



ASX Announcement

18 December 2014

ASX Code: VKA

Results from drilling at Berkh Uul Coal Project, Mongolia

Viking Mines Limited (ASX: VKA, the “**Company**” or “**Viking**”) advises that it has received results from its recently completed drilling program at the Company’s 100% owned Berkh Uul coal project (Figure 1) in northern Mongolia.

The drilling program, designed to infill and extend the existing drill coverage, commenced in the north-east of the licence area where there is pre-existing drilling within the confines of the current 38Mt resource. The drilling progressed to the south, targeting extensions to the deposit to add to the current resource. A total of 1,064.5m drilled were drilled in 18 holes (Table1, Figure 2).

The drilling tested the near surface, shallow west dipping eastern limb of a broad south plunging synclinal structure, in which two main coal seams (Seams 1 and 2) are located. Holes were drilled using open hole precollars, with PQ diamond tails through the target coal bearing zones, on a nominal 500m line spacing.

All holes were down-hole surveyed for geophysical and directional data, with all drill collars surveyed to sub-metre accuracy. Geological logging was completed by Viking geologists under the supervision of RSC Consultants.

A total of 87 samples were collected from PQ drill core for coal analysis at Bureau Veritas laboratory in Ulaanbaatar. Note that the sampling of drill core was selective in that no inter-seam waste was sampled or analysed, with a minimum coal sampling interval of 0.2m and maximum of 2m down hole.

Results are presented in Table 2. Overall results typically show:

- ash content <14%
- total moisture <15%
- sulphur <0.7%, and
- CV’s in the range 6,000-7,000 kcal/kg on an air dried basis.

These positive results indicate that the quality of the coal is comparable or better compared to the historical drilling data, notwithstanding differences in the analytical methods and techniques performed.

Of particular interest are holes BU-14-14 and 15, drilled 500m south of the limit of previous drilling, which intersected 7m and 9m true thickness respectively of coal at a depth of less than 80m. These are the thickest intersections of coal recorded thus far in drilling on the project.



Viking Executive Chairman Jack Gardner commented “This first drilling program at the Berkh Uul project by Viking, achieved prior to the onset of the winter field season recess, has confirmed both the thickness and quality of the coal seams as indicated in historic drilling, and has extended the deposit 1.5km to the south of previous drilling. Coal was intersected at shallow depth of less than 80 metres in 17 of the 18 holes drilled, so further work is clearly justified to advance the project towards development. We expect to receive the consultant geologists report on this drilling program in January 2015, at which time we will consider next steps including further drilling, resource updates and economic studies.”

About the Berkh Uul Coal Project – Mongolia (Viking 100%)

Berkh Uul is located 400 km north of Ulaanbaatar in north-eastern Mongolia within the Orkhon-Selenge coal district and within 20km of the Russian border. The project is within 40km of rail access into Russian off-take markets, in close proximity to water, infrastructure and transport.

The deposit consists of shallow, consistent coal seams of high quality bituminous coal amenable to low strip ratio open pit mining.

Discussions with nearby cement works and power stations confirm a local industrial demand for unwashed Berkh Uul coal, due to its low ash and relatively high calorific value. To date four Memoranda of Understanding for the supply of coal from Berkh Uul have been signed with local industrial end-users.

On 17 March, 2014, Viking announced a new Indicated and Inferred coal resource estimate, classified in accordance with the JORC (2012) Code, for the Berkh Uul coal project. The resource estimate was completed by consultancy group, RungePincockMinarco Ltd, and totals 38.3 Mt. Of this, 21.4Mt is classified as Indicated and 16.9Mt classified as Inferred. The coal is bituminous in rank (ASTM classification) with average in situ quality as follows: Total Moisture 19.8%, Calorific Value 5,323 kcal/kg (air dried basis, adb), Ash 15.5% (adb), and Total Sulphur 0.37% (adb).

The information in this Report concerning the Berkh Uul Mineral Resource is extracted from Viking’s announcement to the ASX entitled “New 38.3Mt resource for Merger Company’s Mongolian coal project” dated 17 March, 2014, and is available to view on Viking’s website at www.vikingmines.com. Viking 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. Viking 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.

