ASX Announcement

21 February 2017

ASX Code: VKA

Reung Kiet Lithium Project – Update

Viking Mines Limited (ASX: VKA, Viking or the Company) wishes to provide the following update on exploration at the Reung Kiet Lithium Project, and in particular the Bang I Tum (BIT) Lithium Prospect, in Southern Thailand (Figures 1 and 2). The BIT project is located ~9km north of the RK Project (Figure 1). Viking has conducted additional rock chip sampling and mapping programs since announcing the transaction in November, 2016. Viking is impressed with the results and of the opinion that it has substantially increased the prospectivity and optionality of the project. Drilling and additional field work are planned in the near term.

HIGHLIGHTS

- **Pegmatite extensions identified southwest of Bang I Tum result in an increase in length of the Main trend to 1.5km, with the trend remaining open.**
- **Pegmatite dyke swarm along Main trend up to 150m wide.**
- **Main trend now 1.5km long, still open.**
- **Float traverse sampling reveal zone 75m wide with 1.22% Li_2O, 700m south of pit.**
- **Second trend 1km long identified about 350m east of Main trend.**
- **Pegmatites also identified along trend up to 6km southwest of Bang I Tum.**
- **Handheld XRF spot readings confirm elevated rubidium associated with observed lepidolite in majority of samples**
- **Drilling contract being finalised, drilling rigs to be deployed as soon as possible after grant of license.**
- **Exploration application progressing very well, scheduled for presentation to the DPIM's Mineral Act Committee this month, the final step before Ministerial approval.**

Bang I Tum Main trend

The Bang I Tum project was the focus of relatively large scale open pit mining for tin that continued into the 1980's. The open cut is approximately 650m long and up 100-125m wide and is now filled with water (see Figure 2). Previous mining of the weathered pegmatites reportedly extended to about 40m below surface. The Main pegmatite was reportedly up to 25m wide. Additional smaller scale

mining extended further along strike to the southwest. More broadly the area is also host to previously extensive alluvial and eluvial mining in many drainages and adjacent slopes.

Reconnaissance rock chip sampling, mapping and other observations indicate lateral and strike extensions to the dyke swarm that constitutes the BIT Main trend.

The BIT Main trend extends southwest along strike from the old pit where exposures of numerous weathered lepidolite bearing pegmatite dykes are located on a hill. Previous rock chip sampling has yielded grades between 0.9 to 1.8% Li_2O plus accessory tin (Sn) and tantalum (Ta_2O_5), as contained in VKA ASX announcement on November 18, 2016. More recent work on the eastern and western flanks of the hill has identified further occurrences of lepidolite bearing pegmatite exposed as outcrop and float. Assay results are awaited. The results of this work, combined with previous work, has resulted in the interpretation of a 150m wide dyke swarm extending along strike from the pit. Individual dykes within the swarm range from about 1.5 to 8m wide.

Additional work has also been conducted further to the southwest along trend at BIT South, where areas of lepidolite bearing pegmatite float have been mapped and sampled. Two samples collected along a traverse of almost 100m indicate a true width of approximately 75m. The two samples combined, give an average grade of 1.22% Li_2O, 0.1% Sn and 458ppm Ta_2O_5. Additional pegmatite float has also been mapped further to the south along this trend with assay results awaited.

Combined, the results and interpretation of available data suggest the BIT Main trend including the open cut is host to a pegmatite swarm up to 150m wide and 1.5km long. The zone remains open to the south and no work has been conducted north of the pit as yet (see Figure 2).

Bang I Tum East trend

A second trend has been located approximately 350m east of, and parallel to the Main trend (see Figure 2). Sampling and mapping have identified pegmatite at the northern and southern ends of this trend, a distance of approximately 1km. There is also evidence of ancillary parallel pegmatites along the trend, suggesting potential for another dyke swarm Historical workings appear to have targeted alluvial and eluvial deposits along trend.

A sample from a pegmatite boulder in a creek along the trend returned 0.65% Li_2O. Lepidolite was observed in many samples. Elevated rubidium from spot XRF readings support the identification of lepidolite.

