



31 October, 2011

ASX Release

Viking Ashanti Limited (ASX: VKA)

A West African Focussed Gold Explorer

Quarterly Report 30 September 2011

During the three months to 30 September 2011 Viking Ashanti received assay results from a further 15 holes drilled at its 100% owned Akoase East gold exploration project in Ghana, West Africa (Figure 1). Highlights included:

- **Multiple zones of gold mineralization continue to be intersected in drilling at depth and along strike.**
- **Results reconfirm potential for extending resource along strike to the northeast; 13m @ 2.54 g/t Au and 3m @ 3.14 g/t.**
- **Better intersections at depth include 12m @ 2.13 g/t Au, 9m @ 1.10 g/t Au, and 6m @ 1.32 g/t Au.**

Exploration

Akoase Project

Assay results have been received from an additional 10 Reverse Circulation (RC) pre-collared diamond holes and 5 RC holes (Table 1, Figures 1 and 2) drilled during the previous quarter. At the northern end of the Akoase East resource, a step out RC hole (AKRC134), 50 metres northeast of the limit of previous drilling, has returned highly encouraging intersections of 13m @ 2.54 g/t Au and 3m @ 3.14 g/t Au. This hole, combined with previous Viking drilling, demonstrates that multiple zones of mineralization continue for at least a further 100 metres northeast immediately along strike of the current resource at Akoase East, and that excellent potential exists for further extensions of the resource in this area.

Assay results from 10 pre-collared diamond holes, drilled to extend the deposit at depth, continue to intersect multiple zones of mineralization at gold grades comparable to the average resource grade. Better intersections include 12m @ 2.13 g/t Au and 9m @ 1.10 g/t Au in hole AKRC016D, and 6m @ 1.32 g/t Au and 3m @ 1.43 g/t Au in hole AKRC017D.

A total of 24 holes for 2,007 metres of RC drilling were completed during the quarter. The drilling was conducted at the Dave Flats prospect (Figure 2), and was designed to test 1.5 strike km along the Kadewaso structural trend to the south west and along strike from the Akoase East resource. A further 4 strike km of the main Kadewaso structural trend extending to the southern licence boundary remains to be drill tested.

Soil Geochemistry

Assay results have been received from a soil geochemistry sampling program designed to infill and extend soil coverage around the Andy Hills prospect at Akoase East. Sample spacing over the prospect area is now 200m x 50m, with results confirming the Andy Hills soil anomaly as a 1,200m long and 100m wide anomaly at >50 ppb Au. Trenching is in progress to better understand the geological controls on the anomaly.

A soil sampling program infilling sample spacing to 200m x 50m has been completed over the Alimac prospect, immediately northeast of the Akoase East deposit. The program was designed to infill a 2.5 strike km area along the Kadewaso structural trend between the Akoase East deposit, and existing Viking soil sampling further to the northeast at the Andy Hills prospect. A total of 439 soil samples were collected. Assay results are awaited.

A 400m x 50m soil sampling program was completed on the Akoase West licence, with 487 samples collected. This sampling program is targeting favorable structural positions interpreted from regional geology and geophysics in the southwest area of the licence. Assay results are awaited.

West Star/Blue River Project

Assay results are awaited from a 200m x 50m spaced soil sampling program completed at the northern end of the West Star prospecting licence. This sampling provides an additional 3.4 strike km coverage over the highly prospective Salman shear zone. Assay results are also awaited from a 400m x 50m soil sampling program in the southwestern area of the West Star mining lease straddling the Salman shear zone.

Planning and site access is in progress for a 2,500m RC drilling program at Westar/Blueriver in the fourth quarter of 2011.

Nyame Dzikan and Nchiadi Joint Ventures

No field work was undertaken. A review of the projects is in progress.

Corporate and Administration

As at the date of this report, Viking Ashanti has 69.2 million ordinary shares, and 6.0 million options on issue.

With the current strong gold price and interest in West Africa, a number of corporate and farm-in opportunities for gold projects were reviewed during the quarter. None are currently at an advanced stage of consideration.

Viking Ashanti continues to pursue an active program of investor and broker presentations and will be present at the Indaba Conference in Cape Town in February 2012.

Cash reserves at 30 September 2011 are \$3.4 million.



