



Viking Mines Limited

ACN 126 200 280

Prospectus

For the offer of up to 80,000,000 Shares at an offer price of \$0.038 per Share together with 20,000,000 free attaching New Options exercisable at \$0.09 on or before 30 April 2017, to raise up to \$3,040,000 before costs (Capital Raising Offer).

This Prospectus has also been prepared for the purposes of an offer of:

- 3,000,000 New Options exercisable at \$0.20 on or before 30 September 2016 to Iarudi LLC (**Iarudi Options**);
- 11,748,913 New Options exercisable at \$0.09 on or before 30 April 2017 to the Auminco Lenders (**Auminco Lender Options**); and
- 3,450,000 New Options exercisable at \$0.09 on or before 30 April 2017 to the Corporate Advisers (**Corporate Adviser Options**)

The Offers open on Monday, 18 August 2014 and are scheduled to close at 5.00pm (WST) on Friday, 29 August 2014. Valid acceptances for the Capital Raising Offer must be received by the Closing Date.

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. Please read the instructions in this document and on the accompanying Application Form regarding acceptance of the Offer.

If you do not understand this document you should consult your professional adviser without delay. The Securities offered by this Prospectus should be considered speculative.

Important Information

Prospectus

This Prospectus is dated 18 August 2014 and was lodged with the Australian Securities and Investment Commission (**ASIC**) on the same date. Neither ASIC nor ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange (**ASX**) takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and Options convertible into continuously quoted securities prepared in accordance with section 713 of the Corporations Act. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

Securities will not be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Electronic prospectus

This Prospectus may be viewed in electronic form at www.vikingmines.com by Australian investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus.

Risk factors

Before deciding to invest in the Company, potential investors should read the entire Prospectus. In considering the prospects for the Company, potential investors should consider the assumptions underlying the prospective financial information and the risk factors that could affect the performance of the Company. Potential investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, accountant or other independent financial adviser before deciding to invest.

Applicants from overseas

This Prospectus does not make any offer to investors who reside outside of Australia. The distribution of this Prospectus and the Application Form (including electronic copies) outside Australia may be restricted by law. This Prospectus does not, and is not intended to, constitute an offer or invitation in any other place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. If you come into possession of these documents, you should observe such restrictions and should seek your own advice about such restrictions. Please refer to Section 2.15 for further information.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at www.asx.com.au). The contents

of any website or filing with ASIC or ASX by the Company are not incorporated into this Prospectus and do not constitute part of the Offers unless otherwise expressly indicated. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in Securities or the Company.

The Company has not authorised any person to give any information or make any representation in connection with the Offers which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon.

Forward-looking statements

This Prospectus includes forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, except during the Offer Period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Accepting the Offers

Applications for Securities by investors may only be made on an original Application Form accompanying this Prospectus. Please read the instructions in this Prospectus and on the accompanying Application Form regarding the acceptance of the Offers. By returning an Application Form or lodging an Application Form with your stockbroker or otherwise arranging for payment for Securities in accordance with the instructions on the Application Form, you acknowledge that you have received and read this Prospectus, you have acted in accordance with the terms of the Offers detailed in this Prospectus and you agree to all of the terms and conditions as detailed in this Prospectus.

Defined terms

Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary of defined terms in Section 10.

References to currency and time

All references in this Prospectus to "\$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

All references in this document to time relate to the time in Perth, Western Australia.

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Timetable for Offers

The indicative Timetable* for the Offers is as follows:

Event	Date
Lodgement of Prospectus with ASIC	18 August 2014
Opening Date of Offers	18 August 2014
Closing Date of Offers	29 August 2014
Despatch of Holding Statements	3 September 2014
Ordinary trading of Shares and any New Options commences	5 September 2014

* The above dates are indicative only and may be subject to change. The Company has the right to vary these dates without notice, including whether to close the Offers early or accept late Applications, either generally or in particular cases, without notifying any recipient of this Prospectus or any Applicants. Investors who wish to submit an Application are encouraged to do so as soon as practicable after the Offers open.

1. Investment overview

1.1 Introduction

On 21 March 2014, Viking announced its plans to make an off-market takeover offer to acquire 100% of the share capital in emerging coal developer, Auminco Mines Limited (**Auminco**) (**Takeover Offer**), a transaction which Viking considers will bring improved shareholder value to both Viking and Auminco through:

- the addition of a portfolio of highly prospective coal projects, particularly the advanced Berkh Uul and Khonkhor Zag Projects, that provide the opportunity for short term project development, mining and cash flow;
- diversity across two countries and multiple commodities, allowing for exploration activity and news flow on a year round basis;
- improved access to funding;
- strengthened share register;
- greater market liquidity; and
- broad range of complementary skill sets at Board and management level.

Under the terms of the Takeover Offer, Viking proposes to acquire 100% of the issued share capital in Auminco by offering Auminco shareholders 61.2 Viking Shares and 20.4 Viking Options for every 100 Auminco Shares held.

In addition to the Takeover Offer, Viking has entered into a Deed of Acquisition and Release (**Debt Agreement**) with Auminco and entities that have collectively advanced Auminco approximately \$1.75 million (plus accrued interest of \$276,036) (**Auminco Lenders**) as both secured loans and convertible notes (**Debt**).

Subject to Viking achieving a Relevant Interest in at least 90% of all Auminco Shares under the Takeover Offer, Viking has agreed under the Debt Agreement to acquire, or take on assignment of (as the case may be), the interest of the debt holders in the Debt in exchange for the issue of 35,246,742 Viking Shares and 11,748,913 Viking Options (**Debt Consideration**) to the Auminco Lenders in proportion to the amount of the Debt held by each of them.

At the date of this Prospectus Viking has received acceptances for 97.69% of Auminco Shares under the Takeover Offer and the only remaining defeating condition to the Takeover Offer is the Company making the Capital Raising Offer under this Prospectus. For further information about the Takeover Offer, please refer to Viking's Bidder's Statement released by Viking to ASX on 3 April 2014.

Following successful completion of the Takeover Offer, Auminco will be a fully owned subsidiary of Viking.

The purpose of the Capital Raising Offer is to provide Viking with the ability to:

- conduct exploration and development of Auminco's highly prospective projects in Mongolia (see Section 3.3 below for further details of these projects);
- conduct further exploration and development of Viking's existing projects in Ghana;
- pay expenses and costs incurred in conducting the Takeover Offer; and

- fund Viking's ongoing general working capital requirements which will increase if the Takeover Offer is successful and Viking's operations increase in size and scale.

The following information is a selective overview only. Prospective investors should read this Prospectus in full before deciding to invest in Securities. Before deciding whether to apply for Securities, you should consider whether Viking is a suitable investment in light of your own investment objectives and financial circumstances and you should seek professional advice from your accountant, stockbroker, lawyer, or other professional adviser before deciding whether or not to invest. The Securities offered by this Prospectus should be considered speculative.

1.2 Key risks associated with an investment in Auminco

In addition to the industry and general investment risks described in Section 6, prospective investors should be aware of some key risks which have particular application with respect to the Company's projects following successful completion of the Takeover Offer.

In this Section and elsewhere in this Prospectus, the term "**Merged Group**" is used to mean Viking, following completion of the Takeover Offer, at which time it will retain its interest in projects in Ghana, but will have the addition of Auminco's projects in Mongolia.

Mineral exploration and mining are speculative operations and may be hampered by circumstances beyond the control of the Company. As such, the nature of these operations may subject the Company to a number of inherent risks which include:

Licences and permits

The Merged Group's mining exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintaining of tenements, obtaining renewals, or getting tenements granted, may depend on the Merged Group being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection with them.

There is a risk that some of Auminco's licences may be subject to revocation under Mongolian law and applicable water and forest legislation. Further, some of Auminco's licences overlap with State Funded Areas, which may require Auminco to pay compensation to the Mongolian Government. This is a typical arrangement in Mongolia that all mining companies, which have their land affected by these State Funded Areas, may have to pay compensation. As at the date of this Prospectus the exact quantum payable, if payable at all, is not known.

It is unclear whether all previous and current owners of Auminco's tenements have filed all necessary environmental reports and made necessary environmental reclamation contributions in respect of the licences which may result in the suspension or possible revocation of the relevant licences. As these administrative breaches occurred sometime ago and Auminco has not received any notification from the Mongolian Government as to the suspension or possible revocation of the licenses, it is the view of the Auminco and Viking boards that such action is unlikely to occur.

Exploration in Mongolia and Ghana

The Merged Group's main exploration activities will be in Mongolia and Ghana, both of which are less developed countries than Australia with associated political, economic, legal and social risks. There can be no assurance that the systems of government and the political systems in Mongolia and Ghana will remain stable. There can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, environmental protection, the conduct of mining, taxation, restrictions on currency conversion and remittances abroad and the mining industry generally in Mongolia and Ghana will not be amended or replaced in the future to the detriment of Viking's business and/or projects.

Unlike more established jurisdictions, it is not possible to predict with any certainty how particular laws may be applied and how this may affect the Merged Group's future operations.

Sovereign risks

The operations of Auminco and Viking are subject to adverse changes in government policies or legislation in Australia, Ghana and Mongolia.

There is no assurance that future political and economic conditions in these countries will not result in the respective governments in those jurisdictions adopting policies precluding foreign development and ownership of mineral resources.

Any such changes in policy may result in changes in laws affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, which may affect both the Merged Group's ability to undertake exploration and development activities in respect of future properties in the manner currently contemplated, as well as its ability to continue to explore and develop those properties in respect of which it has obtained exploration and development rights to date. The possibility that a future government may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out. There can be no assurance that the governments of these countries or their instrumentalities, agencies or controlled entities and operations will not impose measures that could have material adverse effects on the Merged Group's operations or will renew or issue new exploration or mining licences to the Merged Group.

The Mongolian legal system has not evolved to a point where it contemplates more sophisticated transactions and business structures involving relatively well established legal concepts. As it is still developing the enforcement and interpretation of laws involve uncertainties and is unpredictable.

Outcomes in courts in Mongolia may be less predictable than in Australia, which could affect the enforceability of contracts entered into by Auminco or its subsidiaries in Mongolia.

The Mongolian operations of the Merged Group are subject to the jurisdiction of Mongolia's courts, except where parties to a contract have chosen arbitration (local and international such as Hong Kong, Singapore or London arbitration). The legal system operating in Mongolia is developing which may result in risks such as:

- (a) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;
- (b) a high degree of discretion on the part of governmental agencies;

- (c) a lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards local taxation and property rights; or
- (d) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions.

In the case where there is a dispute about the actions of the State in Mongolia with regard to the Merged Group's Mongolian projects, it is unlikely that a claim could be raised in Australian courts for reasons of comity or the doctrine of sovereign immunity.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Merged Group.

Legal risks associated with operating in Mongolia

The Mongolian Parliament has previously passed laws that may restrict or limit the Merged Group's operations or make them uneconomic. These include the laws that impose the right to participate in "mineral deposits of strategic importance" (see Section 3.2 below). Should the Merged Group's exploration activities lead to an economically viable mineral deposit, there is a risk that the Mongolian State may seek to acquire an interest in those deposits. This interest can be up to 34% (or 50% where the deposit was identified using State funding).

The Merged Group's ability to efficiently conduct its exploration, mining and development activities is subject to changes in legislation or government regulations or shifts in political attitudes within Mongolia that are beyond its control.

Government policy may change to be less favourable to foreign investment, nationalisation of mining industries may occur or other government limitations, restrictions or requirements not currently foreseen may be implemented. There can be no assurance that the Merged Group's assets will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by any authority or government body.

The provisions under Mongolian law for compensation and reimbursement of losses to investors under such circumstances and any negotiations with the Mongolian government with respect to such compensation and reimbursement are subject to a great degree of uncertainty and there can be no assurance that the outcome would be effective to restore the value of the Merged Group's original investment. Similarly, the Merged Group's operations may be affected to varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income and other taxes, royalties, environmental legislation, mine safety and annual fees to maintain mineral licences in good standing. There can be no assurance that Mongolian laws protecting foreign investment will not be amended or abolished or that existing laws will be enforced or interpreted to provide adequate protection against any or all of the risks described above.

In addition Mongolia may experience political instability. Political instability in Mongolia could have a material adverse effect on economic or social conditions in Mongolia which in turn could have a material adverse effect on the Merged Group's business.