ENDS

Jack Gardner
Executive Chairman



Competent Persons Statement: The information in this Public Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr David Lorge, who is a Member of the Society of Mining, Metallurgy, and Exploration Inc. (SME) and a Fellow of the Society of Economic Geologists (SEG). Mr Lorge is a full time employee of RSC Consultants. Mr Lorge 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 Lorge 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 Mines 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 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.

Table 1: Berkh Uul Drilling

Hole №	easting	northing	azimuth	elevation	depth, m		
					Precollar/PCD	PQ core	total
BU-14-01	696033	5523047	-90	787.8	24.0	39.0	63.0
BU-14-02	695815	5522835	-90	782.4	29.5	27.8	57.3
BU-14-03	695720	5522477	-90	793.5	25.0	38.0	63.0
BU-14-04	695694	5522225	-90	803.4	30.0	27.0	57.0
BU-14-05	695597	5522249	-90	805.7	50.0	12.0	62.0
BU-14-06	695334	5521818	-90	819.1	30.0	30.0	60.0
BU-14-07	695448	5521784	-90	812.9	19.0	25.6	44.6
BU-14-08	695125	5521377	-90	797.0	50.0		50.0
BU-14-09	695038	5521417	-90	810.2	60.0		60.0
BU-14-10	694988	5520811	-90	780.9	12.0	18.0	30.0
BU-14-11	694643	5520489	-90	794.4	15.2	60.4	75.6
BU-14-12	694739	5520455	-90	792.8	31.5	28.5	60.0
BU-14-13	694814	5520424	-90	785.7		24.0	24.0
BU-14-14	694362	5520199	-90	802.5	35.5	27.5	63.0
BU-14-15	694 267	5520232	-90	805.4	44.0	47.0	91.0
BU-14-16	694005	5519986	-90	808.3	37.0	47.0	84.0
BU-14-17	693750	5519695	-90	808.3	60.0		60.0
BU-14-18	694104	5519951	-90	799.8	60.0		60.0
TOTAL					612.7	451.8	1,064.5

