Viking Ashanti Limited

ABN 38 126 200 280

Annual report
for the year ended 30 June 2010

Contents

Directors

Non-Executive Chairman: John William Gardner
Managing Director: Peter McMickan
Non-Executive Director: Trygve Kroepelien
Non-Executive Director: Mark Newlands

Company secretary

Michael Langoulant

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Stock Exchange Listing

Australian Securities Exchange (ASX Code: VKA)

CHAIRMANS LETTER

It is with great pleasure that your Board of directors present the first Viking Ashanti Limited ("Viking" or the "Company") annual report.

Viking was formed in July 2007 to acquire and develop gold projects in West Africa. The Company was successful in acquiring a mature Ghanaian gold lease portfolio which formed the basis of our recent IPO.

The Company successfully achieved ASX quotation on 12 May 2010 after having our $8 million offer heavily oversubscribed.

Drilling commenced at our West Star/Blue River project in June 2010, with pleasing initial results. Further programs of drilling and soil sampling are planned at our Akoase and West Star/Blue River projects in the coming months.

The gold price continues to be buoyant, and the outlook for gold remains positive. Renewed exploration activity and investor attention has been given to the West African gold sector, particularly Ghana over recent months.

The Board of your Company remains committed to executing the planned exploration programs across all our projects over the next year. We anticipate sharing, with our shareholders, future exploration success.

On behalf of the Board I would like to thank all shareholders that have supported the Company since listing on the ASX and appreciate your continued support.

I would personally like to thank all employees and consultants involved with the Company since its inception and remain confident that our combined efforts will produce positive exploration results consistent with our overall objectives over the coming twelve months.

Yours faithfully

Jack Gardner
Chairman

Operations Report

Highlights

- Successful IPO closed oversubscribed raising $8 million – listed on ASX in May 2010
- West Star/Blue River projects - initial 10 hole, 812m RC drilling program completed in July 2010, delivering positive results
- Akoase East project – initial 10 hole, 1,500m diamond drilling program commenced in August 2010 to expand the existing 500,000 ounce resource
- Soil sampling programs underway at West Star and Akoase East projects, 382 samples collected to date, results received for 107 samples from West Star
- Further 3,000m of diamond and 12,000m of RC drilling planned at Akoase East and West Star/Blue River projects through to May 2011

Corporate

The Company was established in July 2007 and in March 2010 finalised the acquisition of Resolute Mining Limited's (Resolute) gold exploration licences and joint venture interests in Ghana, West Africa. An IPO prospectus was issued in April 2010 and closed oversubscribed in April 2010. Pursuant to this prospectus the Company successfully raised $8 million (before issue/listing costs) by way of the issue of 26.7 million ordinary shares at an issue price of 30 cents each. Official quotation on ASX was achieved on 12 May 2010.

Projects

The Viking mineral licences are located in southern Ghana (Figure 1), in one of the most gold endowed and tightly held geological provinces in the world, the Ashanti Gold Belt. Numerous multi-million ounce gold deposits are located within and on the margins of the Ashanti Gold Belt, including two of the largest gold deposits in the world, the Obuasi and Tarkwa mines.

Viking holds over 440 sq km of ground in three project areas, Akoase, West Star/Blue River and Nchiadi/Nyame Dzikan.

Figure 1: Project Locations in Southern Ghana

Akoase East and West Projects

The Akoase project is located approximately 125km north-northwest of Accra.
The Akoase prospecting licences covers a 106km^2 area in the northern part of the Axim-Konongo gold belt (Figure 2). One licence is bounded to the northwest by the Kade Bepo Forest Reserve.
A number of major gold mines and projects are located within this belt, including Newmont's 8.7 million ounce Akyem gold mining project which is approximately 25km southwest of the Akoase licences.

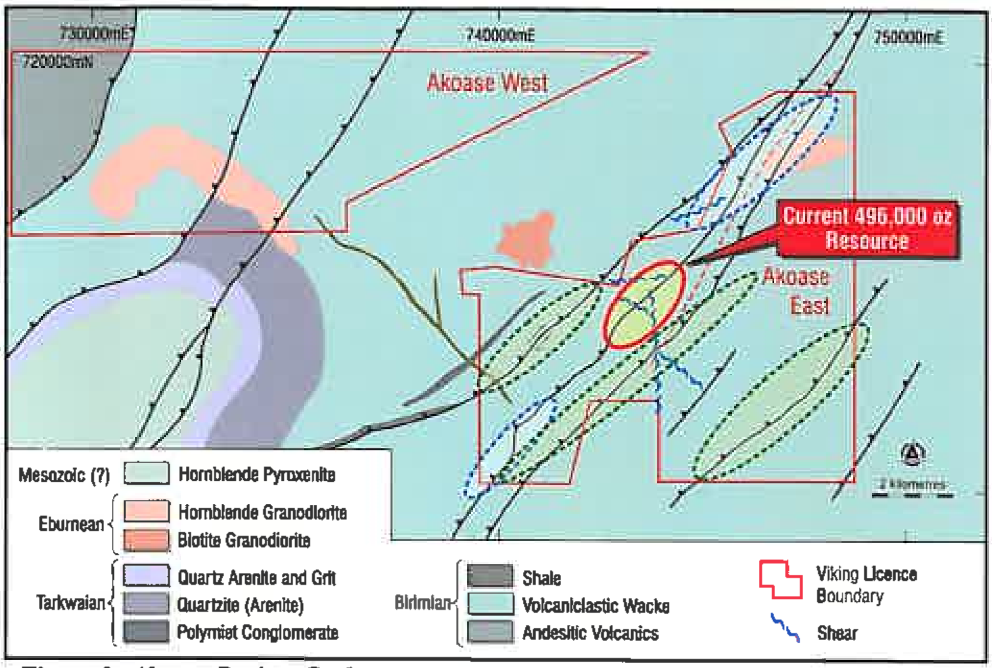

Figure 2: Akoase Project Geology

The Akoase East deposit was discovered by Resolute in the late 1990's using 400m line spaced soil geochemistry. The soils were infilled to 100m line spacing and defined a 7km long anomaly at >30ppb gold, referred to as the Kadewaso mineralized trend. Ground magnetics at 100m x 100m was then completed, followed by Induced Polarization ground geophysics and excavation of 31 trenches at 100m spacing. This work defined a 2.9km long anomaly for drilling. Subsequent trenching and drilling (106 holes totalling 9,494 metres of drilling) on 100m line spacing to a maximum depth of 150 metres has defined a significant near surface JORC classified Inferred resource of 500,000 oz of gold at a 0.5 g/t Au cut-off.

Gold mineralisation on the Akoase East deposit is typically vein-hosted and is associated with quartz-carbonate breccias and stockwork veins developed in zones of strong sericite-ankerite-pyrite alteration (Figure 3).

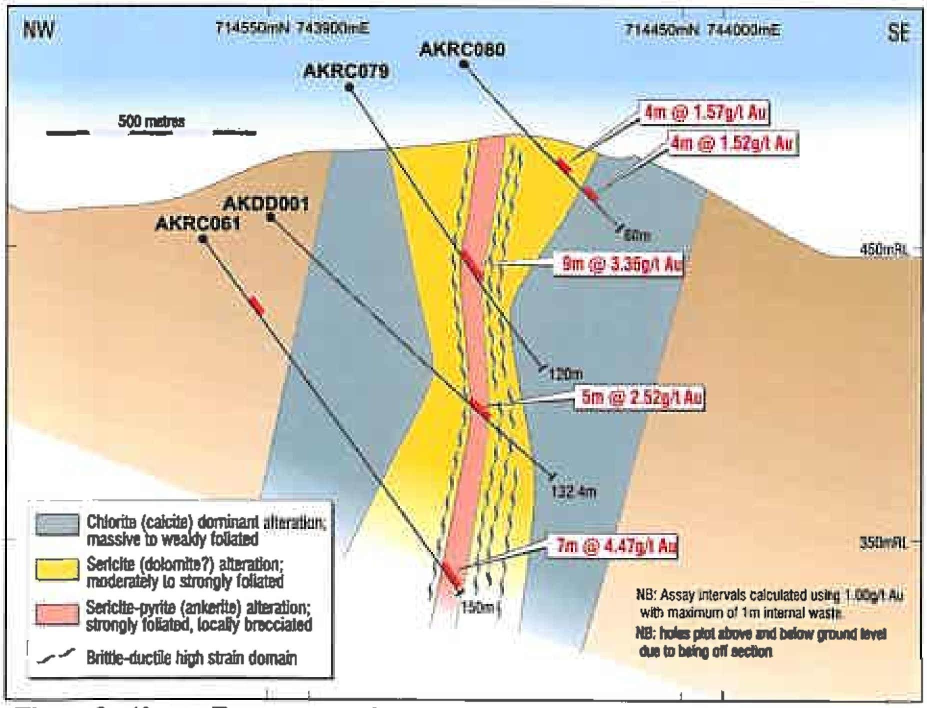

Figure 3: Akoase East cross section

Resources

Based on the drilling and trenching programs referred to above, the current resource for Akoase East was estimated in-house by Resolute in 2006, and reported to JORC standards. The resource was estimated using all surface trench, RC and diamond drilling data with Multiple Indicator Kriging as the estimation method. No high grade cuts were applied. The resource estimate, classified as Inferred and reported at various grade cut-offs and weathering types, is presented in Tables 1 and 2 below:

Table 1: Akoase East Gold Project
Resource Summary by Cut-off

	Inferred		
Cut-off (g/t Au)	**Tonnes** (million)	**Grade** (g/t Au)	**Metal** (oz Au)
0.2	34	0.6	705,000
0.5	**13.3**	**1.2**	**496,000**
0.7	8.5	1.5	404,000
1.0	5.0	1.9	309,000

Table 2: Akoase East Gold Project
Resource Summary (at 0.5 g/t Au cut-off) grouped by Weathering

Category	**Tonnes** (million)	**Grade** g/t Au)	**Metal** (oz Au)
Oxide			
Inferred	2.5	1.1	90,000
Transitional			
Inferred	3.6	1.2	140,000
Fresh			
Inferred	7.3	1.1	266,000
Total			
Inferred	13.3	1.2	496,000

Note: For details on assumptions, parameters and methods used to estimate the mineral resource please refer to the Viking Ashanti Limited prospectus dated April 2010.

