



31st October 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: 1.63B shares

Share Price: 1.1 cents

Market Capitalisation: \$17.9M

Directors

Phillip Jackson
Non-Exec Chairman

Paul Roberts
Managing Director

David Kelly
Non-Executive Director

Quarterly Report for the Period Ending 30th September 2016

EXPLORATION

Côte d'Ivoire - Toro Gold Joint Venture

□ Boundiali Permit RC drilling:

- Drill results from the **Nyangboue Prospect** reported during the Quarter included:
 - **20m at 10.5 g/t Au** from 38m, including **1m at 144.5g/t Au**
 - **9m at 7.9g/t Au** from 99m, including **1m at 44.7g/t Au**
 - **10m at 3.3g/t Au** from 1m, including **1m at 27.4g/t Au**
 - **7m at 3.8g/t Au** from 33m, including **1m at 11.3g/t Au**
 - **4m at 5.4g/t Au** from 4m, including **1m at 15.2g/t Au**
- Gold mineralisation is now known to extend over at least 1.2km strike in multiple mineralised zones.

□ Beriaboukro Permit Surface Sampling:

- Three new areas of gold-in-soil anomalies were revealed with maximum soil values of **0.9g/t Au** and **0.8g/t Au** and a highest grade rock chip sample of **721g/t Au (23oz/t gold)**. Follow-up soil sampling is planned.

Côte d'Ivoire – Bobosso Project

- Gravity metallurgical testwork obtained 62% Au recovery from colluvial samples.

Burkina Faso

- Ongoing discussions with potential funding partners.

Planned June Quarter Exploration Program

Côte d'Ivoire

□ Toro JV:

- Boundiali – induced polarisation and ground magnetics, followed by design of diamond drilling program
- Ferkessedougou North – awaiting results of large soil sampling program, to be followed up by infill soil sampling

- Bobosso – plan work program including drilling.

Burkina Faso

- Ongoing discussions with potential JV partners.

Victoria, Australia

- Cape Clear – agree next phase of work program.

CORPORATE

- \$0.9M cash at 30th September 2016 and no debt.
- Capital raising (placement and SPP) in September and October raised \$3.0M before costs.

INTRODUCTION

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

In Cote D'Ivoire, the Company has interests in six granted exploration permits and two permit applications, totalling 2,936km² (Figure 1), which are being actively explored under the terms of a joint venture with Toro Gold Limited. PDI is also conducting exploration under an agreement on the Bobosso Project, which covers a further 1,200km² (Figure 1).

In Burkina Faso, the Company has an effective Burkina-based team and a large regional tenement package in the north-east of the country covering 1,222km² (Figure 6). 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 4/9/14).

PDI also holds an Exploration Licence in Victoria (Figure 7) which was drilled in the December and March Quarters 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 operating well and generating significant newsflow. The Company's 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

CÔTE D'IVOIRE BACKGROUND

Predictive has been increasingly focused on Cote D'Ivoire in recent years. The country covers over a third of the highly prospective Birimian gold belt, more than any other country in West Africa. Cote D'Ivoire is highly underexplored for gold because the exploration investment boom in the last decade largely bypassed the country because of political instability. Since the accession of President Alassane Ouattara in 2011 and his comfortable re-election last year, and with investment certainty provided by an updated Mining Act and a forward-looking Mines Administration, Cote D'Ivoire has become a highly attractive exploration investment destination.

Predictive is in joint venture with Toro Gold Limited (**Toro**), a UK-based company, on six granted permits and two permit applications in Cote D'Ivoire and with XMI SARL, an Ivorian company, on two additional permits and one permit application covering the Bobosso Project (Figure 1). The Toro Joint Venture operates through Predictive Discovery Limited's subsidiary, Predictive Cote

D'Ivoire SARL (**Predictive CI**). Predictive now has interests in exploration ground in Cote D'Ivoire covering 4,136 km².

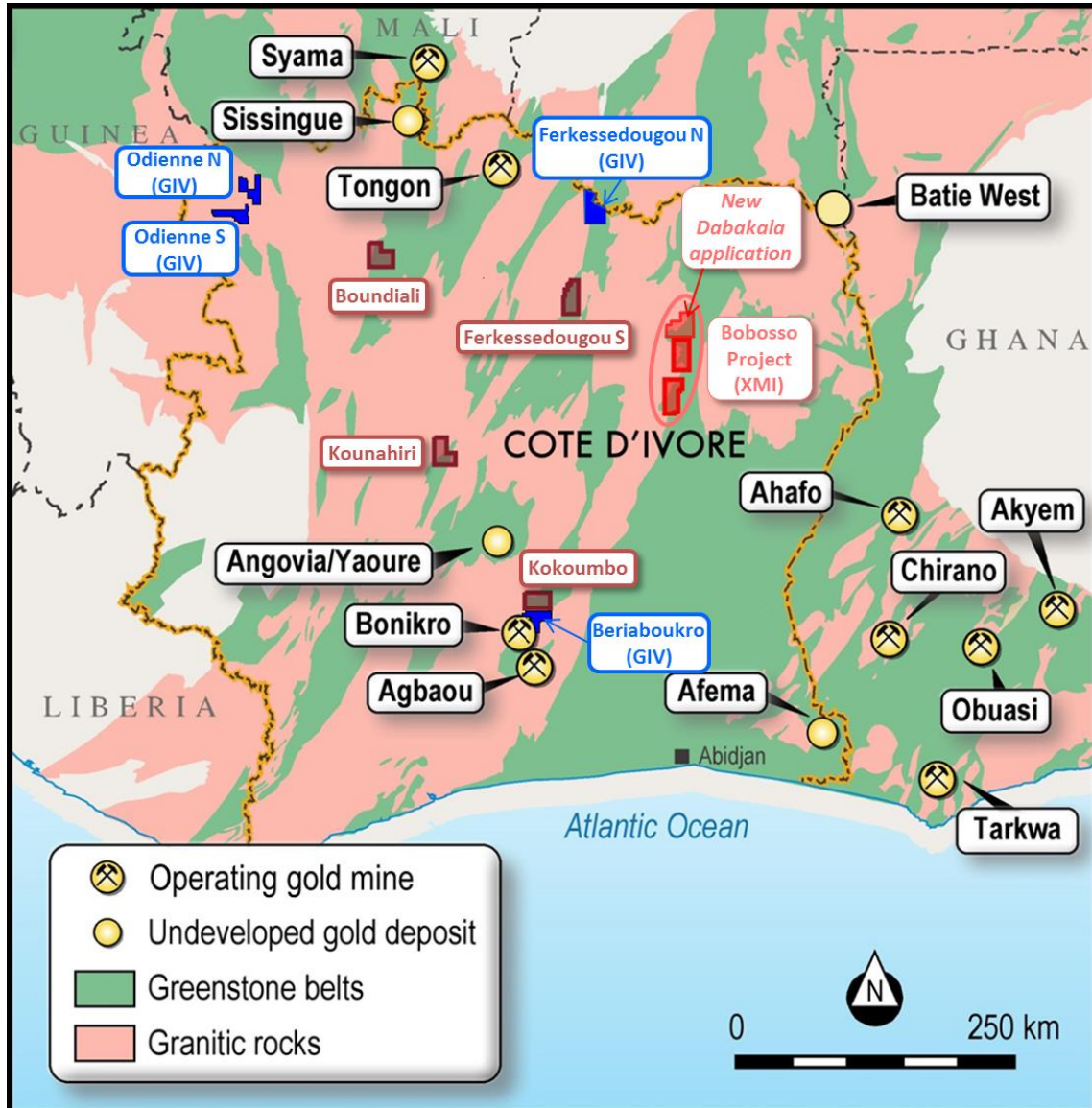


Figure 1: Locality map showing the initial Toro Joint Venture permits (brown), location of the recently acquired GIV Joint Venture permits and permit applications (blue – ASX release dated 29/3/16), and the permits covered by PDI's agreement with XMI SARL over the Bobosso Project (red). Note location of XMI's recent Dabakala permit application.

TORO GOLD JV

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 (Figure 1). The southern part of this belt has had little exploration to date and represents a first class opportunity to make new large gold discoveries.

Predictive was granted the Boundiali permit in January 2014. The Company's first exploration program on the permit was a BLEG stream sediment survey (ASX release dated 4/8/14) which discovered a series of strong stream sediment anomalies, the best of which, a 24ppb Au anomaly, lies downstream of the new gold mineralised zone discovered in the recent drilling.