Amendments to legislation and the development of new laws

In 2006, the Mongolian Parliament enacted the 2006 Minerals Law. The 2006 Minerals Law revoked much of the security of tenure for minerals licence holders

which was contained in the 1997 Minerals Law and contains provisions that could increase the potential for political interference. In particular, the 2006 Minerals Law contains provisions which potentially allow licences to be revoked for perceived non-compliance with various provisions of the law based on subjective determination by government officials. There is a risk that further actions could affect the private ownership of minerals assets in Mongolia whether through changes in law or regulation, government policy, court judgments or the actions of government officials. Certain provisions of the 2006 Minerals Law are ambiguous and it is unclear how they will be interpreted and applied in practice. As such, the impact, if any, of these provisions of the 2006 Minerals Law on the Merged Group's projects cannot be measured and any further amendments to the minerals legislation may materially and adversely affect the Merged Group's financial condition and results of operations.

Various factions within Mongolia have recently called for major changes to the current minerals law and other related laws and governmental policies. However, there is uncertainty as to what effect, if any, a new minerals law may have on issues such as state participation in the minerals sector and the Water and Forests Law.

Application of the Mongolian Water and Forests Law

In July 2009 the Mongolian Parliament enacted what is commonly referred to as the Water and Forests Law. This law authorises the Government of Mongolia to revoke all mineral exploration and mining licences located within the areas described in the law. These areas include:

- (a) within 200 metres of the headwaters of rivers and lakes as defined in the Water Law of Mongolia dated 22 April 2004;
- (b) within 200 metres of rivers and lakes as defined in the Water Law of Mongolia dated 22 April 2004; and
- (c) within 100 metres of forest areas defined in the Forest Law of Mongolia 17 May 2007,

((a), (b), and (c) collectively referred to as **Restricted Areas**).

The Water and Forests Law provides that no new minerals exploration and mining licences encompassing Restricted Areas will be issued and previously granted licences that overlap Restricted Areas will be terminated.

To date, a definitive list of affected licences has not yet been published.

There is a risk that if the Water and Forests Law is enforced a portion of Auminco's licences including those over its Berkh Uul Project which sit over Water and Forests Law area will be revoked and, whilst the law contemplates that compensation would be paid to Auminco in these circumstances, due to the lack of financial resources available to the Mongolian Government, there is a risk that no compensation will be paid to the Merged Group for the termination.

Joint venture parties, agents and contractors

There is a risk of financial failure or default by a participant in any joint venture to which Auminco is or may become a party or the insolvency or managerial failure by any of the contractors used by the Merged Group in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Merged Group for any activity.

Liquidity

There is no guarantee that there will be an ongoing liquid market for Shares. Accordingly, there is a risk that, should the market for Shares become illiquid, Shareholders will be unable to realise their investment in Viking.

No production revenues

To date neither Viking nor Auminco have recorded any revenues from its projects nor have they commenced commercial production on any of their respective projects. There can be no assurance the Merged Group will be profitable in the future, or at all.

Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Merged Group will depend substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Merged Group if one or more of these employees cease their employment.

Operational and technical risks

The operations of the Merged Group may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades and/or resources in exploration and mining, operational and technical difficulties encountered in mining and extraction, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical or recovery problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment prevention or restriction of access by reason of political unrest, outbreak of hostilities, and inability to obtain consents or approvals, and restriction of access to infrastructure by Russian, Chinese or Mongolian authorities.

The Merged Group's Mongolian projects will be subject to extreme climatic conditions which restrict the period within which exploration, appraisal and possibly production activities may take place and may also place the Merged Group's personnel at risk if exposed to these extreme conditions.

Mongolia has a foreign worker quota system that may make it difficult to hire qualified personal even where local manpower is unavailable.

1.3 The Board

At the date of this Prospectus, the Directors of the Company are:

- **John William (Jack) Gardner** (Non-Executive Chairman);
- **Peter McMickan** (Managing Director); and
- **Trygve Kroepelien** (Non-Executive Director).

1.4 Proposed Directors

If the Takeover Offer is successful, it is proposed that Mr Andrew Whitten and Mr Matthew Morgan, existing directors of Auminco, will be appointed to the Viking Board and Mr Trygve Kroepelien will resign from his position on the Viking Board.

On this basis, it is proposed the Board of Viking following successful completion of the Takeover Offer will comprise Messrs John Gardner as Chairman, Andrew Whitten as Deputy Chairman, Matthew Morgan as Managing Director and Peter McMickan as an Executive Director.

Mr Bayarsaikhan Tsagdaa, an existing Auminco Director, will act as Mr Whitten's alternate director on the Viking Board.

Profiles of Messrs Whitten and Morgan are set out below:

Andrew Whitten (proposed Non-Executive Deputy Chairman)

Andrew Whitten is an admitted solicitor with a specialty in Corporate Finance and Securities Law. He is a Solicitor Director of Whittens Lawyers and Consultants and is currently company secretary of a number of publicly listed companies. He is a responsible officer of a Nominated Adviser to the National Stock Exchange of Australia Limited, and has been involved in a number of corporate and investment transactions including Initial Public Offerings on ASX and NSX, corporate reconstructions, reverse mergers and takeovers. He has practised extensively in corporate and commercial law and undertaken major transactions in the mining industry. Andrew's mining and exploration transaction experience includes acting on transactions involving, Itochu, Noble Group, Whitehaven Coal, and China Metallurgical and Geological Bureau (a State Owned Enterprise of the People's Republic of China). He has also advised and managed numerous initial public offerings and transactions in the mergers and acquisitions field.

Matthew Morgan (proposed Managing Director)

Matthew Morgan has 19 years' experience in coal, gold, antimony, and iron ore mining and exploration, both Open Cut and Underground. He has a diverse set of skills covering mine geology, quality control, mining engineering, and mine management roles.

Matthew's previous management experience includes Open Cut roles with BHP Billiton, Rio Tinto, Theiss, and was Underground Mine Manager for Mandalay Resources. Matthew was also formerly Coalworks' Exploration Manager where he was instrumental in acquiring and developing its major Coal assets until its approximately \$200M takeover by Whitehaven Coal Limited (ASX:WHC) in June 2012.

1.5 Corporate governance

The Board is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of ethical behaviour and accountability. The Board is committed to administering its corporate governance structures to promote integrity and responsible decision making.

Viking values good corporate governance as a foundation for best serving the interests of its Shareholders and for consideration of other people affected by the Company's activities. The Directors will adhere to ASX guidelines on corporate governance as is appropriate to a company of Viking's size and level of development.

Further information relating to the corporate governance policy of the Company can be found on the Company's website (www.vikingmines.com).

1.6 Use of proceeds

The table below is a summary of the expenditure budgets for Viking over the next 12 months assuming both minimum and maximum subscription to the Capital Raising

Offer. These budgets are subject to possible change depending on the amount raised under the Capital Raising Offer, the outcome of exploration results and other factors beyond the Company's control.

Use of proceeds	Amount assuming minimum subscription	Amount assuming maximum subscription
Administration and general working capital	\$300,000	\$400,000
Viking Project exploration	\$400,000	\$600,000
Auminco Project exploration and development	\$1,240,000	\$1,840,000
Capital raising costs	\$150,000	\$200,000
Total cash outflows	\$2,090,000	\$3,040,000

Notes:

1. Exploration expenditures will be reviewed on an on-going basis, depending upon the nature of results forthcoming from the respective work programmes. Actual expenditure may differ from the above estimates due to a change in market conditions, the development of new opportunities, the results obtained from exploration and other factors (including the risk factors outlined in Section 1.2 above).
2. In the event that more than the minimum subscription and less than the maximum subscription is raised, Viking intends to allocate the funds primarily towards exploration. As at the date of this document, it is not practical for Viking to speculate exactly how these funds may be applied as this will be influenced by the outcome of exploration yet to take place.
3. The above table represents statements of the intended use of the funds raised by Viking as at the date of this document. It must be recognised that all exploration budgets may change as the conducted programmes provide encouragement or disappointment and new opportunities may be identified elsewhere.
4. It is anticipated that the funds available as unallocated working capital may be applied towards any contingency resulting in unforeseen expense associated with Viking's projects (which following completion of the Takeover Offer, will include Auminco's projects), and also towards expenses incurred in identifying and generating new mineral exploration projects. Such expenses may include the cost of purchasing exploration data, commission expert reports/studies, acquiring exploration rights and due diligence costs of reviewing potentially suitable projects, including associated travel, legal and other professional expenses.

2. Details of the Offers

2.1 The Capital Raising Offer

Under this Prospectus, the Company offers investors to apply for:

- (a) 80,000,000 Shares at an issue price of \$0.038 per Share; and
- (b) 20,000,000 free attaching New Options each with an exercise price of \$0.09 and expiring on 30 April 2017 and otherwise on the terms set out in Section 5.3,

to raise up to \$3,040,000 before expenses associated with the Capital Raising Offer.

2.2 The Option Offers

Under this Prospectus, the Company also offers:

- (a) 3,000,000 New Options to Iarudi LLC (**Iarudi Options**) exercisable at \$0.20 on or before 15 November 2016 and otherwise on the terms set out in Section 5.3, to be issued pursuant to the Option Agreement (refer to Section 8.9 for further details);
- (b) 11,748,913 New Options to the Auminco Lenders (**Auminco Lender Options**) exercisable at \$0.09 on or before 30 April 2017 and otherwise on the terms set out in Section 5.3, to be issued pursuant to the Debt Agreement (refer to Section 8.10 for further details); and
- (c) 3,450,000 New Options to the Corporate Advisers (**Corporate Adviser Options**) exercisable at \$0.09 on or before 30 April 2017 and otherwise on the terms set out in Section 5.3, to be issued pursuant to the Heads of Agreement (refer to Section 8.8 and 8.13 for further details),

(**Option Offers**).

2.3 Minimum subscription

The minimum subscription to the Capital Raising Offer is \$2,090,000 through the issue of 55,000,000 Shares, together with 13,750,000 free attaching New Options each with an exercise price of \$0.09 and expiring on 30 April 2017 and otherwise on the terms set out in Section 5.3.

No Shares under the Capital Raising Offer will be allotted or issued until the minimum subscription has been reached. If the minimum subscription is not achieved within four (4) months after the date of this Prospectus, all applications will be dealt with in accordance with the Corporations Act.

2.4 Timetable for Offers

The Offers will open for receipt of Applications on Monday, 18 August 2014 (**Opening Date**) and will close at 5.00pm WST on Friday, 29 August 2014 (**Closing Date**). Subject to compliance with the ASX Listing Rules, the Company reserves the right to close the Offers early or to extend the Closing Date.

The full Timetable for the Offers is set out on page ii of this Prospectus.

2.5 Rights and liabilities attaching to Securities

Shares issued under the Capital Raising Offer and on the exercise of a New Option will be fully paid and will rank equally in all respects with Viking's existing issued Shares, including as to dividends and voting rights.

A summary of the rights and liabilities attaching to Shares is set out in Sections 5.1 and 5.2.

The terms and conditions of the New Options are set out in Section 5.3.

2.6 How to apply for Securities

If you decide to subscribe for Shares and New Options under this Prospectus, you must complete and return the Application Form and return it to the Company's registered office with the relevant amount in Application Monies in accordance with the payment instructions outlined in Section 2.8 below.

If the Application Monies provided fall short of the total amount owing in respect of the number of Securities applied for in the accompanying Application Form, Viking will treat you as having applied for the total number of Securities able to be purchased in full with the amount of Application Monies provided, despite any inconsistent amount specified in the Application Form.

2.7 Application Form

A completed Application Form cannot be withdrawn and constitutes a legally binding application for, and acceptance of, the number of Securities specified in the Application Form on the terms set out in this Prospectus.

If the Application Form is not completed correctly, it may still be treated as valid. The Company's decision as to whether to treat the acceptance as valid, and how to construe, amend or complete the Application Form, is final.

2.8 Method of payment

If you subscribe for Securities pursuant to the Capital Raising Offer, you should complete your Application Form in accordance with the instructions set out on that form and use one of the following methods to pay Application Monies owing in respect of those Securities:

(a) Payment by cheque, bank draft or money order

Should you wish to pay by cheque, money order or bank draft, you should complete your Application Form in accordance with the instructions set out on that form and return the Application Form accompanied by a cheque, bank draft or money order:

- (i) in Australian currency, drawn on an Australian branch of a financial institution;
- (ii) for an amount equal to \$0.038 multiplied by the number of Shares that you are applying for; and
- (iii) made payable to "Viking Mines Limited – share application account" and crossed "Not Negotiable".

