

VIKING COMMENCES DIAMOND DRILLING AT THE HISTORIC HIGH-GRADE FIRST HIT GOLD MINE

- **Phase 1 Diamond Drilling (DD) has successfully commenced at the First Hit Project.**
- **First diamond drill core in >18 years has been retrieved from hole VDD001 testing for extensions of mineralisation along strike and down plunge.**
- **Phase 1 programme includes 11 drillholes for 2,508m Diamond Drilling (DD) and 6,000m Air Core (AC) drilling.**
- **Phase 2 DD programme planning completed and includes 7 drillholes for 2,152m.**
- **All ground clearing activities completed for DD and AC programmes**

Viking's CEO Julian Woodcock commented: "In the 4 weeks since the acquisition of the First Hit Project, Viking have acted swiftly and have commenced on an aggressive Diamond Drill programme to test the potential of the First Hit mineralised system. This coupled with the impending start of the Air Core programme will allow us to rapidly advance the opportunity to extend from the known mineralisation and give the potential to discover new mineralised shoots."

ANNOUNCEMENT DETAILS

Viking Mines Limited (ASX: VKA) ("Viking" or "the Company") is pleased to announce that Diamond Drilling (DD) has commenced at the First Hit Project and the first DD core in more than 18 years has been retrieved (Figure 1). All site preparation works have been completed for the Phase 1 drilling programmes incorporating 2,508m of DD and 6,000m of AC. Supporting infrastructure has been advanced with the establishment of field camp operations, core yard and fuel supplies for the full phase 1 drill programme.

WORK PROGRAMME STATUS

Site Preparation & Camp Establishment

Site preparation activities have been completed for all up and coming drilling activity. Miles Contracting from Kalgoorlie were engaged and have worked on site since 17th February using a wheel loader to establish 18 diamond drill pads for all the planned Phase 1 and Phase 2 DD programme (Figure 2). All planned AC access tracks have been cleared across the First Hit tenements to allow access for the 6,000m AC drill programme (Figure 3). A field operations camp has been established and the CSA global exploration team is working on site.

Diamond Drilling

Topdrive Drillers Australia (TDA) have been engaged for the Phase 1 DD programme. Drilling commenced on 24th February with hole VDD001 (Figure 4) to test down plunge extensions of mineralisation (Figure 5). HQ diameter diamond core is being retrieved and drilling is progressing towards the potential mineralised target. In total, 18 drillholes for 4,660m have been planned and been separated in to Phase 1 (11 holes for 2,508m) and Phase 2 (7 holes for 2,152m).



Figure 1: First 10m of diamond drill core from hole VDD001.



Figure 2: Drill pad for hole VDD011 cleared ready for drilling.



Figure 3: Loader clearing AC lines for drill rig access.