The deposit remains open in all directions, with drill ready targets defined directly along strike and down dip of the known resource.

Akoase East Exploration Potential

Excellent potential exists to expand the Akoase resource immediately along strike to the north-east and south-west.
Resolute completed a ground IP geophysical survey over two target areas, which lie directly north-east and south-west of the current resource, along the strike of the Kadewaso mineralized trend, in early 2007.
The Kadewaso mineralisation has a semi-chargeable IP response, with clear evidence of some conductivity response from the presence of sulphides, and a weak resistive response from the breccia zones that usually cap the higher grade zones.

Akoase West Exploration Potential

Resolute have completed regional mapping and structural studies and reconnaissance exploration work, including soil geochemistry.
A prominent soil anomaly is evident west of Akoase village. Mapping reveals that the soil anomaly coincides with an occurrence of gossanous float in locally transported material. There has been no drilling of this target. The anomaly lies immediately north of a prominent change in strike of one of the thrust zones, representing a favourable structural position.

Work Completed

A ten hole diamond drilling program commenced on the Akoase East project in August 2010. The drilling involves some infill drilling, but mainly extension drilling at depth, to commence upgrade and expansion of the existing resource. An ongoing program of RC and diamond drilling is planned to be conducted over the next seven months, totaling 7,000m of RC and 2,000m of diamond drilling.
Soil sampling is in progress on the strike extensions of the Kadewaso mineralized trend, to the north east of the current resource, with 275 samples collected to date. This extra 1 strike km of sampling will complete the soil sampling coverage to the northern boundary of the Akoase East licence.

West Star/Blue River Projects

The West Star and Blue River licences are located in the western region of Ghana and about 250km west of Accra via sealed roads to Nkroful, then unsealed roads to the project areas. The licences occupy the southern end of the Ashanti gold belt and share a southern boundary with Adamus Resources Limited concession, which hosts the 2 million oz Nzema gold project (Figure 4).
The licences are subject to joint venture with Weststar Mining Company Ltd and Blueriver Mining Company Ltd where Resolute has earned 100% in any hard rock gold mineralisation defined. The joint venture partners retain 100% of the alluvial mineralisation on the tenements.
Four prospective areas were outlined for drilling based on strongly anomalous geochemistry, graphitic shears, and density of quartz veining and presence of intrusives. Two of the targets are located at Blue River; south and north of the Ankobra River. These targets are located directly along strike from the Salman deposit in the same graphitic shear that hosts the Salman mineralisation. The other two targets are located on the West Star licences and are referred to as the Western (419) and the Eastern soil anomalies.

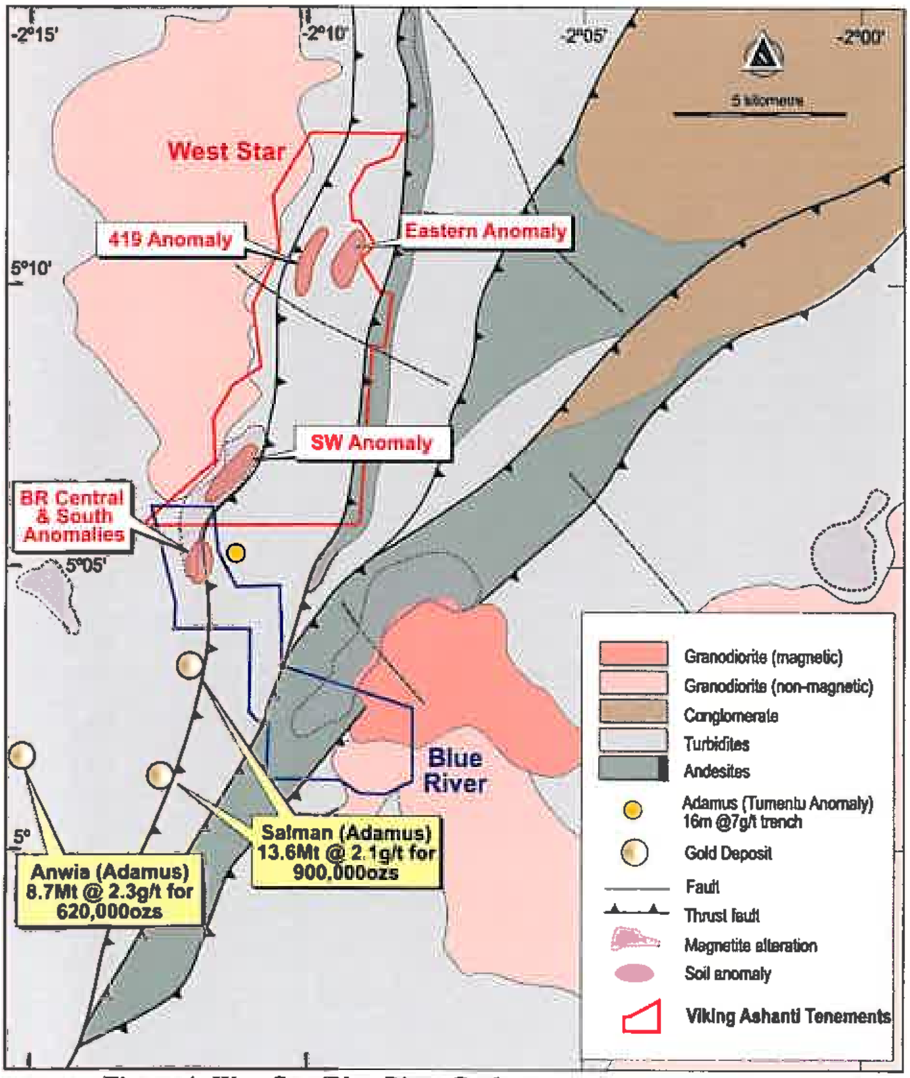

Figure 4: West Star/Blue River Geology

West Star Exploration Potential

The Eastern soil anomaly has been drill tested over 2,400m strike length with 200m line spaced drilling to 50m vertical depth. The 419 anomaly was tested over 600m strike length. While a number of economically significant grade and width intercepts were recorded in the drilling, the current drill spacing is too broad to allow estimation of a resource.

Significant intersections include WRC08 with 20m at 1.59g/t from 24m and WRC13 with 4m at 3.04g/t from 39m.

Blue River Exploration Potential

The Blue River south anomaly has been tested with mainly RC drilling on 200m line spacing for a strike of 1,250m, while the Blue river north anomaly has been tested over 1,000m strike. While a number of economically significant grade and width intercepts were recorded in the drilling the current drill spacing is too broad to allow estimation of a resource.

Mineralisation is a quartz vein type and hosted in graphitic shears within the Salman Shear Zone, with sericite-ankerite alteration halos up to 2m wide present around mineralised veins. The mineralised system appears to be a single irregular lode, extending for a strike of 1,350m with an average width of 15m but discontinuous, which may be the effects of offsetting by E-W thrust faults.

Work Completed

An initial program of RC drilling, involving 10 holes for 812m, was completed in June 2010. The new drill holes were drilled to test the down dip and along strike continuity of some of the encouraging grade and width gold mineralisation intersected in previous Resolute drilling at the Blue River Central prospect and West Star Eastern prospect.

The pre-existing and new drilling results for the Blue River Central prospect indicate that a steeply east dipping zone of gold mineralization is present over a strike length of approximately 250 metres and remains open at depth, where the best result of 6m @ 6.28/t Au was recorded in BRC080 (Table 3, Figure 5).
At the West Star Eastern prospect, hole WRC038 was designed to test the down dip extension of a pre-existing Resolute hole (WRC008, 20m @ 1.59 g/t Au). WRC038 intersected 1.41/t Au in the last metre before the hole was stopped at 80 metres depth due to drilling difficulties (Table 3, Figure 6).