Bang I Tum Regional

Initial regional reconnaissance work has been conducted to the south and southwest of BIT. The work so far is cursory in nature and consisted of traversing public roads and inspecting road cuttings. Several narrow pegmatite outcrops were identified. These occur between 3 and 6km along trend, southwest of BIT. Extensive alluvial/eluvial mining has occurred in many of the rivers and streams draining this large area.

Forward programs

A drilling program has been designed and further drill sites are being assessed. To date 12 drill sites have been identified (see Figure 2). Priority targets lie beneath the open cut where individual

pegmatite dyke widths up to 25m are recorded in association with narrower ancillary dykes. Drilling is also designed to test targets immediately south of the pit where a dyke swarm approximately 150m is interpreted to extend along trend see Figure 3).

Viking is also preparing to conduct more detailed rock chip and soil sampling combined with geological mapping at BIT and more broadly along the pegmatite trend to the southwest. The Bang I Tum project is shaping up as a major pegmatite district in it's own right. Whilst additional work is required Viking believes the area has excellent potential.

Drilling at BIT is planned to commence as soon as practicable following the grant of the exploration license. As previously advised Viking has been negotiating with several potential drilling contractors (VKA ASX 7-Feb-17 announcement). Drilling rigs will be deployed to Viking's nearby Khao Soon tungsten project, over which Viking has an option to acquire 75%, so as to ensure rigs are secured. Upon issuance of the lithium exploration licenses, drill rigs will be re-deployed to the BIT and RK Projects.

Licensing

The Phang Nga lithium project comprises three licence applications which cover an area of approximately 44km^2. The licensing process is proceeding. The license applications are now ready to proceed to the DPIM's Mineral Act Committee for final review later this month before Ministerial sign off.

Viking has been encouraged by the level of local support for its license applications and the results of the soil and rock chip programs outlined herein, which make for a larger project than anticipated.

We look forward to keeping our shareholders updated as milestones are achieved.

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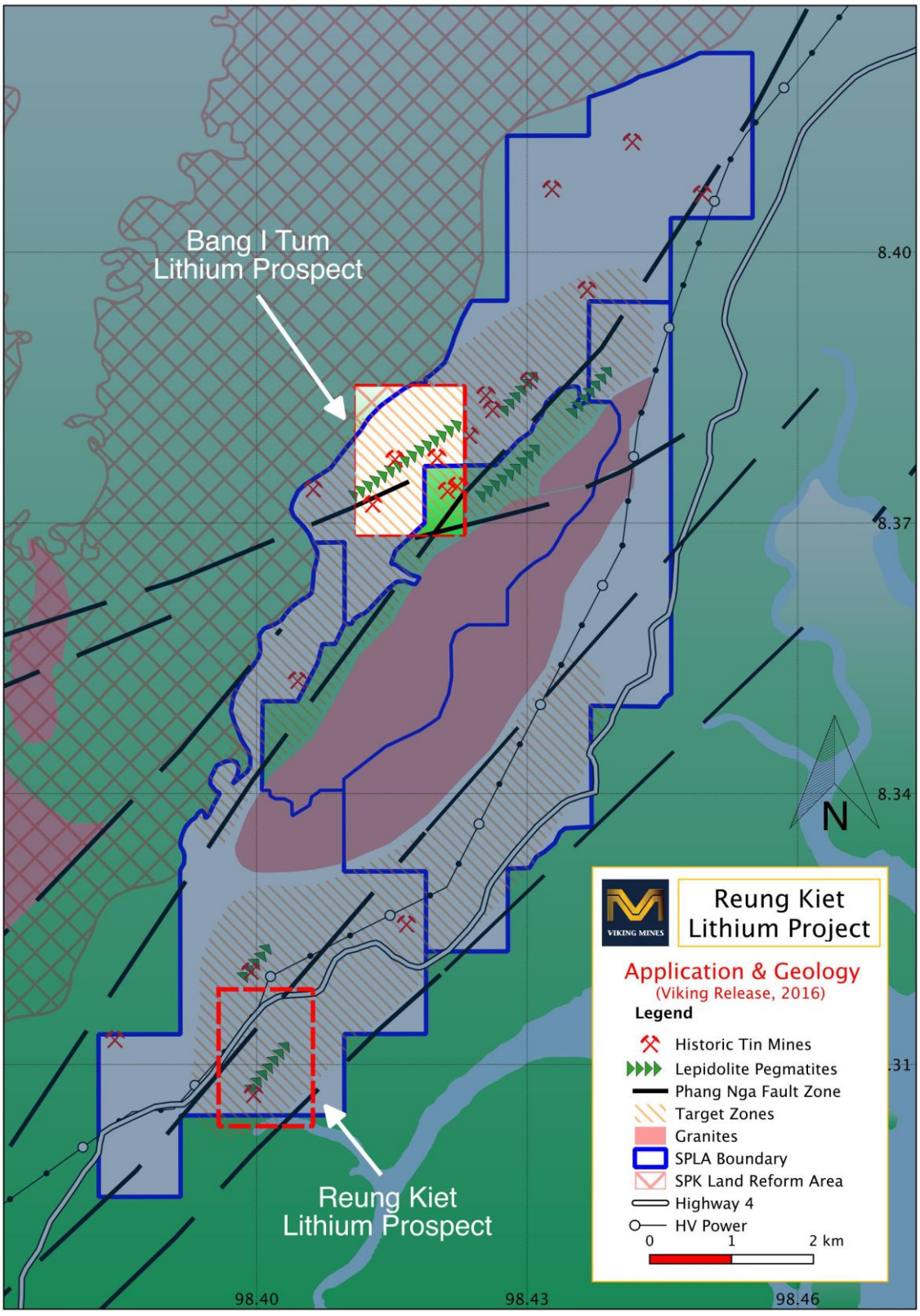