Peter McMickan
Managing Director

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Table 1: Drilling Results Akoase East

Drill hole Information						Mineralized Intercepts					Comment
Hole ID	Easting	Northing	RL	dip/azimuth	hole depth (m)	from (m)	to (m)	intersection width (m)	grade (g/t Au)	oxidation	
AKRC006D	742485.5	713391.9	429.1	-55/140	134.6	72	73	1	2.32	fresh	
						106	113	7	0.85	fresh	
AKRC010D	743677.6	714325.7	448.9	-50/140	126	21	22	1	2.53	oxidized	
						40	41	1	2.26	oxidized	
						58	60	2	1.66	oxidized	
						72	73	1	2.33	oxidized	
AKRC011D	743319.5	714059.4	528.3	-51/140	192.2	7	8	1	2.36	oxidized	
						24	25	1	1.25	oxidized	
						42	43	1	2.26	oxidized	
						69	70	1	1.67	oxidized	
						75	77	2	1.46	oxidized	
AKRC012D	742629.0	713724.4	510.2	-55/140	155.4	7	10	3	1.07	oxidized	
						26	27	1	1.72	oxidized	
						29	31	2	2.31	oxidized	
						41	45	4	0.88	oxidized	
						61	62	1	2.60	oxidized	
						108	109	1	1.52	fresh	
						116	117	1	2.73	fresh	
132	136	4	1.13	fresh							
AKRC013D	742549.0	713661.2	481.4	-50/140	204.5	24	25	1	1.29	oxidized	
						99	100	1	1.32	fresh	
						107	109	2	1.90	fresh	
						143	144	1	1.85	fresh	
						149	152	3	1.42	fresh	
						157	159	2	0.74	fresh	
						179	180	1	1.97	fresh	
191	192	1	5.00	fresh							
AKRC015D	743310.4	714026.3	519.8	-55/140	120	0	1	1	1.76	oxidized	
						8	10	2	1.91	oxidized	
						15	16	1	2.05	oxidized	
						31	32	1	1.11	oxidized	
						36	39	3	1.40	oxidized	
						90	94	4	0.54	fresh	
AKRC016D	743280.0	714027.8	517.9	-55/140	142.2	21	30	9	1.10	oxidized	
						33	45	12	2.13	oxidized	
						49	50	1	2.12	oxidized	

Drill hole Information						Mineralized Intercepts					Comment
Hole ID	Easting	Northing	RL	dip/azimuth	hole depth (m)	from (m)	to (m)	intersection width (m)	grade (g/t Au)	oxidation	
						107	109	2	1.59	fresh	
AKRC017D	742481.7	713536.3	449.2	-55/140	188.1	44	48	4	0.60	oxidized	
						54	57	3	1.43	oxidized	
						116	117	1	2.88	fresh	
						141	142	1	2.49	fresh	
						153	154	1	1.25	fresh	
						156	162	6	1.32	fresh	
						167	168	1	2.22	fresh	
						170	171	1	1.72	fresh	
AKRC018D	744130.9	714969.4	438.1	-55/140	219.3	39	40	1	2.19	oxidized	
						91	92	1	0.88	fresh	
						94	95	1	1.35	fresh	
						161	164	3	2.05	fresh	
						171	172	1	0.89	fresh	
						179	180	1	1.64	fresh	
						183	186	3	1.03	fresh	
AKRC019D	744217.9	714943.9	407.3	-50/140	129	98	99	1	0.61	fresh	extension of AKRC104
						100	101	1	0.66	fresh	
AKRC134	744274.1	714948.1	374.4	-50/140	87	23	36	13	2.54	oxidized	
						45	46	1	2.19	oxidized	
						57	60	3	3.14	oxidized	
						66	67	1	0.93	oxidized	

Table 2: RC Drilling Results Akoase East southwest extension (Dave Flats prospect)

Drill hole Information						Mineralized Intercepts					Comment
Hole ID	Easting	Northing	RL	dip/azimuth	hole depth (m)	from (m)	to (m)	intersection width (m)	grade (g/t Au)	oxidation	
AKRC123	742159.8	712786.4	298.4	-50/140	70	27	28	1	1.33	oxidized	
						51	52	1	3.90	oxidized	
AKRC124	742136.9	712820.7	295.1	-50/140	63	36	37	1	1.72	oxidized	
AKRC126	742376.9	713098.3	317.2	-50/140	73	55	56	1	0.66	oxidized	
AKRC133	742037.6	712639.6	277.3	-50/140	69	68	69	1	0.55	oxidized	