Table 3: RC Drilling Results West Star/Blue River

Drill Hole Information							Mineralized Intercepts				
Hole ID	Easting	Northing	RL	Depth (m)	Azimuth	Dip	from (m)	to (m)	Downhole Width (m)	grade (g/t Au)	weathering
Blue River											
BRC080	584875	561801	62	102	97	-50	63	65	2	0.85	fresh
							72	74	2	1.01	fresh
							94	100	6	6.28	fresh
BRC081	584950	561700	45	90	97	-50	6	9	3	0.64	oxide
							69	72	3	1.01	fresh
BRC082	584950	561800	38	108	97	-60	59	61	2	4.4	fresh
BRC083	584905	561694	45	84	97	-50	2	4	2	1.17	oxide
BRC084	585090	561499	45	60	97	-50				NSA	
BRC085	585160	561500	45	60	97	-50				NSA	
West Star											
WRC041	590100	571400	47	84	97	-50				NSA	
WRC038	590075	571500	50	80	97	-50	79	80	1	1.41	fresh
WRC040	590165	571500	50	60	97	-50				NSA	
WRC039	590100	571600	50	84	97	-50	18	20	2	2.32	oxide
							45	48	3	1.23	fresh
							50	53	3	0.66	fresh
							55	57	2	1.29	fresh

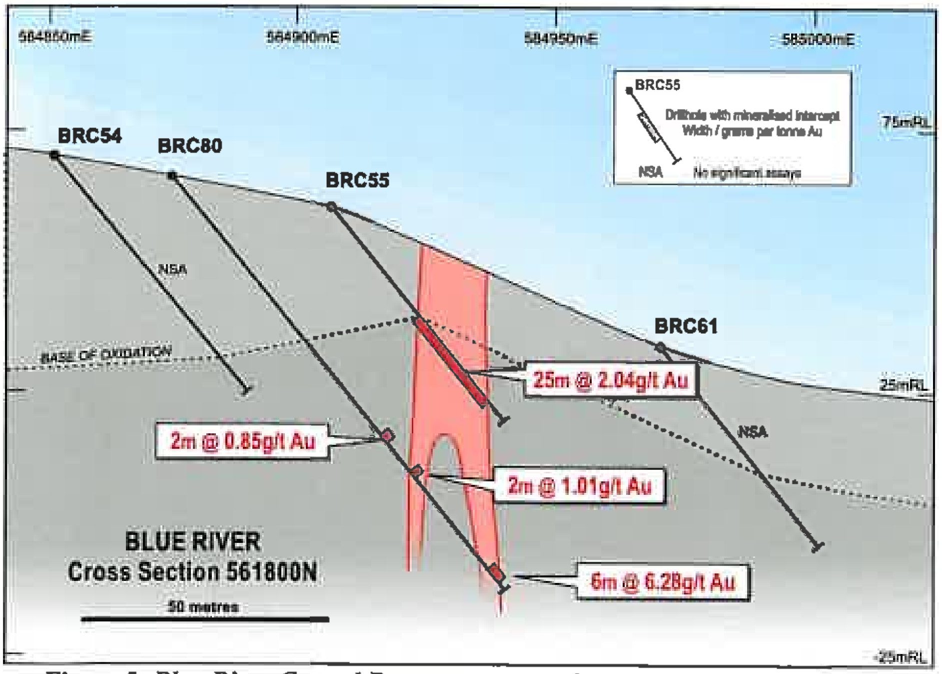

Figure 5: Blue River Central Prospect cross section

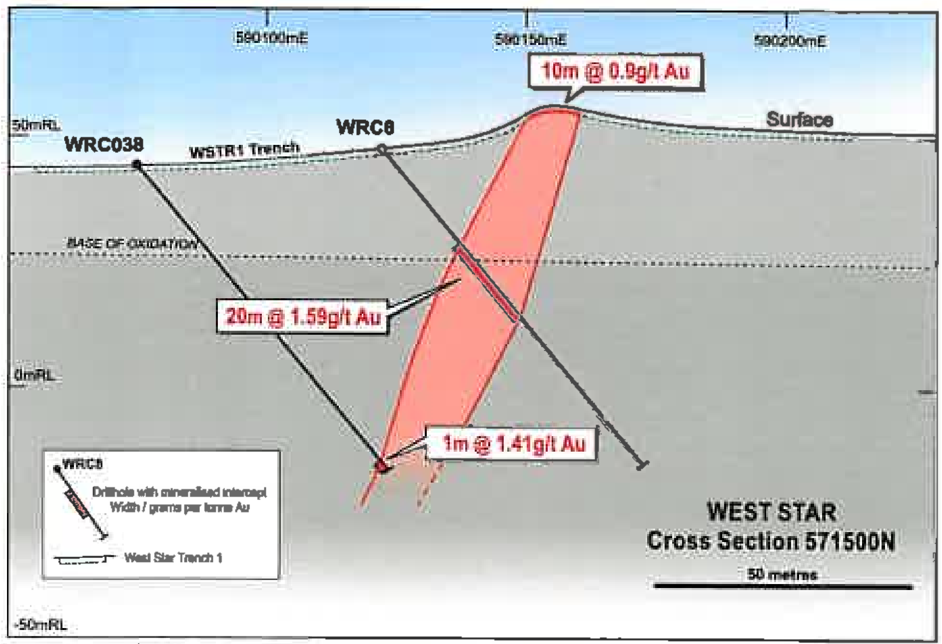

Figure 6: West Star Eastern Prospect cross section

Follow-up programs of RC and diamond drilling are planned to be conducted over the next seven months at West Star/Blue River, totaling 5,000m of RC and 1,000m of diamond drilling.

An infill soil geochemical sampling program on the West Star prospecting licence has commenced, with 107 soil samples collected along five of a planned nine infill lines. Previous soil sampling, completed by Resolute on a 400m x 50m pattern, returned a number of anomalous (>200 ppb Au) results. The infill sampling to 200m x 50m spacing returned individual soil values up to 400 ppb Au and has confirmed previously interpreted geochemical trends, providing more clearly defined drilling targets in previously untested areas over a strike length of 1.6 km.
Sampling of the remaining four infill lines, plus further soil sampling to the north, extending to the northern boundary of the West Star prospecting licence and along strike from the recently defined anomalous geochemical trends is scheduled for late in 2010.

Nchiadi/Nyame Dzikan Projects

The Nchiadi and Nyame Dzikan properties are located 20km north-west of the Blue River/West Star project in the western region of Ghana.
The properties are subject to joint venture agreements with Ahafo Ano South Goldfields Limited. Resolute has earned 51% equity in the three licences for a total of US$60,000 expenditure.
The properties are at an early stage of evaluation and a systematic, staged work program is planned to advance the properties.

Directors' Report

Your directors present their annual financial report on the consolidated entity (referred to hereafter as the "Group") consisting of Viking Ashanti Limited (the "Company" or "Parent") and the entities it controlled at the end of, or during, the financial year ended 30 June 2010. In order to comply with the Corporations Act, the directors report as follows:

Directors
The following persons were directors of the Company during the whole of the financial period and up to the date of this report:

John William Gardner (Non-Executive Chairman)

John William Gardner graduated with Bachelor of Engineering from the University of Melbourne in 1962. He has a Master of Business degree from Curtin University. He is a Fellow of The Institution of Engineers Australia.

Mr Gardner has a long and distinguished career in servicing the mining Industry in Australia as well as in West Africa. As a director and General Manager of Minproc Engineers he was responsible for design and construction of gold and base metal plants. He established Minproc in Ghana where they became that country's leading mining project engineers. He completed many project feasibility studies including geology, resources, mine plans and process plants. When he left the company Minproc Engineers had built more than 60 gold treatment plants.

In Ghana he also headed Ghana Manganese Company (GMC) as executive Chairman after negotiating the purchase of its projects from the Government of Ghana. Privately owned, GMC grew from 300,000 tpa to 1.7 million tpa of Manganese carbonate shipments, until it was acquired for cash.

Mr Gardner has been a director of Mincor Resources Limited since its inception and 1996 ASX listing having completed an IPO raising of $8 million. Mincor today is an ASX top 200 Company. It operates 6 underground nickel sulphide mines and with resources growing year on year. Last financial year it reported $106 million PBATDA. Mincor has spun out a copper company Tethyan Copper with an ASX listing and IPO of $3 million. Tethyan was in joint venture with BHP Billiton, and when it was taken over by Antofogasta, a major copper producer in joint venture with Barrick Gold Corporation, for more than $150 million; it had a resource above 1 billion tonne of low grade near surface porphyry copper with 20Moz of low grade gold contained.

Mr Gardner was also associated with Guinor from 1993 as a consultant to the company. He took an executive role in 1996, overseeing a number of expansions of the Lero heap leach project, and was pivotal in the development of the LEFA Corridor Project, including the detailed Feasibility Study, bank due diligence, the locating and purchasing from RTZ of a large process plant of 8 million tonne of ore per annum. Guinor was taken over by Crew Gold Corporation Inc (Crew) before completion of the LEFA Corridor gold mine.

Peter McMickan (Managing Director)

Peter McMickan graduated with an Honors Degree in Geology from the University of Melbourne, Australia in 1977. He has post-graduate qualifications in Mineral Economics from Macquarie University and is a Member of the Australasian Institute of Mining and Metallurgy.

His professional career has spanned 30 years worldwide with a number of major, well respected international exploration and mining companies including Newmont, Pancontinental Mining, BP Minerals, Kalgoorlie Consolidated Gold Mines and Homestake. He is a highly regarded geologist and manager, with a proven track record of business and technical success throughout his career.

His more recent experience covers corporate, senior management and technical supervision of mining, development and exploration projects throughout Australia, Africa and Europe. He managed the mine geology, exploration and successful resource development of Guinor's Lero gold project in Guinea, West Africa. During his four years with the company, the company's exploration spend increased to US$1 million per month, which sustained the existing heap leach operation and resulted in expansion of the resource to over 4Mozof gold in the space of two years. This expanded resource base underpinned a major re-development of the Lero project to a 6Mtpa CIP/CIL operation producing 350,000 ounces of gold per year.

Mr McMickan was also involved in Guinor's re-domiciliation from Oslo to London, and listing the company on the Toronto Stock Exchange. He has, in the past six years been involved in the re-capitalization and positive market re-rating of three exploration and mining companies.

Mr McMickan joins Viking Ashanti from Aditya Birla Minerals Ltd, one of Australia's largest copper producers, where he was General Manager of Geology and Business Development. During his period of employment he was responsible for worldwide evaluation of advanced copper projects, the ongoing development of the Esperanza South and Maroochydore copper projects and new exploration discoveries in the Pilbara region of Western Australia.

