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Interim Report

31 December 2022

ASX:VKA
ABN 38 126 200 280

Viking Mines Limited

ABN 38 126 200 280

Interim Report – 31 December 2022

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Directors

Charles Thomas – Non-Executive Chairman
Julian Woodcock – Managing Director and CEO
Michael Cox – Non-Executive Director

Company Secretary

Sarah Wilson

Registered office and principal
place of business

15-17 Old Aberdeen Place
West Perth WA 6005
Telephone: +61 8 6245 0870

Share register

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Level 5, 191 St Georges Terrace
Perth WA 6000
Telephone: 1300 288 664 (within Australia)
Telephone: +61 2 9698 5414 (outside Australia)
Email: hello@automic.com.au

Auditor

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street, Perth WA 6000

Solicitors

Hamilton Locke
Level 27 152-158 St Georges Terrace
Perth WA 6000

Stock exchange listing

Viking Mines Limited shares are listed on the Australian Securities Exchange (ASX :
VKA)

Website

www.vikingmines.com

Review of Operations

Canegrass Project, Western Australia

The Company's primary focus during the reporting period was on the identification of complementary mineral exploration projects to generate additional shareholder value. As announced on 30 November 2022, the Company has entered into a binding agreement to earn into the Canegrass Battery Minerals Project¹ (**Canegrass Project**) located in the Murchison Region, 620km north-east of Perth, Western Australia and 60km SE from the township of Mt Magnet.

Pursuant to the terms of the agreement between Viking Critical Minerals Pty Ltd, a wholly owned subsidiary of Viking Mines Ltd, and Flinders Canegrass Pty Ltd, a wholly owned subsidiary of Flinders Mines Ltd (ASX:FMS), Viking can earn up to 99% of the Canegrass Project via a Farm-In Arrangement (**FIA**) through a series of 4 Farm-In stages (Table 1).

Table 1: Details of commercial terms and Farm-In stages for acquisition of the Canegrass Project¹.

Item	Cash Payment at completion of each stage	Exploration Spend	Duration (months)	Stage Equity Earned (VKA)	Cumulative Equity Earned (VKA)
Signing of agreement	\$50,000	\$0	1	0%	0%
Stage 1 earn-in	\$225,000	\$1,000,000	18	25%	25%
Stage 2 earn-in	\$275,000	\$1,000,000	12	24%	49%
Stage 3 earn-in	\$325,000	\$1,000,000	12	26%	75%
Stage 4 earn-in	\$375,000	\$1,000,000	12	24%	99%
TOTAL	\$1,250,000	\$4,000,000	54ⁱ	-	-

i) Excludes 1-month due diligence period

The Canegrass Project's primary commodity is Vanadium (as Vanadium Pentoxide – V₂O₅) and contains a substantial JORC (2012) Inferred Mineral Resource¹ of **79Mt at 0.64% V₂O₅** (refer Table 2 below and ASX Announcement 30 November 2022). In addition to Vanadium, the Project is prospective for Nickel, Copper and Cobalt, which are reported within the drilling data but have not been estimated into the Mineral Resource and will be assessed and investigated by Viking for its potential.

Table 2: Canegrass Project Vanadium Mineral Resource estimate, 0.5% V₂O₅ cut-off grade, >210m RL (due to the effects of rounding, the total may not represent the sum of all components)¹.

Deposit	JORC Classification	Tonnage (Mt)	V ₂ O ₅ %	Fe %	TiO ₂ %	Al ₂ O ₃ %	P %	SiO ₂ %	LOI %
Fold Nose	Inferred	59	0.66	30.5	6.5	11.9	0.006	22.9	2.9
Kinks	Inferred	20	0.57	27.4	5.5	13.0	0.009	25.9	3.1
TOTAL		79	0.64	29.7	6.0	12.2	0.007	23.6	3.0

During the reporting period, the Company undertook a site visit² to the Canegrass Project, accompanied by Dr Mark Munro, a structural geology specialist with Model Earth Pty Ltd. The field visit was to identify the continuation of the Vanadiferous Titanomagnetite ("VTM") horizon that is host to the Vanadium mineralisation in the JORC (2012) Mineral Resource. The VTM mineralisation was identified in an outcrop along an 8km trend, demonstrating the significant exploration upside in the area.

Most notably, the Company has identified that only 1.9km of this 8km VTM mineralised trend is constrained within the existing Mineral Resource model, with only a further 1.1km having limited drill testing by a previous operator. Historical rock chip results discovered by the Company post the end of the reporting period confirm that high-grade vanadium mineralisation extends beyond the mineral resource area³.

