



26 July, 2011

ASX Release

Viking Ashanti Limited (ASX: VKA)

Quarterly Report 30 June 2011

During the quarter Viking Ashanti received assay results from a further eighteen holes drilled at its 100% owned Akoase East gold project in Ghana, West Africa (Figure 1).

- **Multiple zones of gold mineralization continue to be intersected in drilling.**
- **Intersections including 8m @ 2.22 g/t Au, 5m @ 1.94 g/t Au immediately northeast of the current resource, and 18m @ 1.30 g/t Au and 4m @ 1.92 g/t Au beneath the resource.**
- **Intersections including 5m @ 3.06 g/t Au, 6m @ 1.36 g/t Au, and 15m @ 1.51 g/t Au immediately southwest of the current resource.**
- **Results confirm potential for extending current resource along strike for at least 400 metres to the southwest and at least 100 metres to the northeast, resource remains open in all directions.**

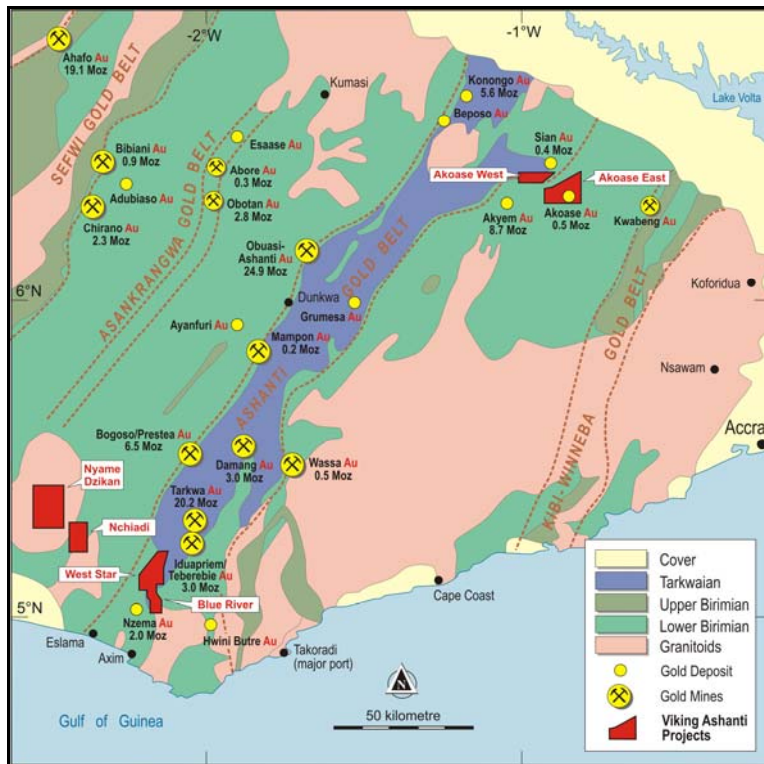


Figure 1: Viking Ashanti Project Locations, Southern Ghana

Exploration

Akoase Project

Viking Ashanti's drilling program at the 100% owned Akoase East gold project in Ghana continues to provide strong evidence that the existing 500,000 ounce JORC classified gold resource will be significantly increased.

At Akoase East, twenty eight holes comprising 1,758m of Reverse Circulation (RC) and 579m of diamond core were drilled during the quarter.

Assay results were received from three RC pre-collared diamond holes and fifteen RC holes during the quarter (Tables 1 and 2, Figures 2 and 3). At the northern end of the Akoase resource, a step out RC hole (AKRC104), 50 metres northeast of the limit of previous drilling has returned highly encouraging intersections of 5m @ 1.94 g/t Au and 8m @ 2.22 g/t Au. This hole, combined with previous Viking drilling, demonstrates that multiple zones of mineralization continue northeast immediately along strike of the current resource at Akoase, and that excellent potential exists for extending the resource in this area. The hole terminated in mineralization and has been extended with a diamond core tail.

Assay results from the remaining RC and RC pre-collared diamond holes, drilled to either extend the existing resource at depth, or to test mineralized zones on the eastern margin of main structural corridor, continue to intersect multiple zones of mineralization, at gold grades comparable to the average resource grade. Better intersections include 18m @ 1.30 g/t Au and 3m @ 2.71 g/t Au in hole AKRC009D, and 4m @ 1.92 g/t Au and 1m @ 4.87 g/t Au in hole AKRC109.

Multiple zones of gold mineralization have also been intersected in the first ten RC holes drilled on the southwest extension of the Akoase East resource.

Better intersections from this new drilling include 5m @ 3.06 g/t Au and 3m @ 1.21 g/t Au in hole AKRC112, 6m @ 1.36 g/t Au in hole AKRC113, and 15m @ 1.51 g/t Au and 1m @ 3.13 g/t Au in hole AKRC116 (Table 2, Figures 2 and 3).