Trygve Kroepelien (Non-Executive Director)

Trygve Kroepelien is a graduate of Dartmouth College, N.H., USA (BA) and Tuck School of Business Administration, N.H, USA (MBA).

His professional career has been focused on administration of natural resources, initially within the UN organization, and subsequently with Norwegian consulting companies supplying services to the developing world.

Mr Kroepelien has a wealth of successful experience throughout West Africa, particularly in Guinea, Ghana, Burkina Faso and Mauritania. For the last 30 years he has been active in the private sector, promoting mineral resource projects in West Africa.
In 1986 Mr Kroepelien was appointed CEO and Managing Director of Kenor ASA (which subsequently changed its name to Guinor), a Norwegian emerging junior explorer. Guinor acquired the Dinguiraye exploration permits in Guinea (Conakry) initially with a 17.6% indirect participation. Under Mr Kroepelien's management, Guinor listed as the first gold explorer on the Oslo Exchange (OSX) in 1994. It subsequently, built a resource and a reserve to JORC standards and eventually inaugurated the first industrial gold mine in Guinea in 1996 (Société Minière de Dinguiraye – SMD).

In 1998, Guinor acquired 85% direct control of the SMD and eventually expanded it to a production of >100 000 oz in 2002. Mr Kroepelien was then responsible for securing USD 40 million in financing in 2002 and 2003 to undertake an extensive exploration program significantly increasing the company's certified resources.

Mr Kroepelien left Guinor December 2003 at which time the company had achieved a JORC certified resource of 4Moz and was planning a production expansion to 350,000 oz pa.

During Mr Kroepelien's tenure with Guinor the company grew from an initial capitalization of US$ 2 million to US$ 130 million.

Mr Kroepelien has continued to play an active role in the development of West African mineral resources remains a non-executive board member of SMD. He is also closely associated with the development of uranium deposits in Mauritania and Guinea as well as bauxite in Guinea.

Mark Newlands (Non-Executive Director)

Mr Newlands was appointed a director on 28th January 2010.

Mr. Newlands is based in the UK and has over 20 years experience in the investment banking and broking industries, most recently as Head of Equity Capital Markets in London at Enskilda Securities, the leading Scandinavian investment bank. During this time he executed numerous initial public offerings, as well as other capital raisings, rights issues and secondary share placings on behalf of European companies in a range of sectors. These transactions were marketed to a wide range of UK, Continental European and other international investors. Prior to Enskilda, he held senior positions at Nikko Securities, Europe and BZW (the then investment banking subsidiary of Barclays Bank PLC). He is currently a director of privately owned merchant banking firm Emerald Partners.

Mr. Newlands holds a BA in Economics from Oxford University and an MBA from INSEAD, business school, Fontainebleau.

Interests in the shares and options of the Company and related bodies corporate
The following relevant interests in shares and options of the Company or a related body corporate were held by the directors as at the date of this report.

Directors	Number of options over ordinary shares	Number of fully paid ordinary shares
John Gardner	1,500,000	4,000,000
Peter McMickan	2,500,000	2,700,000
Trygve Kroepelien	1,000,000	4,000,000
Mark Newlands	1,000,000	200,000

COMPANY SECRETARY

Michael Langoulant
Mr Langoulant is a Chartered Accountant with 20 years' experience in corporate administration and fundraising for public companies. Mr Langoulant ten years with large international accounting firms, and has acted as chief financial officer, company secretary and non-executive director for a number of publicly listed companies. Mr Langoulant established his own corporate services consultancy firm in 1994.

Principal activities
The principal activity of the Group during the financial period was investment in mineral exploration projects.

Dividends
No dividend has been paid or declared since the start of the financial period and the directors do not recommend the payment of a dividend in respect of the financial period.

Review of operations
Information on the operations of the Group is set out in the review of Operations Report on pages 5 to 11 of this Annual Report.

Significant changes in the state of affairs
There have been no significant changes in the state of affairs of the Group to the date of this report other than:

- The issue of 6,000,000 shares at $0.05 in November 2009 to raise working capital;
- The issue of 9,000,000 shares at $0.10 in March 2010 to raise working capital;
- The issue of 20,000,000 to Resolute Group Limited to acquire their Ghanaian exploration properties; and
- The issue of 26,666,667 shares at $0.30 to raise $8,000,000 as part of the Company's IPO process which resulted in it becoming listed on ASX on 10 May 2010

Matters subsequent to the end of the financial period
There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Likely developments and expected results
Additional comments on expected results of certain operations of the Group are included in the review of operations and activities.

Environmental legislation
The Group is subject to significant environmental legal regulations in respect to its exploration and evaluation activities in Ghana. There have been no known breaches of these regulations and principles.

Indemnification and insurance of directors and officers
During the financial period the Company did not pay premiums in respect of insuring directors and officers of the Company against liabilities incurred as directors or officers. However, since year end the Company has paid premiums in respect of a contract insuring all directors and officers of the Company and its controlled entities against liabilities incurred as directors or officers to the extent permitted by the *Corporations Act 2001*. Due to a confidentiality clause in the contract the amount of the premium has not been disclosed.

Meetings of directors
During the financial period there were 6 formal directors' meetings. All other matters that required formal Board resolutions were dealt with via written circular resolutions. In addition, the directors met on an informal basis at regular intervals during the financial period to discuss the Group's affairs.

The number of meetings of the Company's board of directors attended by each director were:

	Directors' meetings held whilst in office	*Directors' meetings attended*
J Gardner	6	6
P McMickan	6	6
T Kroepelien	6	5
M Newlands	3	3

Shares under option

Outstanding share options at the date of this report are as follows:

Grant Date	Date of expiry	Exercise price	Number of options
29 January 2010	31 December 2012	$0.345	6,000,000

No option holder has any right under the options to participate in any other share issue of the Company or any other controlled entity.

Shares issued on the exercise of options

There have been no shares issued upon the exercise of options.

Remuneration Report

This report outlines the remuneration arrangements in place for the key management personnel of Viking Ashanti Limited (the "company") for the financial year ended 30 June 2010. The information provided in this remuneration report in relation to the current financial year has been audited as required by Section 308(3C) of the Corporations Act 2001. The information provided in this remuneration report in relation to the 2009 financial year has not been audited as the Company was not a publicly listed company during that period.

The remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes all executives in the Parent and the Group

Key Management Personnel

(i) Directors
J Gardner (Chairman)
P McMickan (Managing Director)
T Kroepelien (Non-Executive Director)
M Newland (Non-Executive Director)

(ii) Executive
M Langoulant (Company Secretary)

Details of directors' and executives' remuneration are set out under the following main headings:
A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Employment contracts/Consultancy agreements
D Share-based compensation

A Principles used to determine the nature and amount of remuneration
The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aims to align executive reward with the creation of value for shareholders. The key criteria for good reward governance practices adopted by the Board are:
- competitiveness and reasonableness
- acceptability to shareholders
- performance incentives
- transparency
- capital management

The framework provides a mix of fixed salary, consultancy agreement based remuneration, and share based incentives.
The broad remuneration policy for determining the nature and amount of emoluments of Board members and senior executives of the Company is governed by the full board. Although there is no separate remuneration committee the Board's aim is to ensure the remuneration packages properly reflect directors and executives duties and responsibilities. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention and motivation of a high quality Board and executive team.

The current remuneration policy adopted is that no element of any director/executive package be directly related to the Company's financial performance. Indeed there are no elements of any director or executive remuneration that are dependent upon the satisfaction of any specific condition. The overall remuneration policy framework however is structured in an endeavour to advance/create shareholder wealth.

Non-executive directors
Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board and are intended to be in line with the market.

Remuneration Report (cont)

Directors' fees
One of the directors is an executive with the remainder being non-executive. Each non- director receives a separate fixed fee for their services as directors. The current non-executive director fee is set at $50,000 per annum for the Chairman and $35,000 per annum per non-executive director.

Retirement allowances for directors
Apart from superannuation payments paid on salaries there are no retirement allowances for directors.
Executive pay
The executive pay and reward framework has the following components:

- base pay and benefits such as superannuation
- long-term incentives through participation in employee equity issues

Base pay
All executives are either full time employees or consultants that are paid on an agreed basis that have been formalised in consultancy agreements.

Benefits
Apart from superannuation paid on executive salaries there are no additional benefits paid to executives.

Short-term incentives
There are no current short term incentive remuneration arrangements.

Employee/Consultant options
To ensure that the Company has appropriate mechanisms in place to continue to attract and retain the services of suitable directors and employees, the Company has issued options to key personnel.

During the year the Company issued 6,000,000 Options exercisable at $0.345 on or before 31 December 2012 to directors.

Remuneration Report (cont)

B Details of remuneration

Amounts of remuneration
Details of the remuneration of the directors and key management personnel (as defined in AASB 124 *Related Party Disclosures*) of the Company and the Group for the year ended 30 June 2010 are set out in the following tables. There are no elements of remuneration that are directly related to performance.
The key management personnel of the Group are the directors of the Company and those executives that have authority and responsibility for planning, directing and controlling the activities of the Group.