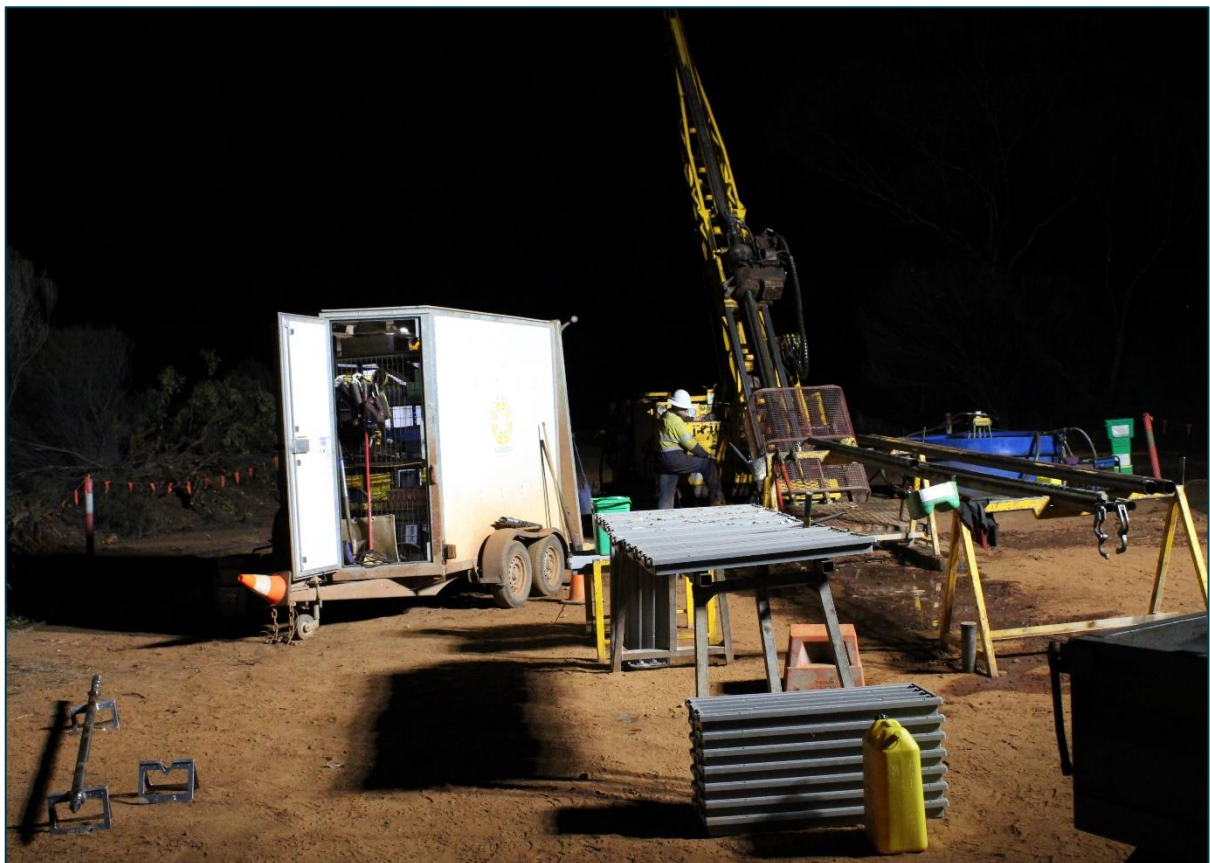


Figure 4: Topdrive Drillers Australia diamond drill rig night shift drilling on hole VDD001 at the First Hit Project.



The phasing of the drillholes is to ensure that key success criteria are met before advancing to phase 2. The objectives of the programme are to:

- Test for extensions of mineralisation along strike and down plunge.
- Drill in-between existing mined stopes to test for remnant mineralisation.
- Test the structural and lode model which has been developed.
- Test the hanging wall geology to gain an understanding of the mineralisation controls.
- Determine geochemical fingerprint of mineralisation to assist in regional Air Core programme interpretation to identify the mineralised structures.

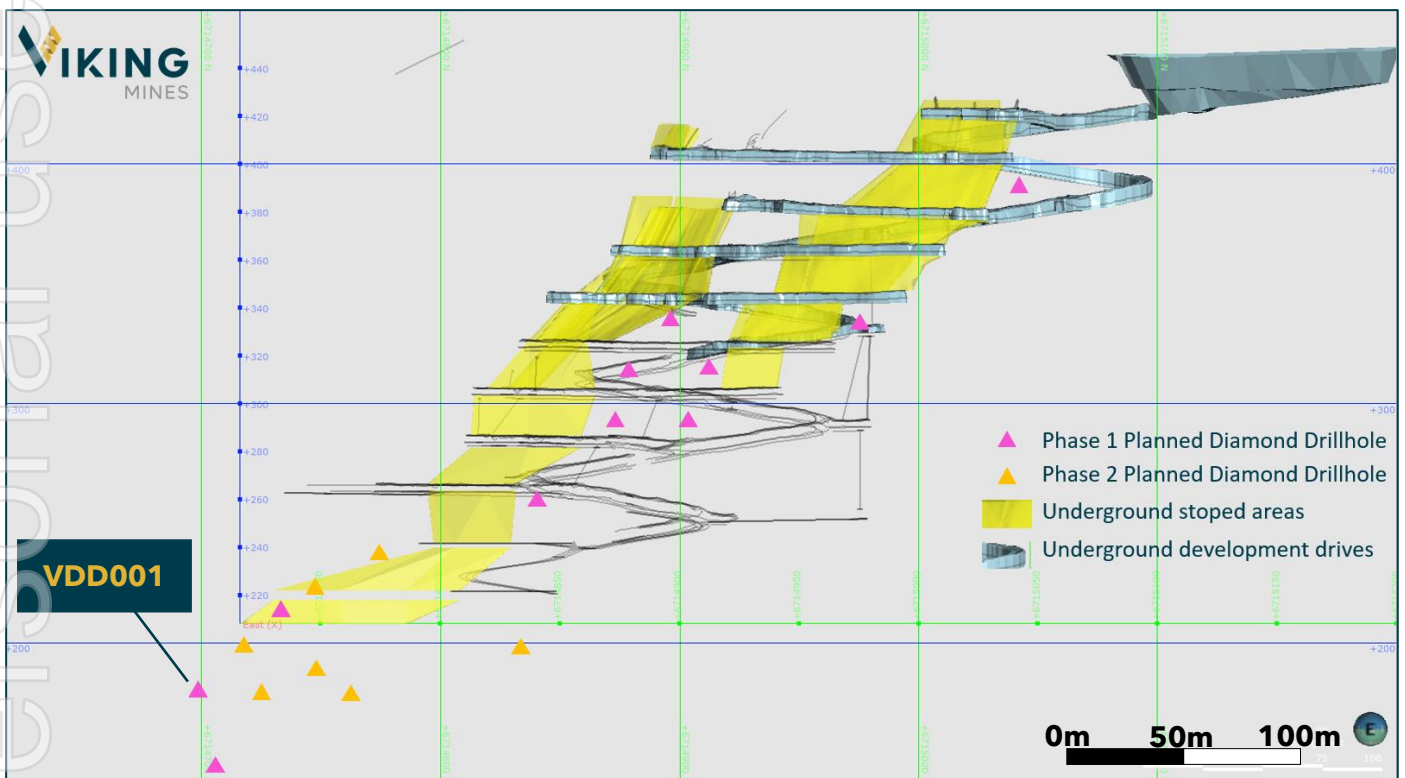


Figure 5: Long section looking west showing underground workings at the historical high-grade First Hit Gold Mine and planned Phase 1 and Phase 2 diamond drilling.