Receipts for payment will not be issued. If your cheque is dishonoured, your Application will be rejected.

Completed Application Forms, together with your Application Monies, should be returned by post to:

Viking Mines Limited

PO Box 359
West Perth WA 6872

Or

Suite 2, 47 Havelock Street
West Perth WA 6005

(b) Payment by electronic funds transfer

If you wish to pay by electronic funds transfer, you should:

- (i) complete your Application Form in accordance with the instructions set out on that form and return the Application Form by facsimile to (08) 9324 2977 by post to the address for Viking Mines Limited noted above;
- (ii) remit funds for an amount equal to \$0.038 multiplied by the number of Shares that you are applying for by electronic funds transfer to:

Bank: Westpac Bank
Account name: Viking Mines Limited – Share application account
BSB: 036-073
Account number: 23-6799

Payments made using this method must clearly reference the correct name of the Applicant. Failure to do so may result in the payment not being matched to the Acceptance Form.

Completed Application Forms and Application Monies (whether by cheque, bank draft, money order or electronic funds transfer) must be received by no later than **5.00pm (WST) on the Closing Date.**

The amount payable on application will be deemed not to have been received until Viking is in receipt of cleared funds.

Cash payments will not be accepted.

2.9 Application Monies

Pending the issue of the Shares and New Options, all Application Monies received in respect of the Capital Raising Offer will be held in trust for the Applicants in a separate bank account as required by the Corporations Act.

Any interest earned on Application Monies will be for the benefit of, and remains the sole property of, Viking and will be retained by Viking whether or not the allotment and issue of Shares and New Options takes place.

Applications and payments made under the Capital Raising Offer may not be withdrawn once they have been received by Viking.

2.10 Shortfall

Any Shares and New Options not subscribed for under the Capital Raising Offer will form part of the shortfall (**Shortfall**).

The Company reserves the right (in its sole discretion) to allocate the Shortfall in any manner it sees fit, subject to the provisions of the Corporations Act and the Listing Rules.

2.11 ASX quotation

Application for Official Quotation on ASX of the Shares issued pursuant to this Prospectus will be made within seven (7) days after the date of this Prospectus.

If the Shares offered pursuant to the Capital Raising Offer are not admitted to Official Quotation within three (3) months after the date of this Prospectus, the Company will not allot or issue any Shares or New Options under the Capital Raising Offer and all Application Monies received pursuant to this Prospectus will be repaid as soon as practicable, without interest.

Viking will not apply for quotation of the New Options unless and until the conditions in Listing Rule 2.5 are satisfied, including that a minimum of 50 holders of Options holding a “marketable parcel” (being a parcel of Options that, on exercise, would result in a parcel of Shares worth not less than \$500) have been obtained. If these requirements are not met, the New Options offered under the Options Offers will form a class of unquoted Options.

The fact that ASX may agree to grant Official Quotation of Viking Securities is not to be taken in any way as an indication of the merits of the Company or the Securities.

2.12 Issue of Securities and dispatch of Holding Statements

Securities offered by this Prospectus are expected to be issued, and Holding Statements dispatched, on the date specified in the Timetable on page ii of this Prospectus. No issue of Shares will be made until ASX grants permission for the Official Quotation of the Shares.

The sale by the Applicant of Securities prior to the receipt of a Holding Statement is at the Applicant’s own risk.

The Directors reserve the right to allocate the Securities offered under this Prospectus. The Company reserves the right at its discretion to reject any Application or allocate any Applicant fewer Securities than applied for under the Capital Raising Offer. No Applicant under the Capital Raising Offer has any assurance of being allocated all or any Securities applied for.

If an Application is not accepted, or is accepted in part only, the relevant part of the Application Monies will be returned, without any interest.

2.13 No brokerage

No investor will pay brokerage as a subscriber for Securities under the Capital Raising Offer.

2.14 Withdrawal

The Directors may at any time before allotment of Securities to the Applicants decide to withdraw this Prospectus and the Capital Raising Offer, in which case the

Company will return all Application Monies, without interest, within 28 days of giving notice of withdrawal.

2.15 Applicants outside Australia

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Capital Raising Offer. It is the responsibility of any Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be allotted Securities.

Return of a duly completed Application Form will constitute a representation and warranty that there has been no breach of such laws.

No action has been taken to register or qualify the Shares and Options offered under this Prospectus or the Capital Raising Offer or otherwise permit a public offer of the Securities in any jurisdiction outside Australia.

2.16 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with Listing Rules and ASX Settlement Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities (**CHESS Statement** or **Holding Statement**).

If you are broker sponsored, ASX Settlements will send you a CHESS Statement.

The CHESS Statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Company's share register and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS Statement or issuer sponsored statement will routinely be sent to Security holders at the end of any calendar month during which the balance of their Security holding changes. Security holders may request a statement at any other time; however, a charge may be applied for additional statements.

2.17 Privacy

If you apply for Securities under the Capital Raising Offer, you will be providing personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request, carry out appropriate administration and to facilitate distribution payments and corporate communications to you as a Security holder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the Privacy Act (as amended), the Corporations Act and certain rules of ASX. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application. Under the Privacy Act, you may request access to your personal information held by, or on behalf of, the Company or the Share Registry. You can request access to your personal information by writing to the Company through the Share Registry at:

Computershare Investor Services Pty Limited
Level 2, 45 St Georges Terrace
Perth, Western Australia 6000
Phone: +61 8 9415 4000
Fax: +61 8 9323 2033

2.18 Taxation implications

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of potential applicants. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to potential Applicants in the Offers. Potential applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offers.

2.19 Enquiries

This Prospectus provides information for potential investors in the Company and should be read in its entirety.

If after reading this Prospectus you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or financial advisor.

3. Profile of Auminco and Viking

3.1 Overview of Auminco

Auminco is an unlisted public company with approximately 139 shareholders, as at the date of this Prospectus. Auminco is incorporated in Australia.

On completion of the Takeover Offer, Auminco will become a wholly owned subsidiary of Viking.

Auminco's principal assets comprise coal mining and mining exploration interests in Mongolia.

3.2 Mining regime in Mongolia

Classification of deposits – Government ownership

The Mineral Resources Authority of Mongolia (**MRAM**) is an agency of the Government of Mongolia which is responsible for the mining and mineral industry of Mongolia.

Under the Minerals Law of Mongolia, the State is the owner of all mineral deposits and has the right to grant exploration and mining rights. Mineral deposits are grouped into one of three classifications:

- (a) *Minerals of strategic importance* - A strategic deposit is one which may have a potential impact on national security, economic and social development of the country at the national and regional levels or that is producing or has the potential of producing more than 5% of total GDP in a given year. Examples include copper and coal.
- (b) *Common minerals* – These are abundant sediments and rock concentration that might be used as construction material. Iron ore is an example.
- (c) *Conventional minerals* – These are minerals that are neither of strategic importance nor common minerals.

Where the State has funded the exploration work to determine there are proven reserves at a deposit of strategic importance, the State may participate jointly up to 50% in a venture with a private legal person, to exploit the mineral deposit. Where proven reserves in a strategic deposit have been determined through funding sources other than the State, the State may own up to 34% of the shares of an investment to be made by the licence holder.

Where the State has funded exploration work in respect of licence areas which are not strategic deposits, the mining licence holder must reimburse exploration expenses that were funded from the state budget. The amount payable is determined by MRAM and the mining licence holder is required to enter into a repayment agreement with MRAM regarding the timing of those reimbursements.

Strategic deposits

The Mongolian government has identified a number of the largest deposits that have strategic importance for the country where development of the mining industry should be focused. There are 15 strategic deposits consisting of coal, uranium, iron ore, copper, phosphate, gold, zinc and silver located throughout Mongolia. A company that holds a licence for a strategic deposit must sell 10% of its shares into the Mongolian Stock Exchange. At present, none of Auminco's projects are classified as Strategic Deposits.

Licences

MRAM has indicated that currently, Mongolia has approximately 1,300 mining licences and an additional 1,625 exploration licences. Mineral exploration and mining licences are only granted to legal persons and tax payers in Mongolia, duly formed and operating under the laws of Mongolia. This requirement has to be met for the entire duration of a valid licence.

Licence fees are due annually, in advance of the date the first licence was issued. One month before an exploration licence is due to expire, the licence holder may apply for an extension of the licence by submitting an application to the State administrative agency.

Failure to pay licence fees on time results in MRAM having the right to revoke the licence. Failure to submit work, safety and environmental plans and reports may ultimately result in suspension or revocation of the licence.

Exploration licences

Licences have an initial term of 3 years and can be renewed two times for a period of 3 years and are granted for areas of land between 25 and 400,000 hectares (although there is no limit placed on the number of individual exploration licences any one business entity can hold). Application requires the submission of various types of information e.g. an area map of the exploration site, information about the qualifications of the staff conducting the exploration work and a preliminary plan that includes the type, scope and cost of the exploration work, amongst others. There is a current moratorium on the issue of new Exploration Licences, yet it is anticipated that this may be reviewed during 2014.

Mining licences

Only exploration licence holders are entitled to apply for a mining licence in the exploration area. In circumstances where an exploration licence has expired and the holder has failed to apply for a mining licence, the mining licence is granted by way of a tender. Similar to an exploration licence application, the applicant for a mining licence must submit the approved form and associated documentation to the Government agency. The mining licence is valid for 30 years. Two years before the mining licence is due to expire (and no earlier) the licence holder may apply for an extension to the term of the mining licence. Mining licences may be extended twice for terms of 20 years each.

Environmental expenditure

Under the Minerals Law of Mongolia, a licence holder (exploration or mining) has obligations with regards to environmental protection. To ensure adherence to its environmental responsibilities, the licence holder must deposit 50% of its environmental protection budget (which is derived from the environmental plan which must be prepared by the licence holder and approved by the Governor of the relevant district where the exploration site is located) for the year into a 'special' bank account opened by the Governor. Failure to do so is a breach of the Minerals Law which may result in revocation of the licence.

The Corporate Income Tax Law allows a deduction for these funds that have been accumulated for the purposes of environmental rehabilitation. The deduction can be claimed when the funds are paid. Excess escrow funds not utilised are returned to the company and treated as taxable income.

Water and forest areas

If a license area fully or partially overlaps with a Restricted Area under the Law on Prohibition of the Exploration and Mining Minerals from Water Sources, Protection Area of Water Reservoir Land and Wood reservoir Area of Mongolia (2009), the Government has the right to revoke the affected licence or, arguably, the part of the licence that is partially overlapped with a Restricted Area, with compensation being paid.

Amendments to the Minerals Law

It is anticipated that the Minerals Law will be amended this year. The proposed amendments are proposed in the context of the State policy in respect of the minerals sector which was approved by the Mongolian Parliament in January 2014. The most positive impact of the proposed amendments are that they will end the three and half year moratorium on the issue and transfer of exploration licences, as the law prohibiting the new granting of exploration licences currently provides that exploration licences may not be granted or transferred until the Minerals Law is amended. It is, however, not possible to anticipate what changes will be made to the exploration and mining regimes with these amendments.

Royalties

The primary 'tax' that applies to mining companies is in the form of a royalty imposed on off take under the Minerals Law of Mongolia. The holder of a mining licence must pay a royalty that is calculated based on the total sales value of the minerals extracted. The sales value is determined differently depending on the product:

- *Exported products* – the sales value is the average monthly price of the product or a similar product, based on regularly published international market prices or on recognised principles of international trade;
- *Products sold or used on the domestic market* – the sales value is the domestic market price for that product or a similar product; and
- *Products sold in international or domestic markets where it is impossible to determine market prices* – the sales value is based on the revenue derived from the sale of the product as declared by the licence holder.

The standard royalty rates are 2.5% for coal sold in Mongolia and for other common mineral resources sold in Mongolia. Subject to certain exceptions a 5% royalty is levied on all other minerals that are sold, shipped for sale or used other than gold sold to the bank of Mongolia and other banks authorised by the Bank of Mongolia in respect of which a 2.5% royalty is levied. Mineral royalties are deductible for tax purposes. Royalties are generally applied to a benchmark tax base which references spot prices; however, there is often discussion and negotiation with the MTA as to what is the appropriate base to use for royalties.