Figure 1: Reung Kiet Lithium Project Geology

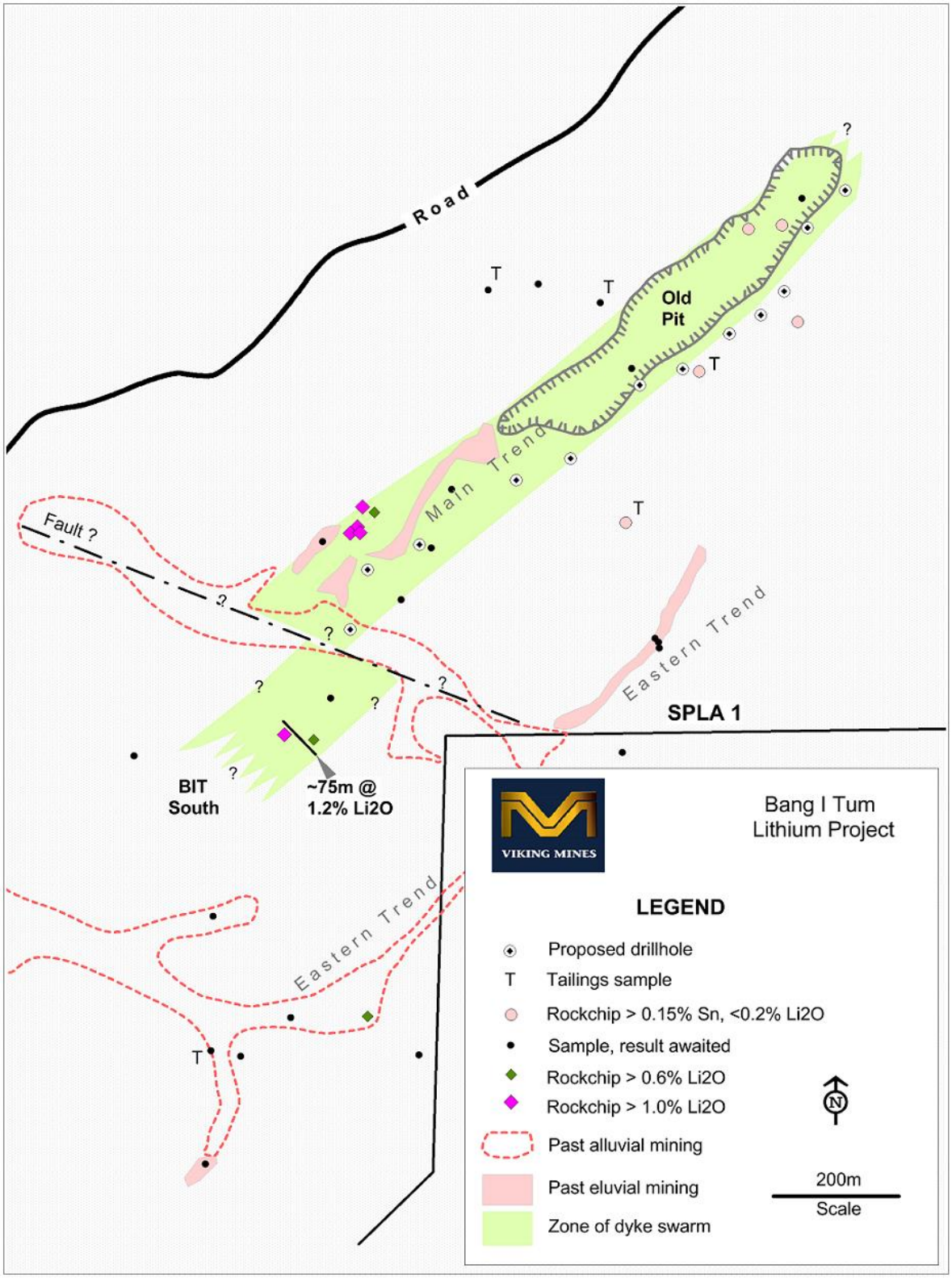

Figure 2: Bang I Tum Prospect Sampling and Planned Drilling

