



29 January 2016

## 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:** 1.3B shares

**Share Price:** 0.2 cents

**Market Capitalisation:** \$2.6M

### Directors

Phillip Jackson  
*Non-Exec Chairman*

Paul Roberts  
*Managing Director*

David Kelly  
*Non-Executive Director*

# Quarterly Report for the Period Ending 31st December 2015

## EXPLORATION

### Côte d'Ivoire - Toro Gold Joint Venture

- Kokoumbo Permit – **strong chip-channel sample results** taken across artisanal workings including:
  - **44m at 3.8g/t Au** including **2m at 25.7g/t Au**, and
  - **26m at 2.9g/t Au.**
- Boundiali Permit
  - **90g/t Au (3oz/t Au)** in rock chip sample upstream of a strong stream geochemical anomaly identified by PDI in its initial BLEG survey.
- Ferkessedougou Permit:
  - **3.2km long new gold in soil geochemical anomaly**, peaking at **0.9g/t Au.**

### Côte d'Ivoire – Bobosso Project

- Key Wendene permit granted covering the very large gold mineralised system which is the focus of PDI's interest.

### Cape Clear, Victoria - Cape Clear Minerals Joint Venture

- Diamond drilling program - 2 holes completed and a third in progress at end December, totalling 1,006m.

## Planned March Quarter Exploration Program

### Côte d'Ivoire

- Toro JV – Diamond and RAB drilling.
- Bobosso - commence re-log of Bobosso drill holes and geological mapping of permits.

### Burkina Faso

- Seek funding partners for Bonsiega Project

### Victoria, Australia

- Cape Clear – complete diamond drilling program.

## CORPORATE

- Fully subscribed Rights Issue raising \$1.3M before costs.
- \$1.3M cash at 31<sup>st</sup> December 2015 and no debt.

## INTRODUCTION

PDI's major focus is in the countries of Burkina Faso and Cote D'Ivoire in West Africa.

In Cote D'Ivoire, the Company holds four granted exploration permits in Cote D'Ivoire totalling 1,533km<sup>2</sup> (Figure 1) which is being actively explored under the terms of a joint venture with Toro Gold Limited. PDI has also recently signed an agreement on the Bobosso Project, which covers a further 1,199km<sup>2</sup> (Figure 1).

In Burkina Faso, the Company has established an effective Burkina-based team and a large regional tenement package in the north-east of the country (Figure 13). PDI's exploration focus is on the high-grade Bongou gold discovery and the surrounding area. A formal Mineral Resource Estimate on Bongou resulted in 184,000oz of gold 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).

PDI also holds an Exploration Licence in Victoria (Figure 14) which is currently being drilled by joint venture partner, Cape Clear Minerals Pty Ltd.

Predictive's current strategy is to maintain a high level of exploration activity on all of its projects through project-level funding – either via joint ventures or direct cash investments into private companies which hold the Company's ground. The Toro and Cape Clear Joint Ventures are already operating very well and generating significant newsflow. The Company's immediate focus in 2016 is to obtain project-level funding on the Bonsiega Project in Burkina Faso and the Bobosso Project in Cote D'Ivoire.

## PROJECTS

### Côte d'Ivoire

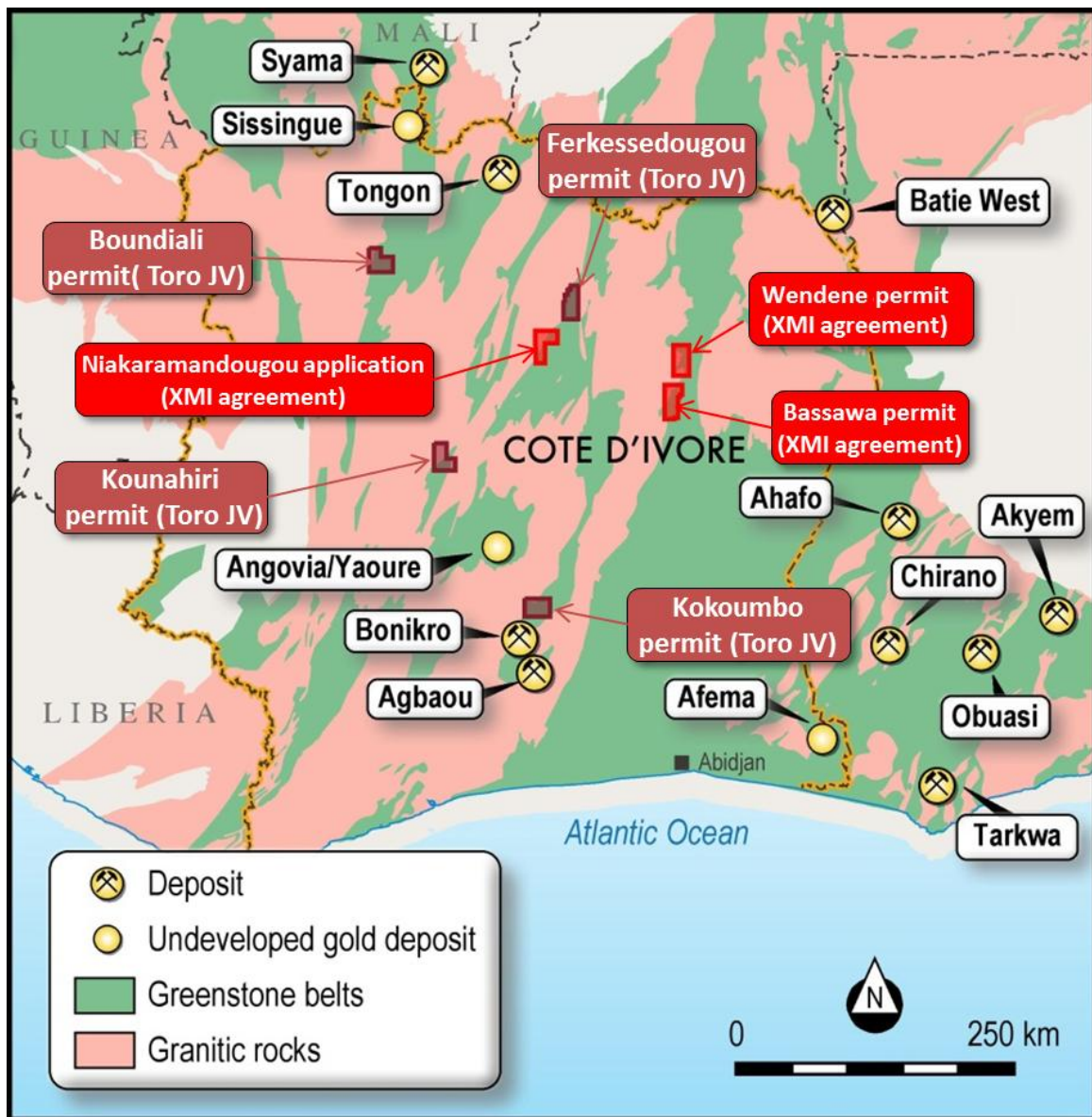
#### Cote D'Ivoire Background

PDI has interests in seven highly prospective exploration permits in Cote D'Ivoire covering a total area of 2,732 km<sup>2</sup>. The ground is divided into two packages each of which is subject to an agreement – a Joint Venture agreement with Toro Gold Limited (**Toro**), a UK-based company, covering four permits and an agreement with XMI SARL (**XMI**) covering three permits (Figure 1).

Under the terms of the Toro Joint Venture agreement, Toro can earn a 51% interest in Predictive Discovery Cote D'Ivoire SARL (Predictive CI), which holds Predictive's interest in the four permits, by spending US\$1 million on exploration and option payments. Once Toro has achieved its 51% interest, PDI may contribute 49% of expenditure from then on or dilute. If PDI decides to dilute, Toro can earn a further 14% in Predictive CI by spending an additional US\$2.5 million on exploration of the ground, leaving PDI with a 35% holding.

PDI's agreement with XMI, which was signed in the December Quarter, allows Predictive to provide and/or arrange financing and exploration management on the XMI permits, with a particular focus on the Wendene and Bassawa permits (Figure 1).

Predictive's past exploration on the four Toro JV permits included geological mapping, ground magnetics surveying and bulk leach extractable gold (BLEG) stream sediment sampling. The Company will commence work on the XMI Agreement permits in the next quarter.



**Figure 1:** Locality map of PDI exploration permits (brown) and XMI permits/permit applications which are the subject of the Bobosso Project Agreement in Cote D'Ivoire.

## Toro JV

### Kokoumbo Permit

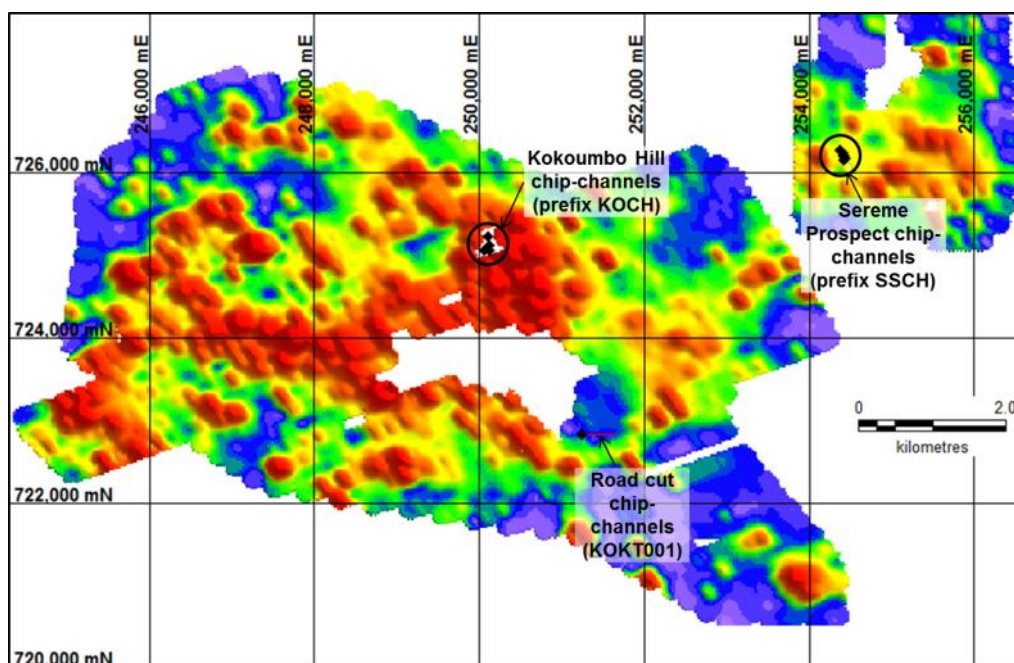
Predictive CI is earning a 90% interest in the Kokumbo exploration permit in southern Cote D'Ivoire from an Ivoirian company, Ivoir Negoce. The Kokumbo permit covers an area of historic artisanal and French colonial era mining located in a highly prospective belt of rocks which also includes the Bonikro gold mine, currently in production by Newcrest, and Agbaou gold mine, where Endeavour Mining commenced commercial production in January 2014 (Figure 1).