Table 2: Berkh Uul Sampling and Analytical Results

Hole Number	Sample number	From (m)	To (m)	interval (m)	TM (%)	IM (%)	Ash (% adb)	VM (% adb)	FC (% adb)	TS (% adb)	CV (kcal/kg adb)	Rdis (adb)
BU-14-02	001	30.6	30.9	0.3	12.60	3.90	5.30	38.80	52.00	0.72	6799	1.37
	002	31.7	31.9	0.3	12.80	3.90	7.70	38.30	50.10	0.72	6585	1.39
	003	32.0	33.0	1.0	11.80	6.50	6.40	38.60	48.50	0.53	6545	1.36
	004	33.0	34.0	1.0	12.90	6.60	5.80	40.30	47.30	0.35	6560	1.35
	005	34.0	35.0	1.0	15.70	4.20	10.90	38.70	46.20	0.36	6331	1.42
	006	35.0	36.0	1.0	24.60	3.70	14.20	37.30	44.80	0.34	6154	1.45
	007	36.0	36.7	0.7	12.80	5.80	5.90	38.40	49.90	0.50	6655	1.36
	008	46.0	47.6	1.6	14.40	4.90	9.00	37.80	48.30	0.55	6452	1.40
	009	47.8	49.2	1.4	9.50	5.00	5.50	39.30	50.20	0.37	6725	1.36
	010	49.2	50.3	1.1	11.20	5.20	5.00	40.30	49.50	0.38	6743	1.36
BU-14-01	011	28.7	29.5	0.8	9.20	6.20	4.30	40.80	48.70	0.72	6688	1.35
	012	29.8	31.4	1.6	8.60	4.70	4.50	40.90	49.90	0.44	6767	1.36
	013	31.4	33.0	1.6	9.90	4.60	11.60	41.60	42.20	0.27	6091	1.43
	014	33.0	34.4	1.4	9.40	4.00	12.20	39.00	44.80	0.34	6148	1.44
	015	34.7	36.0	1.3	13.40	4.80	7.10	40.00	48.10	0.35	6501	1.38
	016	36.0	37.0	1.0	11.60	5.80	11.90	37.20	45.10	0.54	5952	1.43
	017	37.0	38.0	1.0	11.30	5.40	6.30	40.40	47.90	0.38	6516	1.38
	018	38.0	39.3	1.3	11.10	4.80	8.10	39.00	48.10	0.38	6435	1.39
BU-14-03	019	42.5	43.5	1.0	10.00	4.70	5.30	40.10	49.90	0.62	6767	1.36
	020	43.5	44.4	0.9	11.70	7.20	7.20	38.50	47.10	0.49	6368	1.37
	021	51.5	53.0	1.5	15.10	8.40	6.00	38.60	47.00	0.50	6463	1.35
	022	53.0	54.5	1.5	15.70	7.40	9.00	37.80	45.80	0.35	6184	1.42
	023	54.5	55.5	1.0	17.40	5.10	8.10	39.40	47.40	0.44	6389	1.41
	024	55.5	56.5	1.0	15.90	6.40	4.80	38.00	50.80	0.24	6649	1.35
BU-14-04	025	46.3	47.0	0.7	33.30	15.70	25.90	31.30	27.10	0.26	2919	1.69
	026	47.0	48.0	1.0	25.40	15.10	29.10	37.60	18.20	0.76	2754	1.71
BU-14-05	027	50.7	51.3	0.6	13.40	7.10	7.40	39.50	46.00	0.48	6413	1.36
	028	51.8	53.3	1.5	11.50	6.10	3.80	40.40	49.70	0.46	6783	1.34
	029	53.3	54.8	1.5	13.30	6.80	4.00	39.80	49.40	0.49	6692	1.33
	030	54.8	56.2	1.4	10.40	6.00	4.20	40.10	49.70	0.77	6798	1.33
BU-14-06	031	51.2	51.7	0.5	8.80	3.30	19.80	33.90	43.00	0.57	5515	1.63
	032	52.5	54.0	1.5	12.10	7.10	6.80	37.50	48.60	0.35	6468	1.37
	033	54.0	55.2	1.2	10.10	5.60	4.20	40.70	49.50	0.39	6738	1.36
	034	55.2	56.8	1.6	12.10	4.90	4.00	39.00	52.10	0.21	6755	1.37
BU-14-07	035	29.5	29.9	0.4	28.80	10.60	32.80	36.50	20.10	0.17	2694	1.83
	036	30.0	30.8	0.8	26.70	10.80	39.60	33.00	16.60	4.24	2092	1.89
	037	40.2	40.5	0.3	11.50	4.70	20.40	28.50	46.50	0.47	5403	1.58
40.8		41.0	0.2									