These holes demonstrate that multiple zones of shallow mineralization continue for at least 400 metres southwest and immediately along strike of the current resource at Akoase East, and at grades and widths comparable to the existing Akoase East resource. The Company believes excellent potential exists for further extensions of the current resource in this area.

To date, 24 holes of a planned 48 RC hole program have been completed at 100m line spacing. The remaining holes will be drilled at 200m line spacing along strike to the southwest. A further 4 strike km of the main Akoase structural trend extending to the southern boundary of Viking Ashanti's licence area remains to be drill tested following completion of this program.

A 200m x 50m infill soil sampling program was completed over the Andy Hills prospect, located 2.5km north-east of the Akoase East resource. Assay results are awaited from the 285 samples collected.

A 400m x 50m soil sampling program has commenced on the Akoase West licence, with 105 samples collected to date. This sampling program is targeting favorable structural positions interpreted from regional geology and geophysics in the south-west area of the licence.

West Star/Blue River Project

Assay results are awaited from a 200m x 50m spaced soil sampling program completed at the northern end of the West Star prospecting licence during the March quarter. This sampling provides an additional 3.4 strike km coverage over the highly prospective Salman shear zone. A 400m x 50m soil sampling program on the south-western part of the West Star mining lease straddling the Salman shear zone has also been completed, with 333 samples collected. Assay results are awaited.

Onset of the wet season has delayed the planned RC drilling program at West Star/Blue River.

Nyame Dzikan Joint Venture

Regional stream sediment sampling of the Nyame Dzikan licence was completed during the quarter. A total of 38 samples were collected and assay results have been received. No significantly anomalous gold values were recorded, and no further work is planned.

Corporate and Administration

As at the date of this report, Viking Ashanti has 69.2 million ordinary shares, and 6.0 million options on issue.

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

Viking Ashanti continues to pursue an active program of investor and broker presentations and will be present at the Africa Down Under Conference in Perth in September 2011.

Cash reserves at 30 June 2011 are \$4.05 million.

A handwritten signature in black ink, appearing to read 'Peter McMickan', is positioned above the name and title.

Peter McMickan
Managing Director

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Table 1: Drilling Results Akoase East

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
AKRC003D	743866.1	714538.0	495.3	-50/140	179.5	22	24	2	5.35	oxide
						42	43	1	1.71	oxide
						62	63	1	1.17	oxide
						117	120	3	0.94	fresh
AKRC008D	744062.9	714825.3	478.5	-52/140	110.6	5	10	5	1.57	oxide
						24	26	2	3.33	oxide
						29	31	2	5.90	oxide
						72	73	1	1.68	Fresh
						85	86	1	1.19	Fresh
						89	93	4	0.61	Fresh
AKRC009D	743914.8	714805.7	543.3	-55/140	251.4	130	133	3	2.71	fresh
						152	155	3	1.31	fresh
						173	176	3	1.09	fresh
						183	201	18	1.30	fresh
						221	222	1	2.02	fresh
AKRC104	744217.9	714943.9	407.3	-50/140	93	71	76	5	1.94	oxidized
						83	91	8	2.22	fresh
AKRC106	743958.1	714439.4	485.0	-50/140	72	11	13	2	0.58	oxidized
AKRC107	743480.6	714103.1	514.2	-50/140	93	7	9	2	2.88	oxidized
						46	48	2	0.52	oxidized
AKRC108	742656.8	713713.2	516.1	-50/140	111	20	22	2	0.79	oxidized
						100	101	1	1.1	fresh
						104	105	1	0.74	fresh
AKRC109	742561.8	713326.4	382.0	-50/140	69	11	12	1	4.87	oxidized
						20	24	4	1.92	oxidized

Table 2: RC Drilling Results Akoase East southwest extension

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
AKRC110	742357.0	713241.7	392.4	-50/140	77	54	55	1	9.05	oxidized
AKRC111	742366.7	713215.3	382.3	-50/140	85	17	18	1	4.43	oxidized
						36	37	1	0.99	oxidized
						43	44	1	0.87	oxidized
						81	82	1	1.68	fresh
AKRC112	742402.4	713184.6	357.3	-50/140	68	3	6	3	1.21	oxidized
						44	49	5	3.06	fresh
AKRC113	742346.4	713134.2	340.9	-50/140	51	36	42	6	1.36	fresh
AKRC115	742252.8	712836.2	305.1	-50/140	51	4	5	1	0.67	oxidized
						28	29	1	3.34	oxidized
AKRC116	742296.0	712919.1	309.8	-50/140	87	19	20	1	3.13	oxidized
						59	74	15	1.51	fresh
						76	77	1	0.62	fresh
						79	80	1	0.64	fresh
						86	87	1	0.64	fresh
AKRC117	742321.1	712886.6	290.0	-50/140	60	9	10	1	0.66	oxidized
AKRC118	742277.9	712817.9	287.3	-50/140	60	12	14	2	0.58	oxidized
AKRC119	742274.2	712938.8	325.4	-50/140	100	6	13	7	1.10	oxidized
						96	97	1	0.58	fresh
AKRC121	742194.5	712893.9	330.0	-50/140	79	47	49	2	0.87	fresh
						53	54	1	1.01	fresh