Corporate income tax (CIT)

Mongolia operates a system of worldwide taxation both on corporations and individuals who are tax resident in Mongolia. The General Tax Law (2008) contains general provisions relating to the framework for taxation (including tax administration and the rights of the tax payers and the tax authorities) but the Corporate Income Tax Law (2006) that legislates which income and expenses are taxable. There are various other specific tax laws which apply to corporations, including the Value Added Tax Law (2006), mining tax (royalties) imposed under the Minerals Law of Mongolia, and various others. The General Tax Law does, however, have certain operative

provisions which must be read in conjunction with the specific Corporate Tax Law; such as arms-length pricing rules for transactions between related parties, and a provision which states that double tax agreements override domestic tax law to the extent of inconsistencies.

Corporate income tax rate

The corporate tax system is progressive with annual taxable income of up to MNT 3 billion subject to tax at a rate of 10% and taxable profits in excess of this amount taxed at a rate of 25%. There is no separate tax regime for mining entities, other than royalties (tax) imposed under the Mineral Laws of Mongolia. Certain income of corporations, however, is taxed at prescribed rates: such as dividends 10%, royalties 10%, interest 10%, sale of immovable property 2% of gross price and sale of rights 30% of gross price.

3.3 Auminco's projects

(a) Mongolia

Berkh Uul Project

The Berkh Uul bituminous coal project is located in the Orkhon-Selenge coal district in Selenge Province, Northern Mongolia, approximately 40km from the Russian border (Figure 1). The licence was granted in February 2009 for six years, with the option to extend for an additional three years. Auminco has a 100% interest in the licence.

The Project occurs in the Upper Jurassic - Lower Cretaceous age Sharin Gol Formation within the Orkhon-Selenge Coal Basin, which also hosts a number of large hard coal deposits including the Mongoin Gol, Shariin Gol and Ulaan Ovoot deposits.

The two main seams typically average greater than 1.5m in thickness, however average seam thicknesses are typically variable, ranging from 0.6m to 4.5m, with splitting common. The deposit is a multi-seam deposit lying on the flanks of a broad synclinal structure with NE-SW axis trend. Current exploration has been carried out on the eastern flank of the syncline and coal of exploitable thickness has been identified. Seams dip gently at up to 11 degrees.

A 38.3Mt Inferred and Indicated JORC (2012) classified Mineral Resource of high quality bituminous thermal coal resource has been estimated by internationally recognised consultants Runge Pincock Minarco.

The Coal Resources by seam group are summarised in the following table.

Berkh Uul Indicated and Inferred Resource Estimate (February 2014)

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

Sum of columns may not equal the total due to rounding

Berkh Uul JORC (2012) Coal Resource Quality										
Resource type	Category	Seam	TM (%)	IM (%)	Ash (% adb)	VM (% adb)	FC (% adb)	TS (% adb)	CV (kcal/kg adb)	Rdis
Open Cut	Ind	1	20.8	13.5	14.4	32.6	39.5	0.34	5373	1.35
		2	21.0	13.7	9.8	34.9	41.6	0.35	5693	1.31
		subtotal	20.9	13.6	12.7	33.4	40.3	0.34	5493	1.33
	Inf	1	18.9	12.0	20.1	30.9	37.1	0.37	5011	1.39
		2	20.9	13.8	10.0	34.5	41.7	0.37	5684	1.32
		subtotal	19.1	12.1	19.2	31.2	37.5	0.37	5066	1.38
	OC subtotal		20.3	13.1	15.0	32.6	39.3	0.35	5342	1.35
Underground	Ind	1	18.9	12.2	18.8	31.3	37.8	0.34	5110	1.38
		2	20.9	13.7	10.3	33.9	42.0	0.42	5681	1.32
		subtotal	19.7	12.8	15.2	32.4	39.6	0.37	5355	1.35
	Inf	1	18.7	12.0	19.6	31.0	37.4	0.35	5050	1.39
		2	21	13.8	10.6	33.8	41.8	0.43	5657	1.32
		subtotal	19.6	12.6	16.3	32.0	39.0	0.38	5272	1.36
	UG subtotal		19.6	12.7	15.7	32.2	39.3	0.38	5313	1.36
Grand Total			19.8	12.8	15.5	32.3	39.3	0.37	5323	1.35

Sum of columns may not equal the total due to rounding

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

The Berkh Uul resource information has been extracted from Viking's announcement to ASX entitled "New 38.3Mt resource for Merger Company's Mongolian coal project" dated 17 March 2014 and is available to view on the Company's website at www.vikingmines.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant 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.

The coal is of sales quality without washing. There is potential to further value add to the resource by washing and producing a high quality, high energy thermal coal suitable for export markets.

The project is strategically located; approximately 40km to rail facilities with access to China and Russia, plus a strong local domestic demand.

There is potential for rapid development of the project, with its shallow, flat lying coal seams amenable to open cut mining. Mining studies are planned for 2014 to accompany a Mining Licence Application to be lodged during 2014.

Between April 2014 and August 2014 the Auminco operating subsidiary in Mongolia has entered into four (4) separate memorandum of understandings (**MoUs**), namely with the government owned Darkhan Thermal Power Plant (see Viking announcement to ASX dated 1 May 2014), with the government owned Erdenet Power Plant (see Viking announcement to ASX dated 26 June 2014), with the Darkhan Metallurgical Plant (see Viking announcement to ASX dated 7 July 2014) and with Khutul Cement (see Viking announcement to ASX dated 15 August 2014). These MoUs confirm Auminco's ability to liaise with government and local industry for the future potential coal supply from Berkh Uul as well as demonstrating the existence of local Mongolian industry demand for Auminco's coal.

Khonkhor Zag Project

The Khonkhor Zag anthracitic coal project is located in the Trans-Altai Coal Basin in Govi-Altai Province, South West Mongolia (Figure 1).

Auminco holds a 100% interest in a mining licence granted in April 2013 for a period of 30 years.

Russian and Mongolian technical work has previously been completed on this exploration site, with high quality anthracite coal (metallurgical coal) delineated by previous drilling, and verified by the internationally recognised engineering consultancy Runge Pincock Minarco.

The coal deposit outcrops at surface and is exposed in a small historical open pit. Significant upside potential is considered to exist as only 30% of the licence has been explored, with 1 strike km of a potential 4km strike length of the coal deposit tested to date. Further potential exists for value adding by washing, and producing a premium, low ash anthracitic metallurgical coal.

The project is strategically located 40km by road from the Chinese export border port of Burgastai-Laoemyo, providing proximity to markets in rapidly developing western China.

Anthracite constitutes less than 1% of the world's total coal supply. It is a scarce, premium priced product, very high in fixed carbon and low in volatiles. Anthracite is particularly sought after for Pulverised Coal Injection, partially replacing and/or substituting for coke, in steel making.

Further exploration and mining studies are planned for 2014, initially focussed on increasing the resource potential of the project.

Buduun Project (Buduun 1 & 2)

Buduun is an early stage exploration project located in a proven hard coal region in Khovd Province, of western Mongolia (Figure 1). It is 16km from the

Olon Bulag coking coal deposit and 20km from the Chinese border port, Baitag-Uliastai, with access to western China.

The project is held under two exploration licences granted in January 2010 for six years, with the option to extend for an additional three years. Auminco holds a 100% interest in the licences.

Exploration studies and drill target generation are planned for 2014.

Dalt Project

Dalt is an early stage exploration project located in Dundgovi Province in central Mongolia (Figure 1). The exploration licence covering the Dalt project was granted in October 2008 for six years, with an option to extend for a further three years. Auminco holds a 100% interest in the licence.

The project area covers the coal-bearing Manlai Permian Formation, and has coking coal potential with numerous other coal projects in the region.

Exploration studies and drill target generation is planned for 2014.

Budargana Project

Budargana is an early stage exploration project located in the Dundgovi Province of central Mongolia (Figure 1). The project is held under exploration licence granted in November 2008 for six years, with the option to extend for a further three years. Auminco has a 100% interest in the licence.

The project is located approximately 30km north west of the Tsagaan-Ovoo hard coal deposit. Coal bearing sediments of the Mogoit Formation and the Manlai Formation are developed across the North West section of the licence. Field work in 2013 discovered two out cropping coal seams up to 10m thick on the surface and measuring approximately 14km in length.

The project has coking coal potential with exploration studies and drill target generation is planned for 2014.

Tsairt Zinc Project

The project is located in Sukhbaatar province in eastern Mongolia (Figure 1). The project is held under an exploration licence which expires on 24 December 2016. Auminco can earn an 80% interest in the licence under a farm-in agreement. (See Section 3.5 for further details.)

The project lies one kilometre north of, and on strike from, the current operating Tumurtiin Ovoo zinc mine, a skarn hosted iron-zinc deposit.

The exploration target at Tsairt is skarn hosted iron-zinc mineralisation. During 2013, a field sampling program targeting outcropping magnetic anomalies returned 56.8% Fe and 0.21% Zn from surface grab samples. Induced Polarisation (**IP**) surveys have identified several low, medium, and high rank drill ready targets that correlate with anomalous surface grab samples.

Auminco is currently in discussion with several groups in regards to Auminco selling the project or a third party joint venturing into the project.

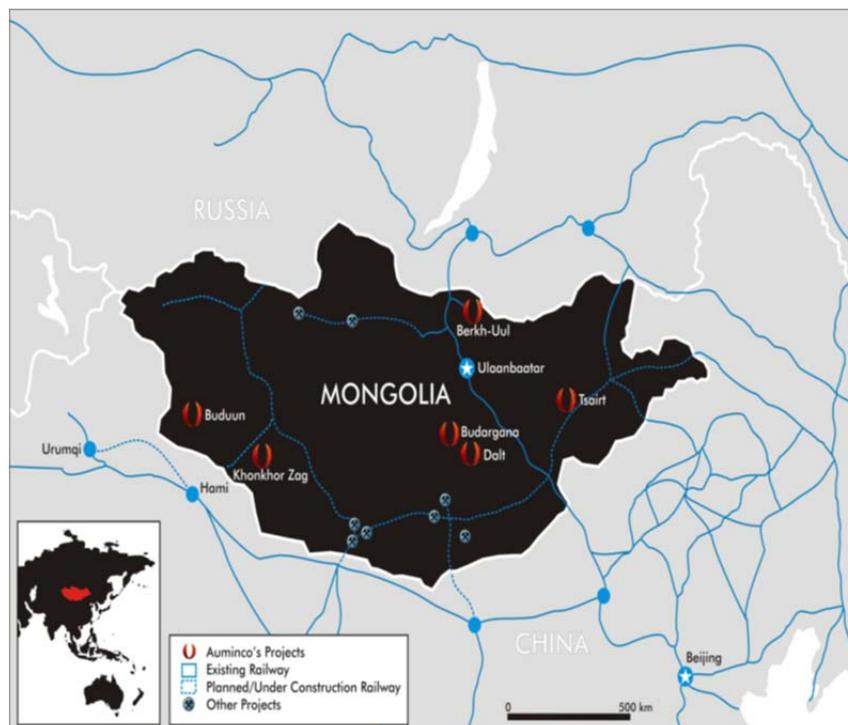


Figure 1: Auminco Project Locations, Mongolia

3.4 Tenure of Auminco’s projects

Licence name	Location	License	Auminco ownership	Commodity	Licence Area	Inception date
Berkh Uul	Selenge province Mongolia	14753X (Exploration)	100%	coal	4547.26 ha	2009-02-24
Dalt	Dundgovi province, Mongolia	14266X (Exploration)	100%	coal	8677 ha	2008-10-08
Budargana	Dundgovi province, Mongolia	14410X (Exploration)	100%	coal	15558 ha	2008-11-06
Buduun 1	Khovd province, Mongolia	15441X (Exploration)	100%	coal	21481.89	2010-01-27
Buduun 2	Khovd province, Mongolia	17421X (Exploration)	100%	coal	3757.52	2010-01-27
Khonkhor Zag	Govi Altai province, Mongolia	MV-17292 (Mining)	100%	coal	1623.8 ha	2013-04-08
Tsairt	Sukhbaatar province, Mongolia	13086X (Exploration)	80%	base metals	5287.27 ha	2007-12-24

3.5 Tsairt Project Joint Venture Agreement

In June 2011, Auminco Coal LLC (**AUM Subsidiary**), a 100% owned Mongolian incorporated subsidiary of Auminco, entered into a joint venture agreement with Boshigtkhairhan LLC (a company incorporated in Mongolia) (**BTK**) and B Khatanmagsar (a citizen of Mongolia) (**Tsairt JV Agreement**) in respect of a project to explore, develop and exploit potential zinc and base metal deposits in Mongolia in relation to Mineral Exploration Licence 13086X (**Licence**).