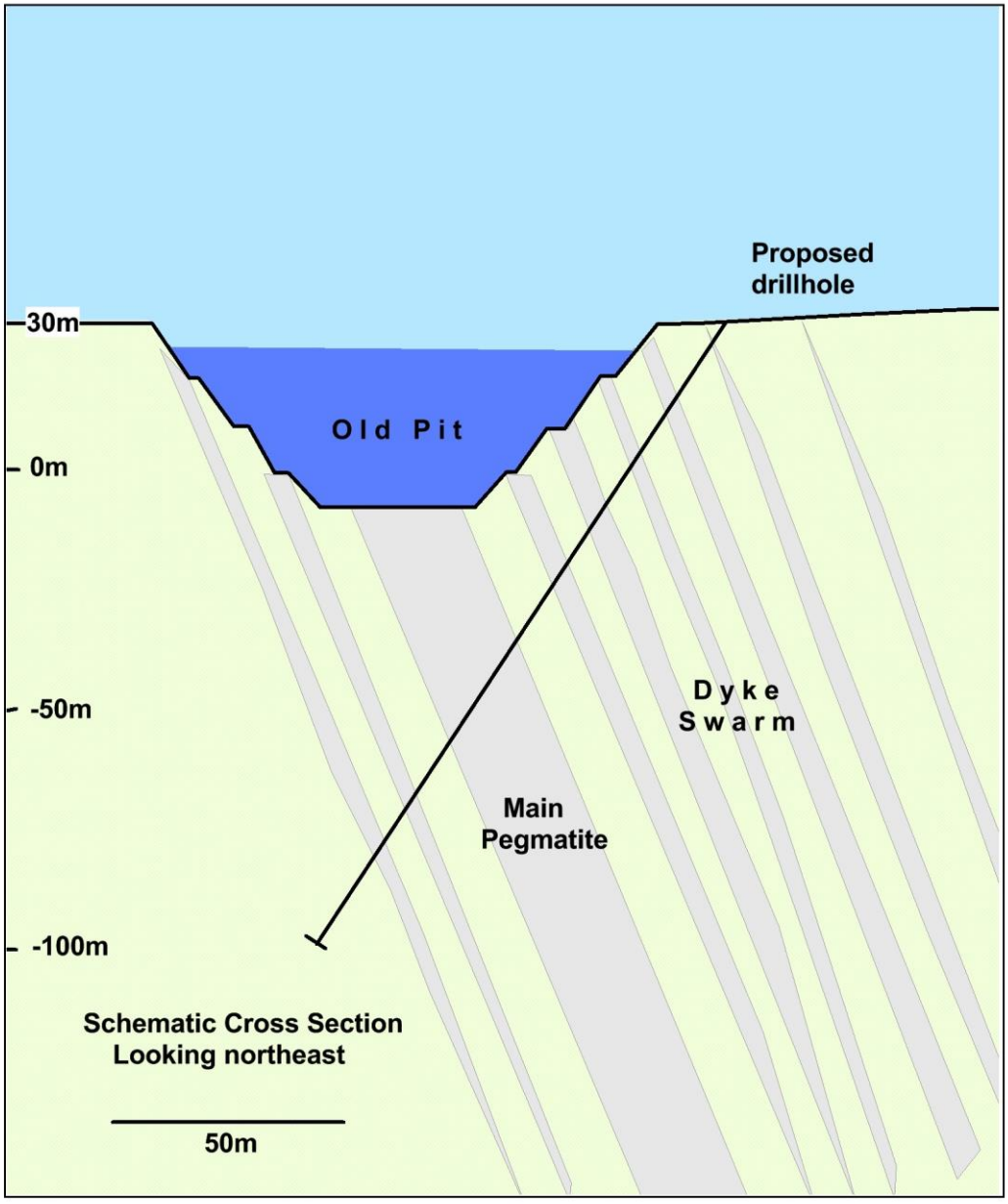

Figure 3: Bang I Tum Lithium Prospect – Schematic Cross Section, Geology and Planned Drilling