Hole Number	Sample number	From (m)	To (m)	interval (m)	TM (%)	IM (%)	Ash (% adb)	VM (% adb)	FC (% adb)	TS (% adb)	CV (kcal/kg adb)	Rdis (adb)
BU-14-08		Not sampled, Drilled by PCD to end of hole										
		Not sampled, Drilled by PCD to end of hole										
BU-14-09		Not sampled, Drilled by PCD to end of hole										
		Not sampled, Drilled by PCD to end of hole										
BU-14-10	038	21.0	22.0	1.0	11.20	6.50	8.40	40.30	44.80	0.42	6306	1.40
	039	22.0	23.0	1.0	11.30	5.80	7.60	39.30	47.30	0.38	6523	1.39
	040	23.0	23.9	0.9	13.50	5.30	3.60	42.10	49.00	0.56	6941	1.34
BU-14-11	041	15.2	16.5	1.3	28.10	13.90	13.70	44.80	27.60	0.44	3989	1.47
	042	56.8	58.0	1.2	11.30	6.00	8.20	38.90	46.90	0.58	6433	1.37
	043	58.0	59.0	1.0	10.00	5.40	8.80	39.40	46.40	0.39	6441	1.39
	044	59.0	60.0	1.0	10.70	4.50	8.20	38.70	48.60	0.47	6596	1.39
	045	60.0	61.5	1.5	10.40	6.30	5.70	38.90	49.10	0.54	6624	1.36
	046	62.5	63.5	1.0	10.10	5.70	8.90	37.90	47.50	0.59	6418	1.39
	047	63.5	65.0	1.5	10.20	5.20	13.20	35.60	46.00	0.49	6052	1.50
	048	65.2	66.4	1.2	10.90	6.40	7.50	39.00	47.10	0.71	6487	1.40
	049	66.4	67.7	1.3	3.10	4.50	8.00	37.70	49.80	0.60	6586	1.41
	050	69.2	69.8	0.6	8.80	5.00	12.20	36.80	46.10	0.84	6236	1.44
BU-14-12	051	31.7	33.0	1.3	11.40	4.30	5.20	40.50	50.00	0.51	6813	1.39
	052	33.0	34.5	1.5	10.40	4.80	10.50	37.60	47.10	0.38	6311	1.45
	053	34.5	36.2	1.7	12.30	5.40	7.90	38.20	48.50	0.46	6480	1.41
	054	37.5	38.5	1.0	9.90	4.60	10.20	36.50	48.70	0.58	6393	1.42
	055	38.5	40.0	1.5	13.70	5.10	9.60	35.90	49.40	0.50	6381	1.41
	056	40.8	41.8	1.0	11.90	4.00	6.60	40.00	49.40	0.59	6774	1.36
	057	41.8	42.8	1.0	12.70	4.30	18.50	34.60	42.60	0.57	5725	1.58
	058	44.5	45.2	0.7	10.70	3.80	12.60	36.00	47.60	0.77	6308	1.43
BU-14-13	059	6.7	7.3	0.6	28.90	11.90	14.90	43.80	29.40	0.31	4202	1.60
	060	8.5	9.5	1.0	28.10	13.00	16.50	48.70	21.80	0.38	4049	1.61
	061	12.4	13.9	1.5	14.20	4.30	16.20	34.20	45.30	0.64	5789	1.45
BU-14-14	062	35.5	37.2	1.7	11.70	5.20	13.00	34.00	47.80	0.51	4228	1.41
	063	37.9	39.4	1.5	13.90	6.90	5.50	39.30	48.30	0.53	6562	1.33
	064	40.8	42.5	1.7	12.20	5.50	11.60	35.60	47.30	0.69	6124	1.40
	065	44.0	44.9	0.9	11.90	4.90	9.90	36.00	49.20	0.60	6338	1.39
	066	45.0	46.4	1.4	10.10	5.20	10.70	37.70	46.40	0.60	6302	1.40
	067	50.0	50.5	0.5	12.60	4.30	20.90	32.20	42.60	0.80	5507	1.58
BU-14-15	068	44.0	46.0	2.0	15.70	8.90	6.00	36.80	48.30	0.53	6416	1.34
	069	69.5	70.2	0.7	10.90	4.40	6.90	37.70	51.00	0.58	6670	1.38
	070	70.8	72.0	1.2	11.80	5.20	12.30	36.20	46.30	0.54	6149	1.41
	071	73.2	75.0	1.8	13.10	7.20	7.30	37.50	48.00	0.56	6441	1.36

Hole Number	Sample number	From (m)	To (m)	interval (m)	TM (%)	IM (%)	Ash (% adb)	VM (% adb)	FC (% adb)	TS (% adb)	CV (kcal/kg adb)	Rdis (adb)
	072	76.0	77.8	1.8	11.30	6.60	16.20	33.70	43.50	0.64	5709	1.44
	073	79.0	80.0	1.0	11.70	5.50	8.40	38.30	47.80	0.62	6492	1.37
		80.2	80.8	0.6								
	074	80.8	81.8	1.0	12.70	6.60	9.20	36.50	47.70	0.62	6342	1.37
		82.0	82.7	0.7								
075		85.6	86.2	0.6	11.80	4.90	11.60	36.90	46.60	0.80	6266	1.40
BU-14-16	076		40.3	40.7	0.4	15.20	5.00	7.60	37.10	50.30	6584	1.36
	077		41.1	42.7	1.6	18.80	6.80	8.10	36.80	48.30	6449	1.36
	078		56.8	57.4	0.6	13.80	5.90	10.30	37.60	46.20	6350	1.38
	079		59.0	60.0	1.0	14.70	6.50	9.00	36.70	47.80	6334	1.37
	080		61.1	61.8	0.7	12.60	4.50	28.70	31.30	35.60	4825	1.58
	081		62.5	63.0	0.5	15.50	6.70	9.30	37.80	46.20	6302	1.37
	082		68.8	70.4	1.6	15.00	6.60	8.50	38.10	46.80	6383	1.36
	083		71.7	72.7	1.0	15.30	4.80	15.80	35.70	43.70	5876	1.43
	084		72.7	73.8	1.1	15.60	4.20	8.30	39.60	47.90	6607	1.38
	085		76.8	78.2	1.4	13.40	4.80	13.30	36.10	45.80	6103	1.43
	086		78.2	79.5	1.3	11.70	4.40	7.60	40.00	48.00	6642	1.37
087		80.0	80.7	0.7	11.50	4.90	15.50	37.00	42.60	6000	1.44	
BU-14-17		Not sampled, Drilled by PCD to end of hole										
BU-14-18		Not sampled, Drilled by PCD to end of hole										