BTK is the 100% owner and holder of the Licence. B Khatanmagsar was entitled to be (at the time of entering the Tsairt JV Agreement) the sole shareholder of BTK.

The key terms of the Tsairt JV Agreement are as follows:

- (a) *Ownership:* AUM Subsidiary to own 80% of Tsairt Zinc Project, with the remaining 20% to be owned by B Khatanmagsar, with BTK as the joint venture vehicle. AUM Subsidiary to hold 80% of the issued shares in BTK.
- (b) *Finance and management of joint venture and project:* AUM Subsidiary to finance and manage development of the Licence. Finance is on a non-refundable basis, but is to be repaid from the cash flow of the Tsairt Zinc Project (based on a minimum cut-off grade of 3% Zinc or equivalent) and continues until either:
- (i) a 100,000 tonnes resource milestone is reached (referred to as the “100K Milestone” in the table below); or
 - (ii) a feasibility study establishes to AUM Subsidiary’s satisfaction that a commercially viable mine can be developed; or
 - (iii) the Tsairt JV Agreement is terminated.

Should a decision to mine be made, any loan made from AUM Subsidiary to BTK shall be on commercial interest rates and on normal commercial terms secured by the project assets.

- (c) *Profits and payouts:* AUM Subsidiary is entitled to 80% of net profits of the Tsairt Zinc Project and the joint venture (in its own right and as shareholder of BTK), while Khatanmagsar is entitled to 20% of such net profits (in his own right and as a shareholder of BTK). B Khatanmagsar is entitled to bonus payouts on achieving the following milestones:

Amount of zinc or other valuable ore established in accordance with the JORC Code (based on minimum cut-off grade of 3% zinc or equivalent quantity and quality of other economic minerals)	Cash payout to Khatanmagsar	Auminco Shares issued to Khatanmagsar (Auminco Shares expressed in terms of cash value)
100,000 tonnes (100K Milestone)	US\$250,000 (within 1 month of reaching milestone)	US\$250,000 (within 1 month of reaching milestone)
200,000 tonnes	Additional US\$250,000 (within 1 month of reaching milestone)	Additional US\$250,000 (within 1 month of reaching milestone)
500,000 tonnes	NIL	Further US\$500,000 (within 1 month of reaching milestone)
Total (if 800,000 tonnes established)	US\$500,000	US\$1,000,000

- (d) *Minimum JORC resource:* if the 100K Milestone is not reached, no cash or Auminco Shares are payable to B Khatanmagsar, the Tsairt JV Agreement is terminated and BTK is to be wound up.
- (e) *Pre-emption, tag-along and sale of shares:* Each of AUM Subsidiary and B Khatanmagsar has a 14 day right of first-refusal in respect of any offer received by the other for their respective interests in the joint venture. However, if AUM Subsidiary gives notice of its intention to sell its 80% of BTK to a public company that is listed or to be listed on the ASX (**Purchaser Company**) B Khatanmagsar has a 21 day tag-along right to sell his 20% of

BTK to AUM Subsidiary (or its nominee) in return for shares in the Purchaser Company.

- (f) *Dividend*: Unless agreed otherwise BTK shall distribute a dividend to the shareholders (AUM Subsidiary and B Khatanmagsar) at least once during each quarter in each financial year of least a sum equal to the after tax net profit of BTK.

3.6 Viking's existing projects

Viking is an Australian incorporated company which has to date focussed on the exploration for gold in Ghana.

The Viking mineral licences are located in southern Ghana, West Africa in one of the most strongly gold endowed and tightly held geological provinces in the world, the Ashanti Gold Belt.

Further information regarding the Company and its projects is set out in the following documents, which can be found on the Viking website (www.vikingmines.com) or on the ASX announcements webpage (ASX Code: VKA):

- (a) Berkh Uul positioned to supply major cement works expansion (as announced on 15 August 2014);
- (b) Quarterly Report for the period ended 30 June 2014 (as announced on 31 July 2014);
- (c) Third MOU signed for Berkh Uul Coal Project in Mongolia (as announced on 7 July 2014)
- (d) Exclusivity Agreement – Akoase Gold Project in Ghana (as announced on 2 July 2014);
- (e) Second MOU signed with Mongolian Power Authority (as announced on 26 June 2014);
- (f) Viking takeover target, Auminco, signs coal MOU (as announced on 1 May 2014);
- (g) Quarterly Report for the period ended 31 March 2014 (as announced on 24 April 2014);
- (h) Recommended Takeover Bid for Auminco Mines by Viking Ashanti (as announced on 21 March 2014);
- (i) New 38.3Mt resource for Merger Company's Mongolian coal project (as announced on 17 March 2014);
- (j) Half Yearly Report for the period ended 31 December 2013 (as announced on 21 February 2014);
- (k) Quarterly Report for the period ended 31 December 2013 (as announced on 28 January 2014);
- (l) Merger Presentation (as announced on 6 December 2013);
- (m) Viking and Auminco to Merge (as announced on 20 November 2013);

- (n) Quarterly Report for the period ended 30 September 2013 (as announced on 24 October 2013);
- (o) 12% increase to 790,000 oz in gold resource (as announced on 4 October 2013); and
- (p) Annual Report for the year ended 30 June 2013 (as announced on 30 August 2013).

4. Effect of the Offers

4.1 Capital structure

The capital structure of Viking following completion of the Offers and the Takeover Offer is expected (subject to the Capital Raising Offer being fully subscribed) to be as follows:

Viking Securities	Number
Shares presently on issue (before the Takeover Offer)	112,688,225
Shares to be issued under the Takeover Offer ¹	45,753,258
Shares to be issued to the Auminco Lenders	35,246,742
Shares to be issued under the Capital Raising Offer ²	80,000,000
Total Viking Shares³	273,688,225
Options presently on issue (before the Takeover Offer)	22,683,913
Options to be issued to the Auminco Lenders	11,748,913
Options to be issued under the Takeover Offer	15,251,087
Options to be issued under the Capital Raising Offer ²	20,000,000
Options to be issued to larudi LLC	3,000,000
Options to be issued to Corporate Advisers	3,450,000
Total Viking Options	78,133,913

Notes:

1. Assumes either 100% acceptance of the Takeover Offer or at least 90% acceptance of the Takeover Offer and Viking proceeding to compulsory acquisition of the remaining Auminco Shares.
2. Assumes the maximum number of Shares and Options offered under the Capital Raising Offer are issued.
3. Assumes no Options are exercised before completion of the Capital Raising Offer.

4.2 Effect on control of the Company

The shareholding interests of existing Shareholders may be diluted as:

- (a) a maximum additional 80,000,000 Shares will be issued under the Capital Raising Offer if full subscription is reached; and
- (b) an additional 81,000,000 Shares are proposed to be issued under the Takeover Offer and to the Auminco Lenders.

With the Share capital of the Company increasing by 161,000,000 Shares through the Capital Raising Offer, the Takeover Offer and the Debt Agreement, the total dilutionary effect on the shareholdings of existing Shareholders is 58.8% (not taking into account the exercise of any Options).

4.3 Major Shareholders

On successful completion of the Capital Raising Offer and the Takeover Offer, the Company's major Shareholder will include:

Name of major Shareholder (including related parties)	Number of Shares held by major Shareholder	Shareholding interest (%) ¹
Resolute Mining Ltd	31,607,143	11.55%
Jaytu Pty Ltd ATF <JW Gardner Super Fund>	20,477,643 ²	7.48%

Notes:

1. Assumes the maximum number of Shares offered under the Capital Raising Offer are issued and that on completion of the Capital Raising Offer, and the Takeover Offer and the issue of Shares under the Debt Agreement, the Company has on issue a total of 273,688,225 Shares.
2. Assumes Jaytu Pty Ltd ATF <JW Gardner Super Fund>, an Associate of Mr Gardner, subscribes for 10 million Shares under this Prospectus.

4.4 Pro forma statement of financial position

The Offers will have an effect on the Company's financial position.

This Section contains an unaudited statement of financial position for Viking and Auminco, with the relevant information extracted from Viking's management accounts as at 30 June 2014 and Auminco's internal management accounts as at 30 June 2014.

The unaudited pro forma statement of financial position of the Merged Group presents the Viking Group's financial position as at 30 June 2014 as if Viking had acquired 100% of Auminco on that date. Acquisition accounting entries have been based on the terms of the Takeover Offer and the assumptions set out at the end of the statement of financial position in order to arrive at an unaudited pro forma consolidated statement of financial position for the Merged Group as at 30 June 2014.

Viking will undertake a comprehensive assessment of the fair value of the assets and liabilities acquired after completion of the Takeover Offer.

The unaudited pro forma statement of financial position is indicative only. Viking has drawn its own conclusions based on the known facts and other publicly available information. If the factors, circumstances, assumptions or other information should prove to be different to that described, the conclusions may change accordingly.

Unaudited Pro Forma Statement of Financial Position

As at 30 June 2014

	Maximum Subscription 30 June 2014	Minimum Subscription 30 June 2014
	\$	\$
Current Assets		
Cash and cash equivalents	2,109,158	1,209,158
Available-for-sale assets	401,500	401,500
Other sundry receivables	57,556	57,556
Total Current Assets	2,568,214	1,668,214
Non-Current Assets		
Plant and equipment	25,841	25,841
Exploration project acquisition costs	7,136,286	7,136,286
Other financial asset	3,480	3,480
Total Non-Current Assets	7,165,607	7,165,607
Total Assets	9,733,821	8,833,821
Current Liabilities		
Trade and other payables	570,824	570,824
Total Current Liabilities	570,824	570,824
Total Liabilities	570,824	570,824
Net Assets	9,162,997	8,262,997
Equity		
Issued capital	22,851,732	21,951,732
Reserves	952,338	952,338
Accumulated losses	(13,899,848)	(13,899,848)
Outside equity interest	(741,225)	(741,225)
Total Equity	9,162,997	8,262,997

Assumptions:

- Capital raising issue costs estimated to be \$200,000 for a maximum subscription and \$150,000 for the minimum subscription.
- Viking acquires 100% of Auminco Shares under the Takeover Offer.

- In relation to the Takeover Offer, Viking is assumed to be the acquirer for the purposes of Australian Accounting Standards and is required to consolidate Auminco. Australian Accounting Standard AASB 3 requires that all business combinations are accounted for using the purchase method. This involves assigning fair values at the settlement date to identifiable assets, liabilities and contingent liabilities, including intangible assets assumed.
- A formal analysis of the fair values of the net assets acquired will be performed post completion of the Takeover Offer.
- Purchase consideration under the Takeover Offer consists of 61.2 new Shares and 20.4 new Options for every 100 Auminco Shares resulting in the issue of 45,753,258 new Shares and 15,251,087 new Options. The purchase consideration has been assessed at approximately \$2,060,000 (based on the last available closing price of Shares prior to the lodgement of Viking's Bidder Statement of \$0.039).
- Viking acquires or takes assignment of (as the case may be) the \$1.75 million (plus \$276,036 in accrued interest) in convertible notes and secured loans from the Auminco Lenders by the issue of 35,246,742 Shares and 11,748,913 Options.
- The difference between the purchase consideration under the Takeover Offer to the net assets and liabilities acquired has been offset against exploration expenditure.
- Available-for-sale shares are accounted for at the market value at the date of this Prospectus and \$170,000 in sales proceeds received since 30 June are deemed to have occurred at 30 June 2014.
- There are approximate expenses incurred as a result of completing the transaction of \$700,000, of which \$400,000 is assumed to be satisfied by way of the issue of Shares.

5. Rights and liabilities attached to Securities

5.1 Rights and liabilities attaching to Shares

The Shares issued under this Prospectus will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares on issue.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to the Shares. Full details of the rights and liabilities attaching to the Shares are contained in the Constitution of the Company and in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Rules and the common law. The Company's Constitution is available for inspection free of charge at the Company's registered office.

5.2 Information about Viking Shares

The Viking Shares to be issued pursuant to the Offer will, from their date of issue, rank equally in all respects with existing Viking Shares on issue. The rights attaching to the Viking Shares arise from a combination of Viking's constitution, statute and general law. A summary of the rights attaching to the Viking Shares is set out below:

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of Viking.