Appendix 1: About the Reung Kiet Lithium Project

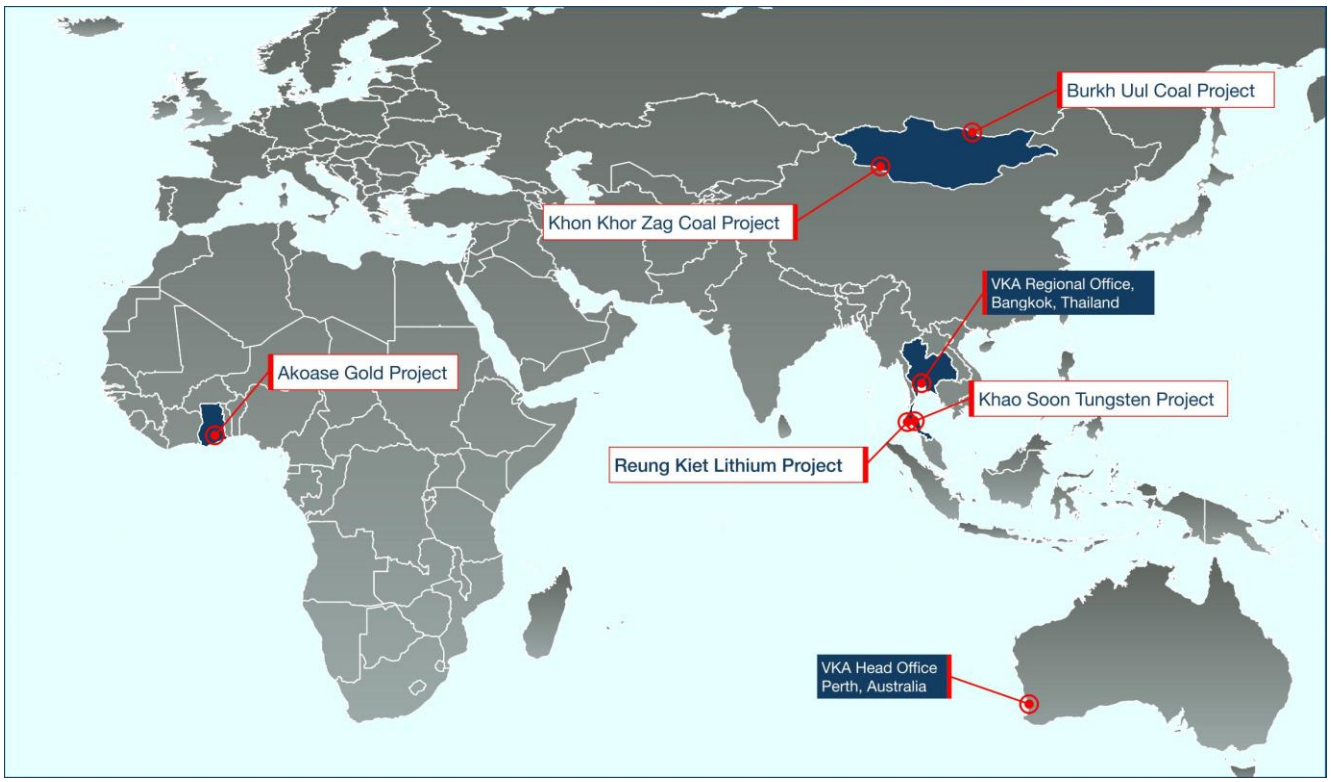

Figure 4: Viking Mines Limited: Project Locations

The Reung Kiet Lithium Project (the 'RK Project') is located 60km north of Phuket in southern Thailand and comprises three contiguous prospecting licence applications in the final stages of approval, being SPLA1, SPLA2 and SPLA3 (the 'RK Applications'). The RK Applications cover an area of ~44km^2 and have been applied for by Siam Industrial Metals Co. Ltd. (SIM), a single purpose Thai entity in which Argo holds 75% of the issued shares and Argo's joint venture partner, Sydney based Thai Goldfields NL, holds 25%.

The RK Project is a brownfields project and exhibits several outcropping lepidolite rich pegmatites located along strike from historical open cut mines. The two key prospective trends are over 4km long. The historical mines sit within two +1.0km long lepidolite pegmatite trends. These are the Reung Kiet and Bang I Tum pegmatites. Mapping suggests that these pegmatites extend by 1-2km. Both the lepidolite pegmatites and the trend in which they sit are amongst the longest in the lithium peer group. Rock-chip samples collected by Argo and Viking averaged 1.46% Li_2O, with a peak of 1.98% Li_2O, these grades sit at the higher end of the Li_2O peer group. Significant levels of Ta_2O_5 (average 238ppm) and Sn (average 0.08%) were also present in the above samples. Historical metallurgy yielded a 3.5% Li_2O concentrate with 80% recoveries.

A major British/Thai joint study of the area in the late 1960's observed that "the pegmatites at Reung Kiet and Bang I Tum may well be the largest unzoned lepidolite pegmatites yet recorded" and that the "lepidolite is fairly evenly distributed both along the length of the pegmatite and from wall to wall. In places there is local enrichment of massive lepidolite". The Reung Kiet pit is ~450m long, up to 120m wide, estimated to be 30m deep and sits on a +1km trend. The Bang I Tum prospect comprises