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.

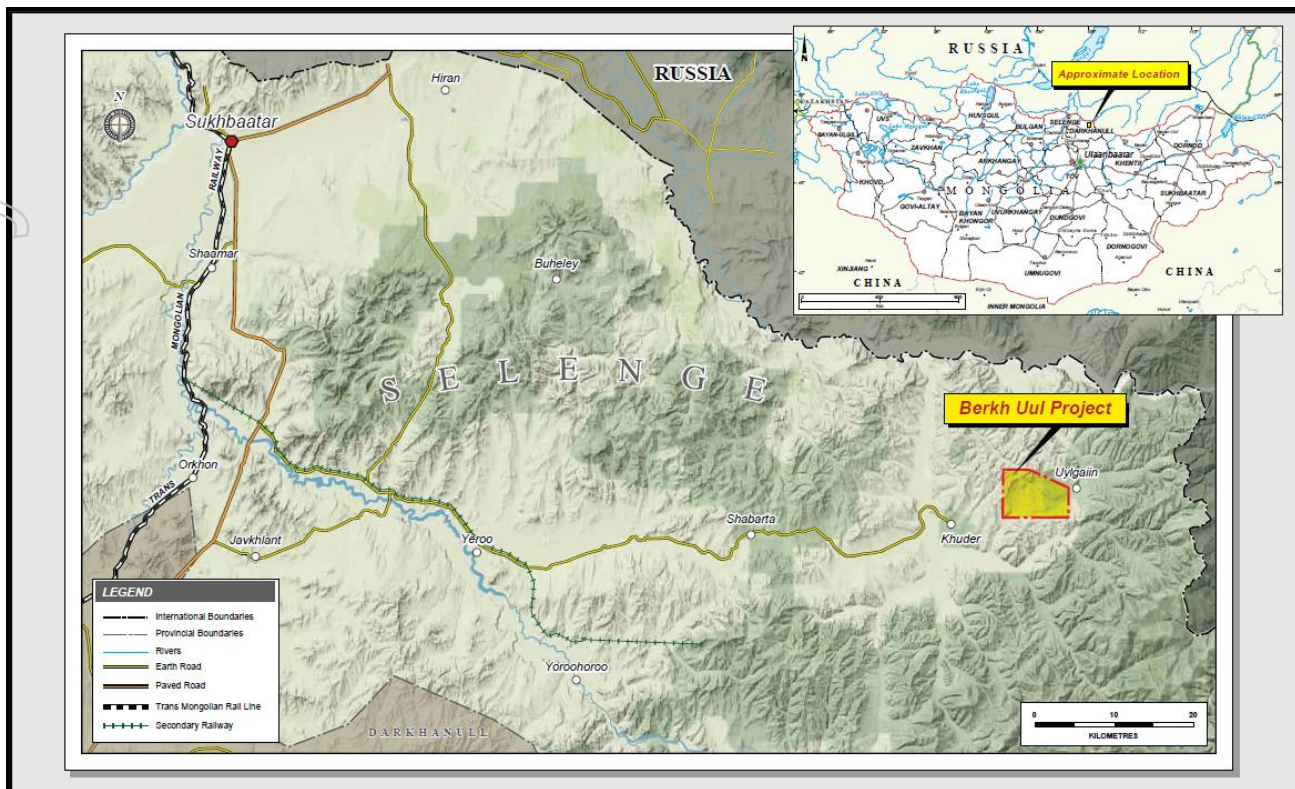


Figure 1: Location of the Berkh Uul coal project in Mongolia