Boundiali Drilling Program (Nyangboue Prospect)

The RC drilling program on the Boundiali permit consisted of 92 RC holes totalling 5,496m. The program was designed to test a 2km long zone of strong and coherent gold-in-soil anomalies (Figure 2). These lie at the southern end of the Nyangboue Prospect, a 6km long gold-in-soil anomaly (Figure 4) first reported to the ASX on 20/10/15.

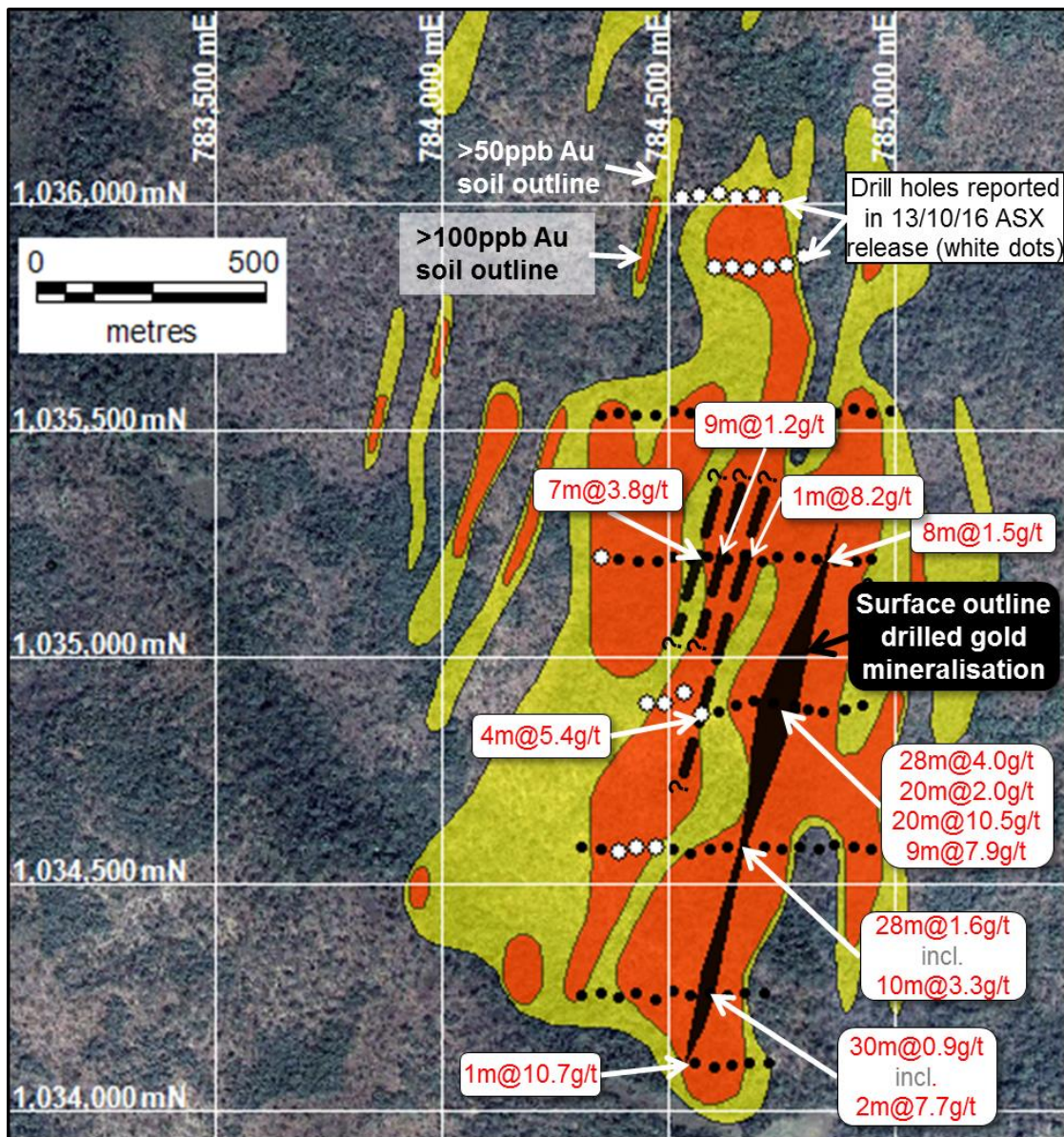


Figure 2: RC drill hole collar locations on a gold-in-soil geochemical contour plan, highlighting key drill results, in the southern 2km portion of the Nyangboue Prospect (announced to the ASX on 23/6/16, 25/7/16, 8/8/16, 12/9/16 and 13/10/16). Gold geochemical contours are superimposed on satellite imagery.

The RC holes were drilled:

- on eight east-west oriented lines, of which six are spaced 320m apart. The northernmost and southernmost lines are 160m from their neighbours (Figure 2). Hole collars are approximately 40m apart,
- mostly to depths of 50-60m, with the exceptions of holes BRC003-007 which were extended or re-drilled to between 117m and 130m depth,
- towards the west and angled at 50 degrees.

Additional details of the drill and assay methodologies employed in this program are reported in Table 1.

Assay highlights of results reported during the September Quarter (reported at a 0.5g/t Au cut-off grade) are as follows:

| Hole No. | Depth from (m) | Down-hole interval (m) | Au (g/t) | Comments |
|---|----------------|------------------------|----------|--|
| BRC004BIS (re-drill of BRC004) | 38 | 20 | 10.45 | Including 1m at 145.50g/t Au and 1m at 21.70g/t Au |
| BRC006 (deepened hole on first cross-section) | 99 | 9 | 7.90 | Incl. 1m at 44.70g/t Au and 1m at 18.70g/t Au |
| BRC010 | 4 | 4 | 5.38 | Including 1m at 15.15g/t Au |
| BRC014 | 30 | 9 | 1.21 | |
| BRC015 | 1 | 1 | 8.16 | |
| BRC020 | 38 | 8 | 1.51 | |
| BRC023 | 33 | 7 | 3.84 | Including 1m at 11.25g/t Au |
| BRC048 | 1 | 10 | 3.26 | Bulked intercept of 28m at 1.55g/t Au from 1m. Including 1m at 27.4/t Au |
| BRC048 | 21 | 8 | 1.26 | |
| BRC050 | 31 | 3 | 4.47 | |
| BRC056 | 14 | 6 | 1.51 | Bulked intercept of 30m at 0.92g/t Au from 14m |
| BRC056 | 42 | 2 | 7.78 | |
| BRC085 | 37 | 1 | 10.65 | |

A cross section through one these drill sections is provided as Figure 3.

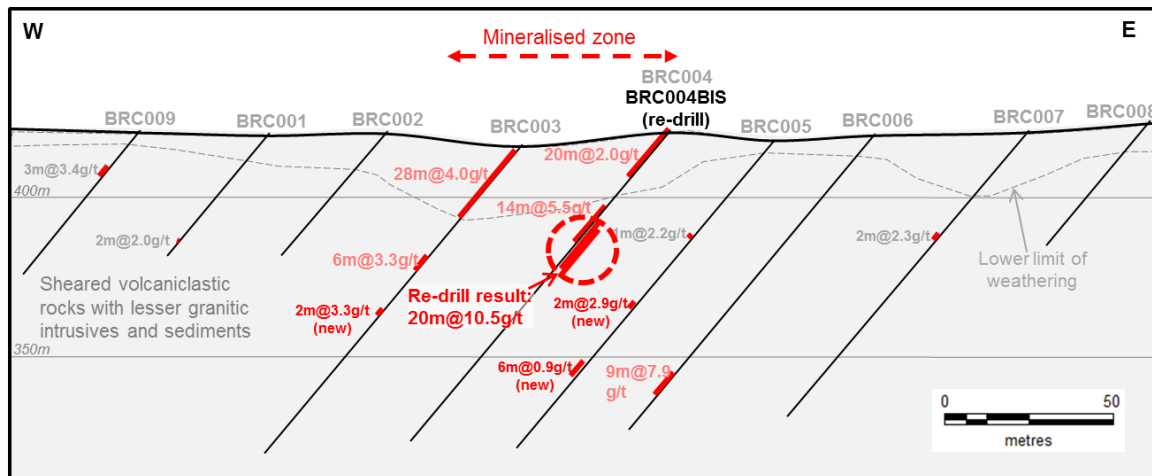


Figure 3: Cross-section through the first drilled cross section. Assay results from the BRC004 re-drill are shown.