#### Chip-Channel Sampling Results (Table 1)

Toro Gold completed 675m of chip-channel sampling in August 2015 across 17 strongly weathered rock (saprolite) exposures. Of these, 16 exposures were in artisanal mine workings and the 17<sup>th</sup> (KOKT001) was a road cut. They were completed at three locations (Figure 2):

- Kokoumbo Hill, the largest site of historical gold workings (4 sites – see Figure 3),
- The Sereme Prospect (12 sites)
- Near the town of Kokoumbo (one site only, number KOKT001)

The chip-channel samples were assayed for gold by ALS in Loughrea in Ireland.



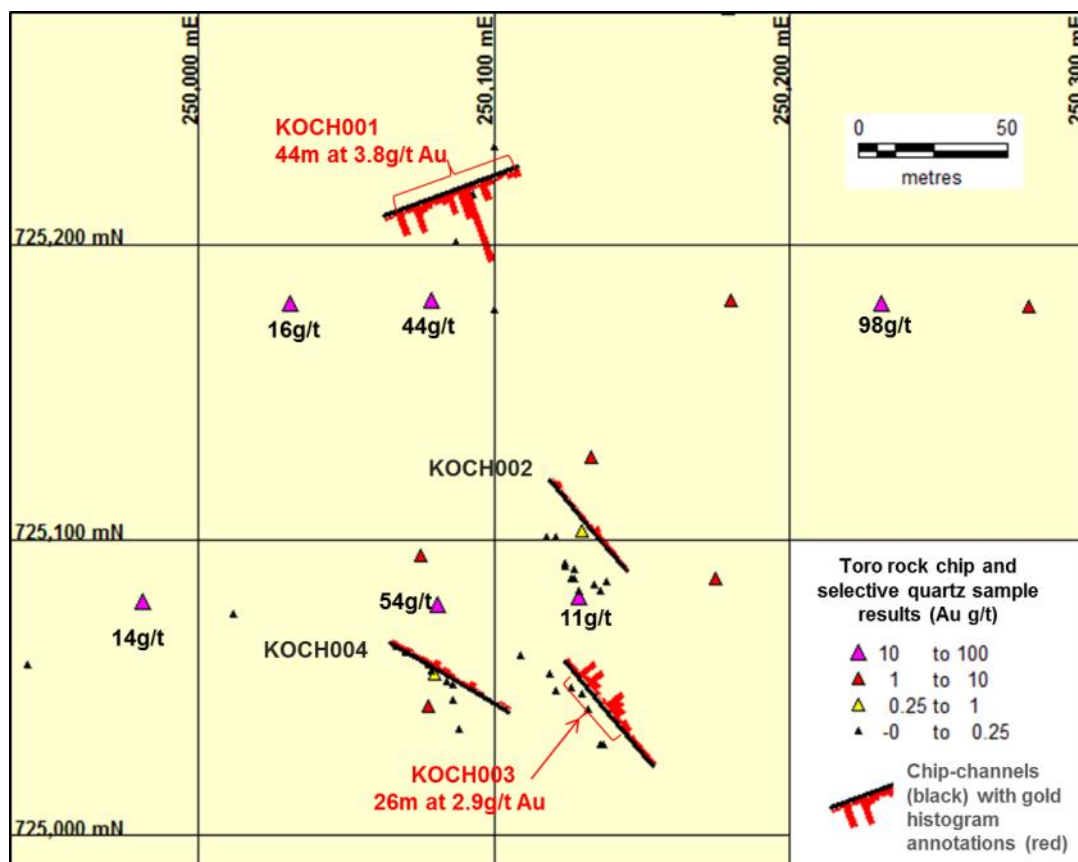
**Figure 2:** Location of Kokoumbo permit chip-channel sample locations, superimposed on a colour gridded image of gold in soil geochemistry (ASX release dated 15/9/15). The Kokoumbo sites are in the centre of a large area of gold in soil anomalies and substantial historical and recent artisanal mine workings.



Results of the chip-channel sampling (Table 1) included:

- Kokoumbo KOCH001: **44m at 3.77g/t Au**, including **2m at 25.7g/t Au**;
- Kokoumbo KOCH003: **26m at 2.86g/t Au**;
- Kokoumbo KOCH004: 16m at 0.75g/t Au;
- Sereme SSCH004: **6m at 2.48g/t Au**;
- Sereme SSCH005: 8m at 1.05g/t Au;
- Sereme SSCH007: 4m at 1.25g/t Au;
- Sereme SSCH009: 2m at 3.40g/t Au;
- Sereme SSCH010: 7m at 1.97g/t Au.

Toro Gold advises that all of the samples were derived from heavily weathered saprolitic material. While the geological interpretation is not clear, the mineralisation may be in shallowly dipping shear zones, and therefore the recorded intersections may not be true widths. Further geological analysis, possibly supplemented by drilling, is required before the orientation of the mineralised zones obtained in this chip-channel sampling program is properly understood.



**Figure 3:** Map of Kokoumbo chip-channel sampling locations, showing gold values as a red histogram plotted on the side of the sample sites, along with rock chip and selective quartz samples (both float and outcrop samples).

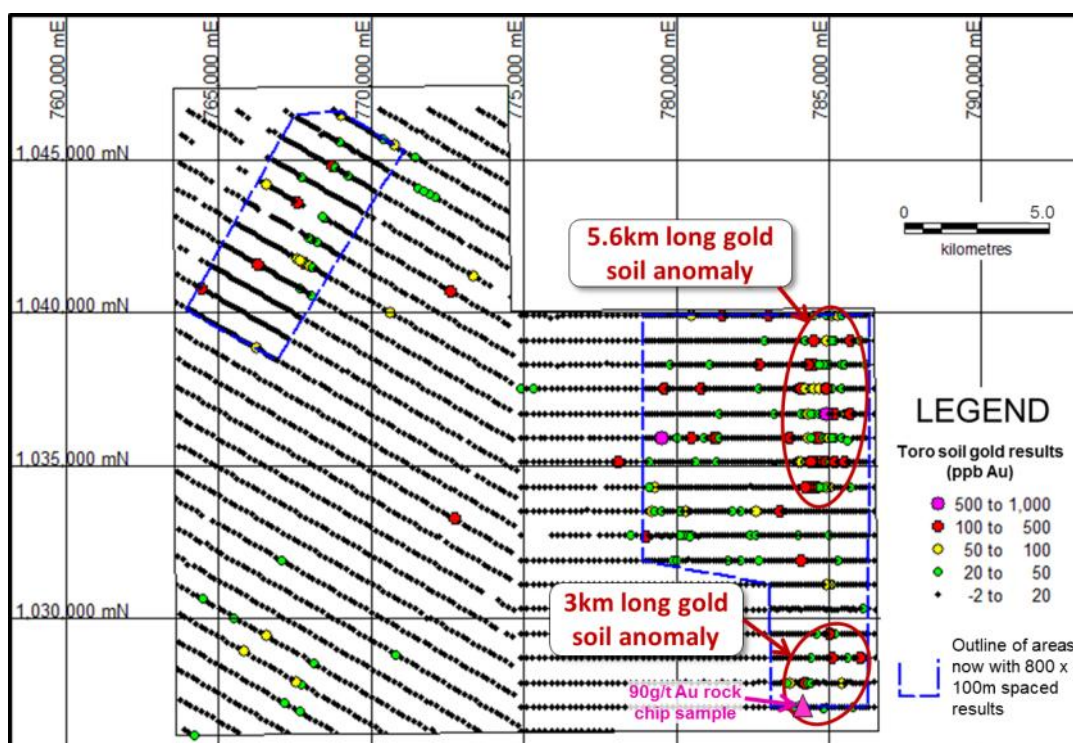
## Boundiali Exploration Permit

The Boundiali permit is located within a very well mineralised greenstone belt which contains the large operating Tongon and Syama gold mines in Cote D'Ivoire and Mali respectively. The southern part of this belt has had little exploration to date and represents a first class opportunity to make new large gold discoveries.

PDI identified several, strong stream sediment geochemical anomalies using the BLEG (bulk leach extractable gold) method on the Boundiali permit in 2014 (ASX release dated 4/8/14). Toro Gold's subsequent soils sampling identified gold anomalous values in several locations including a 5.6km long anomaly (ASX release dated 20/10/15).

### Toro Soil Survey – Boundiali (Table 2)

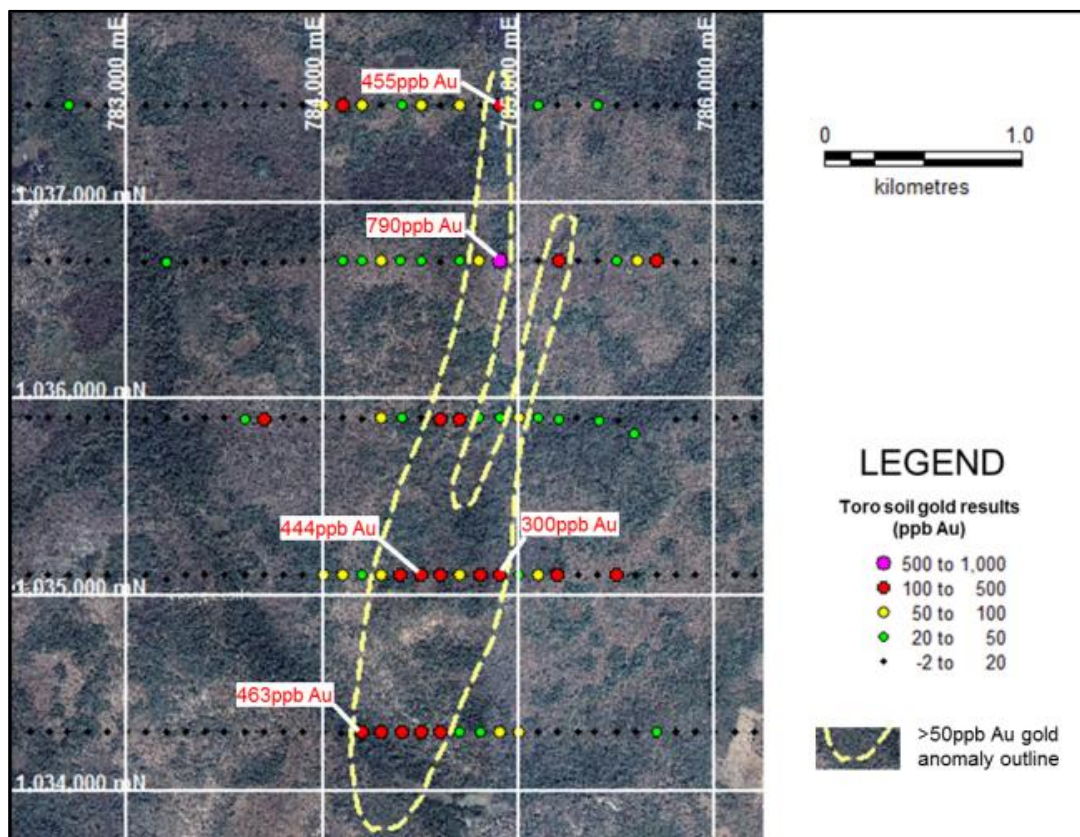
Toro previously carried out a soil sampling program covering the entire Boundiali permit on 800m spaced lines. Samples were collected 100m apart on each line but, initially, only every second sample was submitted for analysis, resulting in a reported station spacing of 800m x 200m. Following receipt of the 800 x 200m soil sample analyses, Toro submitted the intervening 100m samples from areas with interesting soil results for gold analysis. The results reported here combine these new analyses with the soil analyses reported previously (ASX release 20/10/15).