The site split RC chip samples (approx. 3kg each) and half HQ/NQ size diamond drill samples from each hole were collected at down hole intervals (typically maximum of 1m) based on geological logging, and submitted to ALS Chemex laboratories in Kumasi, Ghana for gold analysis. The analytical methods were by 50g fire assay/AAS finish with a 0.001 g/t Au detection limit and 25g aqua regia/AAS finish with a 0.002 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.

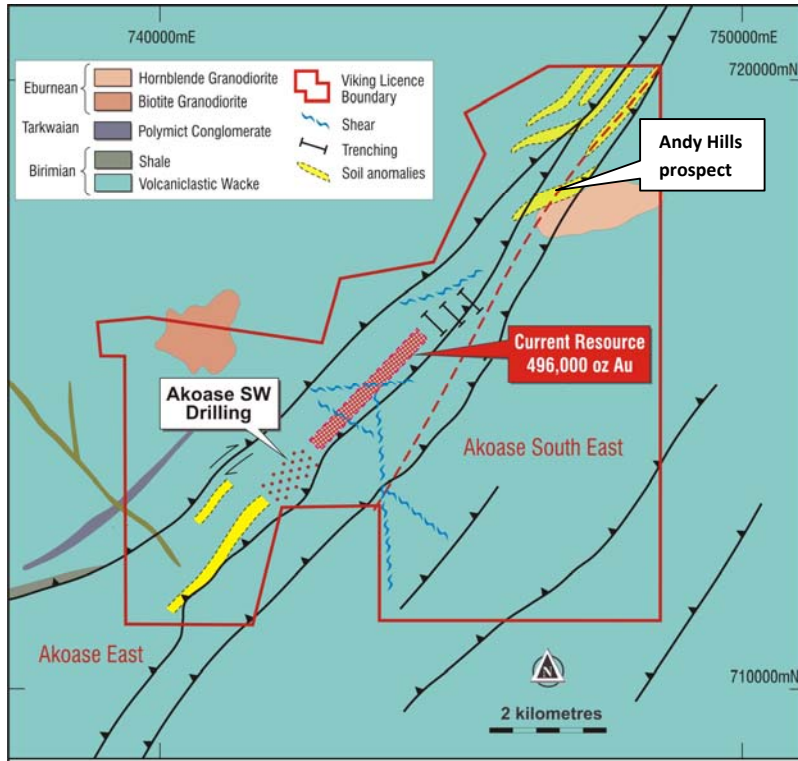


Figure 2: Akoase Project Geology



Figure 3: Akoase East Drill Hole Location Plan

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.

Viking Ashanti Background

Viking Ashanti's Akoase gold project in southern Ghana contains a JORC classified, inferred resource of 500,000 ounces of gold based on 13Mt of ore @ 1.2g/t. Viking Ashanti's primary objective is to expand the resource to at least 1 million ounces of gold. At least 13,000 m of RC drilling is planned along with 2,500 m of diamond drilling at Akoase with a further 14,000m RC and 2,500m diamond drilling at West Star and Blue River through to May 2012.

The Akoase project is just 25km from Newmont Mining's 8.7M oz Akyem gold project while the West Star/Blue River projects are 15 km from the 2M oz Nzema gold mine, operated by ASX listed Adamus Resources. Ghana also hosts the 60M oz Obuasi deposit (AngloGold Ashanti), 40M oz Tarkwa deposit (GoldFields) and the 17M oz Ahafo deposit (Newmont).

Ghana is socially and politically stable, operates under a well established Westminster legal system, has excellent internal infrastructure with a 25 year history of modern mining and a substantial internal skills base to support mining.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,652)	(3,623)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		(1,652)	(3,623)
1.20	Cash at beginning of quarter/year to date	5,700	7,671
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,048	4,048

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	124
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	1,200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	246	182
5.2 Deposits at call	3,802	5,518
5.3 Bank overdraft		-
5.4 Other (provide details)		-
Total: cash at end of quarter (item 1.22)	4,048	5,700

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference <i>+securities(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	69,166,667	56,856,667	N/A	N/A
7.4 Changes during quarter (a) Increases through issues - Placement - Pursuant to a prospectus - Option conversion - Release from Escrow (b) Decreases through returns of capital, buy-backs		22,500,000		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options	6,000,000	-	<i>Exercise price</i> \$0.345	<i>Expiry date</i> 31/12/2012
7.8 Issued during quarter:				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Company Secretary)

Michael Langoulant

Date: 26 July 2011

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.