Initial observations from logging these drill holes and mapping the limited rock exposures at surface are as follows:

- The mineralised zone appears to lie within a large and complex ductile shear zone containing:
 - Quartz-sericite schists which are interpreted to be derived from volcano-sedimentary rocks,
 - granitic intrusives,
 - sediments,
 - felsic volcanics with quartz phenocrysts,
 - possible mylonites (extremely strongly sheared rocks) and
 - possible mafic volcanics.
- Sparse rock outcrops indicate that shearing dips steeply to the east, which is why holes were drilled towards the west.
- Gold values are generally associated with zones of quartz veining (1-2cm veinlets - both smoky grey quartz and white quartz).
- Visible gold has been panned from some of the RC drill chips and fines. Follow-up screen fire assays on intervals with high gold grades and/or visible gold are therefore planned.
- The dip and dip direction of the mineralisation is not yet fully understood.
- The sheared rock sequence contains minor sulphides, including pyrite, pyrrhotite and arsenopyrite.

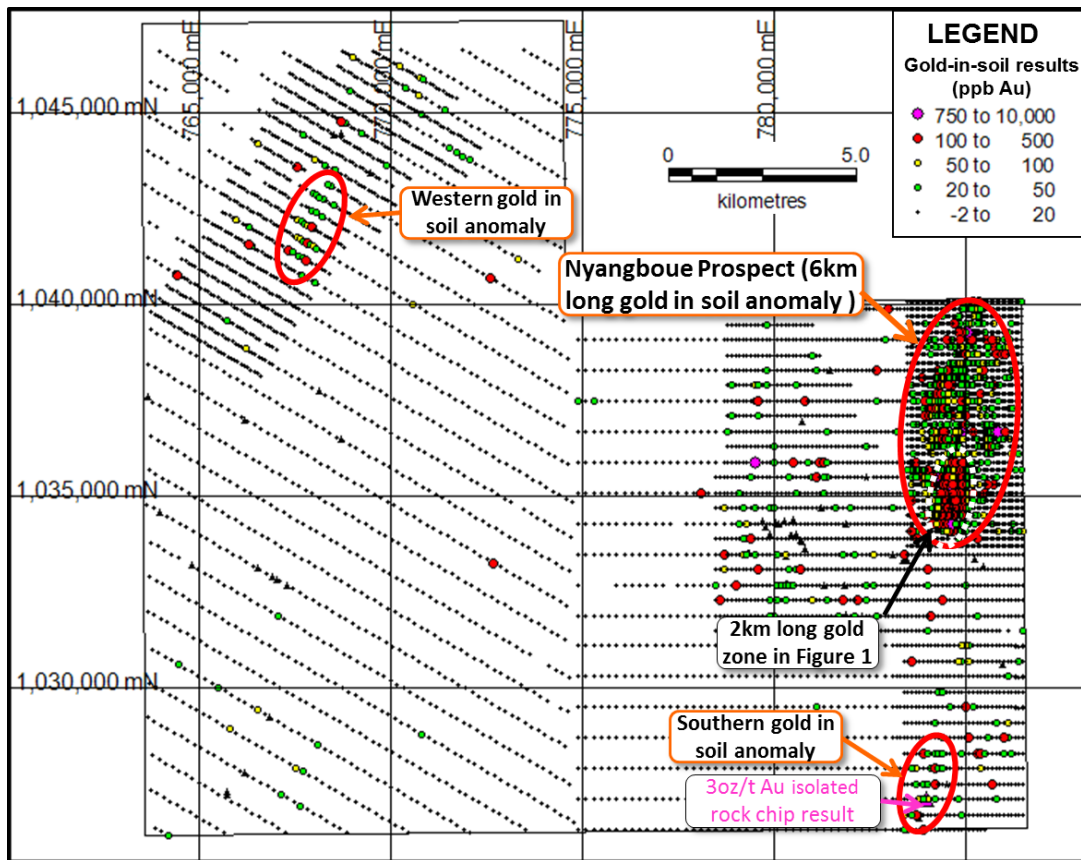


Figure 4: Toro Gold soil sampling grid covering the entire Boundiali exploration permit (results reported to the ASX on 20/10/15 and 23/3/16). Results in grade intervals are shown for all of Toro soil results to date. The large Nyangboue Prospect gold anomaly and two other coherent gold anomalies are highlighted on this map. Rock chip sample locations are shown as small black triangles.

Kokoumbo Exploration Permit

Predictive CI is earning a 90% interest in the Kokoumbo exploration permit in southern Cote D'Ivoire from an Ivorian company, Ivoir Negoce. The Kokoumbo 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).

Work commenced on re-processing historic aeromagnetic data during the Quarter.

Ferkessedougou South

Toro geologists undertook geological mapping during the Quarter.

Kounahiri Exploration Permits

No active work on this permit during the Quarter.

GIV Agreement Projects

Beriaboukro Geochemical Sampling Program

Toro Gold carried out a soil sampling program covering most of Beriaboukro permit on 800m spaced lines. Samples were collected 100m apart on each line but only every other sample was submitted for analysis, resulting in a reported station spacing of 800m x 200m. Nine rock chip samples were also collected.

1,787 soil samples were analysed for gold by fire assay at the ALS laboratory at Loughrea in Ireland. Additional details of the sampling methods are provided in Table 2.

Anomalous gold values (>20ppb Au) were found in numerous locations throughout the grid (Figure 5). Three clusters of anomalous gold-in-soil results are highlighted on Figure 5. Peak gold-in-soil values of 879ppb Au (0.9g/t) and 811 ppb Au (0.8g/t Au) were recorded from the Western and SE gold anomalous zones (Figure 5) respectively. Given the 800 x 200m assayed sample spacing, these are very encouraging soil results. A 1 km long gold ore deposit could be represented by a single value anomaly on such a wide spaced grid.

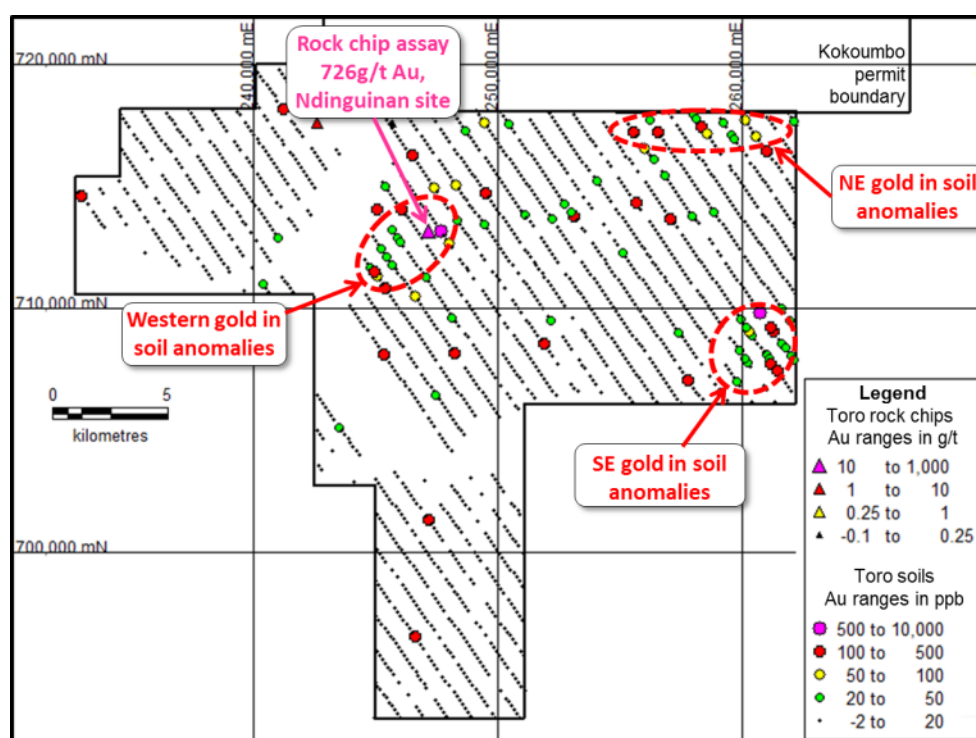


Figure 5: Location of soil samples and gold-in-soil anomalous values, Beriaboukro permit

Rock chip sampling at the Ndinguinan artisanal gold mining site obtained a cluster of encouraging values including an **exceptionally high 726g/t gold assay** (Figure 1). Other high grade rock chip values from the same location included 13.15g/t Au and 6.40g/t Au. A tabulation of all the results is as follows and further details are provided in Table 2.