several old pits along a 2km trend, the main pit itself is ~650m long, up to 130m wide, and is also estimated to be 30m deep. In both cases the main pegmatite dykes are up to 25m wide with ancillary dyke swarms up to 7m wide.

The RK Project offers excellent exploration potential along strike from known lepidolite pegmatites and beneath historic mining activities. Almost all exploration targets have been identified through surface exposures of lepidolite pegmatites, with strong potential for new targets under shallow cover.

The RK Project offers exceptional strike and thickness and provides VKA a pathway to target low cost mining and lithium carbonate production. The RK Project is a walk up drill ready and, subject to licensing and landholder access agreements, offer immediate targets to be tested.

The RK Project has excellent regional and local infrastructure, is accessible all year, including during the wet season, and has support from all levels of Government.

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

Lepidolite-pegmatite cutting mudstone of the Phuket Group, Reung Kiet Mine, 11 km south-west of Takua Thung. The light-coloured pegmatite in the lowest part of the excavation contrasts vividly with the darker coloured mudstones forming the steep slopes.

Enhancement of original photo by M. S. Garson.
Source: Garson, M. S., Bradshaw, N., and Rattawong, S., 1969. Lepidolite pegmatites in the Phang Nga area of peninsular Thailand: International Tin Council, 2nd Technical Conference, Bangkok. Page 330, Chapter 17.

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.