Except as provided for by the Corporations Act, Shareholders are not entitled to call a general meeting.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares (at present there are none), at meetings of Shareholders:

- (i) each Shareholder entitled to attend and cast a vote may vote in person by proxy or by attorney;
- (ii) on a show of hands, every person present who is a Shareholder entitled to vote or a proxy, attorney or representative of a Shareholder entitled to vote has one vote; and
- (iii) on a poll, every person present who is a Shareholder entitled to vote or a proxy, attorney or representative of a Shareholder entitled to vote shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote and shall have a fraction of one vote for each partly paid share held by him, where that fraction is equal to the proportion which the amount paid up on that share (excluding amounts credited) is of the total amount paid up and payable (excluding amounts credited) on that Share.

(c) Dividend rights

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), Viking may pay dividends as the Directors resolve but only out of profits of Viking. All dividends as declared by the Directors shall be payable on all shares in proportion to the amount of

capital paid (excluding amounts credited) on the shares unless the share is issued on terms providing to the contrary.

(d) **Winding-up**

Subject to the rights or restrictions of holders of shares with special rights in a winding up (at present there are none), on a winding up of Viking any surplus must be divided among the Shareholders in the proportions which the amount paid (including amounts credited) on the Shares of a Shareholder is of the total amounts paid and payable (including amounts credited) on the Shares of all Shareholders.

(e) **Transfer of Shares**

Subject to the Constitution, the Corporations Act, and any other laws and ASX Settlement Rules and the Listing Rules, Shares are freely transferable.

(f) **Future increase in capital**

The allotment and issue of any Shares is under the control of the Directors. Subject to restrictions on the allotment of Shares to Directors or their Associates, the Listing Rules, the Constitution and the Corporations Act, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

(g) **Variation of rights**

Under the Corporations Act, Viking may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class), whether or not Viking is being wound up may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

5.3 **Terms and conditions of New Options**

The exercise prices and expiry dates of the New Options to be issued pursuant to this Prospectus are as follows:

- (a) the Options offered under the Capital Raising Offer are exercisable at \$0.09 each on or before 5.00pm on 30 April 2017;
- (b) the Iarudi Options are exercisable at \$0.20 each on or before 5.00pm on 15 November 2016; and
- (c) the Auminco Lender Options and Corporate Adviser Options are exercisable at \$0.09 each on or before 5.00pm on 30 April 2017.

The New Options issued pursuant to this Prospectus will otherwise be issued on the following terms and conditions:

- (a) Each New Option entitles the holder to acquire one fully paid ordinary Share in the Company.
- (b) Each New Option may be exercised at any time prior to the relevant expiry date by forwarding to Viking at its principal office the exercise notice, duly

completed together with payment of the relevant exercise price per New Option exercised.

- (c) The New Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of New Options at any time until the expiry date of the New Options. This right is subject to any restrictions on the transfer of a New Option that may be imposed by ASX in circumstances where Viking is listed on ASX.
- (d) Viking may apply to ASX for quotation of the New Options subject to the satisfaction of all application requirements under the Corporations Act and Listing Rules.
- (e) Optionholders shall be permitted to participate in new issues of securities on the prior exercise of New Options in which case the Option holders shall be afforded the period of at least nine (9) Business Days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the New Option.
- (f) Shares issued on the exercise of New Options will be issued not more than ten (10) Business Days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of a New Option will rank equally with the then issued ordinary Shares of Viking in all respects. If Viking is listed on ASX it will, pursuant to the exercise of a New Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (g) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of Viking, all rights of the Option holder will be changed to the extent necessary to comply with the relevant Listing Rules.
- (h) If there is a bonus issue of Shares to Shareholders, the number of Shares over which the New Option is exercisable may be increased by the number of Shares which the holder of the New Option would have received if the New Option had been exercised before the record date for the bonus issue.
- (i) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities of Viking, the exercise price of the New Options may be reduced in accordance with Listing Rule 6.22.

6. Risk factors

6.1 Overview

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There can be no guarantee that the Company will achieve its stated objectives.

Prior to deciding whether to apply for Shares and New Options under the Capital Raising Offer, investors should read the entire Prospectus and review announcements made by the Company to ASX (at www.asx.com.au under the code VKA) in order to gain an appreciation of the Company, its activities, operations, financial position and prospects.

An investment in Securities should be considered speculative. Securities carry no guarantee with respect to the payment of any dividends, returns of capital or the market value of those Securities.

Potential investors should also consider the risk factors set out below which the Directors believe represent some of the general and specific risks that investors should be aware of when evaluating the Company and deciding whether to invest in the Company. The following risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

In this Section and elsewhere in this Prospectus, the term "**Merged Group**" is used to mean Viking, following completion of the Takeover Offer, at which time it will retain its interest in projects in Ghana, but will have the addition of Auminco's projects in Mongolia and Australia.

6.2 Key risks associated with an investment in Auminco

The risks described in detail in Section 1.2 have been identified as being key risks specific to an investment in Viking both now and following successful completion of the Takeover Offer of Auminco. These risks have the potential to adversely impact on Viking's financial position, prospects and price of its listed Securities.

6.3 Industry risks for the Merged Group

Exploration, mining and development risks

Exploration and mining are high risk, speculative activities that require large amounts of expenditure over extended periods of time. The Merged Group's exploration activities would be subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Resource estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very

nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates may change. Accordingly, the actual resources may materially differ from these estimates and assumptions and no assurances can be given that the resource estimates and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans, which may, in turn, affect the Merged Group's operations and ultimately its financial performance and value.

Commodity price fluctuations

In the event of exploration and development success, any future revenue derived through any future sales of valuable minerals exposes the potential income of the Merged Group to commodity price risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Merged Group. These factors include world demand for commodities, forward selling by producers and the level of production costs in major commodity-producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, commodities.

Exchange rate fluctuations

International prices of most commodities are denominated in United States dollars, whereas any income and the expenditure of the Merged Group will be in Australian, Ghanaian and Mongolian currencies, exposing the Merged Group to the fluctuations and volatility of the rate of exchange between the United States dollar, the Australian dollar, Ghanaian cedi and Mongolian Tugrik, subject to any currency hedging the Merged Group may undertake.

Competition

The Merged Group will compete with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial and other resources than the Merged Group and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Merged Group can compete effectively with these companies.

Title risks

There is no guarantee that title to the Merged Group's projects will not be challenged or impugned.

The projects may be subject to prior unregistered agreements or transfers or land claims and title may be affected by undetected defects. There is no guarantee that the licences / permits granted to the Merged Group will be renewed.

6.4 General investment risks

The business activities of the Merged Group will be subject to various general economic and investment risks that may impact on the future performance of the Merged Group. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Merged Group and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions.

General economic conditions

Economic conditions, both domestic and global, may affect the performance of the Merged Group. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Merged Group's future possible revenues and share price can be affected by these factors, all of which are beyond the control of the Merged Group.

Equity market conditions

Securities listed on the stock market, and in particular securities of mining and exploration companies, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Changes in government policy & legislation

Any material adverse changes in relevant government policies or legislation of Australia, Ghana and Mongolia may affect the viability and profitability of the Merged Group, and consequent returns to investors. The activities of the Merged Group will be subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

Future capital requirements

The continued operations of the Merged Group are dependent on its ability to obtain financing through debt and equity financing, or generating sufficient cash flows from future operations. There is a risk that the Merged Group may not be able to access capital from debt or equity markets for future projects or developments, which could have a material adverse impact of the Merged Group's business and financial condition.

Insurance

The Merged Group will maintain insurance where it is appropriate for their needs, however insurance against all risks associated with mineral exploration and production is not always available or affordable. Insurance coverage against all risks may not be undertaken by the Merged Group either because such cover is not available or because the Directors consider that the associated premiums are excessive having regard to the benefits from the cover.

The occurrence of an event that is not covered or is only partially covered by insurance could have a material adverse effect on the business, financial condition and results of the operations of the Merged Group. There is no assurance that the Merged Group will be able to maintain adequate insurances in the future at rates that the Directors consider reasonable.

Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Merged Group.

7. Continuous disclosure documents

7.1 Continuous disclosure obligations

This is a Prospectus for the offer of continuously quoted securities (as defined in the Corporations Act) of the Company and is issued pursuant to section 713 of the Corporations Act as a transaction specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering Prospectus.

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The Shares to be issued under this Prospectus are in a class of securities that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

7.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s 2013 audited financial statements:

Date Lodged	Description of Document
18/08/2014	Trading Halt
15/08/2014	Berkh Uul positioned to supply major Cement Works expansion
08/08/2014	Appendix 3Y - Change of Director's Interest Notice
31/07/2014	Notice under Section 630(2)(b) of the Corporations Act
31/07/2014	Notice under Section 650D of the Corporations Act
31/07/2014	Quarterly Report for the period ended 30 June 2014
31/07/2014	Appendix 3Y - Change of Director's Interest Notice
18/07/2014	Appendix 3Y - Change of Director's Interest Notice
10/07/2014	Notice under Section 630(2)(b) of the Corporations Act
10/07/2014	Notice under Section 650D of the Corporations Act
07/07/2014	Third MOU signed for Berkh Uul Coal Project in Mongolia
02/07/2014	Exclusivity Agreement - Akoase Gold Project in Ghana
30/06/2014	Trading Halt
26/06/2014	Appendix 3Y - Change of Director's Interest Notice
26/06/2014	Notice under Section 630(2)(b) of the Corporations Act
26/06/2014	Notice under Section 650D of the Corporations Act
26/06/2014	Second MOU signed with Mongolian Power Authority
20/06/2014	Appendix 3Y - Change of Director's Interest Notice

Date Lodged	Description of Document
16/06/2014	Appendix 3Y - Change of Director's Interest Notice
11/06/2014	Appendix 3Y - Change of Director's Interest Notice
03/06/2014	Appendix 3Y - Change of Director's Interest Notice
28/05/2014	Notice under Section 630(2)(b) of the Corporations Act
28/05/2014	Notice under Section 650D of the Corporations Act
23/05/2014	Appendix 3Y - Change of Director's Interest Notice
21/05/2014	Change of Company Name - Amended
21/05/2014	Change of Company Name
15/05/2014	Auminco Mines Limited Takeover Acceptances Pass 97%
06/05/2014	Appendix 3Y - Change of Director's Interest Notice
02/05/2014	Notice Pursuant to Section 630(4) of the Corporations Act
02/05/2014	Results of General Meeting
01/05/2014	Viking takeover target, Auminco, signs coal MOU
30/04/2014	Notice under Section 630(4) of the Corporations Act
30/04/2014	Notice under Section 630(2)(b) of the Corporations Act
30/04/2014	Notice under Section 650D of the Corporations Act
30/04/2014	Auminco Mines Limited Takeover Acceptances Exceed 90%
24/04/2014	Quarterly Report for the period ended 31 March 2014
23/04/2014	Auminco Mines Limited Takeover Acceptances Pass 75%
17/04/2014	Clarification Regarding Proactive Investors Report
15/04/2014	Auminco Mines Limited Takeover Acceptances Reach 56.62%
10/04/2014	Proactive Investors Report
09/04/2014	Takeover Bid for Auminco Mines Limited
09/04/2014	Takeover Bid for Auminco Mines Limited
03/04/2014	Takeover Bid for Auminco Mines Limited
01/04/2014	Notice of General Meeting
21/03/2014	Recommended Takeover Bid for Auminco Mines by Viking Ashanti
17/03/2014	New 38.3Mt resource for Merger Company's Mongolian coal project
21/02/2014	Half Yearly Report for the period ended 31 December 2013
28/01/2014	Quarterly Report for the period ended 31 December 2013
07/01/2014	Form 604 Notice of change of interests of substantial holder
06/01/2014	Change in substantial holding from RSG
02/01/2014	Additional Listing Rule 7.1A Placement Disclosure
31/12/2013	Placement closes oversubscribed
30/12/2013	Form 604 Notice of change of interests of substantial holder
30/12/2013	Appendix 3Y – Change of Director's Interest Notice
27/12/2013	Appendix 3Y – Change of Director's Interest Notice
27/12/2013	Non-executive Director Resignation
20/12/2013	Appendix 3Y – Change of Director's Interest Notice
20/12/2013	Viking Placement Arranged

Date Lodged	Description of Document
18/12/2013	Trading Halt
17/12/2013	Appendix 3Y – Change of Director’s Interest Notice x 3
12/12/2013	Form 604 Notice of change of interests of substantial holder
11/12/2013	Appendix 3Y – Change of Director’s Interest Notice
06/12/2013	Merger Presentation
06/12/2013	Viking and Auminco Merger Update
25/11/2013	Appendix 3Y – Change of Director’s Interest Notice
20/11/2013	Viking and Auminco to Merge
15/11/2013	Trading Halt
24/10/2013	Quarterly Report for the period ended 30 September 2013
22/10/2013	Results of Annual General Meeting
04/10/2013	12% increase to 790,000 oz in gold resource
25/09/2013	Change of Registered address and contact details
20/09/2013	Notice of Annual General Meeting

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

Copies of documents lodged with ASX, in relation to the Company, may be obtained from the Company’s website at www.vikingmines.com or at ASX’s website at www.asx.com.au (ASX Code: VKA).

