



29th April 2016

ASX Announcement

Quarterly Report for the Period Ending 31st March 2016

EXPLORATION

Côte d'Ivoire - Toro Gold Joint Venture

- Kokoumbo Permit – 15 hole diamond drilling program totalling 1,610m completed, **assay results awaited.**
- Boundiali Permit:
 - Infill soil sampling defined **2km long plus 100ppb gold anomaly**, with peak value of **1.3 g/t Au.**
 - Drill rig now onsite and **3,000m RC drill program** about to commence
- Ferkessedougou Permit – **4km long gold in soil geochemical anomaly** defined including:
 - **2km long plus 50ppb Au anomaly** with peak value of **0.9 g/t Au.**

Côte d'Ivoire – Bobosso Project

- Re-logging of historical diamond drill core and RC drill chips.
- Geological mapping and pitting of alluvial/colluvial material on the Bobosso Prospect.
- Commencement of regional target assessment

Cape Clear, Victoria - Cape Clear Minerals Joint Venture

- Diamond drilling program totalling 2,147m and 7 holes completed.
- Best intercept: **3.8m at 6.7g/t Au** including **1.3m at 17.5g/t Au.**

Planned June Quarter Exploration Program

Côte d'Ivoire

- Toro JV – 3,000m RC drilling program.
- Bobosso – complete geological re-assessment, regional targeting study and alluvial gold metallurgical testwork.

Burkina Faso

- Ongoing process of seeking funding partners for Bonsiega Project.

Victoria, Australia

- Cape Clear – decide on PDI contribution to the next phase of drilling.

CORPORATE

- \$0.9M cash at 31st March 2016 and no debt.
- Receipt of approximately \$120,000 in scheduled Toro JV payment and R&D tax claim anticipated in June Quarter.

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: 1.33B shares

Share Price: 0.6 cents

Market Capitalisation: \$8.0M

Directors

Phillip Jackson
Non-Exec Chairman

Paul Roberts
Managing Director

David Kelly
Non-Executive Director

INTRODUCTION

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

In Cote D'Ivoire, the Company has interests in six granted exploration permits and two permit applications, totalling 3,133km² (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 800km² (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 covering 1,387km² (Figure 10). 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 11) which has recently been 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 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 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 3,933 km².

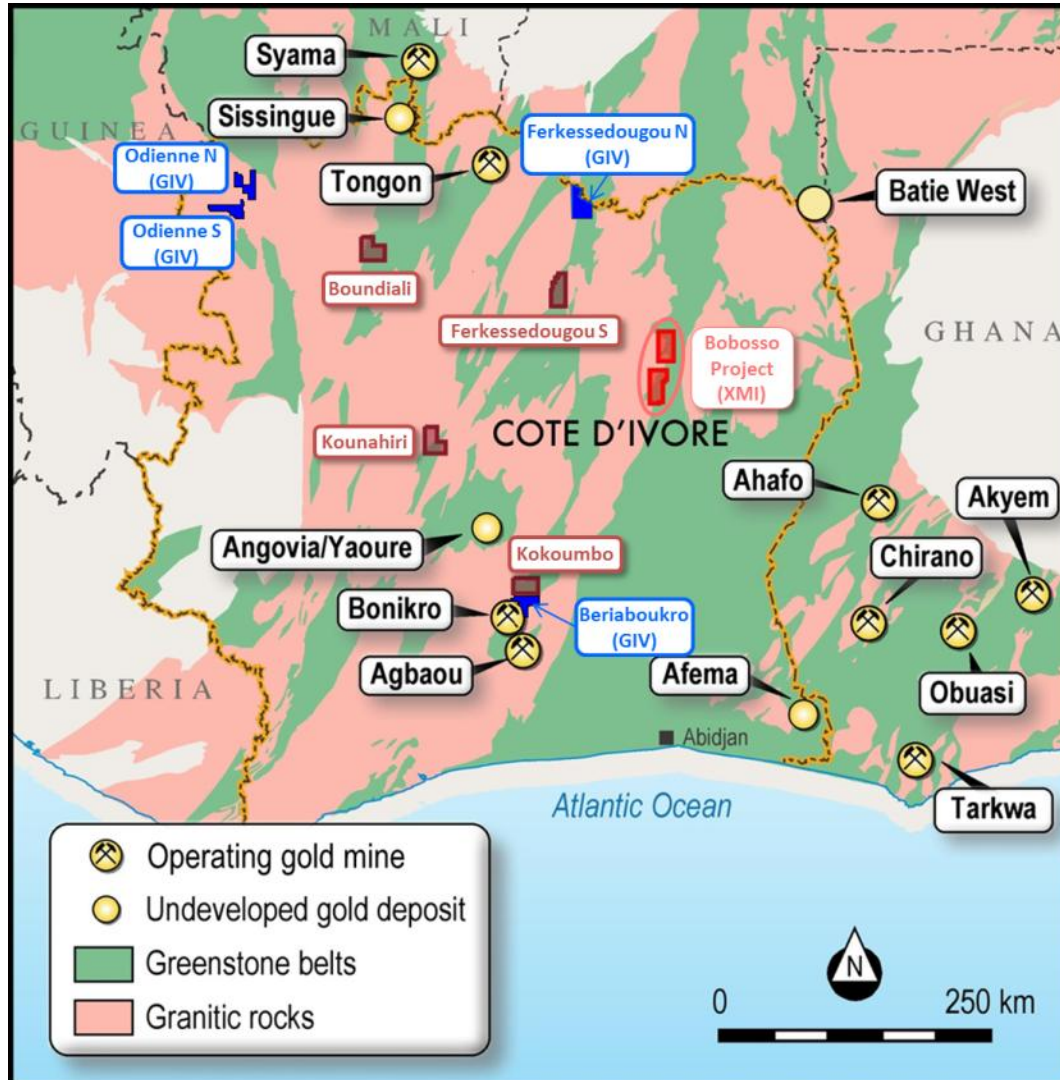


Figure 1: Locality map showing the initial Toro Joint Venture permits (brown), location of the recently acquired GIV Joint Venture permits and permit applications (blue – ASX release dated 29th March 2016), and the permits covered by PDI's agreement with XMI SARL over the Bobosso Project (red).

