



29 July, 2010

ASX Release

Viking Ashanti Limited (ASX: VKA)

Quarterly Report 30 June 2010

Highlights

- **Successful IPO closed oversubscribed raising \$8 million.**
- **VKA listed on ASX on 12 May 2010.**
- **Drilling program completed on West Star/Blue River project.**
- **Soil geochemical sampling program commenced on West Star prospecting licence.**
- **Exploration office established in Accra, Ghana, with appointment of senior technical and administrative personnel.**

Exploration

Since listing Viking Ashanti has completed a 10 hole reverse circulation (RC) drilling program for 812 metres on its West Star/Blue River project located in southern Ghana. The results of this drilling have been highly encouraging, with intersections including 6m @ 6.28 g/t Au in hole BRC080, and 2m @ 4.40 g/t Au in hole BRC082. Six of the ten holes drilled intersected mineralization. The drilling was designed to test the along strike and down dip extensions of mineralization intersected in pre-existing broad spaced Resolute RC drill holes.

At the Blue River Central prospect, the new and pre-existing drilling has identified a steep east dipping zone of higher grade gold mineralization over a strike length of 250 metres, which is open at depth.

At the West Star Eastern prospect, hole WRC038 intersected 1.41 g/t Au in the last metre before the hole was stopped due to drilling difficulties. This hole was designed to test the down dip extension of Resolute hole WRC008, which had returned 20m @ 1.59 g/t Au.

A soil geochemical sampling program commenced on the West Star prospecting licence, with 107 samples collected. This sampling program infilled a previous broad spaced soil sampling program completed by Resolute to 200m x 50m spacing. Assay results have been received, with gold in soil values of up to 400 ppb Au recorded. The sampling has confirmed the northerly continuation of the

main geochemical trend through the project area for a further 1.6 strike km. Additional soil sampling over the remaining untested 2 strike km of favorable regional fault structures, to the northern licence boundary is planned.

A diamond drilling program has been planned to test the down dip extensions of the Akoase East deposit, beneath the current 500,000 ounce resource. This program, plus further soil sampling programs on the Akoase project prospecting licences, is scheduled to commence in the September quarter.

Corporate and Administration

Viking Ashanti's IPO closed early strongly exceeding the maximum \$8 million issue limit. The company's shares were admitted to the ASX and commenced trading on 12 May 2010. After completing the acquisition of its projects and paying for the expenses of the listing, Viking Ashanti has cash reserves at 30 June 2010 of \$7.5 million.

During the quarter Viking Ashanti established an exploration office in Accra, engaged internationally recognized mining and exploration consultants Coffey Mining to manage exploration programs on its projects, and appointed a senior expatriate exploration manager and senior Ghanaian administrative personnel to supervise the company's activities in Ghana.

For further information contact:
Peter McMickan
Managing Director
Viking Ashanti Ltd
pmmcickan@vikingashanti.com
0401 476 266

Media
Ian Howarth
Collins Street Media
0407 822 319
ian@collinsstreetmedia.com.au

Viking Ashanti Background

Viking Ashanti's Akoaase 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 Akoaase with a further 14,000m RC and 2,500m diamond drilling at West Star and Blue River.

The Akoaase 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 Salman/Anwia project, 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

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

VIKING ASHANTI LIMITED

ACN or ARBN

126 200 280

Quarter ended ("current quarter")

30 JUNE 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(260)	(260)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	77	79
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – GST	(97)	(118)
Net Operating Cash Flows	(436)	(482)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(203)	(411)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	(1)	(1)
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other -		
Net investing cash flows	(204)	(412)
1.13 Total operating and investing cash flows (carried forward)	(640)	(894)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(640)	(894)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	8,000	9,200
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 – capital raising costs	(774)	(774)
	Net financing cash flows	7,226	8,426
	Net increase (decrease) in cash held	6,586	7,532
1.20	Cash at beginning of quarter/year to date	950	4
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	7,536	7,536

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	47
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

+ See chapter 19 for defined terms.

- 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

-

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	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	0
4.3 Production	0
4.4 Administration	150
Total	500

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	160	950
5.2 Deposits at call	7,376	
5.3 Bank overdraft		
5.4 Other – security bonds		
Total: cash at end of quarter (item 1.22)	7,536	950

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	Akoase, West Star, Blue River, Ghana Nchiadi/Nyame, Ghana	0% 0%	100% 51%

+ See chapter 19 for defined terms.

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)	Amount paid up per security (see note 3)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter				
7.3 +Ordinary securities	69,166,667	30,615,797	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	46,666,667	26,666,667	\$0.30	\$0.30
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 <i>(description and conversion factor)</i>	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 (cancelled) 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 Law 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: Date: 29 July 2010

Company Secretary

Print name: Michael Langoulant

Notes

-
- 1 This 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.

== == == == ==