Phase 1 is estimated to take approximately ~50 days to complete. Drillholes have been planned to be drilled in a specific sequence to ensure that data collected from each drillhole will feed into the planning of the subsequent drillholes. This is essential to maximise the understanding of the geological data collected and the effectiveness of each hole in testing the mineralisation effectively.

Subject to positive results being received from Phase 1, Phase 2 has been planned to be undertaken consecutively. All diamond core is being orientated to obtain structural information from the host rocks and mineralised zones to assist in identifying the geological setting and structural controls to mineralisation.



Sampling will take place once all geological logging and photographing has been completed on a hole-by-hole basis. It is expected that assay results will be available approximately 5 weeks after a drillhole is completed.

Air Core Drilling

Gyro Australia have been engaged to complete the Phase 1 AC programme. They are currently scheduled to arrive at the First Hit project by mid-March. The programme is estimated to drill 6,000m and will cover the extents of the First Hit contiguous tenements using a range of 400m and 200m spaced lines. Hole locations will vary along the lines and are being finalised to allow for key geological targets, geochemical anomalies identified from soil sampling and geological interpretation of the Airborne Magnetic geophysics.

NEXT STEPS

The immediate priorities for Viking are the execution of the Phase 1 drill programme which includes:

- Undertake the diamond drilling safely and efficiently.
- Establishment of core processing functions.
- Determine geological insights from diamond core and refining the phase 1 drill programme as necessary.
- Engagement of a laboratory to undertake the most effective analysis methods for the coarse gold present at First Hit.
- Finalising detailed AC drillhole targeting prior to the commencement of the programme by:
 - Completion of geological interpretation.
 - Completion of regolith study.
- Additional data collection, technical studies, interpretation and permitting are underway. These works will contribute to the rapid development of the Project as results are obtained.

This announcement has been authorised for release by the Board of the Company.

Julian Woodcock
CEO

Viking Mines Limited

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ABOUT VIKING MINES

Viking Mines is a gold focussed company with the **First Hit Project** located 150km NW of Kalgoorlie in Western Australia being the primary asset under exploration.

Viking have an aggressive exploration strategy to explore for high grade gold occurrences and discover ounces along fertile gold structures. The historically mined, First Hit gold mine is the focus of Vikings activity to deliver on this strategy. Rapid advancement and exploration is occurring to explore, discover and develop gold ounces at the Project. The strategy will generate shareholder value through the discovery of new gold resources.

First Hit Project, Western Australia

The **First Hit Project** is centred around the historic high-grade First Hit gold mine situated along the prospective Ida and Zuleika Shear zones in the Eastern Goldfields of Western Australia. The Project incorporates ~28km² of tenements with 6 active Mining and Prospecting licences and 1 Exploration licence under application. At the core of this landholding is a 6.4km² group of contiguous tenements which host the historic First Hit gold mine.

Prior to closure of the First Hit gold mine by Barra Resources in 2002 and at a time of depressed gold prices of US\$ 320/oz, the First Hit mine produced ~30koz ounces of gold at an average grade of ~7.7g/t Au. No modern exploration activity has been conducted in the past 18 years and creates a significant opportunity for Viking. The Company is focused on delivering exploration programmes to test near mine extensions and regional targets around the **First Hit Project** with the objective of defining fertile structures and discovering gold ounces.

Examples of the high-grade nature of the mineralisation previously drilled at First Hit include:

- 4.9m at 64.8g/t Au from 62.1m (FHU045)¹
- 3m at 77.6g/t Au from 224.0m (BFH030)¹
- 4m at 26.1g/t Au from 58.0m (BFH005)¹

The Project area is well serviced by infrastructure and is located 50km west of the sealed Goldfields highway and the township of Menzies. The nearest operating Gold Processing Plant is the Davyhurst Mill 50km to the south, owned and operated by Ora Banda Mining (ASX:OBM). The nearest operating gold mine is the Riverina open pit, located 8km south of the First Hit gold mine, owned by OBM.

The Company also has projects located in Ghana and Mongolia. Viking is currently undergoing legal proceedings to secure an outstanding payment of US\$ 5 million, associated with the sale of the Akoase project in Ghana.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Viking Mines Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Viking Mines 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.



¹ASX announcement dated 26th November 2020