The site split RC chip samples (approx. 3kg each) and half HQ/NQ size diamond drill samples from each hole were collected at down hole intervals (typically maximum of 1m) based on geological logging, and submitted to ALS Chemex laboratories in Kumasi, Ghana for gold analysis. The analytical methods were by 50g fire assay/AAS finish with a 0.001 g/t Au detection limit and 25g aqua regia/AAS finish with a 0.002 g/t Au detection limit. Significant results reported are nominally above 0.5 g/t Au over a minimum down hole interval of 1 metre, with no top cut applied. Assay quality control procedures included insertion of certified reference standards, blanks and duplicates. True intersection widths are estimated to be approximately 75% of reported drill intersection widths.

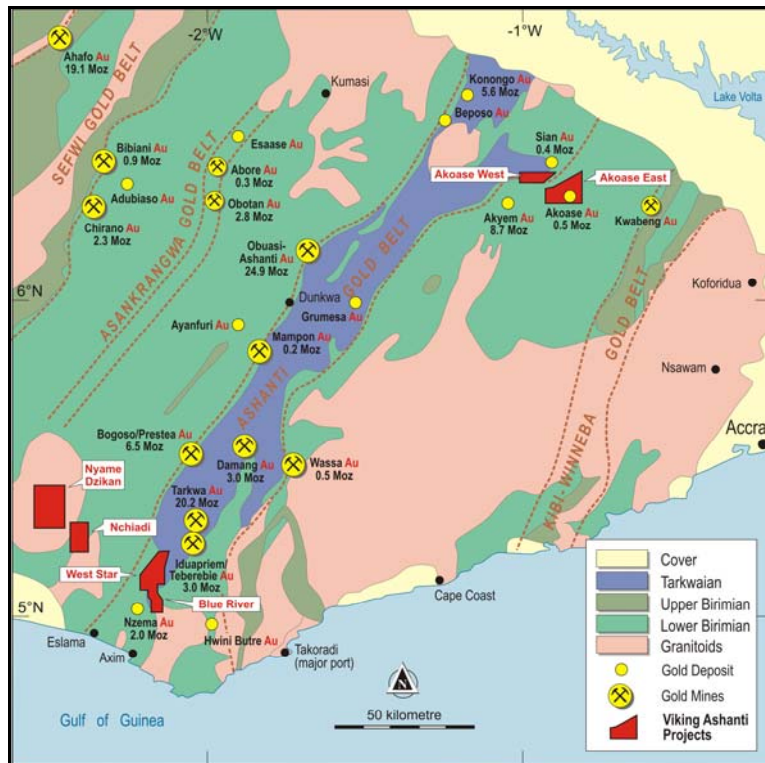


Figure 1: Viking Ashanti Project Locations, Southern Ghana

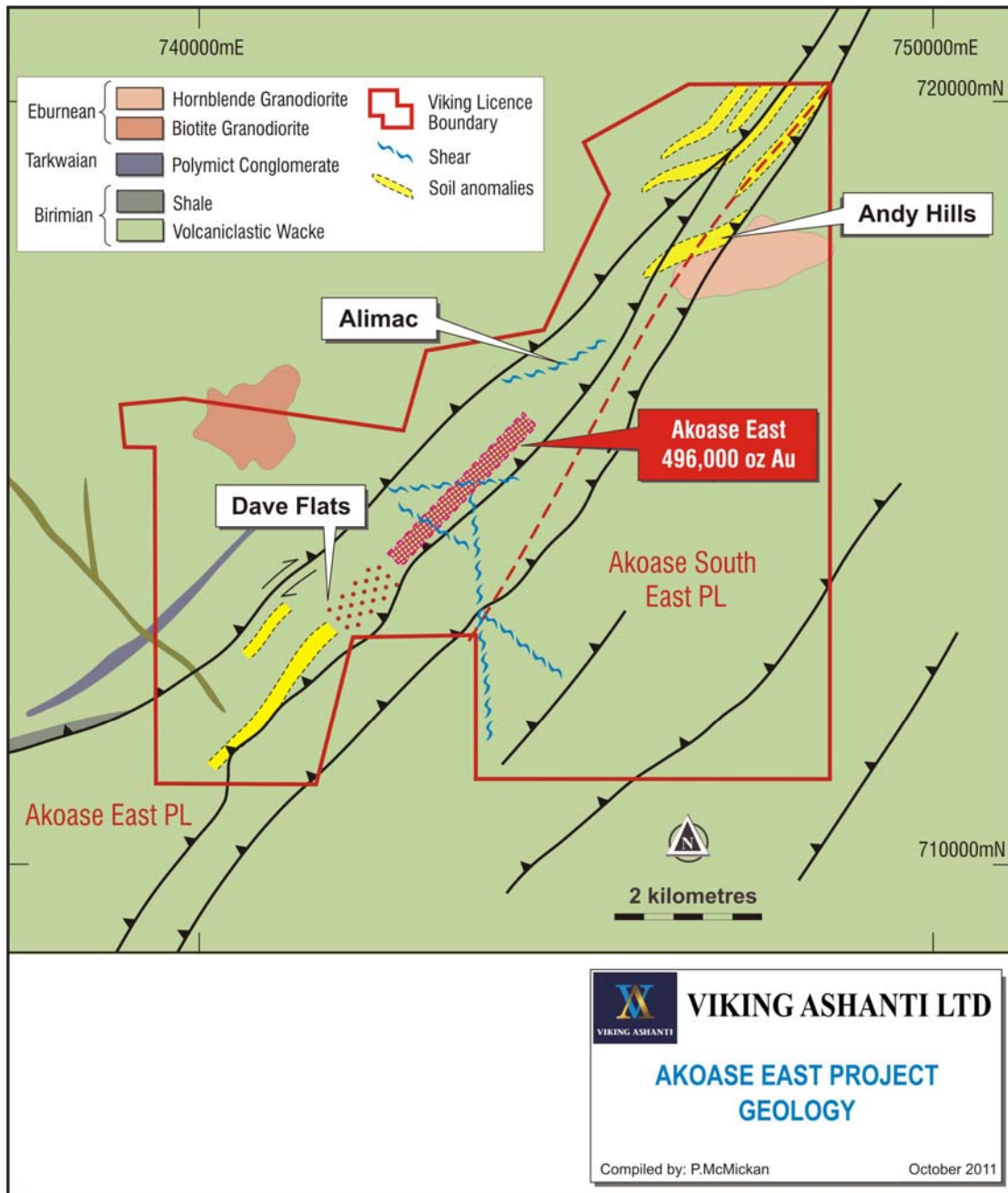


Figure 2: Akoase East Project Geology

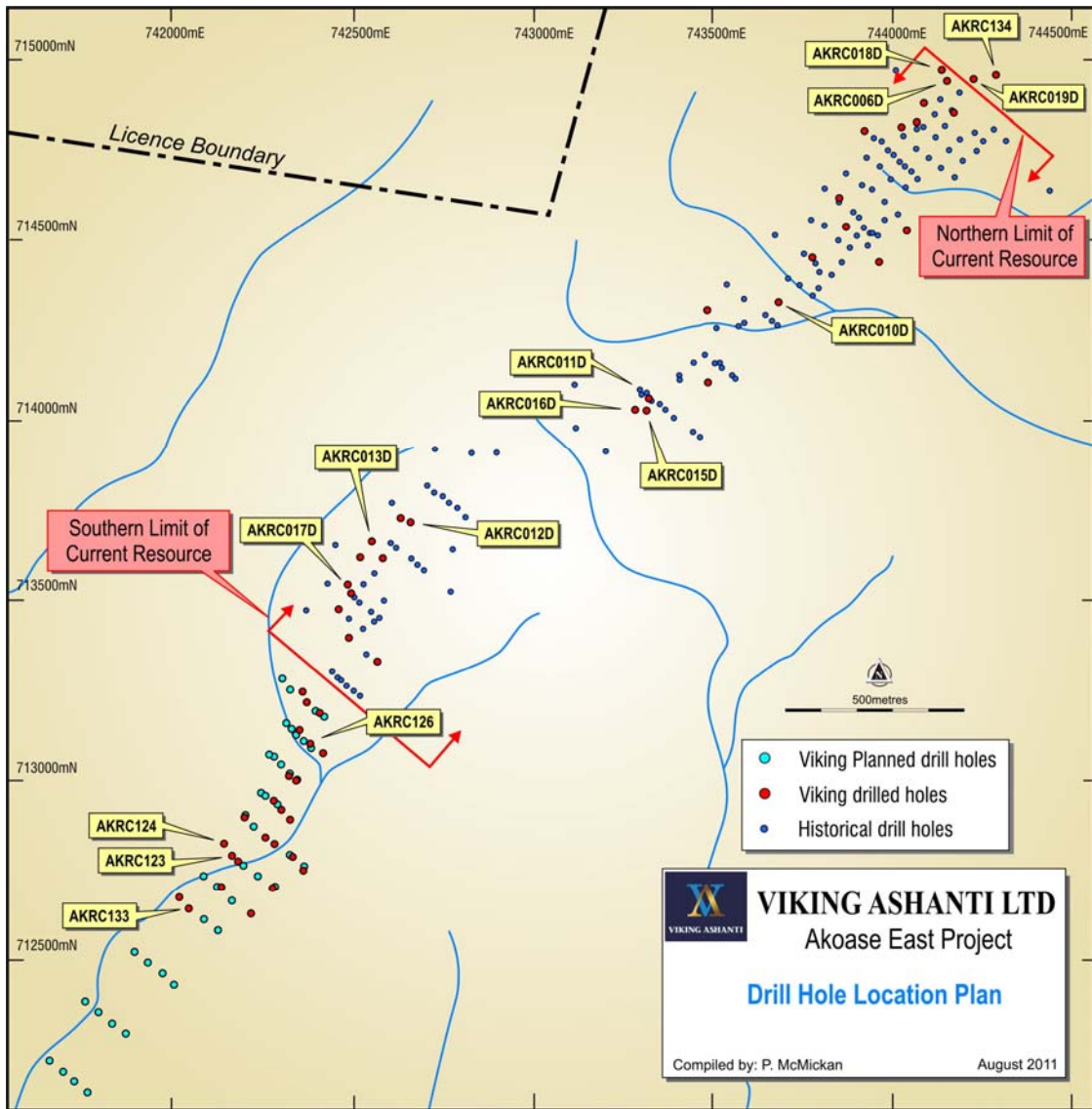


Figure 3: Akoase East Drill Hole Location Plan

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 Peter McMickan, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McMickan is a full time employee of Viking Ashanti Limited. Mr McMickan 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McMickan 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.

Viking Ashanti Background

