



19th January 2015

ASX Announcement

Predictive Discovery Limited is a gold exploration company with strong technical capabilities focused on expanding gold resources around its high grade Bongou gold deposit in Burkina Faso, West Africa.

ASX: PDI

Issued Capital: 651M shares

Cash (end December, 2014): \$1.5m

Directors

Phillip Jackson
Non-Exec Chairman

Paul Roberts
Managing Director

Phil Henty
Non-Executive Director

Tim Markwell
Non-Executive Director

Bongou Exploration Re-commences

Predictive Discovery Limited (ASX: PDI) is pleased to announce that its 2014-15 exploration program is fully underway with the commencement of power auger drilling near the Company's high grade Bongou gold discovery¹ in Eastern Burkina Faso.

In late 2014, following on from the Bongou gold discovery, PDI conducted a comprehensive review of the Bonsiega project area, drawing together all data available to it, with a view to identifying and ranking targets against strict criteria. This review highlighted east-west structures in the magnetic data which are prominent at Bongou. Nearly 100 structural targets were identified near Bongou of which 12 were prioritised (see Figures 1 and 2).

The current work program will test these 12 priority targets and will also drill test for potential extensions of the Bongou deposit.

A staged exploration program is now underway. Ground magnetic surveys commenced in December. Power auger drilling is in progress now and will be carried out in at least two stages with follow-up drilling based on first pass results. RAB and/or RC drill follow-up of the best prospects is expected to commence in the next 2-3 months.

Commencement of drilling was prompted by the three year special renewals of the key Madyabari and Sirba permits (Figure 3) which was announced to the ASX on 30th December 2014.

Mr Paul Roberts, PDI's Managing Director said: *"We are very excited to get a full exploration program underway again on our Eastern Burkina Faso projects. Our focus now is to discover more, high grade open-pittable gold mineralisation to complement the Bongou gold deposit¹ with sufficient resources to build a long-lived profitable gold mining operation."*

¹184,000oz in the Inferred and Indicated Mineral Resource categories with an average grade of 2.6g/t Au including 136,000oz at 3.8g/t Au (ASX release dated 4 September, 2014)

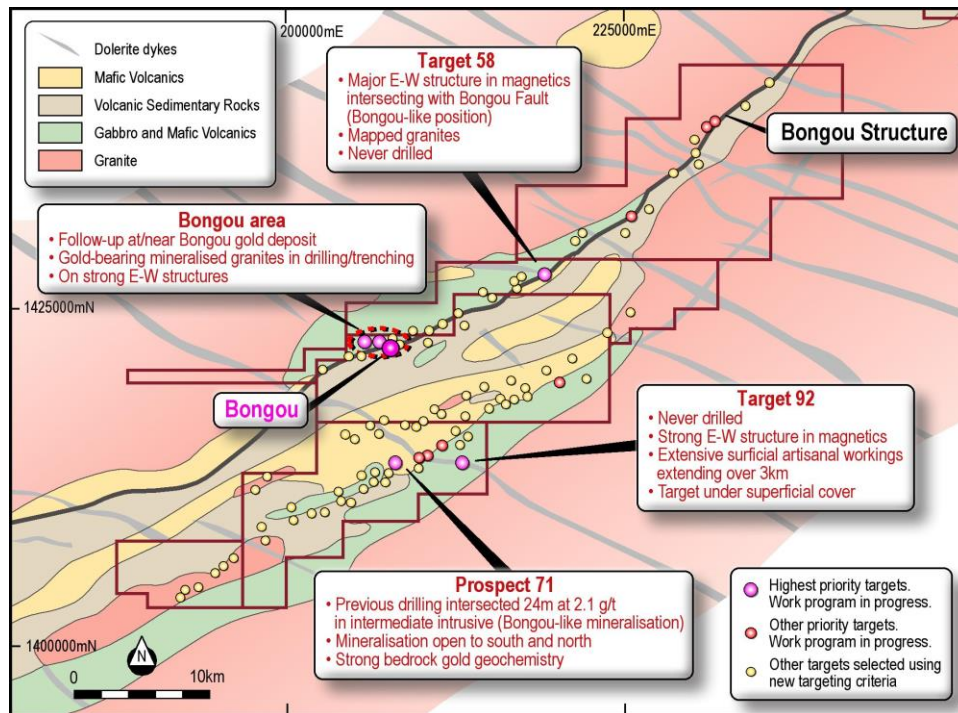


Figure 1: Target location map – SW Bonsiega permit group, Eastern Burkina Faso. Planned work programs between January and June 2015 will assess the targets shown as red and magenta dots. Some work may also be carried out later in the field season on some of the yellow dot targets. More detail for Target 92 is shown in Figure 3. (Note: the drill result at Prospect 71 was reported to the ASX in the March 2012 Quarterly Report. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported).