**Figure 4:** Toro Gold soil sampling grid covering the entire Boundiali exploration permit. Results in grade intervals are shown for all of Toro soil results to date. The large NE Boundiali gold anomaly and the emerging southern soil gold anomaly are highlighted on this map.

801 additional soil samples were analysed for gold by fire assay at the ALS laboratory at Loughrea in Ireland. The new, infill results confirmed the consistency of the **5.6km long gold-in-soil anomaly** reported to the ASX on 20/10/15 and have highlighted a **3km long gold-in-soil anomaly** south of there, which had only shown scattered results in the initial 800 x 200m survey (Figure 4).

Figure 5 shows that the **northern 5.6km long gold-in-soil anomaly** includes a **particularly strong 3.2km long section** at its southern end, with continuous anomalous (>20ppb Au) values extending over **widths of up to 1.2km**. Values **exceeding 400ppb Au (0.4g/t Au)** are now seen on **four of the five 800m spaced lines** and a strong NNE trend is apparent.



**Figure 5:** Soil geochemical results at southern end of 5.6km long geochemical anomaly (reported 20/10/15) on satellite imagery background. Note that: (1) gold values above 20ppb Au are regarded as anomalous and (2) the current sample spacing is a very broad 800 x 100m.

Figure 4 shows that a **3km long gold-in-soil anomaly** in the SE corner of the Boundiali permit is significant and also worthy of detailed follow up. While anomalous values are a little more scattered than in the northern anomaly, possibly suggestive of several separate mineralised zones, gold values of **up 394ppb Au** have now been recorded in this area. In addition, a single rock chip sample of an outcrop at the southern end of this anomaly contained **90g/t Au** (see below) further highlighting its potential.

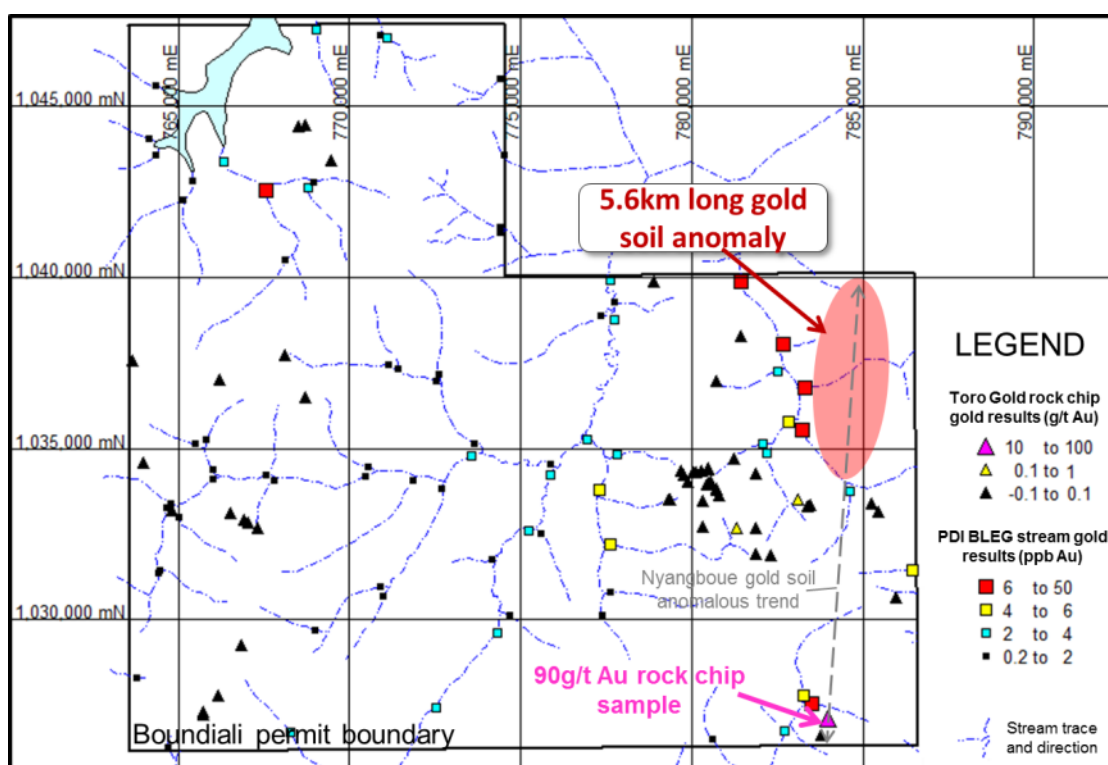
Given an 800 x 100m sample spacing, these are excellent soil results. A 30m wide, one kilometre long gold deposit with a 50 to 100m low grade gold halo around it might generate just seven or

eight anomalous values in such a grid. These results are suggestive of at least one and possibly two gold mineralised systems which are substantially larger than that.

### Toro Rock Chip Sampling Program – Boundiali (Table 3)

On 20 October 2015, PDI announced the results of a soil sampling program conducted by Toro Gold, which identified a 5.6 kilometre gold in soil anomaly with a peak value 0.8 g/t Au. In addition to the soil sampling, Toro undertook opportunistic grab sampling on available outcrop areas. The samples were assayed by ALS at Loughrea in Ireland. The previously identified 5.6km long soil anomaly was not sampled, because of a lack of rock outcrop in that area.

Most of the rock chip samples were gathered in areas which turned out subsequently to contain limited anomalous gold values in the nearby soil samples. However, a very strong result of 90 g/t Au was obtained in one sample from the south-east corner of the permit. Interestingly, it comes from a location approximately 700m upslope from the second strongest stream geochemical result reported from PDI's 2014 BLEG survey – a value of 16ppb Au. It is also located at the southern end of a soil anomalous trend labelled the Nyangboue trend by Toro Gold Figure 6). The rock chip sample was obtained from an outcrop of quartz veining in schist. Only one other sample was taken in the vicinity, some 500m away (Figure 6).



**Figure 6:** Boundiali permit map showing rock chip sample locations – including the 90g/t Au result, PDI's BLEG stream sediment sampling results, Toro Gold's km long "Nyangboue" gold anomalous trend and the location of the 5.6km long gold in soil anomaly reported on 20 October 2015.



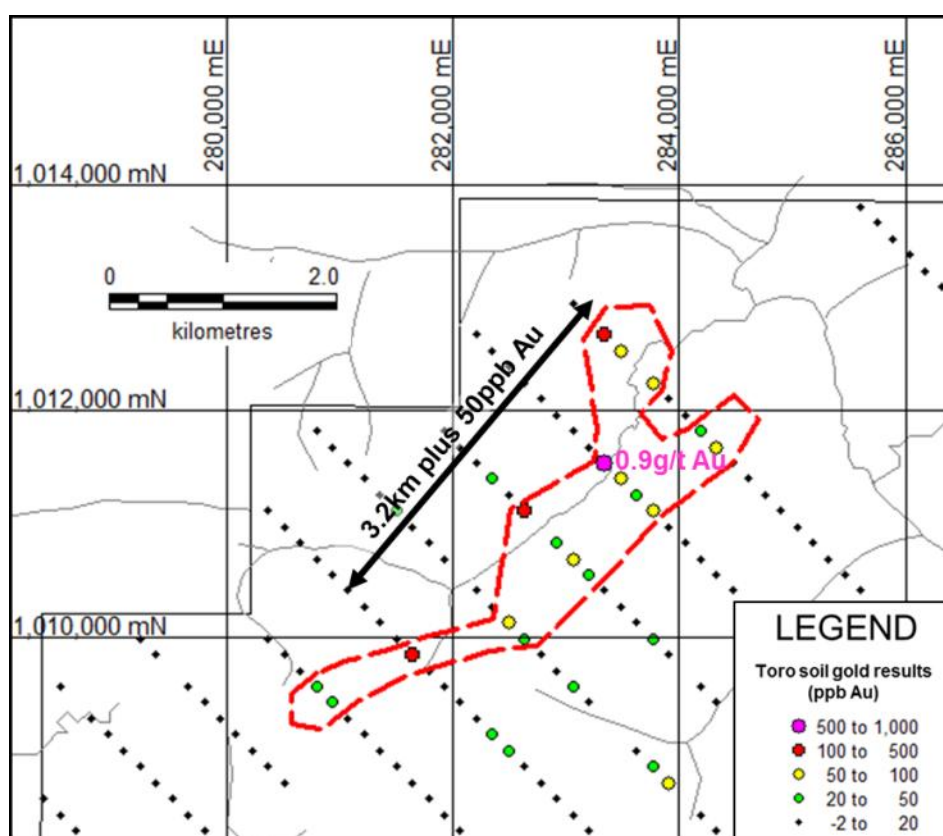
## Ferkessedougou Exploration Permit (Predictive CI 100%)

The Ferkessedougou exploration permit was selected by PDI on the basis of a country scale structural analysis using the Company's Predictore methods.

### Toro Gold Soil Sampling Program – Ferkessedougou (Table 4)

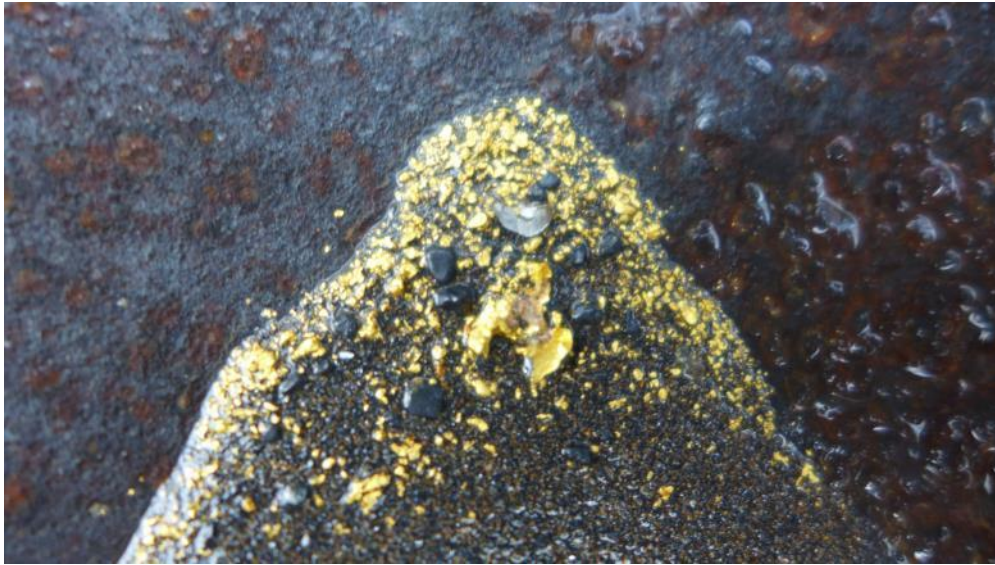
Toro Gold has completed a soil sampling survey of the entire permit on an 800m x 200m sample spacing. The results of sampling the northern two thirds of the permit area are reported here. Soil samples were sieved to 80 mesh at a nearby field office and assayed for gold by ALS at Loughrea in Ireland.