The Company will provide a copy of each of the following documents, free of charge, to any person on request from the date of this Prospectus until the Closing Date of the Capital Raising Offer:

- (a) the annual financial report of the Company for the financial year ended 30 June 2013, being the annual financial report of the Company most recently lodged with ASIC before the issue of this Prospectus;
- (b) the half yearly financial report of the Company for the 6 months ended 31 December 2013, being the half yearly financial report most recently lodged with ASIC before the issue of this Prospectus; and
- (c) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (a) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

8. Additional information

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

8.2 Interests of Directors and Proposed Directors

Other than as set out below or elsewhere in this Prospectus, no Director, Proposed Director nor any entity in which such a Director or Proposed Director is a partner or director, has or has had in the two (2) years before the date of this Prospectus, any interest in:

- (a) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (b) the Offers,

and no amounts have been paid or agreed to be paid (in cash, Shares or otherwise) and no other benefit has been given or agreed to be given to any Director or Proposed Director or to any entity in which such a Director or Proposed Director is a partner or director, either to induce him to become, or to qualify as, a Director or Proposed Director or otherwise, for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offers.

8.3 Security holding interests of Directors and Proposed Directors

At the date of this Prospectus, the relevant interest of each of the Directors and Proposed Director in the Shares and Options of the Company are as follows:

Director / Proposed Director	Shares		Unlisted Options	
	Direct	Indirect	Direct	Indirect
Jack Gardner ¹	Nil	10,447,643	Nil	2,876,065
Peter McMickan ²	76,837	2,970,000	2,685,368	120,000
Trygve Kroepelien ³	3,874,000	300,000	1,300,000	Nil
Andrew Whitten ⁴	Nil	1,619,264	Nil	Nil
Matthew Morgan	Nil	Nil	Nil	Nil

Notes:

1. All Shares and Options held by Jaytu Pty Ltd ATF <JW Gardner Super Fund>, an Associate of Mr Gardner.
2. 76,837 Shares and 2,685,368 Options are held directly by Mr McMickan. 720,000 Shares and 120,000 Options are held by the spouse of Mr McMickan, Mrs Carolyn McMickan. 2,250,000 Shares are held by Mr Peter & Mrs Carolyn McMickan ATF <McMickan Family S/Fund>.
3. 3,874,000 Shares and 1,300,000 Options are held directly by Mr Kroepelien. 300,000 Shares are held by a family member.
4. Mr Whitten holds his Shares through A&L Whitten Pty Ltd ATF Andrew & Lee-Anne Super Fund, Landrew Investments Pty Ltd, Wimbledon Properties Pty Ltd, Newton Holdings Pty Ltd ATF Newton Provident Fund and Barbary Coast Investments Pty Ltd, which are all entities controlled by Mr Whitten and/or of which Mr Whitten is a beneficiary. Additionally, Barbary Coast Investments Pty Ltd, Landrew Investments Pty Ltd and Torona Pty Ltd are Auminco Lenders and companies controlled by Mr Andrew Whitten, the Chairman of Auminco and these companies will receive a total of 20,039,085 Viking Shares and 6,679,694 Viking Options as Debt Consideration.

If the Takeover Offer is successful, the Proposed Directors will receive Viking Shares in consideration for the shares each of them currently hold in Auminco, to be issued on the same terms as all other shareholders in Auminco as follows:

Proposed Director	Auminco Shares Held Before Completion of Takeover Offer	Viking Shares and Options to be Issued pursuant to Takeover Offer
Andrew Whitten	15,368,293 ¹	9,405,395 Viking Shares 2,351,348 Viking Options
Matthew Morgan	2,037,797 ²	1,247,131 Viking Shares 311,782 Viking Options

Notes:

- 2,353,980 Auminco Shares are held by Landrew Investments Pty Ltd ATF Andrew and Lee-Anne Whitten Family Trust which Mr Whitten controls and of which Mr Whitten is a beneficiary. 1,549,895 Auminco Shares are held by A&L Whitten Pty Ltd ATF A&L Whitten Superannuation Fund which Mr Whitten controls and of which Mr Whitten is a beneficiary. 1,828,414 Auminco Shares are held by Newton Holdings Pty Ltd ATF Newton Building Company (Bankstown) Pty Ltd Provident Fund of which Mr Whitten controls and of which Mr Whitten's parents are beneficiaries. 880,746 Auminco Shares are held by Gleneagles Advisors Pty Ltd which is a company Mr Whitten controls and has an interest in. 5,449,552 Auminco Shares are held by Barbary Coast Investments Pty Ltd ATF Whittens Family Trust which Mr Whitten controls and of which Mr Whitten is a beneficiary. 1,806,780 Auminco Shares are held by Barbary Coast Pty Ltd ATF Whitten Family Superannuation Fund, which Mr Whitten controls and of which Mr Whitten's parents are beneficiaries. 1,692,926 Auminco Shares are held by Torona Pty Ltd ATF Anywhere Travel Trust which Mr Whitten controls and of which Mr Whitten's parents are beneficiaries.
- 500,000 Auminco Shares are held directly by Mr Morgan. 1,354,886 Auminco Shares are held by Mr Morgan ATF Morgan Family Superannuation Fund.

8.4 Participation of Directors and Proposed Directors in the Capital Raising Offer

Current Viking Directors, Mr Jack Gardner and Mr Peter McMickan, as well as the Proposed Directors (or their respective Associates) may, subject in some cases to Viking Shareholder approval, participate in the Capital Raising as follows:

Director / Proposed Director	Number of Viking Securities
Jack Gardner ¹	10,000,000 Viking Shares 2,500,000 Viking Options
Peter McMickan	1,000,000 Viking Shares 250,000 Viking Options
Trygve Kroepelien	2,000,000 Viking Shares 500,000 Viking Options
Andrew Whitten	5,000,000 Viking Shares 1,250,000 Viking Options
Matthew Morgan	Nil

Note:

- Some of the Shares to be issued to Mr Gardner under the Capital Raising Offer are to be issued by Viking in satisfaction of amounts owing under the terms of an existing loan facility between Mr Gardner and Viking, pursuant to which Mr Gardner is owed an amount of \$350,000 (plus interest).

8.5 Remuneration of Directors

The constitution of Viking provides that the Viking Directors are entitled to be remunerated for their services as Directors at an amount and in the manner determined by the Directors; however the aggregate remuneration paid or provided to

all Directors in any year may not exceed an amount fixed by Viking in general meeting.

Each Non-Executive Director receives a separate fixed fee for their services as a Director. Currently, the Chairman is entitled to receive a fixed fee of \$75,000 per annum and each other non-executive is entitled to receive a fixed fee of \$50,000 per annum. However, in reflection of Viking's cash position and the condition of the equity markets, Director fees were reduced by 30% as from October 2012. As from September 2013, Director fees have been further reduced to 35% of the original amounts.

The amounts in the table below have been paid by Viking by way of remuneration for services provided by the Directors or their Associates for services provided to Viking (including amounts by way of salary, fees, superannuation benefits and equity):

Director	FY 2013	FY 2014	FY to date
Jack Gardner	\$85,567	\$28,613	-
Peter McMickan	\$266,546	\$126,698	\$9,375
Trygve Kroepelien	\$53,220	\$17,500	-

If Viking appoints Mr Matthew Morgan as Managing Director, he will be entitled to remuneration for his services as an executive. Section 8.7 sets out details of the remuneration arrangements of for Mr Morgan.

If the Company appoints Mr Andrew Whitten as Non-Executive Deputy Chairman, Viking proposes to pay Mr Whitten a fee of \$25,000 per annum for his services as a Non-Executive Director.

Further information relating to the remuneration of Directors can be found in the Company's 2013 Annual Report, which can be found on the Company's website (www.vikingmines.com) or ASX announcements webpage for Viking (ASX Code: VKA).

8.6 Employment of Peter McMickan

As set out in Section 1.4, following successful completion of the Takeover Offer, Mr Peter McMickan will become an Executive Director on the Viking Board. Mr McMickan will be retained on the same terms of employment as he is currently, with a reduced total remuneration of \$180,000 per annum.

8.7 Employment of incoming senior executives and management

As set out in Section 1.4, following successful completion of the Takeover Offer, it is proposed that Matthew Morgan and Bayarsaikhan Tsagdaa will be appointed to the Viking's executive management team as Managing Director and General Manager – Mongolia respectively.

Viking proposes the following in relation to the employment of these executives:

- (a) Mr Matthew Morgan will be either employed directly by Viking or contracted by Viking under a consultancy arrangement to act as Managing Director of Viking. It is proposed that Mr Morgan will be entitled to a total remuneration of \$200,000 per annum for his services as an executive. Other terms of his engagement with Viking will be in line with industry standards, including with respect to warranties and termination rights.

- (b) Mr Bayarsaikhan Tsagdaa will be retained by Viking under his existing consultancy agreement with Auminco, pursuant to which he is entitled to receive \$150,000 per annum in consultancy fees.

8.8 Heads of Agreement

On 15 November 2013 (as varied by the parties on 5 December 2013, 22 December 2013 and 13 February 2014), Viking and Auminco entered into the Heads of Agreement, setting out the terms and conditions to the transaction, which includes the making of the Capital Raising Offer.

The Heads of Agreement contains the following key terms:

- (a) **Due diligence:** The parties completing satisfactory due diligence investigations of one another.
- (b) **Exclusivity arrangements:** Until the earlier of 30 April 2014 and the termination of the Heads of Agreement, each of Viking and Auminco has agreed to comply with certain restrictions commonly referred to as no shop, no talk and no due diligence provisions, subject to carve outs in relation to directors' fiduciary duties.

Each party must immediately inform the other if it is approached by any person to engage in any activity that would breach its exclusivity obligations.

- (c) **Representations and warranties:** Viking and Auminco giving standard representations and warranties a reasonable person would expect to see in a transaction of this nature.
- (d) **Conditions precedent:** Completion of the transaction contemplated by the Heads of Agreement is subject to a number of conditions precedent, including:
 - (i) the parties obtaining all third party consents or waivers and any other regulatory or governmental approvals to give effect to the transaction; and
 - (ii) completion of the Capital Raising Offer,

both of which may only be waived with the agreement of both parties.

8.9 Auminco Option Deed

On 18 March 2014, Auminco and Viking entered into a private agreement with larudi LLC (**Auminco Option Deed**), the holder of 3,000,000 Auminco Options exercisable at \$0.20 on or before 8 July 2016, pursuant to which larudi LLC has agreed to cancel those Auminco Options in return for 3,000,000 Viking Options exercisable at \$0.20 on or before 15 November 2016 and otherwise on the terms set out in Section 5.3.

The Auminco Option Deed is conditional on the Takeover Offer becoming unconditional.

8.10 Debt Agreement with the Auminco Lenders

On 21 March 2014, Viking entered into a Deed of Acquisition and Release with Auminco and the Auminco Lenders (**Debt Agreement**), in relation to secured loan arrangements with, and convertible notes issued by, Auminco to the Auminco Lenders whereby the Auminco Lenders have collectively advanced an amount of approximately \$1.75 million (plus accrued interest) to Auminco (**Debt**).

Subject to the Takeover Offer becoming unconditional, Viking has agreed to acquire or take an assignment of (as the case may be) the interest of the Auminco Lenders in the Debt in exchange for the issue of 35,246,742 Shares and 11,748,913 Options to the Auminco Lenders in accordance with the Debt Agreement.

The Auminco Lenders are all current Auminco Shareholders. Barbary Coast Investments Pty Ltd, Landrew Investments Pty Ltd and Torona Pty Ltd are lenders controlled by Mr Andrew Whitten, a Proposed Director.

