



## ASX Announcement

7 February 2017

ASX Code: VKA

### High grade soil and rock chip anomaly identified at Khao Soon Tungsten Project, Thailand

- 24 soil samples averaging 1300ppm or 0.13% WO<sub>3</sub>.
- 9 soil samples average 0.23% WO<sub>3</sub>, peak value of 0.57% WO<sub>3</sub>.
- 150 rock chips collected with 36 samples averaging 1.62% WO<sub>3</sub>.
- Prospective zone is 1.3km long and up to 100m wide.
- Drilling to test high grade targets at the Rabbit prospect.

Viking Mines Ltd (ASX:VKA, Viking or the Company) is pleased to announce that following a detailed technical review of historical geochemical data from the Khao Soon Tungsten Project in Thailand, a targeted program of diamond drilling has been designed to test the highly prospective “Rabbit trend” located in the north of the project area. The drill targets are well delineated by highly elevated tungsten (WO<sub>3</sub>) in historical soil and rock chip samples, generally co-incident with old workings and observed surface mineralisation. This work is part of Viking’s due diligence relating to an Option Agreement to acquire a 75% interest in the Khao Soon Project.

In addition to the Rabbit trend, the soils and rock chip data have outlined a number of other anomalous areas within the Khao Soon project with the soil and rock chip data for these areas currently being processed.

The proposed drill program will represent the first ever drill testing of such targets at Khao Soon. Viking is currently negotiating with several drilling contractors with the intention of using the Khao Soon drilling program to strategically lock in its drilling requirements for immediate deployment to the Reung Kiet Lithium Project upon issuance of the exploration licenses.

#### Rabbit Prospect

The Rabbit prospect is broadly defined by plus 100ppm WO<sub>3</sub> values in soils based on sampling on 100m spaced lines and 25m sample spacing. Within this zone is a coherent plus 500ppm WO<sub>3</sub> north-east trending soil anomaly, approximately 1.3km long and up to 100m wide. The average WO<sub>3</sub> value of the 24 soil samples constituting this anomaly is 1300ppm or 0.13% WO<sub>3</sub>, with 9 generally



contiguous samples with values greater than 0.10% WO<sub>3</sub>. The average of these 9 samples is 0.23% WO<sub>3</sub> with a peak value of 0.57% WO<sub>3</sub>. The various levels of WO<sub>3</sub> in soils are shown in Figure 1.

Rock chip sampling was also conducted at the Rabbit prospect and surrounds, including the Klai and Rabbit East prospects as shown in Figure 1. Over 150 samples were collected, with 36 samples returning values of >0.1% WO<sub>3</sub>, ranging up to 8.03% WO<sub>3</sub>. The average of all 36 samples is 1.62% WO<sub>3</sub>. Some of the rock samples also yielded high antimony (Sb) values with 10 samples ranging from 0.5% to 34% Sb. Most of the high Sb values occur around the southern end of the Rabbit Prospect.

The large prospective zones defined by soil and rock chip sampling are supported by the presence of numerous old workings. These occur as shallow shafts, adits and small pits. The workings are generally associated with zones of silicified, fractured to locally brecciated meta-sediments that contain variable amounts of wolframite, quartz veins and locally abundant stibnite. The soil and rock chip samples at Rabbit compare very favourably to other tungsten projects at a similar stage in their development. The antimony grades are significant in their own right and add an additional dimension to what Viking believes will be a highly prospective project.

Readers are advised to refer to the Company's ASX Announcement of November 18, 2016 "Viking Acquires Lithium and Tungsten Projects in Thailand" for technical information pertaining to Table 1 of the JORC Code.

The drilling program will test for high grade tungsten mineralisation and comprise 5-7 angled, NQ diamond core holes each drilled to about 100-120m. The location of 5 proposed holes is shown in Figure 1 and cross section of the Rabbit North target zone in Figure 2.