Anomalous (plus 20ppb Au) values were obtained at various locations, the strongest feature being a 3.2km long zone up to 1 km wide. Five lines include values exceeding 50ppb Au with the highest value sample being 895ppb Au (Figure 7). Given the very wide sample spacing, these are highly encouraging results which require follow-up infill sampling.

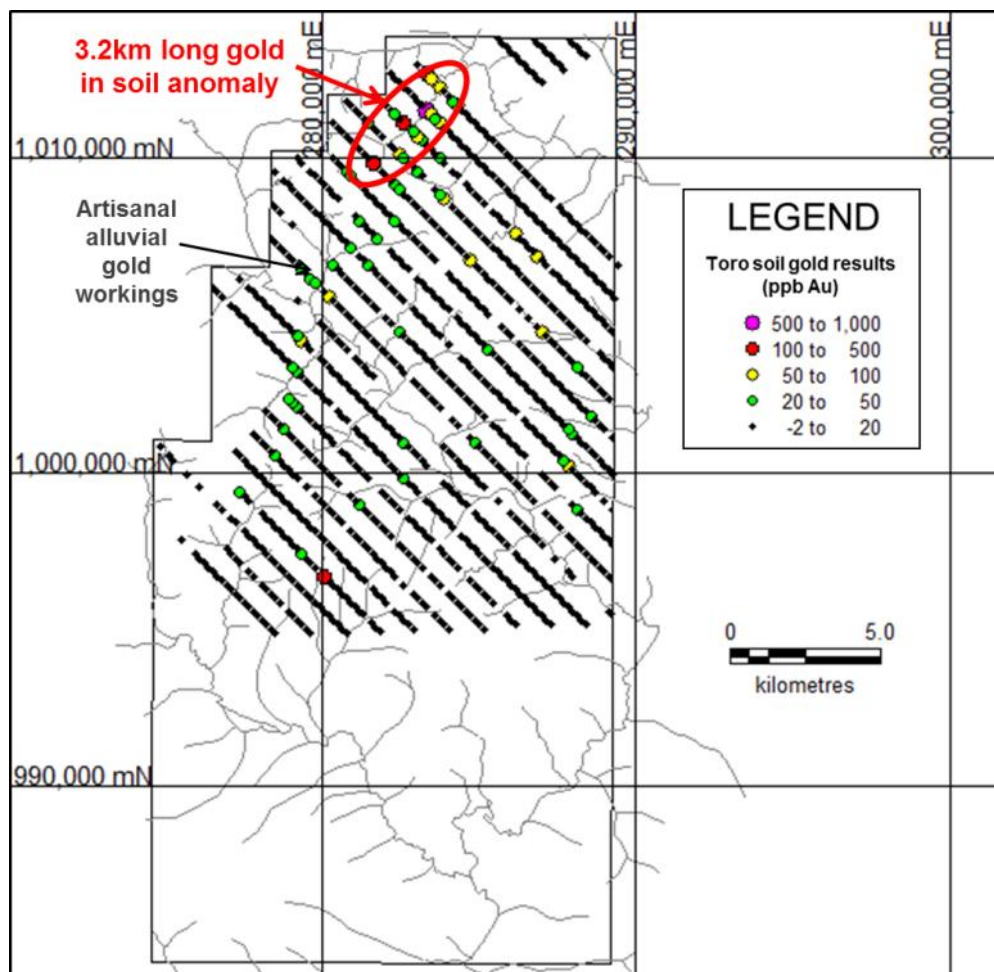


**Figure 7:** Soil sample locations from the north-western section of the Ferkessedougou permit in north-east Cote D'Ivoire. Gold results in grade intervals are shown.

PDI and Toro Gold geologists visited active alluvial and possible hard-rock gold workings several kilometres to the south of the new anomaly in October 2015 (Figures 7 and 8). The artisanal miners were recovering significant amounts of gold from panning alluvial material recovered from depths of a few metres.



**Figure 8:** Photograph of abundant gold in a panning dish from artisanal alluvial gold workings south of the new soil anomaly (see Figure 7 for location)



**Figure 9:** Soil sample locations for the entire Ferkessedougou permit in north-east Cote D'Ivoire. Gold results in grade intervals are shown.

## Follow-up Work Programs and Newsflow

Toro Gold is continuing its very active field programs on the Predictive CI exploration permits. Infill soil sampling programs on a 200m x 50m sample density on the main “Nyangboue” anomalous trend in the eastern part of the Boundiali permit and 400m x 100m density on the other Boundiali anomalous areas were completed in the December Quarter. Results will be released shortly.

RAB and diamond drilling is expected to start on the Kokoumbo exploration permit in the March Quarter. Subject to obtaining ongoing good values at Boundiali, RAB drilling is also expected there following the Kokoumbo program.

## Bobosso Project, Cote D'Ivoire

### Introduction

The Bobosso Project consists of two granted exploration permits - Bassawa and Wendene in northern Cote D'Ivoire (Figure 1).

Applications for Bassawa and Wendene were both made by an Ivoirian Company, XMI SARL (**XMI**). XMI also holds another permit application, Niakaramandougou, which is located south-west of Predictive's Ferkessedougou permit (Figure 1). The Bassawa permit was granted by decree n°2015-570 dated 29 July 2015. Bassawa and Wendene each cover an area of 400km<sup>2</sup>. Niakaramandougou covers 399 km<sup>2</sup>. The Cote D'Ivoire Government announced the grant of Wendene following a Ministerial Council Meeting dated 9 December 2015 ([http://www.gouv.ci/doc/1449750005CCM\\_09122015.pdf](http://www.gouv.ci/doc/1449750005CCM_09122015.pdf), item 5, page 7).

Bassawa and Wendene are located in the southern extension of the well mineralised Hounde Belt in Burkina Faso, which includes Semafo's Mana Mine (5Moz in ore resources and reserves<sup>1</sup>).

Both permit areas were previously covered by a single exploration permit that was granted to Equigold in 1997, then passed onto Lihir Gold Limited and subsequently to Newcrest Mining Limited following the successive mergers of those companies. Predictive understands that the ground was surrendered last year because of the age of the permit, which was well beyond the normal time for exploration envisaged by the Cote D'Ivoire Mines Administration.

The reported geology of the area includes mafic volcanics, sediments and intrusive rocks of variable composition including diorites and granites.

### Historical Exploration Results

(see September Quarterly Report for detailed data and additional cross sections)

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<sup>1</sup> See <http://www.semafo.com/English/operations-and-exploration/reserves-and-resources/default.aspx>

XMI has provided PDI with a historical exploration database including technical reports. This has been validated by a visit to the main drilled area and sighting some of the historic drill collars in their correct locations. Subsequently, many of the original drill assay data certificates have also been obtained.

The Equigold and Lihir Gold Limited historical RC and diamond drilling on the Wendene permit application consisted of 569 RC and 11 diamond drill holes. This work followed up soil sampling and widely spaced RAB drill lines on both the Wendene and Bassawa permits.

The historical soil sampling obtained many anomalous results over the Bassawa permit and Wendene permit application. Of particular note is a **7km<sup>2</sup> area** in Wendene in which most of the values are above 100ppb Au (Figure 10). This area contains 729 soil samples with an average arithmetic value of **394ppb Au (0.39g/t Au)** and peak values of **39.8g/t Au, 20.2g/t Au** and **6.89g/t Au**. There are numerous plus 100ppb Au anomalous values outside of this area, many of which are untested by any drilling.

569 RC holes and 11 diamond drill holes were completed in the area of the 7km<sup>2</sup> anomaly (Figure 11). Of these, 221 holes contained at least one 2gxm intercept<sup>2</sup> at a cut-off grade of 0.5 g/t Au. Most of these intercepts were at shallow depths. The average (vertical) depth tested by drilling was approximately 80m.

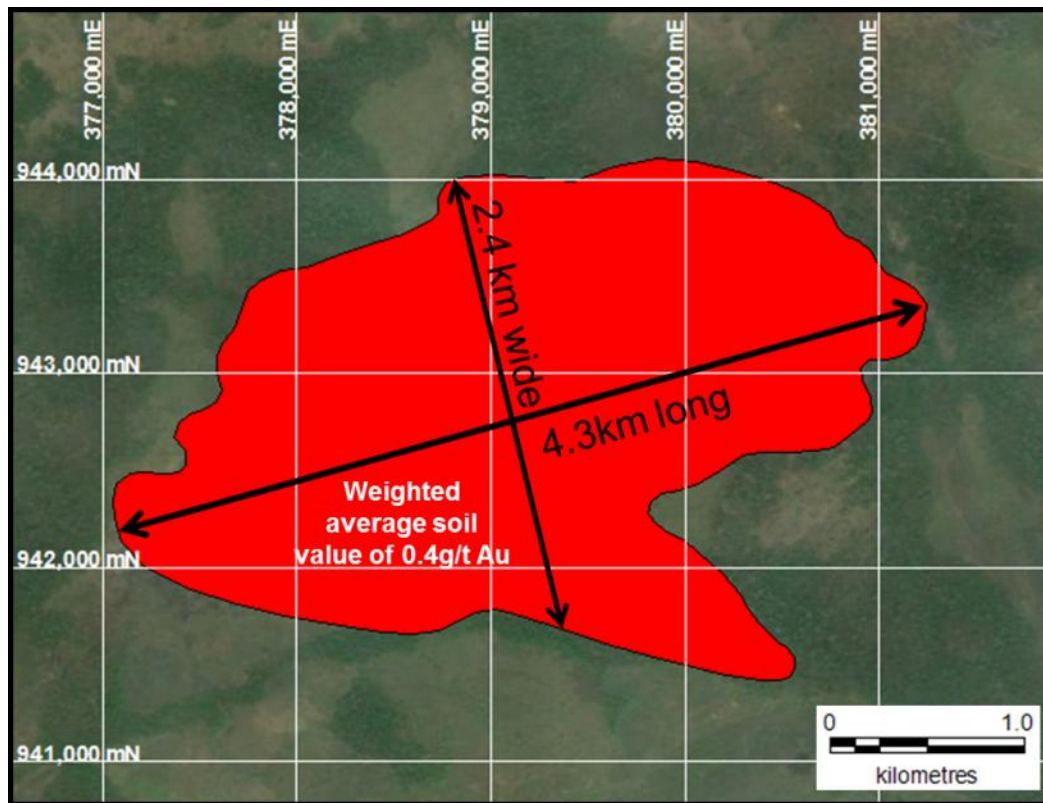
All RC and diamond drill intercepts were reported in the drill results table in the September Quarterly Report. High-grade and/or wide mineralised intercepts recorded in the database include the following:

- BRC047: **32m at 1.93g/t Au** from 12m
- BRC053: **2m at 29.70g/t Au** from 0m
- BRC083: **5m at 20.60g/t Au** from 48m
- BRC097: **7m at 5.36g/t Au** from 17m
- BRC262: **35m at 1.56g/t Au** from 65m
- BRC278: **7m at 9.52g/t Au** from 26m
- BRC311: **2m at 29.16g/t Au** from 66m
- BRC343: **25m at 1.45g/t Au** from 11m
- BRC552: **9m at 5.01g/t Au** from 4m
- BRC557: **31m at 1.18g/t Au** from 59m
- BRC561: **9m at 4.21g/t Au** from 12m