8.11 Deed of Covenant

On 21 March 2014, Viking entered into a Deed of Covenant with the major shareholders of Auminco, pursuant to which those parties have provided various warranties, guarantees and indemnities in favour of Viking.

The warranties provided by those Auminco parties relate in large part to the tenure and good standing of Auminco's projects in Mongolia as well as other standard warranties, including as to Auminco's business and capital structure.

The Auminco parties have also provided several guarantees and indemnities in relation to amounts that may become payable under the Buyantogtokh Agreement (see Section 8.12 below) in excess of \$795,000 for a period of one year.

8.12 Agreement with Buyantogtokh Dashdeleg

On 17 July 2013, Auminco completed an agreement with Mr Buyantogtokh Dashdeleg (**Buyantogtokh Agreement**) to acquire Auminco's interest in the Khonkhor Zag Project (refer to Section 3.3 for further details).

Pursuant to the Buyantogtokh Agreement, Auminco may be obliged to issue up to 7,500,000 Auminco Shares to Mr Dashdeleg based on the Khonkhor Zag Project achieving a Mineral Resource.

Auminco and Viking have agreed under the Heads of Agreement to use their best commercial endeavours to negotiate and agree a variation to the Buyantogtokh Agreement such that Mr Dashdeleg will no longer be entitled to be issued Auminco Shares but will instead be issued Viking Shares, the quantum and terms of which are to be agreed.

8.13 Arrangements with Corporate Advisers

Under the Heads of Agreement and a subsequent letter from Viking to Inteq Limited and Emerald Partners Limited (**Corporate Advisers**) dated 20 March 2014, the Corporate Advisers are entitled to compensation for their respective corporate advisory and brokerage services to both Viking and Auminco in relation to the Takeover Offer and the Capital Raising Offer as follows:

- (a) a combined total fee payable to Inteq Limited and Emerald Partners equal to 7% of the combined value of the Merged Group of which 50% (excluding GST) is to be satisfied by the issue of Viking Shares at the same price as the Capital Raising Offer, with the remaining 50% to be paid in cash plus GST calculated on the total amount; and
- (b) an issue of Viking Options to Inteq Limited and Emerald Partners (or its nominee) equal to 2% of the Viking Shares on issue in the Merged Group following completion of the Takeover Offer and Capital Raising Offer, being 3,450,000 Viking Options, with an exercise price of \$0.09 and with an expiry date of 30 April 2017 and otherwise on the terms set out at Section 5.3.

8.14 Directors' indemnity and insurance deeds

Viking has entered into deeds of indemnity, insurance and access with each Director and Michael Langoulant, as an officer of the Company.

Under the deeds Viking has undertaken, subject to the restrictions in the Corporations Act, to:

- (a) indemnify each Director and officer in certain circumstances;
- (b) maintain directors' and officers' insurance cover (if available) in favour of each Director and officer of Viking, whilst holding office and for a period of 7 years after the Director or officer has ceased to hold office with Viking (provided run-off insurance can be procured at reasonable policy premiums); and
- (c) provide access to any Viking records which are relevant to the Director's or officer's holding of office with Viking, for a period of 7 years after the Director or officer has ceased to hold office with Viking.

Viking proposes to enter into the same or similar arrangements with each of the Proposed Directors.

8.15 Expenses of the Offers

In the event that the Capital Raising Offer is fully subscribed, the estimated expenses payable by the Company in respect of costs associated with this Prospectus and the Offers, including legal, accounting, corporate advisory, ASIC and ASX fees and other costs will be approximately \$200,000.

8.16 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the two (2) years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash, Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offers.

Emerald Partners Limited acts as corporate adviser to the Company and has been paid \$193,392 (plus GST) for its services in relation to the Capital Raising Offer and for the provision of professional services and previous capital raisings in the period two (2) years prior to the date of this Prospectus.

Jackson McDonald has acted as solicitors to the Company in relation to the Heads of Agreement (refer Section 8.8), the Takeover Offer, the Capital Raising Offer and the associated general meeting and is entitled to be paid approximately \$190,000 (plus GST) in respect of these services, including approximately \$7,000 (plus GST) in relation to this Prospectus. Jackson McDonald has been paid a total of \$44,204 (plus

GST) for other professional services provided to the Company in the period two (2) years prior to the date of this Prospectus.

Rothsay Chartered Accountants act as auditor of the Company and has been paid \$55,000 (plus GST) for the provision of professional services in relation to the auditing of the financial statements of the Company and other professional services in the period two (2) years prior to the date of this Prospectus.

8.17 Consents and liability statements

Emerald Partners Limited has given and has not, before the Lodgement Date, withdrawn its consent to be named in this Prospectus as corporate adviser to Viking in the form and context in which it is named.

Jackson McDonald has given and has not, before the Lodgement Date, withdrawn its consent to be named in this Prospectus as solicitors to the Company in the form and context in which it is named.

Rothsay Chartered Accountants has given and has not, before the Lodgement Date, withdrawn its consent to be named in this Prospectus as Auditor to the Company in the form and context in which it is named.

Computershare Investor Services Pty Ltd has given and has not, before lodgement of this consent to be named in this Prospectus as Share Registry to the Company in the form and context in which it is named.

Each of Emerald Partners Limited, Jackson McDonald, Rothsay Chartered Accountants, and Computershare Investor Services Pty Ltd:

- (a) did not authorise or cause the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section; and
- (c) to the maximum extent permitted by law, expressly disclaim any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in the Section.

8.18 Competent person statements

The information in this Prospectus concerning the Exploration Results and Mineral Resources of Auminco is extracted from the Company's announcement to ASX entitled "New 38.3 Mt resource for Merger Company's Mongolian coal project" dated 17 March 2014 and is available to view on the Company's website at www.vikingmines.com. Both the Company and Auminco confirm that they are not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Both the Company and Auminco confirm that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this Notice concerning the Exploration Results and Mineral Resources of the Company is extracted from the Company's announcement to ASX entitled "12% increase to 790,000 oz in gold resource for Ghana Project" dated 4 October 2013 and is available to view on Viking's website at www.vikingmines.com.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company also 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.

9. Directors' statements

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:



John William (Jack) Gardner
Chairman

for and on behalf of the Company

Dated: *18 AUGUST 2014*

10. Glossary of Terms

Applicant	An investor who has applied to subscribe for Securities under this Prospectus by submitting an Application Form.
Application	A valid application by an Applicant for Securities under this Prospectus.
Application Form	The application form(s) accompanying this Prospectus.
Application Monies	The monies payable by Applicants to the Capital Raising Offer.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.
ASX Settlement	ASX Settlement Pty Limited ACN 008 504 532.
ASX Settlement Rules	The settlement rules of ASX Settlement.
Au	Gold
Auminco	Auminco Mines Limited ACN 159 575 863.
Auminco Lenders	Barbary Coast Investments Pty Ltd, Rodby Holdings Pty Ltd, Bestvale Resource Consultants Pty Ltd, Torona Pty Limited, Gilt Nominees Pty Limited, Porter & Co Nominees ATF Porter & Co Pty Limited Super Fund, Keith Thornton ATF Thornton Superannuation Fund, AE.COM Pty Ltd and Landrew Investments Pty Ltd.
Auminco Lender Options	11,748,913 New Options offered under this Prospectus to the Auminco Lenders pursuant to the Debt Agreement.
Auminco Option	An option to acquire an Auminco Share.
Auminco Option Deed	The Deed of Agreement between Viking, Auminco and the Iarudi LLC dated 18 March 2014.
Auminco Share	A fully paid ordinary share in Auminco, and all rights attaching to that share.
Bidder's Statement	A Bidder's Statement dated 2 April 2014 issued by Viking to the shareholders of Auminco in relation to the Takeover Offer.
Board	The board of Directors of the Company.
Capital Raising Offer	The offer by the Company of Shares and New Options on the terms outlined in Section 2.
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
CHESS Statement or Holding Statement	A statement of shares registered in a CHESS account.

Closing Date	The closing date of the Offers as set out in the Timetable and in Section 2.4.
Company or Viking	Viking Mines Limited ACN 126 200 280.
Constitution	The constitution of the Company.
Corporate Adviser Options	3,450,000 New Options offered under this Prospectus to the Corporate Advisers pursuant to the Heads of Agreement.
Corporate Advisers	Emerald Partners Limited and Inteq Limited.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Debt Agreement	The Deed of Acquisition and Release between Viking, Auminco and the Auminco Lenders dated 21 March 2014.
Director	A director of the Company as at the date of this Prospectus.
Fe	Iron
g/t	Grams per tonne.
GDP	Gross Domestic Product.
GST	Goods and services tax.
Heads of Agreement	The heads of agreement between Viking and Auminco dated 15 November 2013, as varied on 5 December 2013, 22 December 2013 and 13 February 2014.
Iarudi Options	3,000,000 New Options offered under this Prospectus to Iarudi LLC pursuant to the Auminco Option Deed.
JORC Code	The Australian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, as amended or replaced from time to time.
JORC Compliant	Compliant with the JORC Code.
Km	Kilometres
Km²	Square kilometres.
Listing Rules	The official listing rules of ASX.
Lodgement Date	The date of lodgement of this Prospectus with ASIC, as set out in the Timetable.
mE	Metres east.
Merged Group	Viking and its Subsidiaries following completion of the Takeover Offer, which will include Auminco.

Mineral Resource	A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. Mineral Resources are subdivided, in order of increasing geological and confidence, into "Inferred", "Indicated" and "Measured" categories, as defined in the JORC Code.
M	Metre
mN	Metres north.
MNT	Mongolian Tughrik, being the currency of Mongolia.
MRAM	Mineral Resources Authority of Mongolia.
mRL	Metres relative level.
Mt	Million tonnes.
MTA	Mongolian Tax Authority.
New Option	An Option offered pursuant to this Prospectus, including the Options offered under the Capital Raising Offer, the Iarudi Options, the Auminco Lender Options and the Corporate Adviser Options.
Offer Period	The period commencing on the Opening Date and ending on the Closing Date.
Offer Price	\$0.038 per Share.
Offers	The Capital Raising Offer and the Option Offers.
Official Quotation	The admission of Securities to the official list of the ASX.
Opening Date	The opening date of the Offers as set out in the Timetable and in Section 2.4.
Option	An option to subscribe for a Share.
Option Holder	The holder of an Option.
Option Offers	The offers by the Company of New Options on the terms outlined in Sections 2.1 and 2.2.
Ore Reserve	The economically mineable part of a Measured and/or Indicated Mineral Resource, as defined in the JORC Code.
Oz	Troy ounce.
Ppb	Parts per billion.
Privacy Act	<i>Privacy Act 1988 (Cth).</i>
Proposed Directors	Mr Andrew Whitten and Mr Matthew Morgan
Prospectus	This document, including the Application Form.

Relevant Interest	Has the meaning given to that term in section 9 of the Corporations Act.
Restricted Areas	Has the meaning given to that term in Section 1.2.
Section	A section of this Prospectus.
Securities	A Share or an Option.
Share	A fully paid ordinary share in Viking, and all rights attaching to that share.
Share Registry	The Company's share registry, Computershare Investor Services Pty Limited ACN 078 279 277.
Shareholder	The holder of a Share.
Subsidiary	A subsidiary within the meaning given to that term in section 9 of the Corporations Act.
Takeover Offer	The proposed takeover offer by Viking to acquire all of the Share capital in Auminco on the terms outlined in Viking's announcement to ASX on 21 March 2014.
Timetable	The timetable for the Offers, as set out on page ii of this Prospectus.
tpy	Tonnes per year.
t	Tonne
Viking Group	Viking and its Subsidiaries.
WST	Western Standard Time, being the time in Perth, Western Australia.
Zn	Zinc

Viking Corporate Directory

Directors

John William (Jack) Gardner, Executive Chairman
Pater McMickan, Managing Director
Trygve Kroepelien, Non-Executive Director

Company Secretary

Michael Langoulant

Registered & Principal Office

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WEST PERTH WA 6005

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Solicitors

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Auditor

Rothsay Chartered Accountants
Level 1, Lincoln House
4 Ventnor Avenue
WEST PERTH WA 6005
Tel: +61 8 6364 5076

Share Registry

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Level 2, 45 St Georges Terrace
PERTH WA 6000
Tel: +61 3 9415 4000 or 1300 557 010
Fax: +61 8 9323 2033