 2011

Note 1: Basis of Preparation of Half Year Financial Statements

This general purpose financial report for the interim reporting half year ended 31 December 2011 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001* and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 Interim Financial Reporting.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Financial Report for the year ended 30 June 2011 and any public announcements made by Viking Ashanti Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report the half year has been treated as a discrete reporting period.

Significant accounting policies

Apart from the changes in accounting policy noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Adoption of new and revised accounting standards

In the half year ended 31 December 2011, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2011.

As a result of this review the Directors have determined that there is no impact material, or otherwise, of the new and revised standards and interpretations on its business and therefore, no change is necessary to Group accounting policies.

Basis of Consolidation

The half year consolidated financial statements comprise the financial statements of Viking Ashanti Limited and its subsidiaries at 31 December 2011.

Notes to the consolidated financial statements
For the half year ended 31 December 2011

Note 2: Exploration project acquisition costs

	Consolidated 2011	2010
		\$
Opening balance 1 July 2011	6,373,110	6,373,110
Acquisition costs incurred during the half year	-	-
	6,373,110	6,373,110

The recoverability of exploration project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of areas of interest.

Note 3: Issued capital

	Consolidated 2011	2010
		\$
Issued and fully paid 69,166,667 shares	14,547,939	14,547,939
<i>Movements in ordinary shares on issue</i>		
Opening balance	14,547,939	14,547,939
Movements during the period	-	-
	14,547,939	14,547,939
	14,547,939	14,547,939
	Shares	Shares
Opening balance	69,166,667	69,166,667
Movements during the period	-	-
	69,166,667	69,166,667
	69,166,667	69,166,667

Note 4: Options

The Company has 6,000,000 options exercisable at 34.5 cents each, on or before 31 December 2012 on issue. There were no options issued during the reporting period.

Notes to the consolidated financial statements
For the half year ended 31 December 2011

Note 5: Contingent liabilities

The Group has no contingent liabilities.

Note 6: Events subsequent to reporting date

There have been no significant events since the end of the period.

Directors' declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 16 to 22 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, *AASB 134 Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance.
- (b) there are reasonable grounds to believe that Viking Ashanti Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of directors made pursuant to S305 (5) of the *Corporations Act 2001*.



Peter McMickan
Managing Director

Perth
9 March 2012

ROTHSAY

Level 18, Central Park Building, 152-158 St Georges Terrace, Perth WA 6000
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 6364 5076 www.rothsay.com.au

Independent Review Report to the Members of Viking Ashanti Ltd

The financial report and directors' responsibility

The interim consolidated financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Viking Ashanti Ltd for the half-year ended 31 December 2011.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim consolidated financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated financial position as at 31 December 2011 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Viking Ashanti Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Independence

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim consolidated financial report of Viking Ashanti Ltd is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position as at 31 December 2011 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Rothsay



Graham R Swan
Partner

Dated 9 March 2012



Chartered Accountants

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