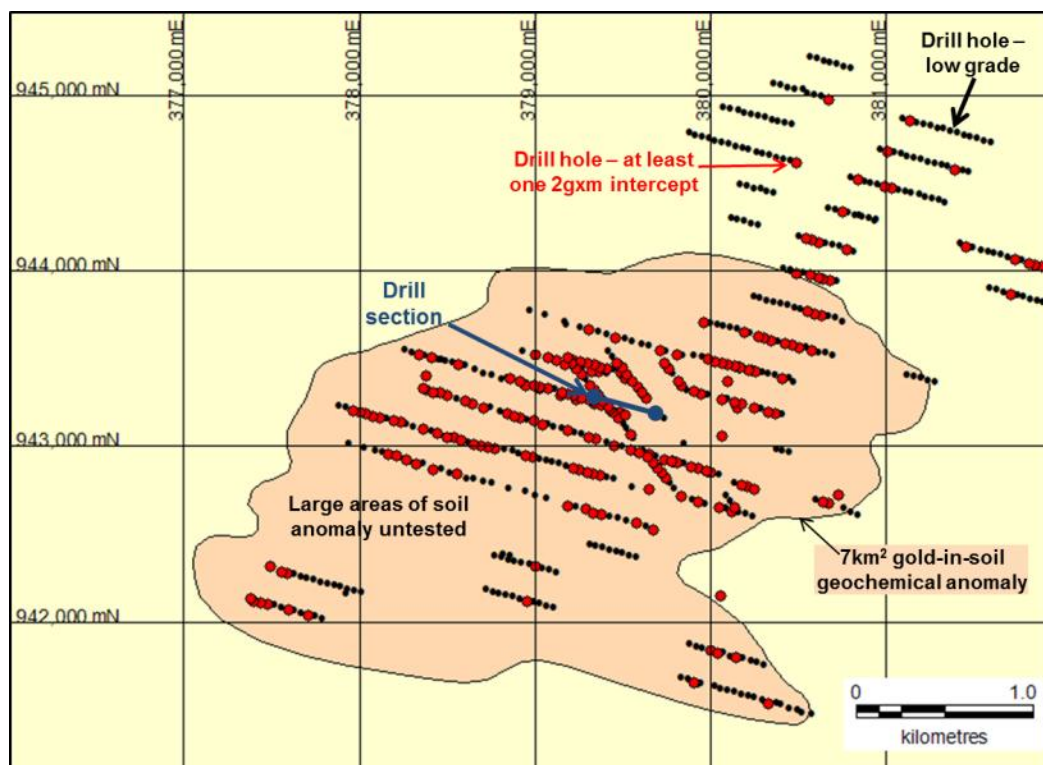
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<sup>2</sup> e.g. 1m at 2g/t Au or 4m at 0.5g/t Au





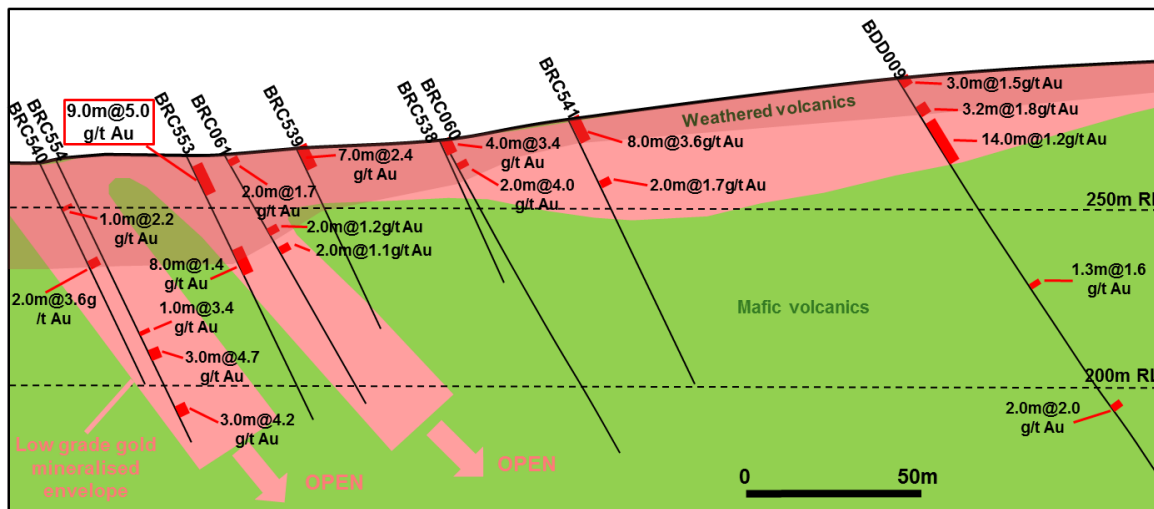
**Figure 10:** Bobosso gold geochemical anomaly on satellite imagery background



**Figure 11:** Bobosso gold in soil geochemical anomaly showing location of all historical RC holes, highlighting all holes with gold intercepts of at least 2 g x m (red dots) and showing cross section location.

Predictive makes the following observations about the Bobosso project:

- The drilled area covers a major gold mineralised system with numerous separate zones of gold mineralisation, apparently with variable vein and/or mineralised shear orientations.
- Gold mineralisation continuity is not the same everywhere. In places, convincing continuity can be seen but, elsewhere, continuity is not as clear. This may be due, in part, to holes having been drilled in the wrong direction. Some mineralisation may also be present as thin veins with limited strike extent.
- Elevated gold values near surface are quite common, and help explain the very large gold anomaly. These values may be explained by partly lateritised alluvium/colluvium formed by erosion of the underlying mineralisation. In places, continuity of these near-surface values from hole to hole is clear (e.g. Figure 12). Such zones offer potential for early low cost gold production from this site.
- Gold grades in unweathered rocks are associated with elevated levels of quartz and/or pyrite.
- Geologically logged primary rock types include andesite, basalt, diorite and lesser felsic schists, tuffs and granite. Some inconsistencies between the geology of adjacent holes have been noted, which suggests that re-logging will be required. Predictive understands that the RC drill chips still exist and could be available for re-logging by Predictive geologists. Re-logging of the geology and systematic XRF measurements of chips and drill core will offer a good opportunity to both better understand mineralisation continuity and plan follow-up drilling.
- According to the historical drill logs, the depth of weathering averages about 30m.
- Most of the historical drilling was conducted on 200m spaced drill lines. It is unlikely that a formal resource estimation could be made using such widely spaced drill lines. Nevertheless, Predictive believes that, when supported by the results of new infill drilling, this data is sufficiently well documented for use in a future resource calculation because:
  - the digital database includes hole collar information, downhole survey data, assays, geological logs and drill core photography,
  - based on Predictive's field visit, many hole collar markers appear to be intact, allowing validation of the drill locations by an independent expert, and
  - most of the RC drill gold analysis certificates are now held by Predictive.
- Few or no villagers live or farm directly on the Bobosso gold-in-soil geochemical anomaly. There are signs of recent artisanal mining activity but PDI is informed that Government officials have recently been actively discouraging artisanal mining in this area. Predictive is informed that past explorer relationships with the local villagers were positive.
- Local infrastructure is generally quite good. The nearest town, Dabakala, is connected to Cote D'Ivoire's sealed road network and is a 90 minute drive from the project area. There is also a substantial power line which runs within a few kilometres of the Bobosso gold anomaly.



**Figure 12:** Drill cross section showing near surface, possibly partly lateritised colluvial/alluvial gold zone. Note high grade, shallow BRC553 intercept.

## Agreement with XMI

Key terms of the agreement are as follows:

- The agreement is subject to grant of the Wendene permit, which has now taken place.
- Equity in the project will be earned through a holding company in the UK - Exploration and Mining Investments Limited (**EMIL**).
- On grant of Wendene, PDI will invest £27,000 (Approximately A\$58,000) into EMIL and obtain 15% of that company.
- PDI will have an exclusive right for six months to raise capital to progress the project. This capital may be provided in part or in whole by PDI or third party investors arranged by PDI.
- Subject to completion of a successful initial capital raising of at least £500,000 within 6 months of the grant of Wendene, Predictive will have the first right of refusal to raise funds into EMIL for two years from the date of grant.
- Predictive's team will manage exploration of the project.

The benefits of this agreement are that:

- PDI's initial outlay is modest but will immediately give the Company a 15% equity in the project.
- The agreement maximises PDI's flexibility by allowing investment at the project level or at the parent company level.
- Predictive's technical team will be able to manage exploration of the project in a highly cost effective way, and with minimal overheads.
- The two year right to raise funds into EMIL maximises PDI's ability to retain control of the project.

The owners of XMI will play a key role in the ongoing management of EMIL. Their representative, Mr Eric Kondo, holds an EMIL Board seat and will be a member of the executive committee which will run EMIL on a day-to-day basis. Mr Kondo will also provide critical in-country support in regards to the administration of XMI, government and community relationships. The technical program, which will constitute the major activity of EMIL and XMI, will be managed by Predictive's Managing Director, Mr Paul Roberts.

## **Planned Work Program**

Initial work planned for the March Quarter is as follows:

- Geological mapping of the Bobosso mineralised area;
- Re-logging of RC and diamond drill samples of key mineralised areas, including XRF logging to more accurately distinguish rock types. Logging of orientated drill core may provide a clearer picture of mineralised lode orientations;
- Ground follow-up of gold anomalous areas throughout the two permits to identify potential future drill targets;
- Possible metallurgical testwork of shallow gold mineralisation, depending on the availability of drill samples.

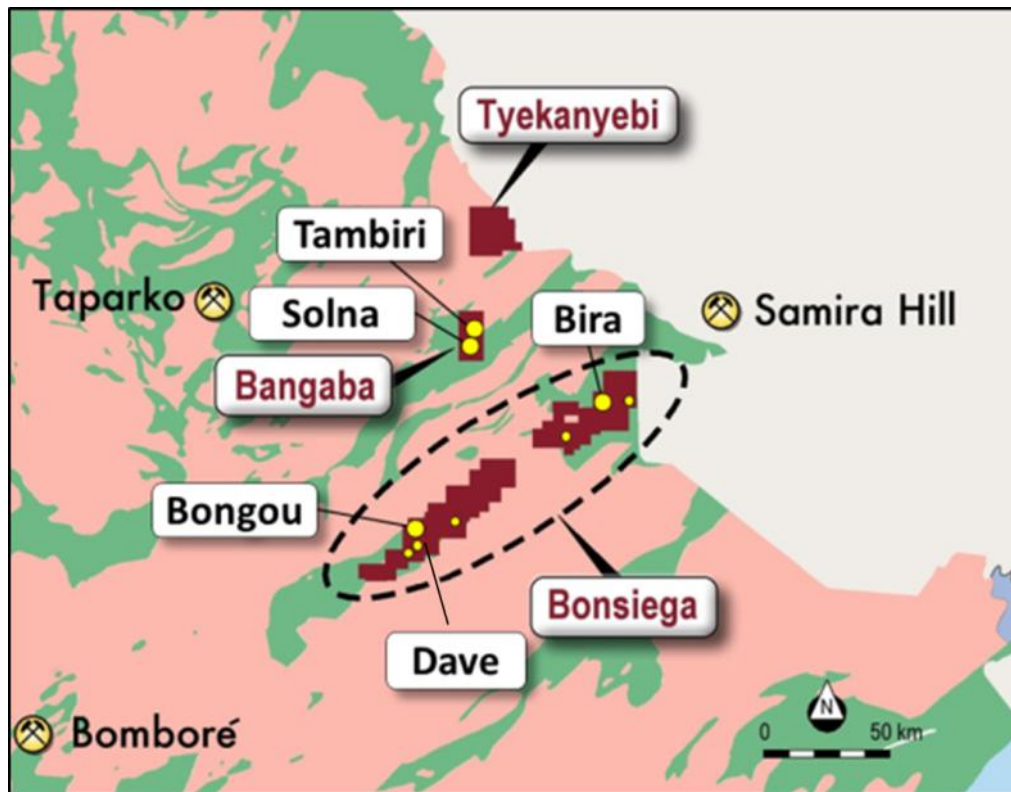
In accordance with the Company's stated strategy, PDI and Mr Kondo will seek additional funding for EMIL to enable drilling of high priority mineralised zones without requiring dilutive capital raisings by Predictive itself.