Forward Looking Statements: This document may include forward looking statements. Forward looking statements may include, but are not limited to statements concerning Viking Ashanti Limited's planned exploration programs and other statements that are not historical facts. When used in this document, words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward looking statements. Although Viking Ashanti Limited believes that its expectations reflected in these forward looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward looking statements.

Appendix 3: JORC Code, 2012 Edition – Table 1

Bang I Tum Lithium Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, downhole gamma sondes, handheld XRF instruments, etc). Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of determination of mineralisation that are Material to the Report (eg 'RC drilling used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'; or where there is coarse gold that has inherent sampling problems).	Rock-chip, channel and float samples. Samples collected were around 1- 3kg of pegmatite occurring as outcrops and subcrops. Samples were selected in order to ascertain the degree of lithium enrichment in the different pegmatites and enable geochemical characterisation of individual pegmatites. As such, the samples are representative of the lithium mineralisation within the pegmatites but do not necessarily represent the composition of the entire pegmatite. Samples were collected by Argo or Viking's experienced field geologists and sent to either ALS Chemex in Brisbane or SGS in Perth for analyses. Laboratory QAQC duplicates and blanks were inserted.
Drilling techniques	Drill type (eg core, reverse circulation, etc) and details (eg core diameter, triple tube, depth of diamond tails, face-sampling bit, whether core is oriented; if so, by what method, etc).	Drilling has not been undertaken
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery, ensuring representative nature of samples. Is sample recovery and grade related; has sample bias occurred due to preferential loss/gain of fine/coarse material?	Drilling has not been undertaken
Logging	Have core/chip samples been geologically/geotechnically logged to a level of detail to support appropriate resource estimation, mining studies and metallurgical studies. Is logging qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	Rock-chip samples are not logged, however sample type and geological details are recorded. Soil samples are described and the site characterstics recorded.
Sub-sampling techniques and sample preparation	If core, cut or sawn and whether quarter, half or all core taken. If non-core, riffled, tube sampled etc and sampled wet or dry? For all sample types, nature, quality and appropriateness of sample preparation technique. QAQC procedures for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure sampling is representative of the material collected, e.g. results for field duplicate/second-half	Drilling has not been undertaken All samples were dry. No duplicate samples collected. Laboratory standards, splits and repeats were used for quality control. The sample type, size, preparation and method is of acceptable industry standard and practice for this stage of investigation and style of mineralization.

Criteria	JORC Code explanation	Commentary
	sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	
Quality of assay data and laboratory tests	Nature, quality and appropriateness of the assaying and laboratory procedures used; whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments etc, parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied, their derivation, etc. Nature of QAQC procedures adopted (eg standards, blanks, duplicates, external laboratory checks); whether acceptable accuracy levels (ie lack of bias) / precision established.	Sample preparation is integral to the analysis process as it ensures a representative sample is presented for assay. The preparation process includes sorting, drying, crushing, splitting and pulverising. For MMM, the samples were dried, crushed and sub-sample pulverized to 90% passing 75 microns using in-house facilities in Thailand. For Viking samples were dried, crushed and sub-sample pulverized to 90% passing 75 microns by SGS in Bangkok. Pulps were then air freighted to Australia for analysis. All new samples “as collected” were analysed using a hand held Olympus Delta 400 Premium in Geochem mode, with dual beam analysis for 30 seconds each. Rb assays show very good correlation. Most other elements of interest also exhibit good correlation with lab results. Rock samples were assayed for MMM by mixed acid digest or sodium peroxide with ICP finish by ALS Chemex in Brisbane for Li, Sn and Ta Viking rock and soil samples were analysed by sodium peroxide fusion digest with ICP-MS finish at SGS in Perth for Li, Sn, Ta. Laboratory standards, splits and repeats were used for quality control.
Verification of sampling and assaying	Verification of significant intersections by independent / alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	Sample results have been checked by company Senior Geologist. Assays reported as Excel xls files and secure pdf files. Data entry carried out digitally by field personnel to minimize transcription errors. Field documentation procedures and database validation conducted to ensure that field and assay data are merged accurately. Following factor adjustments applied to assay data for reporting purposes: Li to Li_2O 2.153 Ta to Ta_2O_5 1.22
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings etc used in estimation. Specification of grid system used. Quality and adequacy of topographic control.	Sample locations picked up with hand held Garmin GPS, with approximately 3-7m accuracy, sufficient for first pass pegmatite mapping. All locations recorded in lat/long or UTM WGS84 Zone 47N. Topographic locations interpreted from Thai base topography.
Data spacing and distribution	Data spacing for reporting of Exploration Results. Is data spacing and distribution sufficient to establish degree of geological and grade continuity appropriate for Resource / Reserve estimation procedure(s) and classifications applied? Whether sample compositing has been applied.	All samples were selected by the geologist to assist with identification of the nature of the mineralisation present at each location. No set sample spacing was used and samples were taken based upon geological variation at the location. Sample compositing was not applied
Orientation of data in	Does the orientation of sampling achieve unbiased sampling of possible structures; extent to which this is	Channel samples collected off exposed faces, which do not provide orientation, or true width information. Associated structural measurements and interpretation by geologist can