Remuneration of key management personnel

Year ended 30 June 2010	*Primary benefits*		*Post-employment benefits*	*Share-based payment*	
Name	*Salary and/or consulting fees* *$*	*Directors' fees* *$*	*Super-annuation* *$*	*Equity option issues* *$*	*TOTAL* *$*
Director					
J Gardner	53,894	8,333	-	34,200	96,427
P McMickan	80,367	-	3,525	57,000	140,892
T Kroepelien	10,652	5,833		22,800	39,285
M Newlands	-	5,833	-	22,800	28,633
Key management personnel					
M Langoulant*	-	-	-	-	-
Year ended 30 June 2009					
Director					
J Gardner	-	-	-	-	-
P McMickan	-	-	-	-	-
T Kroepelien	-	-	-	-	-
Key management personnel					
Nil	-	-	-	-	-

* Fees for bookkeeping, accounting and corporate administration services of $42,000 were paid to a company of which he is a director and shareholder

C Employment contracts/Consultancy agreements

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. A formal employment contract has been made with the Managing Director.

The details of the Managing Director's consulting contract are summarised below:

- Term of agreement – 3 years from 10 May 2010
- Salary of $235,000 pa plus statutory superannuation to be reviewed annually
- Payment of a termination benefit on early termination by the Company of no more than 12 months remuneration

Remuneration Report (cont)

D Share-based compensation

Options

Options are granted to employees and consultants as determined by the board. The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

Grant date	Expiry date	Exercise price	Value per option at grant date	% vested
29 January 2010	31 December 2012	$0.345	$0.0228	100

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share.

Details of options over ordinary shares in the Company provided as remuneration to each director of the Company and each of the key management personnel of the Group are set out below. Further information on the options is set out in note 17 to the financial statements.

Name	Option series	Number granted	Number vested	% of compensation for year consisting of options
J Gardner	31 December 2012	1,500,000	1,500,000	35
P McMickan	31 December 2012	2,500,000	2,500,000	40
T Kroepelien	31 December 2012	1,000,000	1,000,000	58
M Newlands	31 December 2012	1,000,000	1,000,000	80

The assessed fair value at grant date of options granted to individuals are fully vested at grant date and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black and Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price/market value at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Directors' Report

Auditor independence and non-audit services
Section 307C of the *Corporations Act 2001* requires our auditors, Rothsay Chartered Accountants, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 21 and forms part of this directors' report for the year ended 30 June 2010.

Non-audit services
The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the consolidated entity are important. The Company has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The auditor has not provided any material non-audit services meaning that auditor independence was not compromised.

Proceedings on behalf of Company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the directors.

J Gardner
Chairman
Perth, Western Australia
29 September 2010

The information in this 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 Peter McMickan is a full-time employee of the company. Mr Peter McMickan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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 Peter McMickan consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

ROTHSAY

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Phone (08) 9227 0552 www.rothsay.com.au

The Directors
Viking Ashanti Limited
Suite 8
14 Main Street
Osborne Park WA 6017

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2010 financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Graham Swan (Lead auditor)

Rothsay Chartered Accountants

Dated September 2010

Viking Ashanti Limited
ABN 38 126 200 280

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Viking Ashanti Limited is responsible for establishing the corporate governance framework of the Group having regard to the ASX Corporate Governance Council ('CGC') published guidelines as well as its corporate governance principles and recommendations.

The CGC's published guidelines are as follows:

Principle 1. Lay solid foundations for management and oversight

Principle 2. Structure the board to add value

Principle 3. Promote ethical and responsible decision making

Principle 4. Safeguard integrity in financial reporting

Principle 5. Make timely and balanced disclosure

Principle 6. Respect the rights of shareholders

Principle 7. Recognise and manage risk

Principle 8. Remunerate fairly and responsibly

Viking Ashanti Limited became a public company on 9 March 2010 and adopted it's corporate governance practices on 19 March 2010. These corporate governance policies were fully compliant with the Council's best practice recommendations unless otherwise stated.

Copies of Viking Ashanti's corporate governance policies and charters are available on the Company's website at www.vikingashanti.com.

Composition of the Board

The Board currently comprises John William Gardner as Chairman, Peter McMickan as Managing Director, Trygve Kroepelien and Mark Newlands as Non-Executive Directors. The qualifications and other details of the Directors are set out in the Directors' Report.

The Constitution requires a minimum number of three and a maximum number of ten Directors. The number of Directors may be varied, pursuant to the provisions of the Constitution, but the minimum number of Directors must not be less than three.

The relevant provisions in the Constitution and the Corporations Act determine the terms and conditions relating to the appointment and termination of Directors. Directors, other than the Managing Director, are subject to re-election by rotation every three years.

Board Charter

The Board has adopted a Board Charter. Under the Board Charter, the Board is responsible for the overall operation and stewardship of the Company and its subsidiaries and, in particular, is responsible for:

- setting the strategic direction of the Company, establishing goals to ensure that these strategic objectives are met and monitoring the performance of management against these goals and objectives;
- ensuring there are adequate resources available to meet the Company's objectives;
- appointing the Managing Director, Company Secretary and Chief Financial Officer of the Company;
- evaluating the performance and determining the remuneration of senior executives, and ensuring that appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- evaluating the performance of each Director of the Company on an annual basis;
- approving and monitoring financial reporting and capital management;
- approving and monitoring the progress of business objectives;

- ensuring that any necessary statutory licences are held and compliance measures are maintained to ensure compliance with the law and licences;
- ensuring that adequate risk management procedures exist and are being used;
- ensuring that the Company has appropriate corporate governance structures in place, including standards of ethical behaviour and a culture of corporate and social responsibility;
- ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Company; and
- ensuring procedures are in place for ensuring the Company's compliance with the law.

Beyond those matters, the Board has delegated authority to the Managing Director for management of the Company's affairs. The role of management is to support the Managing Director and implement the running of the general operations and financial business of the Company.

Corporate Code of Conduct

The Board has established a Corporate Code of Conduct ("Code"), a copy of which is available on the Company's website, with which the Directors, officers, managers, employees and consultants of the Company are expected to comply in relation to the affairs of the Company and when dealing with each other, shareholders and the broader community. Given the size and the scope of the Company's operations, the Directors do not consider it necessary for Viking Ashanti to have a separate code of conduct for directors and senior executives, as they are covered by the Code.

The Code sets out the Company's policies on various matters, including the following:

- conflicts;
- fair dealing;
- Company assets and property;
- computer, email and internet use;
- confidential information;
- health, safety and environment;
- employment practices; and
- gifts and entertainment.

The Code also outlines the procedure for reporting any breaches of the Code and the possible disciplinary action the Company may take in respect of any breaches.

Securities Dealing Policy

The Board has adopted a Securities Dealing Policy, a copy of which is available on the Company's website. The Securities Dealing Policy sets out the requirements for all Directors, executives, employees, contractors, consultants and advisers (Designated Persons) of Viking Ashanti dealing in the Company's securities.

In order to ensure that the Designated Persons do not inadvertently breach the insider trading provisions of the Corporations Act, the Securities Dealing Policy sets out recommended time for any Designated Person to deal in the Company's securities, provided that Designated Person is not in possession of any inside information relating to the Company at the time of dealing.

Directors and senior executives may not deal in the Company's securities without notifying the Managing Director. The Managing Director must notify the Chairman and the Company Secretary of the Managing Director's intention to trade and must subsequently notify the Company Secretary of any trade that has occurred.

Audit and Compliance Committee

Viking Ashanti has established an Audit and Compliance Committee (Audit committee). The Audit Committee operates under the Audit Committee Charter which lists the primary responsibilities of the Audit Committee being:

- review any financial reports published externally;
- monitor corporate risk assessment processes;

- review the nomination and performance of the external auditor;
- monitor the establishment of appropriate ethical standards;
- monitor the procedures to ensure compliance with the Corporations Act and the Listing Rules and all other regulatory requirements;
- address any matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investments Commission, ASX Limited and financial institutions; and
- review the results and findings of the auditor, the adequacy of accounting and financial controls and to monitor the implementation of any recommendations made.

The Audit Committee comprises Messrs Gardner, Kroepelien and Newlands.

Continuous Disclosure Policy

The Company is a "disclosing entity" pursuant to sections 111AR of the Corporations Act and, as such, will need to comply with the continuous disclosure requirements of Chapter 3 of the Listing Rules and section 674 of the Corporations Act. Subject to the exceptions contained in the Listing Rules, the Company will be required to disclose to ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the shares.

The Company is committed to observing its disclosure obligations under the Corporations Act and its obligations under the Listing Rules. All relevant information provided to ASX will be posted on the Company's website.

Viking Ashanti has adopted a Continuous Disclosure Policy, a copy of which is available on the Company's website. The purpose of the Continuous Disclosure Policy is to:

- ensure that the Company, as a minimum, complies with its continuous disclosure obligations under the Corporations Act and the Listing Rules and, as much as possible, seeks to achieve and exceed best practice;
- provide shareholders and the market with timely, direct and equal access to information issued by the Company; and
- promote investor confidence in the integrity of the Company and its securities.

Shareholder Communication Policy

Viking Ashanti has adopted a Shareholder Communication Policy, a copy of which is available on the Company's website. The Shareholder Communication Policy outlines the processes through which the Company will endeavour to ensure timely and accurate information is provided equally to all shareholders and the broader market.

The Company supports shareholder participation in general meetings and mechanisms for enabling shareholder participation will be reviewed regularly to encourage the highest level of shareholder participation.

Risk Management Policy

Viking Ashanti has established a Risk Management Policy, a copy of which is available on the Company's website. The purpose of the Risk Management Policy is to:

- provide a framework for identifying, assessing, monitoring and managing risk;
- communicate the roles and accountabilities of participants in the risk management system; and
- highlight the status of risks to which the Company is exposed, including any material changes to the Company's risk profile.