| Sample Number | UTM East (WGS 84 30N) | UTM North (WGS 84 30N) | Sampling Notes | Au g/t |
|---------------|-----------------------|------------------------|--|--------------|
| 15040 | 245,644 | 717,602 | Sheared Felsic rock with 1% oxidized sulphides and quartz veinlets from Agbahanou gold artisanal mine site. | 0.09 |
| 15041 | 245,641 | 717,601 | Fresh granodiorite? With 1% coarse cubic pyrite from Agbahanou gold artisanal mine site. | 0.05 |
| 15042 | 242,632 | 717,614 | Float. More than 10 cm of a block of quartz tourmaline vein from Agbahanou gold artisanal mine site. | 3.45 |
| 15044 | 245,645 | 717,601 | Strongly sheared metasedimentary rock with sheared and broken quartz tourmaline veins along the shear N140 from Agbahanou gold artisanal mine site. | 0.01 |
| 15045 | 245,698 | 717,552 | Felsic rock with quartz tourmaline veins and disseminated tourmaline in the groundmass from Agbahanou gold artisanal mine site | 0.02 |
| 15046 | 245,695 | 717,560 | Strongly sheared metasedimentary rock from Agbahanou gold artisanal mine site | 0.00 |
| 15074 | 247,156 | 713,161 | Outcrop, more than 1 m of quartz vein with 2 fine visible gold grains, quartz tourmaline centimetric injections in the host rock, from Ndinguinan gold artisanal mine site. | 726 |
| 15075 | 247,156 | 713,180 | About 1m of quartz tourmaline vein? N010/50 E Within a sheared metasedimentary rock with trace pyrite, the quartz tourmaline vein is concordant with the host rock, smoky in colour and fractured. | 6.40 |
| 15076 | 247,156 | 713,180 | Brown metasedimentary rock shear with 1% of disseminated oxidised pyrite | 13.15 |

This Ndinguinan locality lies 500m west of the peak soil value on the grid of 879ppb Au. These two high gold values may relate to one another.

Ferkessedougou North Permit

Extensive soil sampling and geological mapping programs were carried out during the September Quarter. Results are awaited.

September Quarter Work Program

The December Quarter program will include the following:

- Induced polarisation and ground magnetic surveys over the Nyangboue Prospect.
- Re-interpretation of the Boundiali mineralised system based on the results of re-logging all the RC holes, the new ground geophysical data and Toro's geological mapping, all in anticipation of a planned diamond drilling program.
- Re-interpretation of the Kokoumbo permit geology based on re-processed historic airborne magnetic data, possibly followed by ground geophysical surveys.
- Infill soil sampling on the Ferkessedougou North and Beriaboukro permits.

Results from the Ferkessedougou North soil sampling program will also be reported during the Quarter.

BOBOSSO PROJECT, COTE D'IVOIRE

The Bobosso Project consists of two granted exploration permits, Bassawa and Wendene in northern Cote D'Ivoire (Figure 1), which are held by an Ivoirian company, XMI SARI (**XMI**). Bassawa and Wendene are located in the southern extension of the well mineralised Hounde Belt in Burkina Faso, which includes Semafo's Mana Mine (5 Moz in ore resources and reserves¹).

The Company is earning equity in the project through a joint venture with local licence holder, XMI SARL. Predictive currently holds approximately 35% equity in the project.

Previous exploration by Equigold, Lihir and Newcrest including a series of large drilling programs totalling 569 RC holes and 11 diamond drill holes has revealed a large gold mineralised system at the Bobosso project.

Metallurgical Testwork

The Company undertook preliminary gravity metallurgical testwork of colluvial material derived from pitting in a small area within the 7km² gold-in-soil anomaly which overlies the known Bobosso gold mineralised system. This work was carried out to determine if there is potential for recovering gold from this large area of gold-bearing colluvium as a first stage in a mining development that would also extract gold from the underlying gold mineralisation.

The testwork was carried out by Mineral Project Consultants (MPC) at ALS laboratories in Perth and demonstrated the potential for recovery of free gold from three composite samples. A single pass test through a Falcon centrifugal concentrator upgraded the samples from an average grade of 0.41g/t Au to 6.24g/t Au with a recovery of 63% and a mass pull of 8%. MPC advises that, if higher grade material is available, recoveries might be improved through an optimised two stage Gravity Recoverable Gold (GRG) program as a majority of the gold (75%) reported to the coarser (plus 75 micron) fraction during the screened fire assay. The gold-bearing gravity concentrate showed good leach kinetics, recovering 93% of the gold into cyanide solution.

BURKINA FASO

The Company's tenement holding covers 1,222km² including approximately 100km of strike length in the Samira Hill greenstone belt in eastern Burkina Faso (the Bonsiega permit group, Figure 6). 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 owns 100%, or has the rights to earn 95% to 100% of all its permits in Burkina Faso.

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

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).

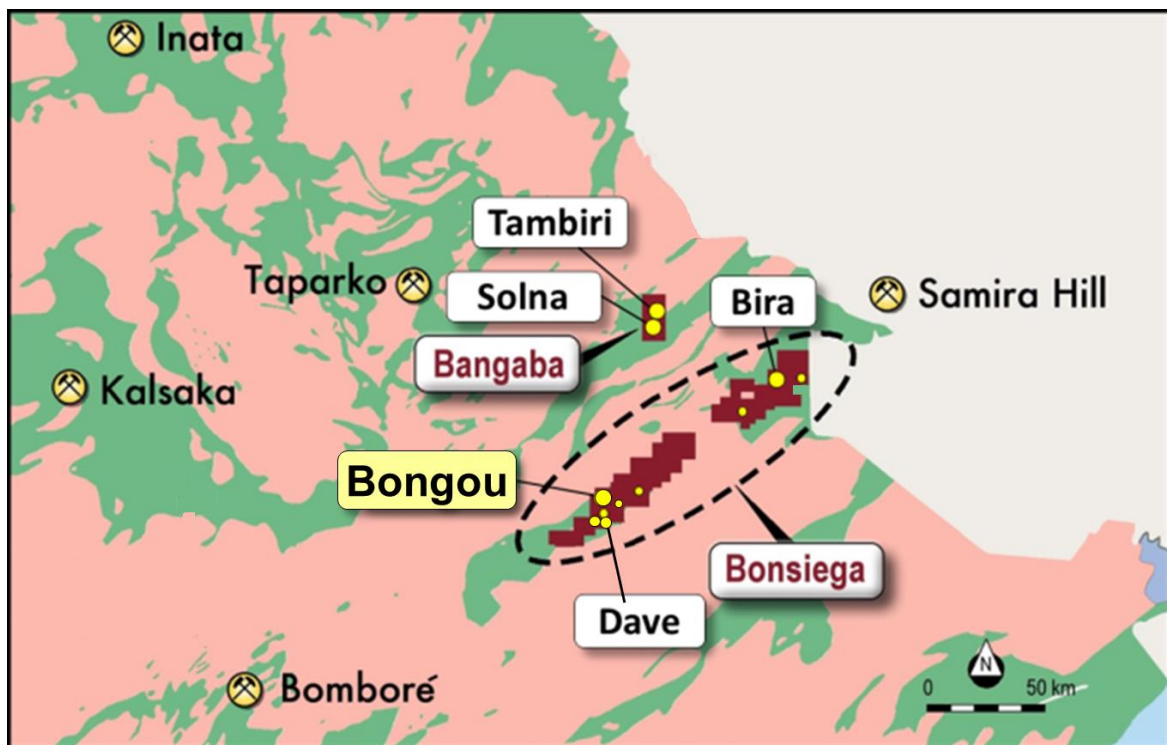


Figure 6: Locality map of PDI permits in eastern Burkina Faso, showing location of Bongou and other key prospects.

No work was carried out in Burkina Faso during the June Quarter apart from field visits to the project areas with potential joint venture partners. Costs are being restricted to the maximum extent possible.

The Company conducted is currently engaged in discussions about a possible joint venture on the Bonsiega Project.

AUSTRALIA

CAPE CLEAR JOINT VENTURE (EL5434)

Introduction

Exploration Licence 5434 is located west of Ballarat in Victoria (Figure 10). It was granted to PDI in July 2013. The area is highly prospective for shallowly concealed Stawell-style gold mineralisation. PDI previously carried out geological mapping and a gravity survey over part of the EL area.

Execution of a binding farm-in agreement with Cape Clear Minerals Pty Ltd (CCM) on this EL was announced to the ASX on 22nd September 2014. Under that agreement, CCM could earn 75% equity in the licence by spending \$500,000 on exploration, including at least 1,000m of drilling. CCM has complied with those conditions and has therefore achieved a 75% equity in the project.