¹ ASX Announcement 30 November 2022 – Viking to farm-in to substantial battery minerals resource

² ASX Announcement 5 January 2023 – VKA confirms 8km trend of VTM outcrop and commences farm-in

³ ASX Announcement 1 February 2023 – Viking uncovers extensive rock chips up to 1.44% V₂O₅

Review of Operations (continued)

Post the end of the reporting period, the Company announced that the final due diligence was completed on the Canegrass Project and Stage 1 of the FIA had commenced². In Stage 1 the Company can earn an initial 25% equity interest in the Project tenements by spending \$1,000,000 on exploration activity over a maximum period of 18 months, and on completion of the exploration spend pay the vendor \$225,000 (Table 1). If the Company completes Stage 1, it will then move to Stage 2.

An additional three tenements adjoining the Canegrass Project were pegged by the Company post the end of the reporting period.

The Company is developing an exploration plan for the Canegrass Project that aims to extend the known extents of the current mineral resource as well as assessing the 5km of prospective strike between the Fold Nose and Kinks mineral resources. Drilling will commence during the June 2023 half year period.

First Hit Project, Western Australia

The Company's First Hit Project (**First Hit Project**) is located 50km west of Menzies in the WA Goldfields. Limited exploration activity was undertaken on the First Hit Project during the reporting period.

The Company continued with its assessment of the results from the three phases of drilling, totaling 15,000m that had been undertaken at the First Hit Project. As the Company continues with its identification of exploration targets and its review of gold and potential lithium targets, it maintains the tenements in good standing with all statutory reporting being completed and lodged.

Akoase Gold Project (VKA 100% - reducing to 0% upon completion of sale), Ghana

The litigation in Ghana against the purchasers of the Akoase Project (**Akoase Project**), namely Akoase Resources Limited, BXC Company Ghana Limited and Cheng Yi (**the Defendants**) from Viking's wholly owned subsidiary Resolute Amansie Ltd (**RAL**) remained ongoing during the reporting period.

As announced previously⁴, SRK Consulting (internationally accredited mining experts) (**the Expert**) completed their testimony and cross-examination at a hearing on 22 November 2022, after a partial testimony on 22 July 2022 and the court adjournment until October 2022. On 22 November 2022, the Defendant's legal counsel declined to cross-examine the Expert and did not challenge the evidence presented, which stated that 33,000oz Au had been depleted from the mineral resource to 4 June 2022. The Expert made further statements that further gold could have been mined given the extent of activities and equipment seen at the site visit. The calculations made by the expert saw the total gold mined potentially exceeded the 50,000oz threshold on which royalty payments are due.

Post the end of the reporting period, at the court hearing held on 24 January 2023, Viking was advised that judgement was made by the High Court of Ghana (Commercial Division), which determined that the Defendants are liable to pay the full royalty on 50,000 ounces of gold produced at a rate of US\$40/oz, totaling US\$2M⁵. In addition, costs of Ghana Cedis (GHS) 1.2M were awarded to RAL, which equates to ~US\$97k at current exchange rates. Interest at a rate of 5% APR was also determined to be calculated on the Royalty at the dates which the court ascertained the royalty was due. The dates stipulated by the court are 4 June 2022 for 33,000oz of gold produced (date of the site visit by the independent expert) and 24 January 2023 for 17,000oz of gold produced (date of the ruling of the Court).

Viking has calculated the **amount to be paid totals ~US\$2.87M** as of 24 January 2023 (date of the judgement hearing). The final amount to be submitted to the court will be calculated to the date it is filed. Interest has been calculated to be accruing daily at a rate of ~US\$377 per day (Table).

⁴ ASX Announcement 25 November 2022 – Viking moves to final submissions with Ghana legal claim

⁵ ASX Announcement 30 January 2023 – Viking succeeds in Ghana legal claim with greater than A\$4M due

Review of operations (continued)

Table 3: Amounts owed by the defendants to RAL as calculated by Viking from the judgments delivered by the High Court of Ghana (Commercial Division)⁵.

Item	Amount at 24 January 2023
Transfer fee + interest at 5% APR	US\$154,471
Unpaid balance of the purchase price + interest at 5% APR	US\$576,267
Royalty on 33koz Au + interest at 5% APR from 1 June 2022	US\$1,362,855
Royalty on 17koz Au + interest at 5% APR from 24 January 2023	US\$680,000
Costs as awarded by the court on 24 January 2023	US\$96,934
TOTAL	US\$2,870,527
Daily interest at 5% APR to accrue on total amount owed	US\$377

Viking do not expect any queries regarding the calculations in Table as they represent our interpretation of what has been provided in previous judgements and verbal communication from Vikings legal counsel. However, it is the Courts responsibility to review the calculations and ensure they are in line with the judgement given. As such, the amount owed could vary.