## **Burkina Faso**

The Company's tenement holding covers approximately 100km of strike length in the Samira Hill greenstone belt in eastern Burkina Faso (the Bonsiega permit group, Figure 13). This belt hosts the 2.5 million ounce Samira Hill gold deposit across the border in Niger and contains numerous active artisanal gold mine sites along its length. PDI now owns 100%, or has the rights to earn 95% to 100% of all its permits in Burkina Faso.

PDI has discovered gold mineralisation on multiple prospects in Eastern Burkina Faso during the past four years including the Bongou gold deposit. A formal Mineral Resource Estimate on Bongou resulted in 184,000oz of gold 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 13:** Locality map of PDI permits in eastern Burkina Faso, showing location of Bongou and other key prospects.

No work was carried out in Burkina Faso during the December Quarter. Costs are being restricted to the maximum extent possible and the Burkina team of 5 persons is currently on half salary.

PDI's plan for the March Quarter is to seek a joint venture partner to help advance exploration of the ground.

## Australia

### Cape Clear EL 5434, Victoria

Exploration Licence 5434 is located west of Ballarat in Victoria (Figure 14). It was granted to PDI in August 2013. The area is highly prospective for shallowly concealed Stawell-style gold mineralisation. PDI has previously carried out geological mapping and a gravity survey over part of the EL area.

Execution of a binding joint venture agreement with Cape Clear Minerals Pty Ltd (CCM) on this EL was announced to the ASX on 22<sup>nd</sup> September 2014. CCM can earn 75% equity in the licence by spending \$500,000 on exploration, including at least 1,000m of drilling prior to the end of the September Quarter 2015.

CCM commenced a three hole diamond drilling program, totalling 1,400m on 8<sup>th</sup> October 2015. Two holes were completed and a third was in progress at the end of December. Metres drilled to the end of December totalled 1,006m. Assay results will be released shortly.

CCM has recently advised that it has now spent over \$250,000 and completed 1,000m of drilling, and has therefore achieved a 51% equity in the project.

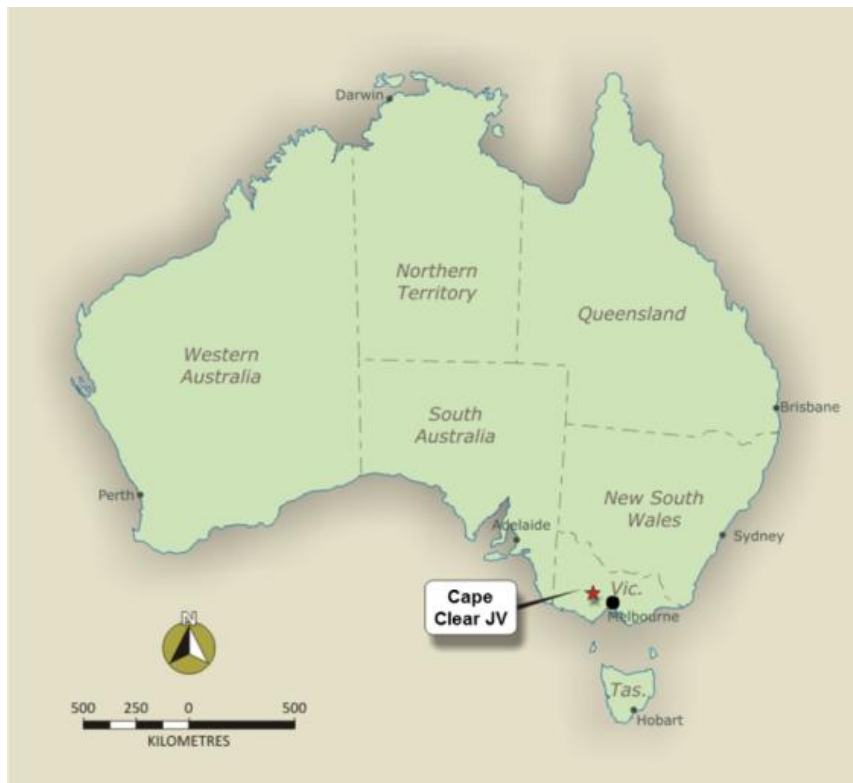


Figure 14: Cape Clear Exploration Licence Locality Plan

## CORPORATE

### Cash Position

PDI undertook a fully subscribed 1:1 Rights Issue during the Quarter which raised \$1.3M (before costs of raising). The Company thanks its shareholders for their strong support.

The Company held \$1,314,000 in cash at the end of the December Quarter with no debt.

### Board Membership

Two of PDI's Non-Executive Directors, Mr Phil Henty and Mr Tim Markwell, retired from the Board during the Quarter. The Company thanks both of them for their many valuable contributions.

Mr David Kelly was appointed as a Non-Executive Director of PDI's Board early in the March Quarter.

**TABLE 1 – KOKOUMBO CHIP-CHANNEL SAMPLE RESULTS**

Chip-channel sampling site ID	Channel start coordinates			Azimuth	Dip	Length (m)	0.5g/t Au cut-off		
	Easting	Northing	RL				From	Interval	Au (g/t)
KOCH001	250108	725226	350	250	0°	48	0	44	3.77
KOCH002	250119	725120	343	140	0°	40	2	2	1.11
KOCH002	250119	725120	343	140	0°	40	22	2	1.12
KOCH003	250124	725059	310	140	0°	46	6	26	2.86
KOCH004	250065	725065	295	120	0°	46	6	16	0.75
KOCH004	250065	725065	295	120	0°	46	30	2	1.54
KOKT001	251239	722826	210	90	0°	410			
SSCH001	254371	726276	100	200	0°	11			
SSCH002	254391	726256	100	230	0°	7			
SSCH003	254398	726244	100	230	0°	3			
SSCH004	254415	726222	100	230	0°	13	7	6	2.48
SSCH005	254412	726217	100	230	0°	8	0	8	1.06
SSCH006	254413	726202	100	250	0°	7			
SSCH007	254416	726195	100	270	0°	8	0	4	1.25
SSCH008	254426	726185	100	220	0°	6			
SSCH009	254434	726174	100	270	0°	14	10	2	3.40
SSCH010	254421	726162	100	270	0°	8	0	7	1.97

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
Sampling Technique	<p>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling</p>	<p>Chip-channel samples were collected using a chip-channel method in the weathered rock in the trench walls. Regular 1m or 2m sampling intervals were selected as geological variability was difficult to judge in the very weathered materials in the trenches.</p> <p>The chip-channel samples are judged to be representative of the exposed weathered rock materials however the orientation of the gold mineralisation where sampled is not clear principally because of the strong weathering.</p>

	<p>was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</p>	
<b>Drilling</b>	<p>Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc).</p>	<p>This is not relevant to chip-channel sampling.</p>
<b>Drill Sample Recovery</b>	<p>Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples.</p> <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	<p>This is not relevant to chip-channel sampling.</p>
<b>Logging</b>	<p>Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <p>Whether logging is qualitative or quantitative in nature. Core (or costean/Trench, channel, etc) photography. The total length and percentage of the relevant intersections logged.</p>	<p>Geological logging of all chip-channel intervals was recorded by Toro Gold. The logging is largely qualitative.</p>
<b>Sub-Sampling Technique and Sample Preparation</b>	<p>If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all</p>	<p>Chip-channel samples were collected for analysis and submitted to the laboratory for the normal processes of crushing, grinding and splitting out a representative sample for analysis.</p>



	<p>sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	
<b>Quality of Assay Data and Laboratory Tests</b>	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <p>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</p>	The assaying and laboratory procedures are considered appropriate for samples of this type.
<b>Verification of Sampling and Assaying</b>	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes</p> <p>The verification of significant intersections by either independent or alternative company personnel. Discuss any adjustment to assay data</p>	This is not relevant to chip-channel sampling.
<b>Location of Data points</b>	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p> <p>Specification of the grid system used Quality and adequacy of topographic control</p>	Chip-channel sample locations are recorded using GPS coordinates and elevations for the sampling start location together with information on the azimuth and length of the channel. The datum employed is WGS84, Zone 30N.
<b>Data Spacing and Distribution</b>	<p>Data spacing for reporting of Exploration Results</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and</p>	The chip-channel locations are irregularly spaced. The information is not suitable for calculation of a mineral resource estimate.

