



22nd September 2014

ASX Announcement

Predictive Discovery Limited is a gold exploration company with strong technical capabilities focused on its advanced gold exploration projects in West Africa.

ASX: PDI

Issued Capital: 388M shares

Share Price: 1.1 cents

Market Capitalisation: \$4.3M

Directors

Phillip Harman
Non-Exec Chairman

Paul Roberts
Managing Director

Phil Henty
Non-Executive Director

Tim Markwell
Non-Executive Director

Farm-out of Victorian Exploration Licence

Predictive Discovery Limited (ASX: PDI) is pleased to announce it has executed a binding a joint venture agreement with Cape Clear Minerals Pty Ltd (CCM) on PDI's Cape Clear Exploration Licence in Victoria (Figure 1).

Key terms of the agreement are:

- CCM earns 51% equity with \$250,000 expenditure (Phase 1)
- At least 1,000m of RC or diamond drilling included within \$250,000 minimum expenditure in the first year
- At CCM's election, it may increase equity to 75% with an additional \$250,000 in expenditure (Phase 2)
- PDI may contribute to exploration expenditure or dilute after CCM reaches either 51% or 75%, depending on whether or not CCM chooses to sole fund Phase 2.
- PDI's interest converts to a 2% NSR (royalty) if its joint venture interest decreases to below 10%

Cape Clear Minerals Pty Ltd is a private mineral exploration company based in Victoria. CCM has an Exploration Licence adjacent to PDI's tenement in western Victoria.

Mr Paul Roberts, PDI's Managing Director said: *"The Cape Clear Exploration Licence is the only tenement we hold in Australia. With the signing of this agreement, there is no distraction from our exploration focus in Burkina Faso and Cote D'Ivoire."*

"Our commitment to West Africa has meant limited work to date at Cape Clear. We are pleased to partner with Cape Clear Minerals which has ready access to drilling services and welcome their commitment to drill at least 1,000m in the first year of this joint venture."

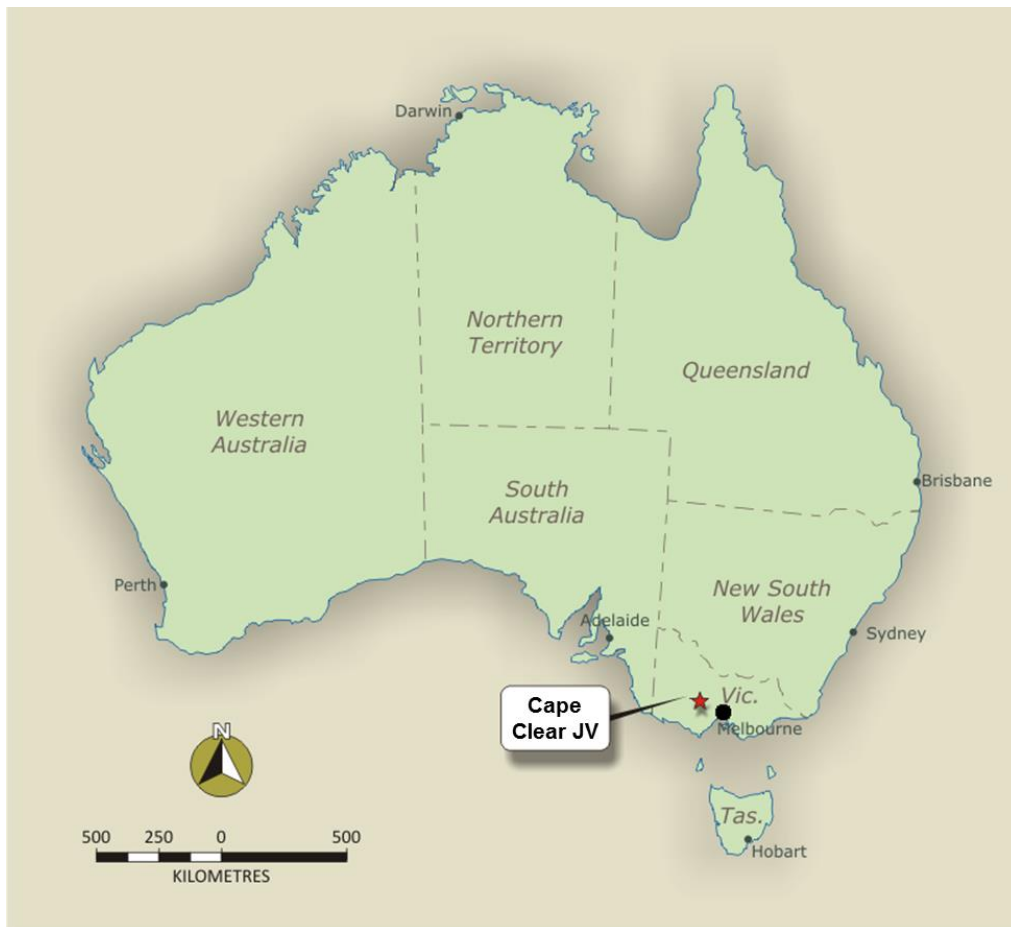


Figure 1: Cape Clear Exploration Licence Locality Plan

Predictive Discovery Limited (PDI) was established in late 2007 and listed on the ASX in December 2010. The Company is focused on exploration for gold in West Africa. The Company's major focus is in Burkina Faso, West Africa where it has assembled a substantial regional ground position totalling 1,605km² and is exploring for large open-pittable gold deposits. Exploration in eastern Burkina Faso has yielded a large portfolio of exciting gold prospects, including the Bongou trend where a series of high-grade gold drill intercepts have been obtained recently. PDI also has interests in a strategic portfolio of tenements in Cote D'Ivoire covering a total area of 1534 km².

Competent Persons Statement

The exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr Paul Roberts (Fellow of the Australian Institute of Geoscientists). Mr Roberts is a full time employee of the company and has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Roberts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further details please contact:

Paul Roberts

Managing Director

Tel: +61 8 9216 1020

Email:

paul.roberts@predictivediscovery.com

Nathan Ryan

NWR Communications

Tel: +61 420 582 887

Email:

nathan.ryan@nwrcommunications.com.au