Additional mapping and rock chip sampling is also planned, especially in areas around the planned drill holes and along the Rabbit trend.

The Company believes the Rabbit prospect represents a compelling drill target. The high grade nature of the soil and rock chip sampling combined with relatively large spatial dimensions indicate potential for a mineralised system that is capable of hosting the tonnages and grades required to satisfy the Company's benchmark hurdles.

We look forward to keeping our shareholders updated on progress at both the Khao Soon Tungsten Project and the Reung Kiet Lithium Project.

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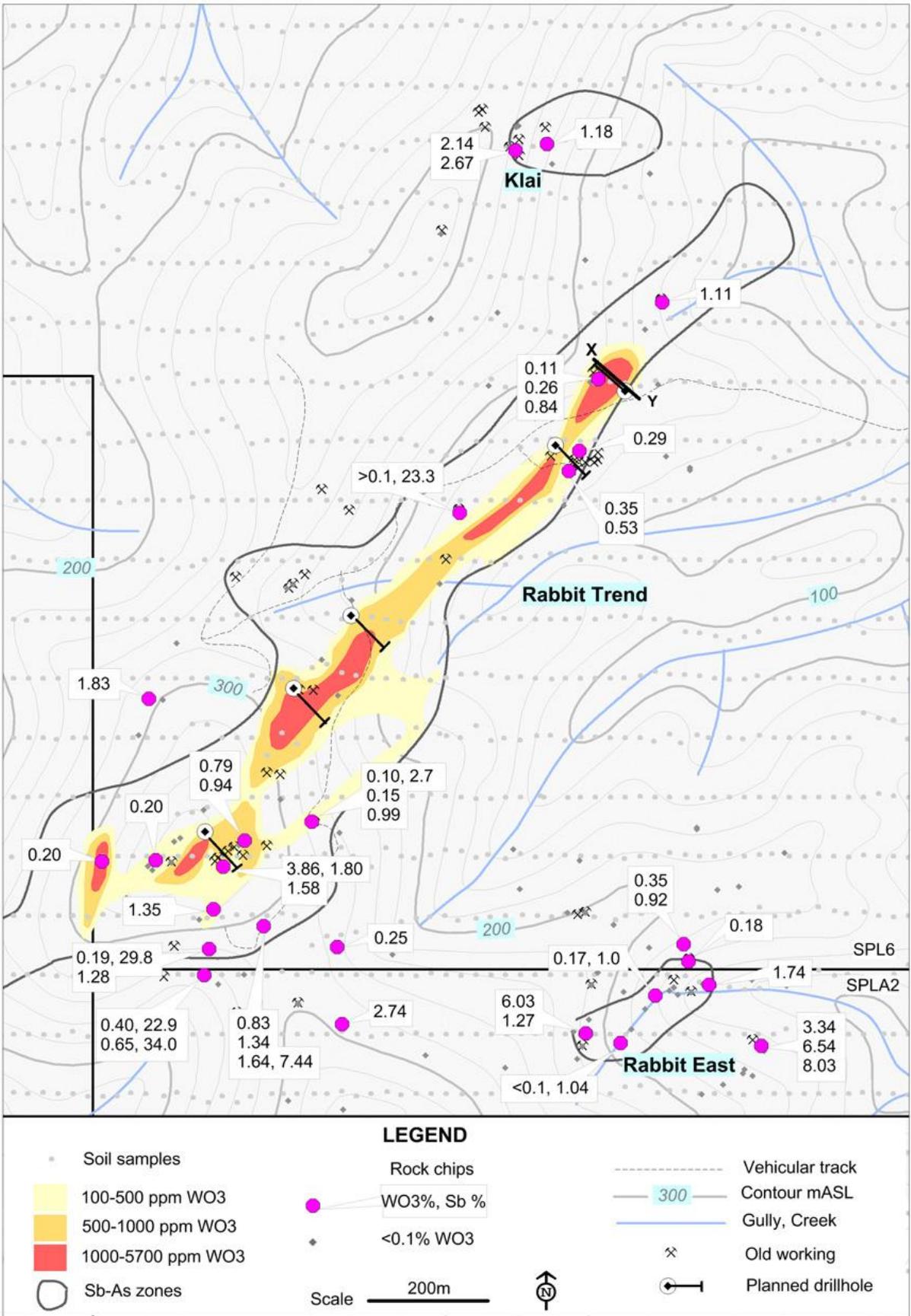