The Board is responsible for:

- risk management and oversight of internal controls;
- establishing procedures which provide assurance that business risks are identified, consistently assessed and adequately addressed; and
- the overseeing of such procedures.

The Board will review assessments of the effectiveness of risk management and internal compliance and control on a quarterly basis.

Exceptions to ASX Recommendations

The Company sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practice departs from the ASX Recommendations, to the extent that they are currently applicable to the Company.

ASX Recommendations 1.2 and 2.5 (Process for evaluation)

Viking Ashanti does not have in place a formal process for evaluation of the Board, individual Directors and senior executives. Given the small size of the Board and the nature of the Company's activities, the Directors do not consider the establishment of a formal performance evaluation strategy to be necessary at present.

Performance evaluation is a discretionary matter for consideration by the entire Board and, in the normal course of events, the Board will review performance of the management, Directors and the Board as a whole.

ASX Recommendation 2.1 (Independent Directors)

At present, the Board does not comprise a majority of independent directors. John William Gardner, Trygve Kroepelien and Mark Newlands are Non-Executive Directors, however, only Mr. Newlands is classified as independent. Given the size and scope of the Company's operations, the Directors consider that this is both appropriate and acceptable at this stage of the Company's development.

The Board considers that it has the relevant experience in the exploration and mining industry, and is appropriately structured, to discharge its duties in a manner that is in the best interests of the Company and its shareholders from both a long-term strategic and operational perspective.

The Board intends to appoint further independent Non-Executive Directors as suitably qualified candidates are identified and the size and scale of the Company's operations determine.

ASX Recommendation 2.4 (Nomination Committee)

Given the size and the scope of the Company's operations, the Directors do not consider it necessary for Viking Ashanti to have a separate Nomination Committee at present. The Board considers the matters and issues that would fall to the nomination committee. The Board considers that at this stage, no efficiencies or other benefits would be gained by establishing a separate nomination committee.

The Board intends to reconsider the requirement for and the benefit of a separate Nomination Committee as the Company's operations develop.

ASX Recommendation 4.2 (Composition of Audit Committee)

ASX Recommendation 4.2 recommends that an audit committee should be structured so that it:

- consists only of non-executive directors;
- consists of a majority of independent directors;
- is chaired by an independent chair, who is not chair of the Board; and
- has at least three members.

At present, the Board considers it impractical for the Company to comply with ASX Recommendation 4.2 given the current size of the Board and the scope of the Company's operations. However, the Board considers the composition of the Audit Committee will be sufficient to enable the Audit Committee to properly discharge its duties.

ASX Recommendation 8.1 (Remuneration Committee)

The Company has not established a separate remuneration committee and does not have a formal remuneration policy in place.

The role of remuneration committee is undertaken by the Board in the absence of the Managing Director. The Board considers that given its current size and that only one (1) Director holds an executive position in the Company, no efficiencies or other benefits would be gained by establishing a separate remuneration committee.

As the size of the Company evolves, the Board will consider the appropriateness of forming a separate remuneration committee having regard to the ASX Recommendations. The Board has stated its responsibilities with respect to remuneration policies and practices in the Board Charter.

Viking Ashanti Limited
ABN 38 126 200 280

Statement of Comprehensive Income
For the year ended 30 June 2010

	Note	Consolidated 2010 $	2009 $
Other income	2	79,797	133
Loans written off		(17,223)	-
Share based payment expense		(136,800)	-
Other expenses	2	(955,771)	(73,701)
		(1,029,997)	(73,701)
Loss before income tax expense	2	(1,029,997)	(73,568)
Income tax expense	3	-	-
Loss after income tax expense		(1,029,997)	(73,568)
Net loss for the year		(1,029,997)	(73,568)
Other comprehensive income			
Exchange differences on translation of foreign operations		171,682	-
Income tax relating to components of other comprehensive income		-	-
Other comprehensive income, net of tax		171,682-	-
Total comprehensive loss for the year		(858,315)	(73,568)
Loss attributable to:			
Owners of the Company		(995,735)	(73,568)
Non-Controlling Interest		(34,262)	-
		(1,029,997)	(73,568)
Total comprehensive loss attributable to:			
Owners of the Company		(824,053)	(73,568)
Non-Controlling Interest		(34,262)	-
		(858,315)	(73,568)
		Cents	Cents
Basic loss per share (cents per share)	4	(4.75)	(0.98)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Viking Ashanti Limited
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Statement of Financial Position
As at 30 June 2010

	Note	Consolidated 2010 $	2009 $
Current Assets			
Cash and cash equivalents	6	**7,671,100**	4.349
Trade and other receivables	7	**143,311**	3,275
Other financial assets	8	**41,403**	-
Total Current Assets		7,855,814	7,624
Non-Current Assets			
Plant and equipment	9	**635**	-
Exploration project acquisition costs	10	**6,373,110**	
Total Non-Current Assets		6,373,745	-
Total Assets		14,229,559	(7,624)
Current Liabilities			
Trade and other payables	11	476,790	1,279
Total Current Liabilities		476,790	1,279
Non-Current Liabilities			
Borrowings		-	5,000
Total Non-Current Liabilities		-	5,000
Total Liabilities		476,790	6,279
Net Assets		13,752,769	1,345
Equity			
Issued capital	12	**14,547,939**	75,000
Reserves	13	**308,482**	-
Accumulated losses		**(1,069,390)**	(73,655)
Outside equity interest		**(34,262)**	-
Total Equity		13,752,769	1,345

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

Viking Ashanti Limited
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Statement of Changes in Equity
For the year ended 30 June 2010

Consolidated	Issued capital $	Accumulated losses $	Share based payments reserve $	Foreign currency translation reserve $	Outside Equity Interest $	Total equity $
Balance 1 July 2008	75,000	(87)	-	-	-	74,913
Loss for the period	-	(73,568)	-	-	-	(73,568)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	-	(73,568)	-	-	-	(73,568)
Balance at 30 June 2009	75,000	(73,655)	-	-	-	1,345
Balance at 1 July 2009	75,000	(73,655)	-	-	-	1,345
Loss for the period	-	(1,029,997)	-	-	-	(1,029,997)
Other comprehensive income	-	-	-	171,682	-	171,682
Total comprehensive loss for the year	-	(1,029,997)	-	171,682	-	(858,315)
Outside equity interest in loss	-	34,262	-	-	(34,262)	-
Shares issued during the period	15,200,000	-	-	-	-	15,200,000
Capital raising costs (note 14(b))	(727,061)	-	-	-	-	(727,061)
Share based compensation	-	-	136,800	-	-	136,800
Balance at 30 June 2010	**14,547,939**	**(1,069,390)**	**136,800**	**171,682**	(34,262)	**13,752,769**

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

Viking Ashanti Limited
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Statement of Cash Flows
For the year ended 30 June 2010

	Note	Consolidated **Inflows/ (Outflows) 2010 $**	Inflows/ (Outflows) 2009 $
Cash flows from operating activities			
Payments to suppliers and employees		**(507,241)**	(75,656)
Interest received		79,797	133
Net cash outflow from operating activities	21(a)	**(427,444)**	(75,523)
Cash flows from investing activities			
Purchase of plant and equipment		**(635)**	-
Repayment of shareholder loans		**(5,000)**	(15,651)
Payments for exploration and evaluation		**(373,110)**	-
Net cash outflow from investing activities		**(378,745)**	(15,651)
Cash flows from financing activities			
Proceeds from the issue of shares/options		**9,200,000**	75,000
Capital raising costs		**(727,061)**	-
Net cash inflow from financing activities		**8,472,939**	75,000
Net increase/(decrease) in cash held		**7,666,750**	(16,174)
Cash at the beginning of reporting period		**4,349**	20,523
Cash at the end of the reporting period	6	**7,671,099**	4,349

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

Note 1: Statement of significant accounting policies

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and complies with other requirements of the law. The financial report has also been prepared on a historical cost basis. The Company is registered and domiciled in Australia.

(b) Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2010, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2010. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

(c) Statement of compliance

The financial report was authorised by the Board of directors for issue on 29 September 2010.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Viking Ashanti Limited and its controlled entities as at 30 June (the Group).

The financial statements of the controlled entities are prepared for the same reporting period as the Parent, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Controlled entities are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

(e) Significant accounting judgements estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Deferred exploration expenditure:

The Group's main activity is exploration and evaluation for minerals. The nature of exploration activities are such that it requires interpretation of complex and difficult geological models in order to make an assessment of the size, shape, depth and quality of resources and their anticipated recoveries. The economic, geological and technical factors used to estimate mining viability may change from period to period. In addition exploration activities by their nature are inherently uncertain. Changes in all these factors can impact exploration asset carrying values.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model.

Note 1: Statement of significant accounting policies (continued)

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(g) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Temporary bank overdrafts are included in cash at bank and in hand. Permanent bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Note 1: Statement of significant accounting policies (continued)

(i) **Other taxes**

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(j) **Plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Office equipment – 20%
Plant and equipment – 20% - 40%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial period end.

(k) **Impairment of assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

Note 1: Statement of significant accounting policies (continued)

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior financial periods. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(l) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(m) Provisions

Where applicable, provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(n) Employee leave benefits

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(o) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to employees and consultants of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black and Scholes model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which any performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects
(i) the extent to which the vesting period has expired, and
(ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Note 1: Statement of significant accounting policies (continued)

(p) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

(r) Exploration and evaluation expenditure

Exploration costs are expensed as incurred. Acquisition costs are accumulated in respect of each separate area of interest. Acquisition costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through the sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the Directors' decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period and accumulated acquisition costs written off to the extent that they will not be recovered in the future. Amortisation is not charged on acquisition costs carried forward in respect of areas of interest in the development phase until production commences.