	<p>classifications applied.</p> <p>Whether sample compositing has been applied</p>	
<b>Orientation of Data in Relation to Geological Structure</b>	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	<p>Strike and dip orientation is not well known in the target areas, therefore it is possible that the channels were not orientated at right angles to the strike of mineralisation.</p>
<b>Sample Security</b>	<p>The measures taken to ensure sample security</p>	<p>Reject samples are stored securely at Toro gold's field office in Yamoussoukro.</p>
<b>Audits or Reviews</b>	<p>The results of any audits or reviews of sampling techniques and data</p>	<p>No audits or reviews of sampling techniques and data have been carried out given the reconnaissance nature of this drill program.</p>
<b>Section 2 Reporting of Exploration Results</b>		
<b>Mineral Tenement and Land Tenure Status</b>	<p>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	<p>The Kokumbo exploration permit was granted in June 2013. PDI Cote D'Ivoire SARL is earning a 90% interest in the Kokumbo permit from local partner, Ivoir Negoce. PDI Cote D'Ivoire SARL is a wholly owned subsidiary of PDI. Toro Gold Limited may earn a 51% interest in PDI Cote D'Ivoire SARL by spending US\$1 million.</p>
<b>Exploration Done by Other Parties</b>	<p>Acknowledgment and appraisal of exploration by other parties.</p>	<p>Extensive historical exploration has been carried out on the Kokumbo permit and was acknowledged and described in PDI's release to the ASX dated 10/6/14.</p>
<b>Geology</b>	<p>Deposit type, geological setting and style of mineralisation.</p>	<p>The geology of Kokoumbo consists of granite, metasediments, mafic volcanics and intrusives, and conglomerates. Quartz-vein hosted mineralisation observed at Kokoumbo is considered to be of the orogenic gold type.</p>
<b>Drill Hole Information</b>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length</li> <li>• If the exclusion of this information is justified on the</li> </ul>	<p>The chip-channel results are reported using the standard format for drill results with the "dip" being listed as zero (given that the channels are approximately horizontal). Therefore, see Table 1 and the accompanying notes in these tables.</p>

	<p>basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	
<b>Data Aggregation Methods</b>	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Sampling was either in 1m or 2m long chip-channel intervals.</p> <p>Mineralised intervals are reported on a weighted average basis.</p>
<b>Relationship Between Mineralisation Widths and Intercept Lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	<p>True widths have not been estimated as there is considerable uncertainty about the orientation of mineralised zones.</p>
<b>Diagrams</b>	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<p>Appropriate plans and sections are included with this document.</p>
<b>Balanced Reporting</b>	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	<p>Comprehensive reporting of the chip-channel results is provided in Table 1.</p>
<b>Other Substantive Exploration Data</b>	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	<p>There are no other known exploration data which is relevant to the results reported in this release.</p>
<b>Further Work</b>	<p>The nature and scale of planned further work (eg tests for lateral extensions or large scale step out drilling).</p>	<p>Planned work includes follow up diamond or RAB drilling.</p>

	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	
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**TABLE 2 – BOUNDIALI SOIL SAMPLING RESULTS**

Sample numbers	Northing (WGS84-30N)	Easting (WGS84 – 30N)	RL	Hole dips	Azimuth	Hole Depth	From	Interval	Au (ppb)
Toro sample numbers in the range 14350-15000 and 16002-20189.	Refer to Figures 1 and 3 for map locations of all samples	Refer to Figures 1 and 3 for map locations of all samples	See notes	Not relevant to the samples described in this report	Not relevant to the samples described in this report	Soil samples were collected from 10-50cm depth	Not relevant to the samples described in this report	Not relevant to the samples described in this report	See notes and Figures 1 and 3.

Notes: Soil sampling is a reconnaissance exploration technique. In the sampling and sample preparation method used by Toro, soil samples were collected from shallow holes and dried and sieved to -80 mesh at a local field camp. The prepared samples were then sent to the ALS laboratory in Loughrea in Ireland for fire assay analysis. RL ranges for the Boundiali permit are 360 to 442m. Individual RLs are not reported in this announcement because they are not relevant to interpreting geochemical data of this type.

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
<b>Sampling Technique</b>	<p>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</p>	<p>The sampling described in this report refers samples obtained from the Boundiali exploration permit in Cote D'Ivoire.</p> <p>The soil and lag samples were collected from shallow holes with depths between 10 and 50cm.</p>
<b>Drilling</b>	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-	This is not relevant to a soil sampling program.



	sampling bit or other type, whether core is oriented and if so, by what method, etc).	
<b>Drill Sample Recovery</b>	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p> <p>Measures taken to maximise sample recovery and ensure representative nature of the samples.</p> <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	This is not relevant to a soil sampling program.
<b>Logging</b>	<p>Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <p>Whether logging is qualitative or quantitative in nature. Core (or costean/Trench, channel, etc) photography.</p> <p>The total length and percentage of the relevant intersections logged.</p>	Soil samples are described in terms of soil type, regolith and landscape classification and colour. Descriptions are largely qualitative.
<b>Sub-Sampling Technique and Sample Preparation</b>	<p>If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</p> <p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p> <p>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	The sample preparation method is appropriate and standard for soil samples of this type.
<b>Quality of Assay Data and Laboratory Tests</b>	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <p>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</p>	The analytical method used has a very low (1ppb Au) detection limit which is appropriate for samples of this type.

<b>Verification of Sampling and Assaying</b>	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes The verification of significant intersections by either independent or alternative company personnel. Discuss any adjustment to assay data	This is not relevant to a soil sampling program.
<b>Location of Data points</b>	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.  Specification of the grid system used Quality and adequacy of topographic control	Coordinates shown on the locality maps (Figures 1 and 3) are for Universal Transverse Mercator (UTM), Datum WGS 84, Zone 29 - Northern Hemisphere.
<b>Data Spacing and Distribution</b>	Data spacing for reporting of Exploration Results  Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.  Whether sample compositing has been applied	The soil sampling grid was 800 x 100m and is considered appropriate for a reconnaissance exploration grid of this type. No Mineral Resource can be estimated from these data.
<b>Orientation of Data in Relation to Geological Structure</b>	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The samples were collected along lines which were designed to cross cut the interpreted bedding and foliation strike orientations in permit.
<b>Sample Security</b>	The measures taken to ensure sample security	Samples are stored securely at Toro Gold's field office in Yamoussoukro.
<b>Audits or Reviews</b>	The results of any audits or reviews of sampling techniques and data	No audits or reviews of sampling techniques and data have been carried out given the reconnaissance nature of this soil sampling program.
<b>Section 2 Reporting of Exploration Results</b>		
<b>Mineral Tenement and Land Tenure Status</b>	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.  The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Boundiali exploration permit was granted to PDI Cote D'Ivoire SARL in January 2014. Toro Gold Limited may earn a 51% interest in PDI Cote D'Ivoire SARL by spending US\$1 million.
<b>Exploration Done by Other Parties</b>	Acknowledgment and appraisal of exploration by other parties.	PDI is not aware of any effective gold exploration over the Boundiali permit however historic records are incomplete at the Cote D'Ivoire government geological agency.
<b>Geology</b>	Deposit type, geological setting and style of mineralisation.	The geology of the Boundiali permit consists of granite, metasediments, mafic volcanics and intrusives, and conglomerates.

<b>Drill Hole Information</b>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>This is not relevant to a soil sampling program. Sample coordinate information is provided in Table 1 and on the maps included in this release.</p>
<b>Data Aggregation Methods</b>	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>This is not relevant to a soil sampling program..</p>
<b>Relationship Between Mineralisation Widths and Intercept Lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	<p>This is not relevant to a soil sampling program.</p>
<b>Diagrams</b>	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<p>Appropriate plans showing the locations of the soil samples, classified by results, are shown in this release.</p>
<b>Balanced Reporting</b>	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	<p>Results from all assayed soil samples have been reported.</p>
<b>Other Substantive Exploration Data</b>	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential</p>	<p>All relevant, new exploration data is reported in this release.</p>

	deleterious or contaminating substances.	
<b>Further Work</b>	<p>The nature and scale of planned further work (eg tests for lateral extensions or large scale step out drilling.</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	Follow-up infill soil sampling is planned on the permit as outlined in this release.

**TABLE 3 – BOUNDIALI ROCK CHIP RESULTS**

Geochemical Results									
Sample numbers	Northing (WGS84-29N)	Easting (WGS84-29N)	RL	Hole dips	Azimuth	Hole Depth	From	Interval	Au (ppb)
Toro sample numbers in the range 15423 to 154351	Refer to Figure 6 for map locations of all samples	Refer to Figure 6 for map locations of all samples	See notes	Not relevant to the samples described in this report	Not relevant to the samples described in this report	Rock chip samples were collected opportunistically during Toro Gold's field work.	Not relevant to the samples described in this report	Not relevant to the samples described in this report	See notes and Figure 6
<p>Notes: Rock chip sampling is a reconnaissance exploration technique. Rock chip samples were collected from outcrop and scree and sent to the ALS laboratory in Loughrea in Ireland for fire assay analysis. RL ranges for the Boundiali permit are 360 to 442m. Individual RLs are not reported in this announcement because they are not relevant to interpreting geochemical data of this type.</p>									

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
<b>Sampling Technique</b>	<p>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other</p>	The sampling described in this report refers to rock samples obtained from the Boundiali exploration permit in Cote D'Ivoire.



	cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
<b>Drilling</b>	Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	This is not relevant to a rock sampling program.
<b>Drill Sample Recovery</b>	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples.  Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	This is not relevant to a rock sampling program.
<b>Logging</b>	Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.  Whether logging is qualitative or quantitative in nature. Core (or costean/Trench, channel, etc) photography. The total length and percentage of the relevant intersections logged.	Rock chip sample lithologies are described in some detail. Descriptions are largely qualitative.
<b>Sub-Sampling Technique and Sample Preparation</b>	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.  Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	Rock chip samples were generally intentionally selective.

<b>Quality of Assay Data and Laboratory Tests</b>	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <p>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</p>	The analytical method is appropriate for samples of this type.
<b>Verification of Sampling and Assaying</b>	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes The verification of significant intersections by either independent or alternative company personnel. Discuss any adjustment to assay data</p>	This is not relevant to a rock sampling program.
<b>Location of Data points</b>	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p> <p>Specification of the grid system used</p> <p>Quality and adequacy of topographic control</p>	Coordinates shown on the locality map (Figure 6) are for Universal Transverse Mercator (UTM), Datum WGS 84, Zone 29 - Northern Hemisphere.
<b>Data Spacing and Distribution</b>	<p>Data spacing for reporting of Exploration Results</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <p>Whether sample compositing has been applied</p>	Rock chip samples were collected opportunistically typically where there was outcrop and are not representative. No Mineral Resource can be estimated from these data.
<b>Orientation of Data in Relation to Geological Structure</b>	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	This is not relevant to a rock sampling program.
<b>Sample Security</b>	The measures taken to ensure sample security	Samples are stored securely at Toro Gold's field office in Yamoussoukro.

<b>Audits or Reviews</b>	The results of any audits or reviews of sampling techniques and data	No audits or reviews of sampling techniques and data have been carried out given the reconnaissance nature of this sampling program.
<b>Section 2 Reporting of Exploration Results</b>		
<b>Mineral Tenement and Land Tenure Status</b>	<p>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	The Boundiali exploration permit was granted to PDI Cote D'Ivoire SARL in January 2014. Toro Gold Limited may earn a 51% interest in PDI Cote D'Ivoire SARL by spending US\$1 million.
<b>Exploration Done by Other Parties</b>	Acknowledgment and appraisal of exploration by other parties.	PDI is not aware of any effective gold exploration over the Boundiali permit however historic records are incomplete at the Cote D'Ivoire government geological agency.
<b>Geology</b>	Deposit type, geological setting and style of mineralisation.	The geology of the Boundiali permit consists of granite, metasediments, mafic volcanics and intrusives, and conglomerates.
<b>Drill Hole Information</b>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	This is not relevant to a rock sampling program. Sample coordinate information is provided in Table 3 and on the map included in this release.
<b>Data Aggregation Methods</b>	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	This is not relevant to a rock sampling program.

<b>Relationship Between Mineralisation Widths and Intercept Lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	This is not relevant to a rock sampling program.
<b>Diagrams</b>	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	An appropriate plan showing the locations of the rock chip samples, classified by results, is shown in this release.
<b>Balanced Reporting</b>	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	All rock chip sample results have been reported.
<b>Other Substantive Exploration Data</b>	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	All relevant, new exploration data is reported in this release.
<b>Further Work</b>	<p>The nature and scale of planned further work (eg tests for lateral extensions or large scale step out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	Follow-up infill soil sampling is planned on the permit as outlined in this release.