Figure 1: Rabbit Prospect: Soil and Rock Chip Geochemistry and Planned Drilling

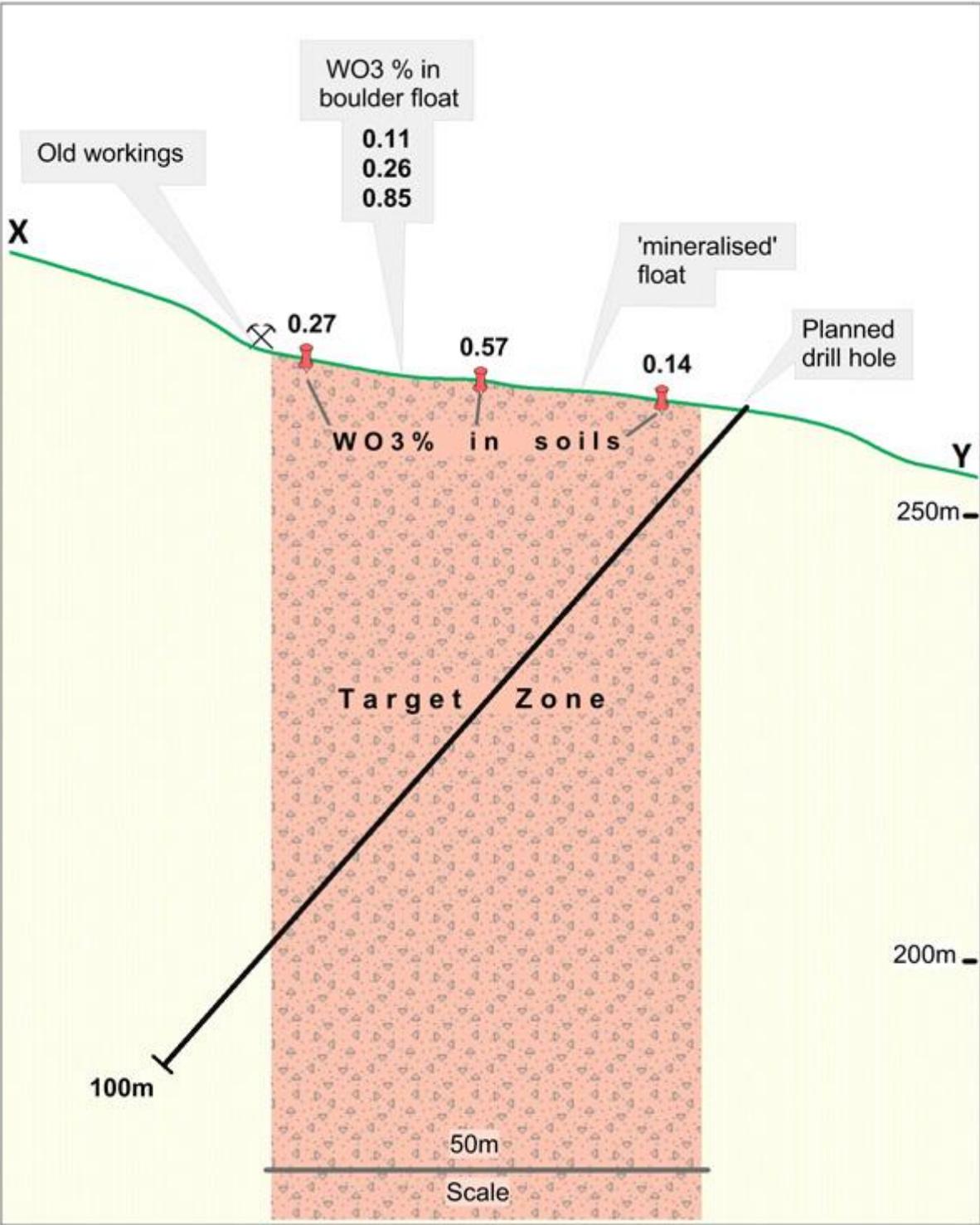


Figure 2: Rabbit North target zone cross section.

Figure 3: Viking Mines Limited Projects



## About The Khao Soon Tungsten Project

The Khao Soon Tungsten Project (the 'KS Project'), is a highly prospective tungsten exploration project located in southern Thailand approximately 100km east of Phuket. The project is centred on the old Khao Soon mine, which was a significant historical high grade tungsten producer. Mine production to 1979 is estimated at 0.5Mt @ 2.2% WO<sub>3</sub>.

Australian based company Thai Goldfields NL (TGF) has been exploring the project area since 2006 and has a contiguous block of four granted prospecting licenses and two prospecting license applications covering approximately 73km<sup>2</sup>. Historic tungsten workings are located on the area of the yet to be granted SPLA1 tenement.

The Khao Soon historic mine area is within a designated forestry/watershed area, which requires Thai cabinet approval for grant. The process to obtain this approval is well progressed, and the Company considers that fact that the forestry/watershed area is largely plantation and mine spoils, bodes well for a positive decision.

The KS Project is being considered by Viking as it offers >A\$4m historical expenditure, a very large suite of high grade rock chips: ~235 assays >= 0.5% WO<sub>3</sub>; ~75 >= 2.0% WO<sub>3</sub>; and ~20 >= 5.0% WO<sub>3</sub>. Underground channel-chip results include: 6.1 @ 2.1% WO<sub>3</sub>, 12m @ 0.6% WO<sub>3</sub> and 20m @ 0.5% WO<sub>3</sub>, and metallurgy results indicating 86% WO<sub>3</sub> recoveries from 2% WO<sub>3</sub> head grade.