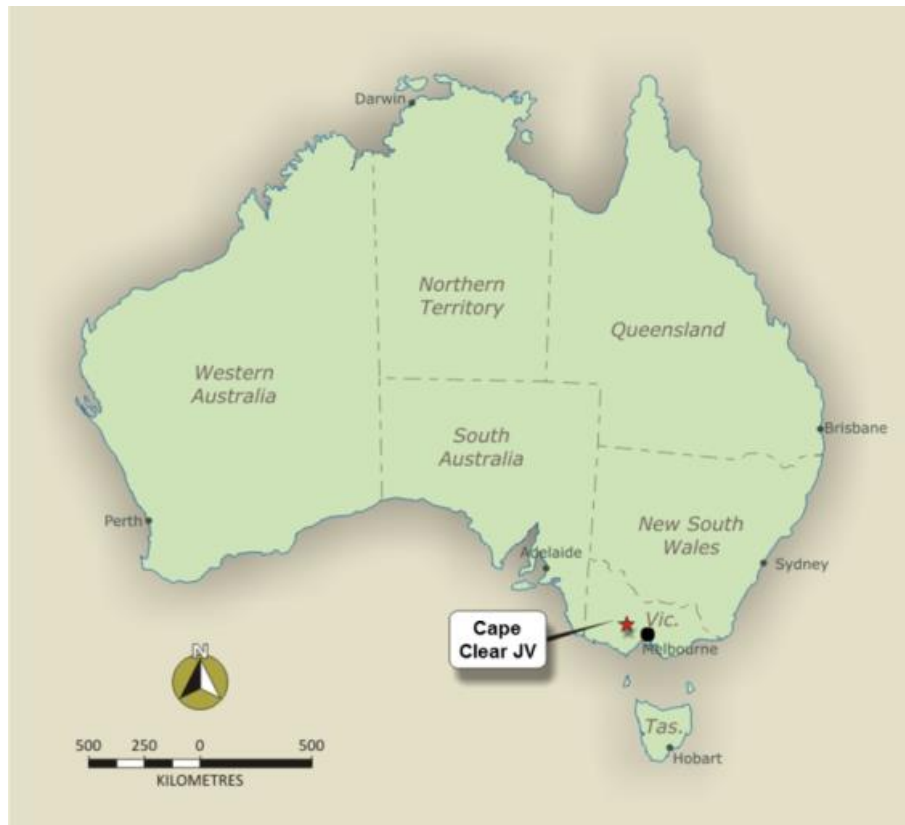


Figure 7: Cape Clear Exploration Licence Locality Plan

Exploration on EL5434 is targeted at discovery of Stawell-style and/or Ballarat-style gold mineralisation on the margins of a concealed Cambrian basalt ridge located on the west side of the major north-south striking Avoca Fault. The Stawell gold deposit is located in a comparable geological position on the western side of a basalt ridge, which is, in turn, west of the major Coongee Fault.

No fieldwork was undertaken during the Quarter.

Predictive and CCM commenced a revision of the joint venture arrangements such that Predictive would participate in exploration of the northern portion of EL5434, which PDI regards as being more prospective, and CCM would explore the southern portion in its own right. Discussions regarding the terms of the revised joint venture agreement are ongoing.

CORPORATE

Cash Position

The Company held \$886,000 in cash at the end of the September Quarter with no debt.

A combination of several placements and an SPP raised \$3,049,450 before costs towards the end of the September Quarter and at the beginning of the December Quarter. Of this, \$665,000 was raised prior to the end of September and a further \$2,384,000 was raised in October.

TABLE 1 – DRILL RESULTS – TORO BOUNDIALI RC DRILL PROGRAM (NYANGBOUE PROSPECT)

| Hole No. | UTM 29N Easting | UTM 29N Northing | RL (m) | Hole depth (m) | Hole dip (°) | Azimuth (°) | Depth from (m) | Down-hole interval (m) ¹ | Au (g/t) at 0.5g/t Au cut-off grade ² | Comments |
|-----------|-----------------|------------------|--------|----------------|--------------|-------------|-----------------------|-------------------------------------|--|---|
| BRC002 | 784688 | 1034904 | 421 | 124 | -50 | 270 | No significant result | | | Results from 0-53m reported on 23/6/16 |
| BRC003 | 784731 | 1034901 | 417 | 130 | -50 | 270 | 56 | 4 | 0.74 | Results from 56 to 130m (0-56m reported 23/6/16). |
| BRC003 | 784731 | 1034901 | 417 | 130 | -50 | 270 | 67 | 2 | 3.25 | |
| BRC003 | 784731 | 1034901 | 417 | 130 | -50 | 270 | 78 | 2 | 0.7 | |
| BRC003 | 784731 | 1034901 | 417 | 130 | -50 | 270 | 85 | 9 | 0.55 | |
| BRC004BIS | 784777 | 1034889 | 421 | 130 | -50 | 270 | 0 | 2 | 0.56 | BRC004 was re-drilled as BRC004BIS (6m south of the original hole) because the original hole could not be re-entered. |
| BRC004BIS | 784777 | 1034889 | 421 | 130 | -50 | 270 | 38 | 20 | 10.46 | |
| BRC004BIS | 784777 | 1034889 | 421 | 130 | -50 | 270 | 64 | 1 | 1.44 | |
| BRC004BIS | 784777 | 1034889 | 421 | 130 | -50 | 270 | 104 | 2 | 0.59 | |
| BRC004BIS | 784777 | 1034889 | 421 | 130 | -50 | 270 | 128 | 1 | 1 | |
| BRC005 | 784810 | 1034887 | 418 | 130 | -50 | 270 | 66 | 2 | 2.85 | Results from 66 to 130m (0-66m reported 23/6/16). |
| BRC005 | 784810 | 1034887 | 418 | 130 | -50 | 270 | 90 | 6 | 0.92 | |
| BRC005 | 784810 | 1034887 | 418 | 130 | -50 | 270 | 114 | 1 | 2.66 | |
| BRC005 | 784810 | 1034887 | 418 | 130 | -50 | 270 | 123 | 1 | 1.14 | |

| | | | | | | | | | | |
|--------|---------|-----------|-----|-----|-----|-----|-----------------------|---|------|---|
| BRC006 | 784,842 | 1,034,880 | 420 | 123 | -50 | 270 | 68 | 3 | 1.13 | New results from deepened section of BRC006 from 59 to 123m |
| BRC006 | 784,842 | 1,034,880 | 420 | 123 | -50 | 270 | 99 | 9 | 7.9 | |
| BRC007 | 784889 | 1034887 | 420 | 117 | -50 | 270 | No significant result | | | Results from 56-117m (0-56m reported 23/6/16). |
| BRC008 | 784929 | 1034897 | 425 | 53 | -50 | 270 | No significant result | | | |
| BRC008 | 784929 | 1034897 | 425 | 53 | -50 | 270 | No significant result | | | |
| BRC010 | 784571 | 1034879 | 419 | 50 | -50 | 270 | 4 | 4 | 5.38 | Includes 1m at 15.15g/t Au |
| BRC011 | 784532 | 1034926 | 430 | 57 | -50 | 270 | no significant result | | | |
| BRC012 | 784491 | 1034902 | 430 | 57 | -50 | 270 | no significant result | | | |
| BRC013 | 784450 | 1034901 | 430 | 54 | -50 | 270 | no significant result | | | |
| BRC014 | 784,630 | 1,035,219 | 416 | 52 | -50 | 270 | 20 | 9 | 1.21 | |
| BRC015 | 784,670 | 1,035,226 | 416 | 124 | -50 | 270 | 1 | 1 | 8.16 | |
| BRC016 | 784,709 | 1,035,216 | 422 | 53 | -50 | 270 | no significant result | | | |
| BRC017 | 784,740 | 1,035,225 | 424 | 67 | -50 | 270 | 22 | 1 | 1.25 | |
| BRC017 | 784,740 | 1,035,225 | 424 | 67 | -50 | 270 | 30 | 2 | 2.45 | |
| BRC018 | 784,790 | 1,035,222 | 421 | 65 | -50 | 270 | no significant result | | | |
| BRC019 | 784,829 | 1,035,218 | 419 | 62 | -50 | 270 | no significant result | | | |
| BRC020 | 784,870 | 1,035,216 | 417 | 53 | -50 | 270 | 25 | 1 | 2.4 | |
| BRC020 | 784,870 | 1,035,216 | 417 | 53 | -50 | 270 | 38 | 8 | 1.51 | |
| BRC021 | 784,914 | 1,035,213 | 425 | 57 | -50 | 270 | 12 | 2 | 1.01 | |
| BRC022 | 784,950 | 1,035,219 | 418 | 52 | -50 | 270 | no significant result | | | |
| BRC023 | 784,586 | 1,035,223 | 415 | 51 | -50 | 270 | 19 | 1 | 1.98 | |
| BRC023 | 784,586 | 1,035,223 | 415 | 51 | -50 | 270 | 33 | 7 | 3.84 | |
| BRC024 | 784,547 | 1,035,217 | 419 | 52 | -50 | 270 | no significant result | | | |
| BRC025 | 784,510 | 1,035,222 | 412 | 53 | -50 | 270 | no significant result | | | |
| BRC026 | 784,475 | 1,035,212 | 416 | 50 | -50 | 270 | no significant result | | | |
| BRC027 | 784,432 | 1,035,214 | 415 | 50 | -50 | 270 | no significant result | | | |
| BRC028 | 784,391 | 1,035,219 | 418 | 55 | -50 | 270 | 27 | 1 | 1.96 | |
| BRC029 | 784352 | 1035223 | 416 | 53 | -50 | 270 | no significant result | | | |
| BRC030 | 784629 | 1035528 | 411 | 50 | -50 | 270 | No significant result | | | |
| BRC031 | 784670 | 1035539 | 415 | 56 | -50 | 270 | No significant result | | | |
| BRC032 | 784710 | 1035548 | 418 | 50 | -50 | 270 | No significant result | | | |
| BRC033 | 784748 | 1035541 | 414 | 52 | -50 | 270 | No significant result | | | |
| BRC034 | 784791 | 1035539 | 417 | 60 | -50 | 270 | No significant result | | | |
| BRC035 | 784828 | 1035538 | 412 | 46 | -50 | 270 | No significant result | | | |
| BRC036 | 784871 | 1035540 | 410 | 51 | -50 | 270 | No significant result | | | |
| BRC037 | 784910 | 1035551 | 412 | 94 | -50 | 270 | No significant result | | | |
| BRC038 | 784950 | 1035540 | 416 | 56 | -50 | 270 | No significant result | | | |