Viking Ashanti's Akoase gold project in southern Ghana contains a JORC classified, inferred resource of 500,000 ounces of gold based on 13Mt of ore @ 1.2g/t. Viking Ashanti's primary objective is to expand the resource to at least 1 million ounces of gold. At least 13,000 m of RC drilling is planned along with 2,500 m of diamond drilling at Akoase with a further 14,000m RC and 2,500m diamond drilling at West Star and Blue River through to May 2012.

The Akoase project is just 25km from Newmont Mining's 8.7M oz Akyem gold project while the West Star/Blue River projects are 15 km from the 2M oz Nzema gold mine, operated by ASX listed Adamus Resources. Ghana also hosts the 60M oz Obuasi deposit (AngloGold Ashanti), 40M oz Tarkwa deposit (GoldFields) and the 17M oz Ahafo deposit (Newmont).

Ghana is socially and politically stable, operates under a well established Westminster legal system, has excellent internal infrastructure with a 25 year history of modern mining and a substantial internal skills base to support mining.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

VIKING ASHANTI LIMITED

ACN

126 200 280

Quarter ended ("current quarter")

30 September 2011

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(359)	(359)
(b) development	-	-
(c) production	-	-
(d) administration	(349)	(349)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	83	83
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(625)	(625)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material) Tenement Expenditure Guarantee (refundable)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(625)	(625)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(625)	(625)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(625)	(625)
1.20	Cash at beginning of quarter/year to date	4,026	4,026
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,401	3,401

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	116
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	800
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	1,100

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	270	224
5.2 Deposits at call	3,131	3,802
5.3 Bank overdraft		-
5.4 Other (provide details)		-
Total: cash at end of quarter (item 1.22)	3,401	4,026

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

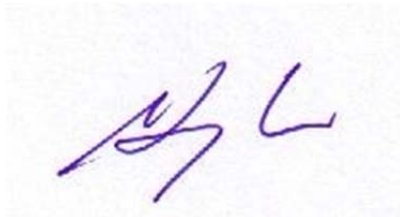
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	69,166,667	56,856,667	N/A	N/A
7.4 Changes during quarter (a) Increases through (b) Decreases through				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options	6,000,000	-	<i>Exercise price</i> \$0.345	<i>Expiry date</i> 31/12/2012
7.8 Issued during quarter:				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company Secretary)

Date: 26 October 2011

Michael Langoulant

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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