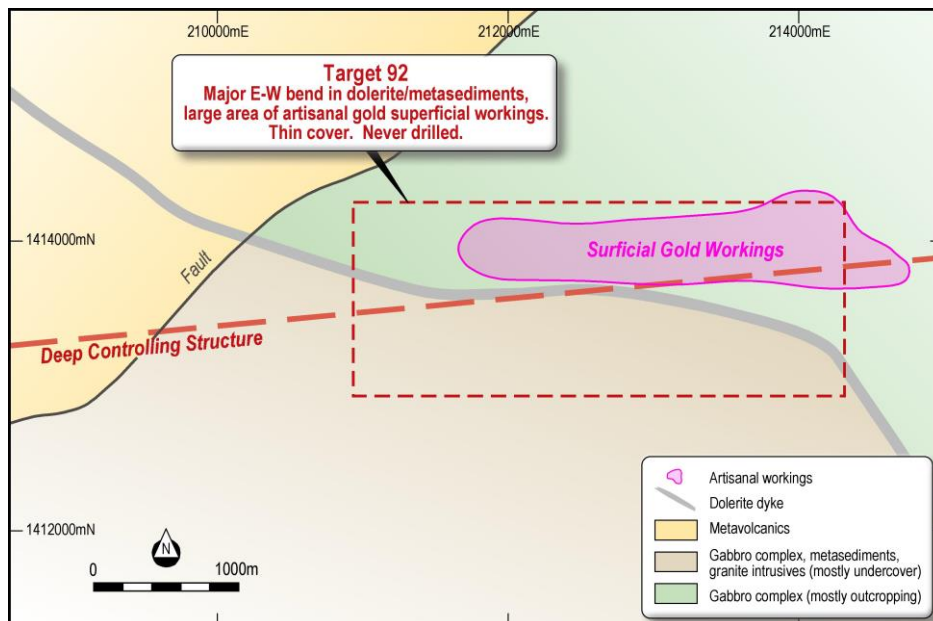


Figure 2: Target 92. A high priority target with a significant east-west structure with surficial artisanal gold workings extending over more than 3km associated with it. PDI's interest in this target was greatly increased by the recent recognition of the association between Bongou-style mineralisation and east-west oriented structures. No drilling of any kind has yet tested this large target.

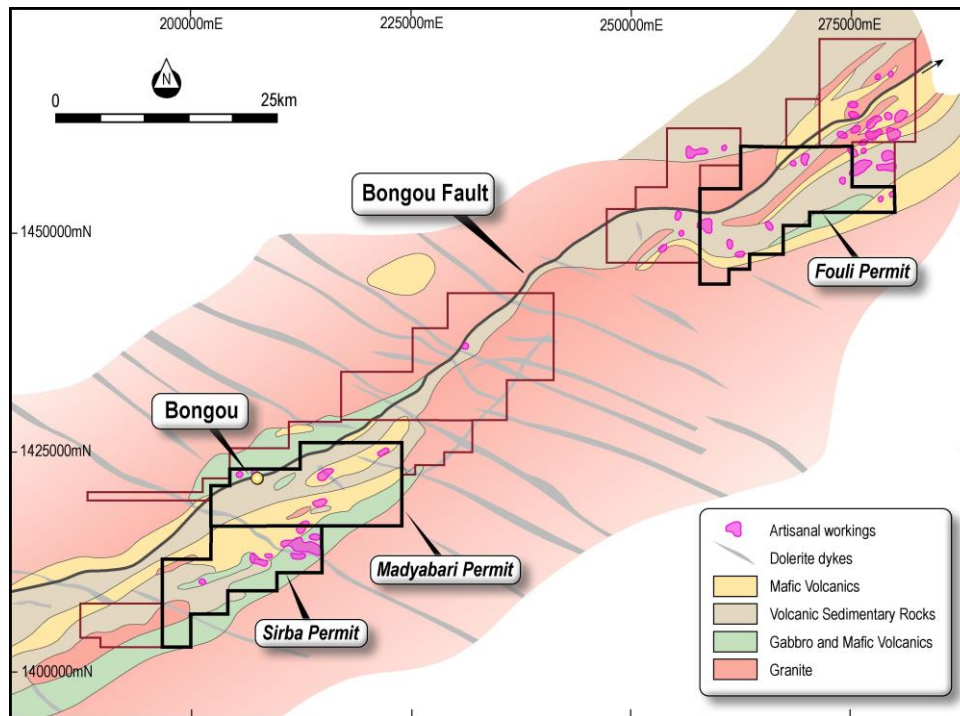


Figure 3: Locality of the three permits renewed in December 2014 shown on a geology background.

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 Côte 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

Ian Hobson

Company Secretary

Tel: +61 8 9388 8290

Email:

ian.hobson@bigpond.com