As at the date of this report, the Company is awaiting the execution of the Judgement, which will allow the Company to pursue what is legally owed.

Butre Gold Project, Ghana

During the reporting period, the Butre Gold Project exploration licence reached its 3-year term and expired on 9 December 2022. The Company did not seek to extend or renew the licence and no longer has any interest in the Butre Gold Project.

Tumentu Gold Project, Ghana

During the reporting period the Tumentu Gold Project exploration licence reached its 3-year term and expired on 13 August 2022. The Company did not seek to extend or renew the licence and no longer holds the tenure.

Auditor Change

As announced on 15 November 2022⁶, the Company changed its auditor from Rothsay Audit & Assurance Pty Ltd (**Rothsay**), initially appointed to fill the casual vacancy, to BDO Audit (WA) Pty Ltd (**BDO**). The Board agreed that the experience and audit services of BDO was more aligned to the requirements of the Company, with shareholders providing their approval at the 2022 AGM.

Competent Persons Statement – Exploration Results The information in this release that relates to Exploration Results is based on information compiled by Mr Julian Woodcock, who is a Member and of the Australian Institute of Mining and Metallurgy (MAusIMM(CP) – 305446). Mr Woodcock is a full-time employee of Viking Mines Ltd. Mr Woodcock has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Woodcock consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Competent Persons Statement – Mineral Resources The information in this report that relates to Mineral Resources is based on, and fairly reflects, information compiled by Mr Aaron Meakin, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Meakin is a consultant to Flinders Mines Ltd and Viking Mines Ltd, employed by CSA Global Pty Ltd, independent mining industry consultants. Mr Meakin has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). The Company is not aware of any new information or data that materially affects the information included in the original market announcements and 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 announcements.

⁶ ASX Announcement 15 November 2022 – Change of Auditor

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Viking Mines Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

The following persons were Directors of Viking Mines Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Charles Thomas	Non-Executive Chairman
Julian Woodcock	Managing Director and CEO
Michael Cox	Non-Executive Director

Principal Activities

The principal activity of the consolidated entity during the financial year was investment in mineral exploration projects.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of Operations

The loss for the consolidated entity after providing for income tax amounted to \$638,052 (31 December 2021: Profit \$2,216,565).

A more detailed review of operations is included in the Operations Report accompanying this half-year report.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial year

Litigation Ghana

The Company is proceeding against the Purchaser of the Akoase project and the Guarantors seeking a further USD 2M in royalties from production together with interest and costs. The matter is progressing in the High Court of Ghana (Commercial Division). Subsequent to 31 December 2022, the High Court of Ghana (Commercial Division) ruled at a court hearing on 24 January 2023 that the Purchaser of the Akoase project and the guarantors are to pay the full royalty of USD 2M. The total claim stands at ~USD 2.87M as of 24 January 2023 and continues to accrue interest at a 5% APR. Refer to the detailed Operations Review on pages 3-4 of the Half-Year Report for a comprehensive overview.

Canegrass Battery Minerals Project, Western Australia

The Company entered into a Farm-In arrangement with Flinders Mines to acquire 99% of the Canegrass Battery Minerals Project. Refer to the detailed Operations Review on pages 2-3 of the Half-Year Report for a comprehensive overview.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

First Hit Project, Western Australia

The Company continued to evaluate and operate the First Hit Project during the reporting period. Refer to the detailed Operations Review on page 3 of the Half-Year Report for a comprehensive overview.

Tumentu Gold Project, Ghana

The Company has relinquished the Tumentu Gold Project exploration tenements and has no further interest in this Project.

Butre Gold Project, Ghana

The Company has relinquished the Butre Gold Project exploration tenements and has no further interest in this Project.

The Company continues to identify and evaluate new value-creating opportunities in the resources and mining sector.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink that reads 'Charles Thomas'.

Charles Thomas
Non-Executive Chairman

16 March 2023

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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF VIKING MINES LIMITED.

As lead auditor for the review of Viking Mines Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Viking Mines Limited and the entities it controlled during the period.



Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth
16 March 2023

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General information

The financial statements cover Viking Mines Limited ('the Company') as a consolidated entity consisting of Viking Mines Limited and the entities it controlled at the end of, or during, the year ('the consolidated entity'). The financial statements are presented in Australian dollars, which is Viking Mines Limited's functional and presentation currency. The functional currencies of the Company's foreign subsidiaries are United States Dollar ('USD').