(s) Comparatives

As the Company only became a public company on 19 March 2010 the financial statements for the year ended 30 June 2009 were not audited.

	Consolidated 2010 $	2009 $
Note 2: Revenue and expenses		
(a) Revenue from continuing operations		
Other revenue		
Interest received	79,797	133
(b) Expenses		
Loss from ordinary activities before income tax expense includes the following specific expenses:		
Auditors' fees	**177,131**	-
Employee costs	**380,683**	-
Consultants	**122,444**	73,701
Investor relations	**68,717**	-
Note 3: Income tax		
Income tax expense recognised in income statement		
Current income tax		
Current income tax payable	-	-
Deferred income tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense/(benefit) reported in statement of comprehensive income	-	-
Reconciliation to income tax expense on accounting loss		
Accounting loss before tax	**(1,029,997)**	(73,568)
Tax expense (revenue) at the statutory income tax rate of 30%	**(308,999**	(22,070)
Sundry non-deductible expenses	**135,620**	-
Unrealised tax losses not recognised	**173,379**	22,070
Income tax expense	-	-

Note 3: Income tax (cont)

	Consolidated 2010 $	2009 $
Unrecognised deferred tax balances		
Deferred tax assets:		
Share issue costs	**218,118**	-
Tax revenue losses	**195,449**	22,070
	413,567	22,070
Deferred tax liabilities:		
Exploration expenses	-	-
Net unrecognised deferred tax assets	**435,637**	22,070

Note 4: Earnings per share

	2010	2009
Total basic loss per share (cents)	(4.75)	(0.98)

The loss and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:

	2010	2009
Net loss for the period	**(995,735)**	(73,658)
The weighted average number of ordinary shares	**20,984,018**	7,500,000

The diluted loss per share is not reflected as the result is anti-dilutive.

Note 5: Segment information

The Group has adopted AASB 8 *Operating Segments* which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess its performance.

The Board of Viking Ashanti Limited reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period the Group operated predominately in one business and geographical segment, being the resources sector in Ghana. Accordingly under the management approach outlined only one operating sector has been identified and no further disclosures are required in the notes to the consolidated financial statements.

Note 6: Cash and cash equivalents

	Consolidated 2010 $	2009 $
Cash at bank and on hand	**292,280**	4,349
Short term deposits	**7,378,820**	-
	7,671,100	4,349

(a) Reconciliation to Statement of Cash Flows
The above figures agree to cash at the end of the financial period as shown in the Statement of Cash Flows.

(b) Cash at bank and on hand
These are non interest bearing accounts.

(c) Deposits at call
The deposits are at interest rates of 4.55%. These deposits are available at call.

(d) Cash balances not available for use
There is no cash balances not available for use (2009: nil).

Note 7: Trade and other receivables

	2010	2009
GST	**90,240**	-
Other receivables	**53,071**	3,275
	143,311	3,275

Note 8: Other financial assets

	2010	2009
Prepaid expenses	**41,403**	-

Note 9: Plant and equipment

Consolidated

	Plant and equipment $	Total $
Year ended 30 June 2010		
Opening balance	-	-
Additions	635	635
Scrapped	-	-
Depreciation charge	-	-
Closing net book value	635	635
At 30 June 2010		
Cost or fair value	635	635
Accumulated depreciation	-	-
Net carrying amount	635	635

The depreciation rates were as follows for 2010:
Plant and equipment 20-40%

Note 10: Exploration project acquisition costs

	Consolidated 2010 $	2009 $
Opening balance	-	-
Project acquisition costs	**6,373,110**	-
Project acquisition costs written off	-	-
Acquisition costs in respect of areas of interest in the exploration phase	**6,373,110**	-

The recoupment of exploration project acquisition costs carried forward is dependent upon the recoupment of costs through successful development and commercial exploitation, or alternatively by sale of the respective areas.

Note 11: Trade and other payables

	2010	2009
Trade payables *	**338,216**	1,279
Other payables	**138,574**	-
	476,790	1,279

* Trade payables are non-interest bearing and are normally paid on 30 day terms.

Note 12: Issued capital

(a) Ordinary shares issued

	2010	2009
69,166,667 (2009: 1,275,000) ordinary shares	14,547,939	75,000

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the parent entity, ordinary shareholders rank after all creditors and are fully entitled to any proceeds on liquidation.

(b) Movements in ordinary share capital:

Date	**Details**	**Number of shares**	**Issue Price**	**$**
1 July 2008		7,500,000		75,000
30 June 2009		7,500,000		75,000
4 November 2009	Seed capital issue	6,000,000	$0.05	300,000
19 March 2010	Seed capital issue	9,000,000	$0.10	900,000
6 May 2010	IPO share issue	26,666,667	$0.30	8,000,000
6 May 2010	Acquisition of controlled entities	20,000,000	$0.30	6,000,000
	Issue costs			(727,061)
30 June 2010		**69,166,667**		**14,547,939**

Note 12: Issued capital (continued)

(c) Share options

	Number of options 2010	2009
Employee Options exercisable at $0.345 on or before 31 December 2012	**6,000,000**	-

(d) Movements in share options

	2010	2009
Employee Options to acquire ordinary fully paid shares at $0.345 on or before 31 December 2012:		
Beginning of the financial year	-	-
Options issued during year	**6,000,000**	-
Balance at end of financial year	**6,000,000**	-

Note 13: Reserves

	Consolidated 2010 $	2009 $
Share compensation reserve	**136,800**	-
Foreign currency translation reserve	**171,682**	-
	308,482	-

(a) Share compensation reserve
The share compensation reserve is used to record the value of equity benefits provided to consultants and directors as part of their remuneration. Refer Note 14.

(b) Foreign currency translation reserve
The foreign currency translation reserve represents foreign exchange movements on the translation of financial statements for controlled entities from the functional currency into the presentation currency of Australian dollars.

Note 14: Share based payments

Share based payments consists of listed and unlisted options issued to directors and consultants. The expense is recognised in the Statement of Comprehensive Income and Statement of Changes in Equity. The following share-based payment arrangements were in place during the current and prior periods:

	Number	Grant date	Expiry Date	Exercise price $	Fair value at grant date
Unlisted employee options	6,000,000	29/1/2010	31/12/2012	$0.345	$0.023

Fair value of options granted
The fair value of the equity-settled share options granted to directors has been estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the Black and Scholes model used:

	Unlisted
Dividend yield %	Nil
Expected volatility %	100%
Risk-free interest rate %	4.63%
Life of option	35 months
Exercise price	$0.345
Grant date share price	$0.10

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

Note 15: Financial instruments

(a) Capital risk management
Prudent capital risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. The Board monitors its future capital requirements on a regular basis and will when appropriate consider the need for raising additional equity capital or to farm-out exploration projects as a means of preserving capital. The Board currently has a policy of not entering into any debt arrangements.

(b) Categories of financial instruments
The Group's principal financial instruments comprise of cash and short-term deposits.
The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

(c) Financial risk management objectives
The Group is exposed to market risk (including, interest rate risk and equity price risk), credit risk and liquidity risk.

The main risks arising from the Group's financial instruments are interest rate risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(d) Market risk
There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

(i) Interest rate risk management
All cash balances attract a floating rate of interest. Excess funds that are not required in the short term are placed on deposit for a period of no more than 6 months. The Group's exposure to interest rate risk and the effective interest rate by maturity periods is set out below.

Interest rate sensitivity analysis
As the Group has no interest bearing borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits.
At 30 June 2010, if interest rates had changed by +/- 50 basis points and all other variables were held constant, the Group's after tax loss would have been $9,000 (2009: nil) lower/higher as a result of higher/lower interest income on cash and cash equivalents.

(e) Credit risk management
Credit risk relates to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from any defaults.

Note 15: Financial instruments (cont)

(f) Liquidity risk management
Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. Cash deposits are only held with major financial institutions.

2010	Weighted Average Interest Rate	Less than 1 month	1-3 months	3 months – 1 year	5 + years	Total
Financial assets						
Cash and cash equivalents	4.4%	7,671,100	-	-	-	7,671,100
Trade and other receivables		143,311	-	-	-	143,311
Other financial assets		41,403	-	-	-	41,403
		7,855,814	-	-	-	7,855,814
Financial liabilities						
Trade and other payables		476,790	-	-	-	476,790
		476,790	-	-	-	476,790
		7,379,024	-	-	-	7,379,024
2009						
Financial assets						
Cash and cash equivalents		4,349	-	-	-	4,349
Trade and other receivables		3,275	-	-	-	3,275
		7,624	-	-	-	7,624
Financial liabilities						
Borrowings		5,000	-	-	-	5,000
Trade and other payables		1,279	-	-	-	1,279
		6,279	-	-	-	6,279
		1,345	-	-	-	1,345

Note 16: Commitments and contingencies

Exploration expenditure commitments

Minimum exploration expenditure commitments do not apply in Ghana and the Government does not impose a minimum spend per licence. The exploration expenditure commitment is based on a work program system, whereby at the time for each renewal of a licence, the Company provides an outline of work planned and expected expenditure.

Note 17: Key management personnel disclosures

(a) Directors

At the date of this report the directors of the Company are:
JW Gardner – Non-*executive Chairman*
P McMickan – *Managing director*
T Kroepelien – *Non executive director*
M Newlands – *Non executive director*

There were no changes of the key management personnel after the reporting date and the date the financial report was authorised for issue.