| | | | | | | | | | | |
|--------|--------|---------|-----|-----|-----|-----|-----------------------|----|------|---|
| BRC039 | 784990 | 1035547 | 410 | 57 | -50 | 270 | No significant result | | | |
| BRC040 | 784590 | 1035545 | 410 | 50 | -50 | 270 | 24 | 1 | 1.04 | |
| BRC041 | 784550 | 1035542 | 409 | 50 | -50 | 270 | No significant result | | | |
| BRC042 | 784510 | 1035547 | 406 | 50 | -50 | 270 | 17 | 1 | 1.15 | |
| BRC043 | 784470 | 1035537 | 403 | 50 | -50 | 270 | No significant result | | | |
| BRC044 | 784430 | 1035538 | 410 | 50 | -50 | 270 | No significant result | | | |
| BRC045 | 784390 | 1035540 | 407 | 55 | -50 | 270 | 9 | 1 | 1.28 | |
| BRC046 | 784350 | 1035537 | 402 | 50 | -50 | 270 | No significant result | | | |
| BRC047 | 784630 | 1034584 | 408 | 50 | -50 | 270 | 12 | 1 | 1.1 | |
| BRC048 | 784670 | 1034580 | 410 | 50 | -50 | 270 | 1 | 10 | 3.26 | Bulked interval consists of 28m at 1.55g/t Au |
| BRC048 | 784670 | 1034580 | 410 | 50 | -50 | 270 | 21 | 8 | 1.26 | |
| BRC048 | 784670 | 1034580 | 410 | 50 | -50 | 270 | 39 | 4 | 0.77 | |
| BRC049 | 784710 | 1034582 | 409 | 50 | -50 | 270 | No significant result | | | |
| BRC050 | 784750 | 1034580 | 410 | 55 | -50 | 270 | 0 | 2 | 1.06 | |
| BRC050 | 784750 | 1034580 | 410 | 55 | -50 | 270 | 6 | 1 | 1.64 | |
| BRC050 | 784750 | 1034580 | 410 | 55 | -50 | 270 | 31 | 3 | 4.47 | |
| BRC051 | 784790 | 1034586 | 411 | 108 | -50 | 270 | No significant result | | | |
| BRC052 | 784830 | 1034577 | 409 | 50 | -50 | 270 | No significant result | | | |
| BRC053 | 784470 | 1034249 | 400 | 50 | -50 | 270 | 34 | 1 | 1.01 | |
| BRC054 | 784510 | 1034266 | 403 | 50 | -50 | 270 | No significant result | | | |
| BRC055 | 784550 | 1034258 | 402 | 50 | -50 | 270 | 23 | 1 | 1.02 | |
| BRC056 | 784590 | 1034260 | 405 | 50 | -50 | 270 | 1 | 1 | 1.57 | |
| BRC056 | 784590 | 1034260 | 405 | 50 | -50 | 270 | 14 | 6 | 1.51 | These two intercepts constitute a 30m long low grade mineralised zone averaging 0.92g/t Au from 14m |
| BRC056 | 784590 | 1034260 | 405 | 50 | -50 | 270 | 42 | 2 | 7.68 | |
| BRC057 | 784630 | 1034256 | 404 | 80 | -50 | 270 | 43 | 1 | 3.42 | |
| BRC057 | 784630 | 1034256 | 404 | 80 | -50 | 270 | 56 | 3 | 1.06 | |
| BRC058 | 784670 | 1034264 | 403 | 70 | -50 | 270 | 18 | 3 | 1.12 | |
| BRC058 | 784670 | 1034264 | 403 | 70 | -50 | 270 | 36 | 1 | 1.85 | |
| BRC058 | 784670 | 1034264 | 403 | 70 | -50 | 270 | 46 | 1 | 1.04 | |
| BRC059 | 784710 | 1034260 | 402 | 55 | -50 | 270 | 47 | 1 | 1.38 | |
| BRC060 | 784510 | 1034580 | 408 | 50 | -50 | 270 | 6 | 3 | 0.57 | |
| BRC061 | 784550 | 1034568 | 404 | 50 | -50 | 270 | 29 | 1 | 5.94 | |

| | | | | | | | | | | |
|--|--------|---------|-----|----|-----|-----|-----------------------|---|-------|--|
| BRC062 | 784590 | 1034579 | 406 | 50 | -50 | 270 | 24 | 3 | 2.57 | |
| BRC062 | 784590 | 1034579 | 406 | 50 | -50 | 270 | 40 | 2 | 1.01 | |
| BRC063 | 784868 | 1034589 | 408 | 50 | -50 | 270 | No significant result | | | |
| BRC064 | 784910 | 1034584 | 422 | 50 | -50 | 270 | 30 | 1 | 1.96 | |
| BRC065 | 784949 | 1034581 | 413 | 50 | -50 | 270 | No significant result | | | |
| BRC066 | 784600 | 1035862 | 416 | 50 | -50 | 270 | no significant result | | | |
| BRC067 | 784640 | 1035862 | 418 | 50 | -50 | 270 | no significant result | | | |
| BRC068 | 784680 | 1035857 | 416 | 50 | -50 | 270 | no significant result | | | |
| BRC069 | 784720 | 1035863 | 419 | 50 | -50 | 270 | no significant result | | | |
| BRC070 | 784760 | 1035867 | 417 | 55 | -50 | 270 | 48 | 2 | 1.55 | |
| BRC071 | 784310 | 1034585 | 404 | 50 | -50 | 270 | No significant result | | | |
| BRC072 | 784350 | 1034579 | 404 | 50 | -50 | 270 | No significant result | | | |
| BRC073 | 784390 | 1034572 | 405 | 50 | -50 | 270 | no significant result | | | |
| BRC074 | 784430 | 1034585 | 406 | 50 | -50 | 270 | no significant result | | | |
| BRC075 | 784470 | 1034583 | 406 | 50 | -50 | 270 | no significant result | | | Includes gold anomalous zone of 13m at 0.24g/t Au from 3m |
| BRC076 | 784310 | 1034259 | 397 | 50 | -50 | 270 | No significant result | | | |
| BRC077 | 784350 | 1034260 | 397 | 50 | -50 | 270 | No significant result | | | |
| BRC078 | 784390 | 1034253 | 398 | 50 | -50 | 270 | No significant result | | | |
| BRC079 | 784430 | 1034260 | 398 | 50 | -50 | 270 | No significant result | | | |
| BRC080 | 784600 | 1034099 | 402 | 50 | -50 | 270 | No significant result | | | |
| BRC081 | 784640 | 1034101 | 401 | 50 | -50 | 270 | 23 | 2 | 0.62 | |
| BRC082 | 784680 | 1034109 | 401 | 50 | -50 | 270 | 11 | 1 | 2.26 | |
| BRC083 | 784720 | 1034109 | 401 | 50 | -50 | 270 | No significant result | | | |
| BRC084 | 784520 | 1034107 | 402 | 50 | -50 | 270 | No significant result | | | |
| BRC085 | 784560 | 1034106 | 402 | 55 | -50 | 270 | 37 | 1 | 10.65 | |
| BRC086 | 784800 | 1035886 | 417 | 50 | -50 | 270 | no significant result | | | |
| BRC087 | 784530 | 1036019 | 409 | 50 | -50 | 270 | no significant result | | | |
| BRC088 | 784570 | 1036021 | 410 | 50 | -50 | 270 | no significant result | | | |
| BRC089 | 784610 | 1036024 | 410 | 50 | -50 | 270 | no significant result | | | |
| BRC090 | 784650 | 1036019 | 411 | 50 | -50 | 270 | no significant result | | | Includes gold anomalous zone of 18m at 0.21g/t Au from 14m |
| BRC091 | 784690 | 1036023 | 412 | 50 | -50 | 270 | no significant result | | | |
| BRC092 | 784730 | 1036017 | 413 | 50 | -50 | 270 | no significant result | | | |
| 1 No true widths reported because the orientation of the gold mineralisation is not yet properly understood. | | | | | | | | | | |
| 2 Minimum grade x width interval reported of 1 g/t x m. Maximum down-hole internal waste of 4m. All assayed in 1m intervals. | | | | | | | | | | |