Viking Mines Limited is a listed public Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

15-17 Old Aberdeen Place
West Perth WA 6005

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 16 March 2023. The Directors have the power to amend and reissue the financial statements.

Viking Mines Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2022



	Note	31 Dec 2022 \$	31 Dec 2021 \$
Revenue	3	3,560	4,131,503
Expenses			
Audit fees		(15,000)	(8,750)
Consultancy fees		(51,139)	(122,823)
Employee benefit expenses		(176,063)	(362,876)
Superannuation expenses		(18,322)	(34,228)
Depreciation and amortisation expense		(44,037)	(31,310)
Foreign exchange gain (loss)		38,876	69,208
Share-based payment expense		-	(97,000)
Expenses relating to exploration and evaluation		(96,284)	(867,916)
Other expenses		(279,643)	(459,243)
Profit/(loss) before income tax expense		(638,052)	2,216,565
Income tax expense		-	-
Profit/(loss) before income tax expense for the half year attributable to the owners of Viking Mines Limited		(638,052)	2,216,565
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		87,192	(118,571)
Other comprehensive income/(loss) for the half-year, net of tax		87,192	(118,571)
Total comprehensive income/(loss) for the half-year attributable to the owners of Viking Mines Limited		(550,860)	2,097,994
		Cents	Cents
Basic earnings per share		(0.05)	0.21
Diluted earnings per share		(0.05)	0.21

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Viking Mines Limited
Consolidated Statement of Financial Position
As at 31 December 2022



	Note	31 Dec 2022 \$	30 June 2022 \$
Assets			
Current assets			
Cash and cash equivalents		3,826,446	4,445,411
Other receivables		158,979	58,013
Prepayments		19,098	8,000
Total current assets		<u>4,004,523</u>	<u>4,511,424</u>
Non-current assets			
Right-of-use assets		91,698	123,008
Exploration and evaluation		4,100,000	4,100,000
Other		-	12,727
Total non-current assets		<u>4,191,698</u>	<u>4,235,735</u>
Total assets		<u>8,196,221</u>	<u>8,747,159</u>
Liabilities			
Current liabilities			
Trade and other payables		422,837	383,425
Employee benefits		19,089	29,463
Lease liabilities		66,730	66,811
Total current liabilities		<u>508,656</u>	<u>479,699</u>
Non-current liabilities			
Employee benefits		9,726	7,245
Lease liabilities	4	37,791	69,306
Total non-current liabilities		<u>47,517</u>	<u>76,551</u>
Total liabilities		<u>556,173</u>	<u>556,251</u>
Net assets		<u>7,640,048</u>	<u>8,190,908</u>
Equity			
Issued capital		31,902,027	31,902,027
Reserves	5	(636,667)	(723,859)
Accumulated losses		(23,625,312)	(22,987,260)
Total equity		<u>7,640,048</u>	<u>8,190,908</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Viking Mines Limited
Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2022



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2021	31,830,027	(359,387)	(23,999,255)	(741,225)	6,730,160
Profit after income tax expense for the year	-	-	2,216,565	-	2,216,565
Other comprehensive income for the year, net of tax	-	(118,571)	-	-	(118,571)
Total comprehensive income for the year	-	(118,571)	2,216,565	-	2,097,994
Shares issued during the year	72,000	-	-	-	72,000
Options lapsed	-	(363,820)	363,820	-	-
Options granted	-	25,000	-	-	25,000
Balance at 31 December 2021	31,902,027	(816,778)	(21,418,870)	(741,225)	8,925,154
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2022	31,902,027	(723,859)	(22,987,260)	-	8,190,908
Loss after income tax expense for the year	-	-	(638,052)	-	(638,052)
Other comprehensive income for the year, net of tax	-	87,192	-	-	87,192
Total comprehensive income for the year	-	87,192	(638,052)	-	(550,860)
Shares issued during the year	-	-	-	-	-
Balance at 31 December 2022	31,902,027	(636,667)	(23,625,312)	-	7,640,048

The above statement of changes in equity should be read in conjunction with the accompanying notes

Viking Mines Limited
Consolidated Statement of Cash Flows
For the half-year ended 31 December 2022