Criteria	JORC Code explanation	Commentary
relation to geological structure	known/understood. If relationship between drilling orientation and orientation of mineralised structures has introduced a sampling bias, this should be assessed and reported if material.	assist in understanding geological context. All other samples point samples. Soil samples were collected on lines oriented normal to known pegmatite trends.
Sample security	The measures taken to ensure sample security.	Samples were either securely packaged when transported by independent carrier or transported by company personnel to ensure safe arrival at assay preparation and analysis facility.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	None conducted at this stage of the exploration program.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Three contiguous prospecting licence applications (SPLA1-3) covering an area of 44 sq km have been applied for by Thai company Siam Industrial Metals Co. Ltd. (SIM).). Mandalay Mining and Metals (MMM) holds 75% of SIM, with Sydney based Thai Goldfields NL holding the remaining 25%.Project is located 60km north of Phuket in southern Thailand.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The Institute of Geological Sciences, a precursor of the British Geological Survey (BGS) in the late 1960's. This work consisted of geological mapping, documenting old workings, some surface sampling and metallurgical test work. The pegmatite in the Main pit was mapped. .
Geology	Deposit type, geological setting and style of mineralisation.	The project area sits adjacent and sub-parallel to the regionally extensive northeast trending Phangnga fault. The Cretaceous age Khao Po granite intrudes into Palaeozoic age Phuket Group sediments along the fault zone, and is thought to be the source of the pegmatite dykes and the associated Li-Sn-Ta mineralization .The pegmatites are located proximal to the granite in northeast trending fault zones, and are fine grained, aplitic in places, showing no evidence of zoning.
Drillhole Information	A summary of information material to the understanding of the exploration results including a tabulation for all Material drill holes of: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar • dip and azimuth of the hole • downhole length and interception depth • hole length. If exclusion of this information is not Material, the Competent Person should clearly explain why this is the case.	Drilling has not been undertaken.
Data aggregation	Weighting averaging techniques, maximum/ minimum grade cutting and cut-off grades are Material and should be	Sample results are reported as individual surface samples.

Criteria	JORC Code explanation	Commentary
methods	stated. Where compositing short lengths of high grade results and longer lengths of low grade results, compositing procedure to be stated; typical examples of such aggregations to be shown in detail. Assumptions for metal equivalent values to be clearly stated.	
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If mineralisation geometry with respect to the drillhole angle is known, its nature should be reported. If it is not known and only down hole lengths are reported, a clear statement to this effect is required (eg 'down hole length, true width not known').	Rock chip sample results reported as individual surface samples collected off subcrop or exposed faces. For channel samples relationship between sample width and true width not known.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts to be included for any significant discovery. These to include (not be limited to) plan view of collar locations and appropriate sectional views.	Drilling has not been undertaken. However, plan diagrams are included in this report relevant to the data being reported.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Results of assays for Li of all samples collected by Argo and Viking reported above or previously reported.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	All meaningful and material exploration data relevant to the deposit style sought has been reported
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas (if not commercially sensitive).	It is envisaged that further mapping and sampling is warranted to investigate potential additional lithium pegmatites, together with drilling to test extensions at depth.