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 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>All of the sampling described in Table 1 refers to RC drill holes.</p> <p>A representative subsample of the RC drill chips was obtained using an on-rig riffle splitter. A second reference sample was obtained using a spear.</p> <p>The assayed drill samples are judged to be representative of the rock being drilled because representative sub-sampling of the RC drill samples was achieved.</p> |
| Drilling | <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>The drilling was largely carried out by reverse circulation with a face sampling hammer. The holes were collared using a blade bit, which was used to refusal (towards base of saprolite/saprock).</p> |
| Drill Sample Recovery | <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>RC recovery was assessed by weighing the sample bags and calculating recoveries using an estimate of rock density. The Toro site geologists report that recoveries are consistently good.</p> |

| | | |
|--|---|--|
| Logging | <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.</p> <p>Core (or costean/Trench, channel, etc) photography.</p> <p>The total length and percentage of the relevant intersections logged.</p> | <p>Logging of RC holes records lithology, mineralogy, mineralisation, alteration, structure, weathering and other features of the samples. Logging of sulphide mineralization and veining is quantitative. All holes were logged in full.</p> <p>No judgement has yet been made by independent qualified consultants on whether the geological and geotechnical logging has been sufficient to support Mineral Resource estimation, mining and metallurgical studies.</p> |
| Sub-Sampling Technique and Sample Preparation | <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 RC samples submitted for assay were all sub-sampled by an on-rig 3-tier/multi stage riffle splitter (producing a 1/8th split).</p> <p>The sampled material is considered to be representative of the samples as a whole.</p> |
| Quality of Assay Data and Laboratory Tests | <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>All samples reported in this release were assayed for gold by 50g fire assay at the ALS laboratory in Loughrea. High grade samples were checked at the laboratory by gravimetric means.</p> <p>At the lab, regular assay repeats, lab standards, checks and blanks were inserted and analysed.</p> <p>Unlabelled standards (Certified Reference Materials), blanks and duplicate samples were also inserted by Toro personnel on site at Boundiali.</p> <p>Samples are prepared at Toro's sample preparation laboratory at Mako in Senegal.</p> |

| | | |
|--|---|---|
| Verification of Sampling and Assaying | <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> | <p>One hole has been twinned (BRC004) but the results of the repeat hole are not yet available.</p> <p>Field data collection was undertaken by Toro Gold geologists and supervised by Toro Gold management.</p> |
| Location of Data points | <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> | <p>Collar positions were located using a hand held GPS with a location error of +/- 3m.</p> <p>Collar coordinates listed in the table are for the WGS84 datum, Zone 29 North.</p> <p>The collar RL of BRC004 was adjusted downwards by approximately 6m on the cross-section only (i.e. not in Table 1 above) based on a GPS reading on the BRC004 re-drill collar RL and the fact that the section line in this area is, by observation, flat.</p> |
| Data Spacing and Distribution | <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> | <p>The holes reported here were drilled on one line with hole collars approximately 40m apart.</p> <p>No judgement has yet been made by an independent qualified consultant on whether the drill density is sufficient to calculate a Mineral Resource.</p> <p>The samples were not composited.</p> |
| Orientation of Data in Relation to Geological Structure | <p>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.</p> | <p>All drill holes reported here were drilled approximately at right angles to the anticipated strike of the target geochemical anomaly (Figure 2).</p> |
| Sample Security | <p>The measures taken to ensure sample security</p> | <p>The drill samples are currently stored securely at Toro Gold's compound in the town of Boundiali.</p> |
| Audits or Reviews | <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> |
| Section 2 Reporting of Exploration Results | | |
| Mineral Tenement and Land Tenure Status | <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 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.</p> |

| | | |
|---|--|---|
| Exploration Done by Other Parties | Acknowledgment and appraisal of exploration by other parties. | PDI is not aware of any effective gold exploration over the Boundiali permit prior to PDI's initial work, however historic records are incomplete at the Cote D'Ivoire government geological agency. |
| Geology | Deposit type, geological setting and style of mineralisation. | The geology of the Boundiali permit consists of granite, metasediments, mafic volcanics and intrusives, and conglomerates. |
| Drill Hole Information | <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"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length • 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. | All of the required data is provided in Table 1 (above). |
| Data Aggregation Methods | <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>All RC samples were collected and assayed in 1m intervals.</p> <p>No top cuts have been applied to the drill results.</p> <p>Up to 3m (down-hole) of internal waste is included.</p> <p>Mineralised intervals are reported on a weighted average basis.</p> |
| Relationship Between Mineralisation Widths and Intercept Lengths | <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 the geological controls on mineralisation in these initial drill holes into the prospect are not yet well understood.</p> <p>The holes were drilled from east to west to test a steeply east dipping foliation in the limited rock exposures seen in the area. The mineralisation lies within what Toro interprets to be a ductile shear zone which would suggest that mineralisation should lie parallel to foliation. Nevertheless, the gold intercepts are actually suggestive of a west-dipping mineralised envelop. The most mineralised holes have been extended; assays of the deepened holes should provide some additional information on this question along with careful re-logging and XRF readings on the RC chip samples in the coming months. True widths may only be understood properly after a diamond drilling program is carried out, possibly later in 2016.</p> |
| Diagrams | Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery | An appropriate plan and cross section showing the location of the drill holes are included in the text of this document. |

| | | |
|---|---|---|
| | being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | |
| Balanced Reporting | 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. | All intercepts containing grades above 0.5g/t Au and at least 1g/t x m with a maximum thickness of internal waste of 3.0m are reported in this release. |
| Other Substantive Exploration Data | 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. | All relevant exploration data is either reported in this release or has been reported previously and is referred to in the release. |
| Further Work | <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> | The drill program is ongoing and most of the results have not yet been received. Further work will be considered once the results of this drilling program come to hand. A follow-up drill program later in 2016 is likely. |

TABLE 2 – BERIABOUKRO SOIL AND ROCK CHIP SAMPLING RESULTS

| Sample numbers | Northing (WGS84-30N) | Easting (WGS84 – 30N) | RL | Hole dips | Azimuth | Hole Depth | From | Interval | Au (ppb) |
|---|--|--|-----------|--|--|--|--|--|------------------------|
| Toro soil sample numbers in the ranges 32134-32298, 32,502-32600, 35269-35999, 45001-47750. Every second sample was submitted for gold analysis. Rock chip sample numbers were 15040-2, 15044-6, 15074-6. | Refer to Figure 1 for map locations of all samples | Refer to Figure 1 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 Figure 1 |
| 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 then dried and sieved at 80# 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 Beriaboukro permit are not known but range upwards from approximately 360m. Individual RLs are not reported in this announcement because they are not relevant to interpreting geochemical data of this type. The nine rock chip samples reported here were mostly collected from in the vicinity of several, gold artisanal mine sites.