	Note	31 Dec 2022 \$	31 Dec 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(605,377)	(1,602,910)
Interest received		3,560	3
Interest expense		(3,403)	(4,655)
ATO COVID-19 cash flow boost received		-	-
ATO fuel rebate received		-	21,650
Proceeds from legal dispute		-	4,017,140
		<u>(605,220)</u>	<u>2,431,228</u>
Net cash provided by/(used) in operating activities			
Cash flows from investing activities			
Payments for exploration and evaluation		-	-
Payments for plant & equipment		-	(12,727)
Refunds of security deposits		(108,216)	62,280
		<u>(108,216)</u>	<u>49,553</u>
Net cash provided by/(used) in investing activities			
Cash flows from financing activities			
Repayment of lease liabilities		(31,596)	(27,197)
Proceeds from issue of shares		-	-
Shareholder funds received in advance		-	-
		<u>(31,596)</u>	<u>(27,197)</u>
Net cash used in financing activities			
Net increase/(decrease) in cash and cash equivalents		(745,032)	2,453,584
Cash and cash equivalents at the beginning of the period		4,445,411	3,076,877
Effects of exchange rate changes on cash and cash equivalents		126,068	43,347
		<u>3,826,446</u>	<u>5,573,808</u>
Cash and cash equivalents at the end of the period			

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Operating segments

The consolidated entity is organised into one operating segment: the resources sector in two geographical locations - Ghana and Western Australia. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. Accordingly, under the management approach outlined only one operating segment has been identified and no further disclosures are required.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Note 3. Revenue

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
ATO fuel rebate	-	21,650
Other income	-	4,109,850
Interest revenue	3,560	3
Revenue	<u>3,560</u>	<u>4,131,503</u>

Note 4. Lease liabilities

	Consolidated	
	31 Dec 2022	30 June 2022
	\$	\$
<i>Current liabilities</i>		
Lease liability - lease contract	66,730	66,811
<i>Non-current liabilities</i>		
Lease liability - lease contract	37,790	69,306
	<u>104,520</u>	<u>136,118</u>
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	136,118	194,498
Repayment of lease liabilities	(31,598)	(58,380)
Closing balance	<u>104,520</u>	<u>136,118</u>

The lease liability relates to the Perth office principal place of business.

Note 5. Reserves

	Consolidated	
	31 Dec 2022	30 June 2022
	\$	\$
Foreign currency reserve	(895,491)	(982,683)
Share-based payments reserve	258,824	258,824
	<u>(636,667)</u>	<u>(723,859)</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	Foreign currency reserve	Share-based payments reserve	Total
	\$	\$	\$
Consolidated			
Balance at 1 July 2022	(982,683)	258,824	(723,859)
Foreign currency translation	87,192	-	87,192
Balance at 31 December 2022	<u>(895,491)</u>	<u>258,824</u>	<u>(636,667)</u>

Note 6. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 7. Contingent assets

Ghana litigation

The Company received a payment of USD 3M on 29 July 2021 as part settlement owed by BXC Company Ghana Ltd and Cheng Yi, towards the uncompleted sale of the Akoase Gold Project in Ghana. The balance payment and interest is still outstanding on the sale price and a transfer fee of USD 120,000. The High Court of Ghana (Commercial Division) ruled on 24 January 2023 the USD 2M in royalties from production are payable, costs of GHS 1.2M and interest associated with the claim. The USD 3M received to date is considered by the Company to be a component of the total settlement and that the sale remains uncompleted. As of 24 January 2023, the Company calculated that ~USD 2.87M is to be paid based on the judgment received from the Court. This sum continues to accrue interest at a rate of 5% APR. The Board remains confident that the Company will receive the full amount owed from the Defendants and will pursue all legal avenues to obtain the funds.

Note 8. Contingent liabilities

In FY22, a claim was made against the Company seeking an amount of US\$71,500 regarding alleged success fees to a corporate advisory firm for the uncompleted sale of the Akoase Gold Project which commenced in 2015. The Company is legally represented, denies it is liable to pay the amount and intends to defend the claim vigorously. No correspondence has been received in FY23 with respect of the claim.

Note 9. Events after the reporting period

Ghana litigation

The Company is proceeding against the Purchaser of the Akoase project and the Guarantors seeking a further USD 2M in royalties from production together with interest and costs. The matter is progressing in the High Court of Ghana (Commercial Division). Subsequent to 31 December 2022, the High Court of Ghana (Commercial Division) ruled at a court hearing on 24 January 2023 that the Purchaser of the Akoase project and the guarantors are to pay the full royalty of USD 2M. The total claim stands at ~USD 2.87M as of 24 January 2023 and continues to accrue interest at a 5% APR.

Canegrass Battery Minerals Project, Western Australia

The Company entered into a Farm-In arrangement with Flinders Mines to acquire 99% of the Canegrass Battery Minerals Project.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) Corporations Act 2001.

On behalf of the Directors



Charles Thomas
Non-Executive Chairman

16 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Viking Mines Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Viking Mines Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

BDO
A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line. The signature is written in a cursive style.

Phillip Murdoch

Director

Perth

16 March 2023

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