(b) Key management personnel

M Langoulant – *Company secretary*

(c) Key management personnel compensation

	Consolidated	
	2010	2009
	$	$
Short-Term	**164,913**	-
Post employment	**3,525**	-
Share-based payments	**136,800**	--
	305,238	-

Detailed remuneration disclosures of directors and key management personnel is in pages 16 to 19 of this report.

(d) Option holdings of key management personnel

Details of options provided as remuneration, together with the terms and conditions of the shares and options can be found in section D of the remuneration report.

Note 17: Key management personnel disclosures (cont)

(d) Option holdings of key management personnel (cont)

2010 Name	Balance at the beginning of the financial period	Granted during the financial period	Exercised during the financial period	Balance at the end of the financial period	Vested and exercisable at the end of the financial period
Director					
J Gardner	-	1,500,000	-	1,500,000	1,500,000
P McMickan	-	2,500,000	-	2,500,000	2,500,000-
T Kroepelien	-	1,000,000	-	1,000,000	1,000,000
M Newlands	-	1,000,000	-	1,000,000	1,000,000
Other key management personnel					
M Langoulant	-	-	-	-	-

(e) Equity holdings of key management personnel
The number of shares in the Company held during the financial period by each director of the Company and key management personnel of the Group, including their personally related parties, are set out below

2010 **Director** -*Ordinary shares*	Balance at start of year	Movement during the year	Balance at the end of the financial year
J Gardner	2,500,000	1,500,000-	4,000,000
P McMickan	2,500,000	200,000	2,700,000
T Kroepelien	2,500,000	1,500,000-	4,000,000
M Newlands	-	200,000	200,000
Key management personnel			
M Langoulant	-	475,000	475,000
2009			
Director - *Ordinary shares*			
J Gardner	2,500,000	-	2,500,000
P McMickan	2,500,000	-	2,500,000
T Kroepelien	2,500,000	-	2,500,000

Note 18: Related party disclosure

The ultimate parent entity in the wholly-owned group and the ultimate Australian parent entity is Viking Ashanti Limited. The consolidated financial statements include the financial statements of Viking Ashanti Limited and the controlled entities listed in the following table:

Name of entity	Country of incorporation	Class of shares	Equity holding 2010 %	2009 %
Associated Goldfields Pty Ltd	Australia	Ordinary	100	-
Ghana Mining Invstments Pty Ltd	Australia	Ordinary	100	-
Kiwi International Resources Pty Ltd	Australia	Ordinary	100	-
Abore Mining Company Ltd	Ghana	Ordinary	90	-
Obenemase Gold Mines Ltd	Ghana	Ordinary	90	-
Resolute Amansie Ltd	Ghana	Ordinary	90	-
Kiwi Goldfields Ltd	Ghana	Ordinary	100	-

The only transactions between Viking Ashanti Limited and its controlled entities during this financial year consisted of loans between Viking Ashanti Limited and its controlled entities.

Related parties
The following table provides details of advances to related parties and outstanding balances at balance date.

	Parent entity 2010 $	2009 $
Resolute Amansie Ltd	436,127	-
Impairment of loans to controlled entities	-	-
	436,127	-

Note 19: Parent Entity Disclosures

Financial position

	30 June 2010	30 June 2009
	$	$
Assets		
Current assets	7,641,057	7,624
Non-current assets	6,536,762	-
Total assets	14,177,819	7,624
Liabilities		
Current liabilities	254,142	1,279
Non-Current liabilities	-	5,000
Total liabilities	254,142	6,279
Equity		
Issued capital	14,547,939	75,000
Retained earnings	(761,062)	(73,655)
Reserves	136,800	-
Total equity	13,923,677	1,345

Financial performance

	30 June 2010	30 June 2009
	$	$
Loss for the year	(687,407)	(73,568)
Other comprehensive income	-	-
Total comprehensive loss	(687,407)	(73,568)

Note 20: Events after the balance sheet date

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Note 21: Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated 2010 $	2009 $
a) *Reconciliation of loss from ordinary activities after income tax to net cash outflow from operating activities*		
Net loss for the year	**(995,735)**	(73,568)
Outside equity interest in loss	**(34,262)**	-
Share based payment expense	**136,800**	-
Foreign exchange movements	**171,682**	-
(Increase) / decrease in trade and other receivables	**(181,439)**	(3,234)
Increase / (decrease) in trade and other payables	**475,510**	1,279
Net cash outflow from operating activities	**(427,444)**	(75,523)

b) *Non-cash financing and investing activities*

During the 2010 financial year 20,000,000 ordinary shares in the Company were issued to the value of $6,000,000 for the purchase of controlled entities.

Note 22: Auditors' remuneration

The auditors of the Group are Rothsay Chartered Accountants.

	Consolidated 2010 $	2009 $
Assurance services		
Rothsay Chartered Accountants:		
Audit and review of financial statements	**15,000**	-
Other firms		
Audit and review of financial statements	**121,497**	-
Total remuneration for audit services	**136,497**	-
Other services		
Rothsay Chartered Accountants:	**10,000**	-
Other firms:	**30,634**	-
Total remuneration for other services	**40,634**	
Total auditors' remuneration	**177,131**	-

Viking Ashanti Limited
ABN 38 126 200 280

Directors' declaration

1. In the opinion of the directors:
   - a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
     - i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the financial year then ended; and
     - ii. complying with Accounting Standards and Corporations Regulations 2001; and
   - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
   - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the year ended 30 June 2010.

This declaration is signed in accordance with a resolution of the Board of Directors.

J Gardner
Chairman

Perth, Western Australia
29 September 2010

ROTHSAY

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF VIKING ASHANTI LIMITED

Report on the financial report

We have audited the accompanying financial report of Viking Ashanti Limited (the Company") which comprises the balance sheet as at 30 June 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the year.

Directors Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used in and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.

Audit opinion

In our opinion the financial report of Viking Ashanti Limited is in accordance with the *Corporations Act 2001*, including:

a) (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of their performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

b) the consolidated financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2010. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Audit opinion

In our opinion the remuneration report of Viking Ashanti Limited for the year ended 30 June 2010 complies with section 300A of the *Corporations Act 2001*.

Rothsay

Rothsay

GR Swan

Graham R Swan
Partner

Dated September 2010

Additional information

The shareholder information set out below was applicable as at 31 August 2010.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Class of equity security *Ordinary shares*
1 – 1,000	6
1,001 – 5,000	175
5,001 – 10,000	180
10,001 – 100,000	70
100,001 and over	8
	439

There were 12 holders of less than a marketable parcel of ordinary shares.

B. Equity security holders

Twenty largest quoted equity security holders – ordinary shares

Name	Ordinary shares No. held	Ordinary shares % of issued shares
RESOLUTE MINING LTD	23,000,000	33.25
MR JOHN WILLIAM GARDNER & MRS JANET LEIGH GARDNER (JOHN WILLIAM GARDNER SUPERANNUATION)	4,000,000	5.78
MR TRYGVE KROEPELIEN	3,400,000	4.92
ANZ NOMINEES LIMITED <CASH INCOME A/C>	3,284,520	4.75
MANSON GROUP PTY LIMITED <MANSON GROUP SUPER FUND A/C>	2,866,666	4.14
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,213,967	3.20
MR PETER JAMES MCMICKAN	1,450,000	2.10
MS CAROLYN MCMICKAN	1,250,000	1.81
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <SUB ACCOUNT: 011-012986-061>	1,000,000	1.45
CITICORP NOMINEES PTY LIMITED	966,962	1.40
VEBLEN GROUP PTY LIMITED <JCL A/C>	850,000	1.23
MR BERNARD WILLIAM LIVY + MRS DESMA LEA LIVY <D & B LIVY SUPER FUND A/C>	661,215	0.96
AFTRON PTY LIMITED	500,000	0.72
MR ALFRED MUNKENBECK	500,000	0.72
LANZA HOLDINGS PTY LTD <LANGOULANT FAMILY SUPER FUND A>	475,000	0.69
FROTH PTY LTD (CNY INVEST NO 2 A/C)	462,963	0.67
EMERALD CITY SECURITIES PTY LTD	350,000	0.51
MR LOUIS THOMAS CARROLL	333,334	0.48
MR JOHN EVERETT	333,334	0.48
BOSTON FIRST CAPITAL	330,001	0.48
	48,227,962	**69.73**

C. Substantial shareholders

Substantial shareholders in the Company are set out below:

	Number Held	Percentage
Ordinary shares		
Resolute Group Ltd	23,000,000	33.25
JW & JL Gardner	4,000,000	5.78
T Kreopelien	4,000,000	5.78

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

E. Tenement schedule

Property	Type	LVB No.	RAL Interest	Area sq km	Date Issued	Expiry
Akoase West	PL	LVB17799B/08	100%	48.03	23/06/2008	22/06/2010
Akoase East	PL	LVB1813/2005	100%	28.51	22/02/2010	21/02/2012
BlueRiver	ML	LVB2709/1986	100% in hard rock	50.25	30/07/2007	29/07/2012
Weststar	PL	LVB460/2009	100% in hard rock	21.48	3/12/2008	2/12/2010
Weststar	ML	LVB5446/1985	100% in hard rock	55.05	3/10/2007	2/10/2017
Nchiadi	PL	13796/2001	51%	27.60	15/08/2008	14/08/2010
Nyame Dzikan	PL	LVB1545/08	51%	148.82	4/05/2010	3/05/2011
Nchiadi South	PL		51%	32.25	application	
Akoase South East	PL		100%	29.50	application	