On the granted licenses several high tenor soil anomalies at 0.05% WO<sub>3</sub> have been identified, each trending over 1km in length with spot highs up to 0.6% WO<sub>3</sub> and contiguous zones of >0.1% WO<sub>3</sub> in soils. Prospectivity is enhanced by the presence of old workings, observed mineralisation and results from rock chip sampling.

On 18 November 2016 Viking announced that it has executed a Share Sale and Purchase Agreement (SPA) to acquire 100% of Argo Metals Group Limited (Argo) via a share based transaction. Argo holds a 75% interest in the Reung Kiet lithium project located in southern Thailand.

The SPA includes an option to acquire West Mandalay Exploration Pty Ltd's (WMX) interest in the Khao Soon tungsten project, also located in southern Thailand.

West Mandalay Exploration Pty Ltd (WMX) has entered into binding heads of agreement with Thai Goldfields NL, which grants WMX management rights and the right to earn 75% in the issued share capital of Thai Mineral Ventures Co. Limited (TMV), a single purpose Thai entity in which Sydney based Thai Goldfields NL holds 100%, by satisfying agreed expenditure commitments for the Khao Soon Project (Heads of Agreement).

Argo has entered into an option deed with WMX under which Argo has the exclusive option up until 31 July 2017 to acquire all of WMX's rights under the Heads of Agreement (Khao Soon Option Deed).

Readers are advised to refer to the 18 November 2016 ASX announcement "Viking Acquires Lithium and Tungsten Projects in Thailand" for further information.

**Competent Persons Statement:** The information in this Public Report that relates to technology metals Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr David Hobby, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hobby is a full time employee of Argo Metals Group Limited. Mr Hobby has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hobby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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