**TABLE 4 – FERKESSEDOUGOU SOIL SAMPLING RESULTS**

Sample numbers	Northing (WGS84-30N)	Easting (WGS84-30N)	RL	Hole dips	Azimuth	Hole Depth	From	Interval	Au (ppb)
Toro sample numbers in the ranges 12247-9, 12312-12475, 20140-22313	Refer to Figure 7 for map locations of all samples	Refer to Figure 7 for map locations of all samples	See notes	Not relevant to the samples described in this report	Not relevant to the samples described in this report	Soil samples were collected from 10-50cm depth	Not relevant to the samples described in this report	Not relevant to the samples described in this report	See notes and Figures 7 and 9



Notes: Soil sampling is a reconnaissance exploration technique. In the sampling and sample preparation method used by Toro, soil samples were collected from shallow holes and dried, sieved to -80 mesh and subsampled at a local field camp. The prepared samples were then sent to the ALS laboratory in Loughrea in Ireland for fire assay analysis. RL ranges for the Ferkessedougou permit are 271 to 316m. Individual RLs are not reported in this announcement because they are not relevant to interpreting geochemical data of this type.

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
<b>Sampling Technique</b>	<p>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</p>	<p>The sampling described in this report refers to soil samples obtained from the Ferkessedougou exploration permit in Cote D'Ivoire.</p> <p>The soil samples were collected from shallow holes with depths between 10 and 50cm.</p>
<b>Drilling</b>	Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	This is not relevant to a soil sampling program.
<b>Drill Sample Recovery</b>	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p> <p>Measures taken to maximise sample recovery and ensure representative nature of the samples.</p> <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	This is not relevant to a soil sampling program.

<b>Logging</b>	<p>Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <p>Whether logging is qualitative or quantitative in nature. Core (or costean/Trench, channel, etc) photography.</p> <p>The total length and percentage of the relevant intersections logged.</p>	<p>Soil samples are described in terms of soil type, regolith and landscape classification and colour. Descriptions are largely qualitative.</p>
<b>Sub-Sampling Technique and Sample Preparation</b>	<p>If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</p> <p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p> <p>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>The sample preparation method is appropriate and standard for soil samples of this type.</p>
<b>Quality of Assay Data and Laboratory Tests</b>	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <p>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</p>	<p>The analytical method used has a very low (1ppb Au) detection limit which is appropriate for samples of this type.</p>
<b>Verification of Sampling and Assaying</b>	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes</p> <p>The verification of significant intersections by either independent or alternative company personnel. Discuss any adjustment to assay data</p>	<p>This is not relevant to a soil sampling program.</p>
<b>Location of Data points</b>	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p>	<p>Coordinates shown on the locality maps (Figures 7 and 9) are for Universal Transverse Mercator (UTM), Datum WGS 84, Zone 30 - Northern Hemisphere.</p>

	Specification of the grid system used Quality and adequacy of topographic control	
<b>Data Spacing and Distribution</b>	<p>Data spacing for reporting of Exploration Results</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <p>Whether sample compositing has been applied</p>	The soil sampling grid was 800 x 200m and is considered appropriate for a reconnaissance exploration grid of this type. No Mineral Resource can be estimated from these data.
<b>Orientation of Data in Relation to Geological Structure</b>	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	The samples were collected along lines which were designed to cross cut the interpreted bedding and foliation strike orientations in permit.
<b>Sample Security</b>	The measures taken to ensure sample security	Samples are stored securely at Toro Gold's field office in Yamoussoukro.
<b>Audits or Reviews</b>	The results of any audits or reviews of sampling techniques and data	No audits or reviews of sampling techniques and data have been carried out given the reconnaissance nature of this sampling program.
<b>Section 2 Reporting of Exploration Results</b>		
<b>Mineral Tenement and Land Tenure Status</b>	<p>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	The Ferkessedougou exploration permit was granted to PDI Cote D'Ivoire SARL in July 2013. Toro Gold Limited may earn a 51% interest in PDI Cote D'Ivoire SARL by spending US\$1 million.
<b>Exploration Done by Other Parties</b>	Acknowledgment and appraisal of exploration by other parties.	PDI is not aware of any effective gold exploration over the Ferkessedougou permit however historic records are incomplete at the Cote D'Ivoire government geological agency.
<b>Geology</b>	Deposit type, geological setting and style of mineralisation.	The geology of the Ferkessedougou and Boundiali permits consists of granite, metasediments, mafic volcanics and intrusives, and conglomerates.
<b>Drill Hole Information</b>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level –</li> </ul>	This is not relevant to a soil sampling program. Sample coordinate information is provided in Table 3 and on the maps included in this release.

	<p>elevation above sea level in metres) of the drill hole collar</p> <ul style="list-style-type: none"> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	
<b>Data Aggregation Methods</b>	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	This is not relevant to a soil sampling program.
<b>Relationship Between Mineralisation Widths and Intercept Lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	This is not relevant to a soil sampling program.
<b>Diagrams</b>	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	Appropriate plans showing the locations of the soil samples, classified by results, are shown in this release.
<b>Balanced Reporting</b>	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	Results from all assayed soil samples have been reported.
<b>Other Substantive Exploration Data</b>	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical</p>	All relevant, new exploration data is reported in this release.



	and rock characteristics; potential deleterious or contaminating substances.	
<b>Further Work</b>	<p>The nature and scale of planned further work (eg tests for lateral extensions or large scale step out drilling.</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	Follow-up infill soil sampling is planned on the permit as outlined in this release.

*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 1,605km<sup>2</sup> 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 high grade Bongou gold deposit on which a resource estimate was calculated in September 2014. PDI also has interests in a strategic portfolio of tenements in Côte D'Ivoire covering a total area of 1,533 km<sup>2</sup>.*

#### 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: +61 402 857 249

Email:

[paul.roberts@predictivediscovery.com](mailto:paul.roberts@predictivediscovery.com)

Ric Moore

Company Secretary

Tel: +61 8 6143 1840

Email:

[rmoore@auroraminerals.com](mailto:rmoore@auroraminerals.com)

## TENEMENT STATUS AS AT 31 DECEMBER 2015

Name	Number	Location	Area (sq. km)	PDI equity	Changes in holding during December Quarter, 2015
Fouli	arrêté 2014-294 /MCE/SG/DGMGC	Burkina Faso	186.2	100%	None
Tantiabongou	arrêté 2013-168 /MCE/SG/DGMGC	Burkina Faso	93.9	100%	None
Sirba	arrêté 2014-296 /MCE/SG/DGMGC	Burkina Faso	136.9	100%	None
Madyabari	arrêté 2014-295 /MCE/SG/DGMGC	Burkina Faso	171.9	100%	None
Tyekanyebi	Arrêté 2015-229/MCE/SG/DGMGC	Burkina Faso	140	100%	None
Tamfoagou	arrêté 2015-281/MCE/SG/DGMGC)	Burkina Faso	238	100%	None
Tangagari	arrêté 2013-37 /MCE/SG/DGMGC	Burkina Faso	127.5	Earning 95%; current equity 0% (until final cash payment is made)	Renewal in progress
Aoura	arrêté 2011-405 /MCE/SG/DGMGC	Burkina Faso	25	Earning 95%; current equity 0% (until final cash payment is made)	Special renewal in progress
Bangaba	Arrete 2015-109 /MCE/SG/DGMGC	Burkina Faso	128	Earning 95%; current equity 84%	None
Kogodou South	2015-226/MCE/SG/DGMGC	Burkina Faso	44.6	Earning 100%; current equity 0% (until final cash payment is made)	None
Bira	2013-33/MCE/SG/DGMGC	Burkina Faso	21	100%	None
Basieri	2013-16/MCE/SG/DGMGC	Burkina Faso	73.5	100%	None

Kokumbo	Mining exploration permit No. 307	Cote D'Ivoire	400	Earning 90%	None
Ferkessedougou	Mining exploration permit No. 310	Cote D'Ivoire	387	100%	None
Boundiali	Mining exploration permit No. 414	Cote D'Ivoire	399	100%	None
Kounahiri	Mining exploration permit No. 317	Cote D'Ivoire	347	100%	None
Bassawa	Mining exploration permit	Cote D'Ivoire	400	15% beneficial interest	Agreement signed with XMI SARL in October 2015
Wendene	Mining exploration permit	Cote D'Ivoire	400	15% beneficial interest	Agreement signed with XMI SARL in October 2015
Cape Clear	EL 5434	Victoria, Australia	160	100% (Cape Clear Minerals Pty Ltd JV partner and earning in to 51% by expenditure of \$250,000)	None

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Predictive Discovery Limited

ABN

11 127 171 877

Quarter ended ("current quarter")

31 December 2015

### Consolidated statement of cash flows

		Current quarter \$A'ooo	Year to date (6 months) \$A'ooo
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(115)  (159)	(346)  (288)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	1	1
1.6	Income taxes paid	-	-
1.7	Other – security bond	-	(10)
<b>Net Operating Cash Flows</b>		<b>(273)</b>	<b>(643)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
<b>Net investing cash flows</b>		<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(273)</b>	<b>(643)</b>

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(273)	(643)
1.14	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	1,301	1,301
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Cost of issue of shares	(61)	(61)
	<b>Net financing cash flows</b>	1,240	1,240
	<b>Net increase (decrease) in cash held</b>	967	597
1.20	Cash at beginning of quarter/year to date	348	718
1.21	Exchange rate adjustments to item 1.20	(1)	(1)
1.22	<b>Cash at end of quarter</b>	1,314	1,314

### Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	47
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions


### Non-cash financing and investing activities

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

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

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+ See chapter 19 for defined terms.



### **Financing facilities available**

*Add notes as necessary for an understanding of the position.*

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

### **Estimated cash outflows for next quarter**

	\$A'000
4.1    Exploration and evaluation	280
4.2    Development	
4.3    Production	
4.4    Administration	185
<b>Total</b>	<b>465</b>

### **Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1    Cash on hand and at bank	293	91
5.2    Deposits at call	1021	257
5.3    Bank overdraft		
5.4    Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,314</b>	<b>348</b>

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+ See chapter 19 for defined terms.

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Boussouma permit, Burkina Faso	Option agreement with Somika SARL to earn 100%	Nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased	Wendene and Bassawa permits, Cote D'Ivoire	Funding and management agreement with XMI SARL	15%

### Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference + securities</b> (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	1,326,168,686	1,326,168,686	Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	675,584,343	675,584,343	0.2 cents
7.5	<b>+Convertible debt securities</b> (description)			

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	<b>8,000,000</b>	<b>-</b>	<i>Exercise price</i> <b>2.2 cents</b>	<i>Expiry date</i> <b>31 March 2017</b>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	<b>6,000,000</b> <b>500,000</b> <b>2,000,000</b>	<b>-</b> <b>-</b> <b>-</b>	<b>25 cents</b> <b>31 cents</b> <b>15 cents</b>	<b>20 August 2015</b> <b>11 July 2015</b> <b>30 October 2015</b>
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~/does not\*~~ (delete one) give a true and fair view of the matters disclosed.



Sign here: .....  
(Company secretary)

Date: 29 January 2016

Print name: Eric Moore

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash

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+ See chapter 19 for defined terms.

position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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