| 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 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 Beriaboukro exploration permit in Cote D'Ivoire.</p> <p>The soil samples were collected from shallow holes with depths between 10 and 50cm.</p> <p>The rock samples were collected from outcrops and float material.</p> |
| Drilling | 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 or rock sampling program. |
| Drill Sample Recovery | <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> | This is not relevant to a soil or rock sampling program. |

| | | |
|--|---|--|
| Logging | <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> <p>Rock sample descriptions and contextual information are provided in the text of this release.</p> |
| Sub-Sampling Technique and Sample Preparation | <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> <p>All of the rock samples were submitted for analysis and were crushed, pulverised and sub-sampled in accordance with standard laboratory procedures.</p> |
| Quality of Assay Data and Laboratory Tests | <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 for soil sampling has a very low (1ppb Au) detection limit which is appropriate for samples of this type.</p> <p>A standard gold fire assay method was used for the rock chip samples.</p> |
| Verification of Sampling and Assaying | <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> | <p>This is not relevant to a soil or rock sampling program.</p> |
| Location of Data points | <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</p> | <p>Coordinates shown on the locality maps (Figures 1-3) are for Universal Transverse Mercator (UTM), Datum WGS 84, Zone 30 - Northern Hemisphere.</p> |

| | | |
|--|--|---|
| | control | |
| Data Spacing and Distribution | <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> | <p>The soil sampling grid was 800 x 200m and is considered appropriate for a reconnaissance exploration grid of this type.</p> <p>Rock chip samples were not taken on a regular grid but were collected in the vicinity of artisanal mine sites.</p> <p>No Mineral Resource can be estimated from these data.</p> |
| Orientation of Data in Relation to Geological Structure | <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>The soil samples were collected along lines which were designed to cross cut the interpreted bedding and foliation strike orientations in permit.</p> |
| Sample Security | The measures taken to ensure sample security | Samples are stored securely at Toro Gold's field office in Yamoussoukro. |
| Section 2 Reporting of Exploration Results | | |
| Mineral Tenement and Land Tenure Status | <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 Beriaboukro exploration permit was granted to GIV Minerals SARL in 2015. Predictive Discovery Cote D'Ivoire SARL may earn a 51% interest by spending US\$1 million and 85% by completing a DFS.</p> |
| Exploration Done by Other Parties | Acknowledgment and appraisal of exploration by other parties. | Gold exploration was conducted over a small part of the Beriaboukro permit by Equigold. |
| Geology | Deposit type, geological setting and style of mineralisation. | The geology of the Beriaboukro permit consists of granite, metasediments, mafic volcanics and intrusives. |
| Drill Hole Information | <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"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length • 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. | <p>This is not relevant to a soil or rock sampling program.. Sample coordinate information is provided in Table 1 and on the maps included in this release.</p> |
| Data Aggregation Methods | In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade | This is not relevant to a soil or rock sampling program. |

| | | |
|---|---|---|
| | <p>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> | |
| Relationship Between Mineralisation Widths and Intercept Lengths | <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 or rock sampling program. |
| Diagrams | <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 soil and rock samples, classified by results, are shown in this release. |
| Balanced Reporting | <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 and rock chip samples have been reported. |
| Other Substantive Exploration Data | <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. |
| Further Work | <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 operates in Burkina Faso, West Africa where it has assembled a substantial regional ground position covering 1,200km² 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 substantial interests in a large portfolio of tenements in Côte D'Ivoire covering a total area of 4,136 km².

Competent Persons Statement

The exploration results and the Exploration Target 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

Ric Moore
Company Secretary
Tel: +61 8 6143 1840
Email:
rmoore@auroraminerals.com

TENEMENT STATUS – SEPTEMBER QUARTER, 2016

| Name | Number | Location | Area (sq. km) | PDI equity | Changes in holding during March Quarter, 2016 |
|-----------------------|-----------------------------------|---------------|---------------|--|---|
| 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 |
| 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 |
| 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 |
| Kokoumbo | Mining exploration permit No. 307 | Cote D'Ivoire | 300 | Predictive CI earning 90%. PDI now owns 49% of Predictive CI. | Reduced by 25% |
| Ferkessedoug ou South | Mining exploration permit No. 310 | Cote D'Ivoire | 290 | 49% | Reduced by 25% |
| Boundiali | Mining exploration permit No. 414 | Cote D'Ivoire | 399 | 49% | None |

| | | | | | |
|-----------------------|---------------------------------------|---------------------|-----|---|--|
| Kounahiri | Mining exploration permit No. 317 | Cote D'Ivoire | 347 | 49% | None |
| Bassawa | Mining exploration permit | Cote D'Ivoire | 400 | 15% beneficial interest | PDI exploration expenditure will shortly lift PDI equity to approximately 35% |
| Wendene | Mining exploration permit | Cote D'Ivoire | 400 | 15% beneficial interest | PDI exploration expenditure during the March and June Quarters will shortly lift PDI equity to approximately 35% |
| Dabakala | Mining exploration permit application | Cote D'Ivoire | 400 | 15% beneficial interest | New application by XMI SARL (PDI's partner on Bassawa and Wendene permits) |
| Beriaboukro (Toumodi) | Mining exploration permit | Cote D'Ivoire | 400 | Predictive CI can earn 85% in the permit. PDI currently owns 49% of Predictive CI. | None |
| Ferkessedoug ou North | Mining exploration permit | Cote D'Ivoire | 400 | Predictive CI can earn 85% in the permit. PDI currently owns 49% of Predictive CI. | None |
| Odiene North | Mining exploration permit application | Cote D'Ivoire | 400 | Subject to it being granted, Predictive CI can earn 85% in the permit. PDI currently owns 49% of Predictive CI. | None |
| Odiene South | Mining exploration permit application | Cote D'Ivoire | 400 | Subject to it being granted, Predictive CI can earn 85% in the permit. PDI currently owns 49% of Predictive CI. | None |
| Cape Clear | EL 5434 | Victoria, Australia | 160 | 25% | 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, 01/05/13, 01/09/16

Name of entity

PREDICTIVE DISCOVERY LIMITED

ABN

11 127 171 877

Quarter ended ("current quarter")

30 SEPTEMBER 2016

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 1 | 1 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (220) | (220) |
| (b) development | | |
| (c) production | | |
| (d) staff costs* | | |
| (e) administration and corporate costs | (154) | (154) |
| 1.3 Dividends received (see note 3) | | |
| 1.4 Interest received | 1 | 1 |
| 1.5 Interest and other costs of finance paid | | |
| 1.6 Income taxes paid | | |
| 1.7 Research and development refunds | | |
| 1.8 Other (provide details if material) | | |
| 1.9 Net cash from / (used in) operating activities | (372) | (372) |

* The company's accounting policy allocates staff costs to activities and are accordingly included in items 1.2 (a) and 1.2 (e).

| | | |
|--|--|--|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | | |
| (b) tenements (see item 10) | | |
| (c) investments | | |
| (d) other non-current assets | | |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | | |
| | (b) tenements (see item 10) | | |
| | (c) investments | | |
| | (d) other non-current assets | | |
| 2.3 | Cash flows from loans to other entities | | |
| 2.4 | Dividends received (see note 3) | | |
| 2.5 | Other (provide details if material) | | |
| 2.6 | Net cash from / (used in) investing activities | - | - |

| | | | |
|-------------|---|------------|------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | 665 | 665 |
| 3.2 | Proceeds from issue of convertible notes | | |
| 3.3 | Proceeds from exercise of share options | | |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | (33) | (33) |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Other (provide details if material) | | |
| 3.10 | Net cash from / (used in) financing activities | 632 | 632 |

| | | | |
|------------|--|------------|------------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 626 | 626 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (372) | (372) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | - | - |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 632 | 632 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 886 | 886 |

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|------------------------------------|-------------------------------------|
| 5.1 Bank balances | 426 | 426 |
| 5.2 Call deposits | 460 | 460 |
| 5.3 Bank overdrafts | | |
| 5.4 Other (provide details) | | |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 886 | 886 |

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

| Current quarter \$A'000 |
|------------------------------------|
| 44 |
| - |

Fees paid to directors

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

| Current quarter \$A'000 |
|------------------------------------|
| - |
| - |

Mining exploration entity and oil and gas exploration entity quarterly report

| 8. | Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end | Amount drawn at quarter end |
|-----|--|---|------------------------------------|
| | | \$A'000 | \$A'000 |
| 8.1 | Loan facilities | | |
| 8.2 | Credit standby arrangements | | |
| 8.3 | Other (please specify) | | |
| 8.4 | Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |

| |
|--|
| |
|--|

| 9. | Estimated cash outflows for next quarter | \$A'000 |
|-----|---|----------------|
| 9.1 | Exploration and evaluation | 140 |
| 9.2 | Development | |
| 9.3 | Production | |
| 9.4 | Staff costs | |
| 9.5 | Administration and corporate costs | 200 |
| 9.6 | Other (provide details if material) | |
| 9.7 | Total estimated cash outflows | 340 |

| 10. | Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|------|---|--|---|--|--|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | Ferkessed ougou (South) Kokoumbo | 49% ownership of permit via Toro Gold JV 0% ownership of permit. Toro Gold JV (PDI 49%) earning in for 90% of permit | 400km ² permit area 400km ² permit area | 300km ² permit area 300km ² permit area |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased | | | | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 31 October 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 position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.