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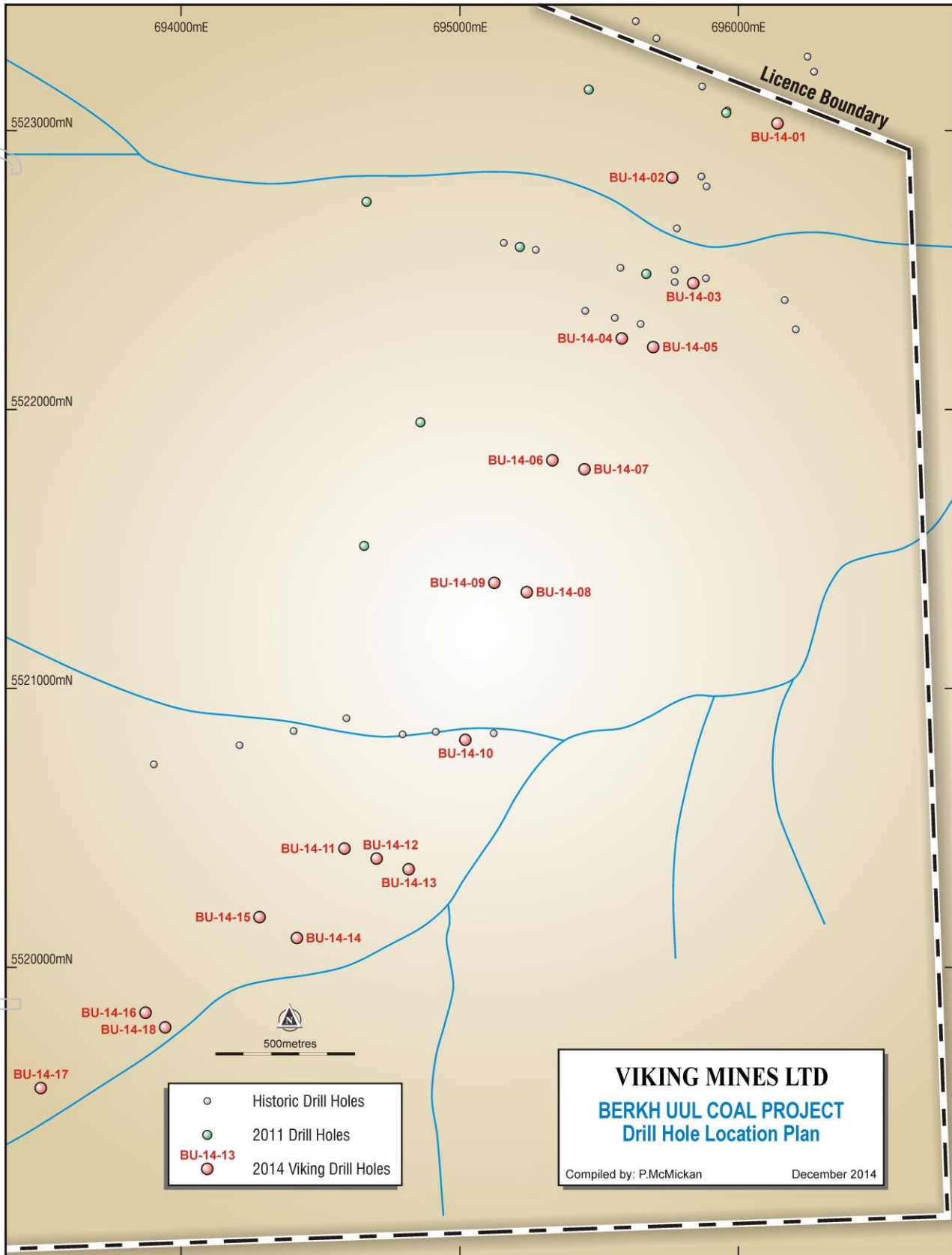


Figure 2: Berkh Uul Drill Hole Location Plan



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