TORO GOLD JV

Kokoumbo Exploration Permit (Predictive CI earning 90%)

Predictive CI is earning a 90% interest in the Kokoumbo exploration permit in southern Cote D'Ivoire from an Ivoirian 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).

Kokoumbo Diamond Drilling Program

15 diamond drill holes totalling 1,610m were completed in April 2016. The diamond drilling program tested three prospects: Kokoumbo Hill (in a new zone of mineralisation identified in chip-channel sampling in late 2015), Sereme and Blonzwe (Figure 2).

The Kokoumbo chip-channel sampling included significant results from three of the four channel sampled zones (ASX release 10/11/15):

- 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

Toro's geological interpretation is that the target zones dip shallowly to the east, so drill holes were drilled towards the west.

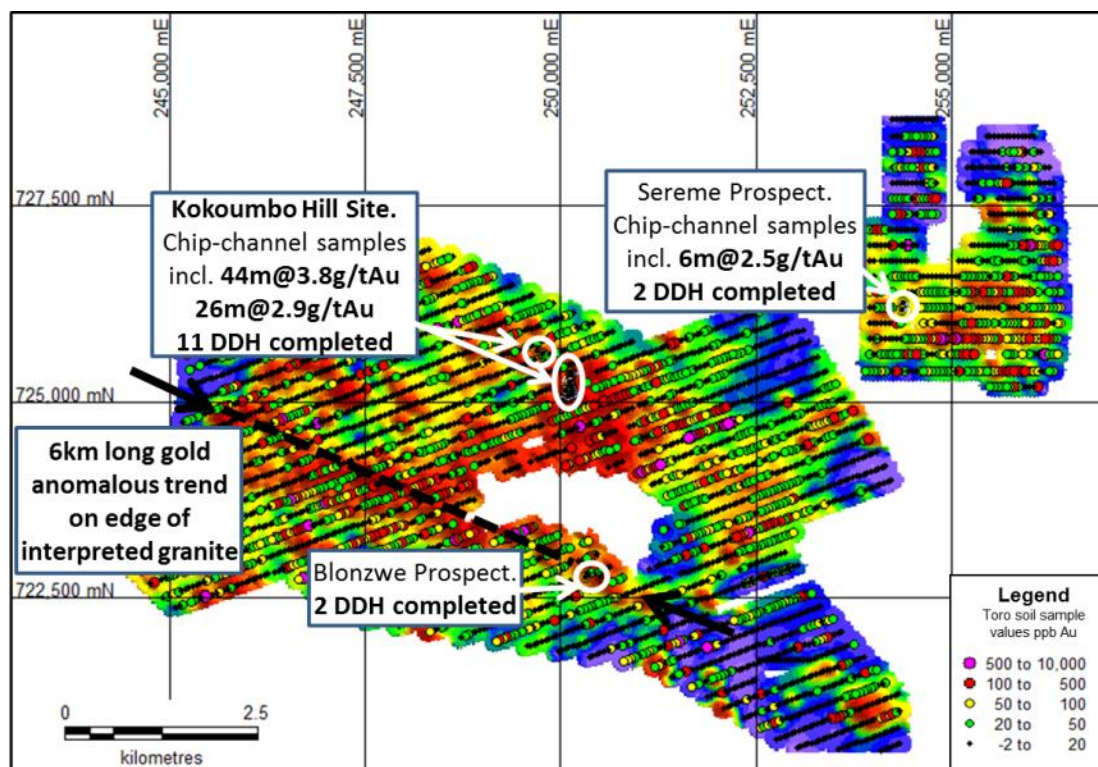


Figure 2: Location of Kokoumbo diamond drill locations, superimposed on a colour gridded image of gold in soil geochemistry (ASX release dated 15/9/15). The Kokoumbo Hill sites are in the centre of a large area of gold in soil anomalies and substantial historical and recent artisanal mine workings.

The drill core was cut at Toro's camp in Yamoussoukro prior to submission to ALS for sample preparation. Toro has advised Predictive that there was some delay in getting the assay samples processed in Cote D'Ivoire so they were shipped to Senegal to prepare the pulps for assay instead. The first of three batches has now been submitted for assay at the ALS laboratory at Loughrea in Ireland and first results are now expected in early May.



Figure 3: Portable diamond drill rig being set up on first drill site at Kokoumbo.

Boundiali Exploration Permit (Predictive CI 100%)

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.

Toro Soil Survey - Boundiali

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 and, initially, only every second sample was submitted for analysis (ASX release dated 20 October 2015). Subsequently, 100m spaced infill samples were assayed selectively in areas of soil gold anomalies (ASX release dated 23rd November 2015).

2,854 infill soil samples were collected on either 400 x 100m or 200 x 50m sample spacings in areas of encouraging gold results obtained from the initial 800 x 100m sample grid. These samples were analysed for gold by fire assay at the ALS laboratory at Loughrea in Ireland. The new infill results reinforced the earlier reported assays, highlighting three areas of coherent soil anomalies (see Figure 4 and Table 1). Peak values of **2.1g/t Au**, **1.3g/t Au** and **1.0g/t Au** were obtained in the infill sampling program.

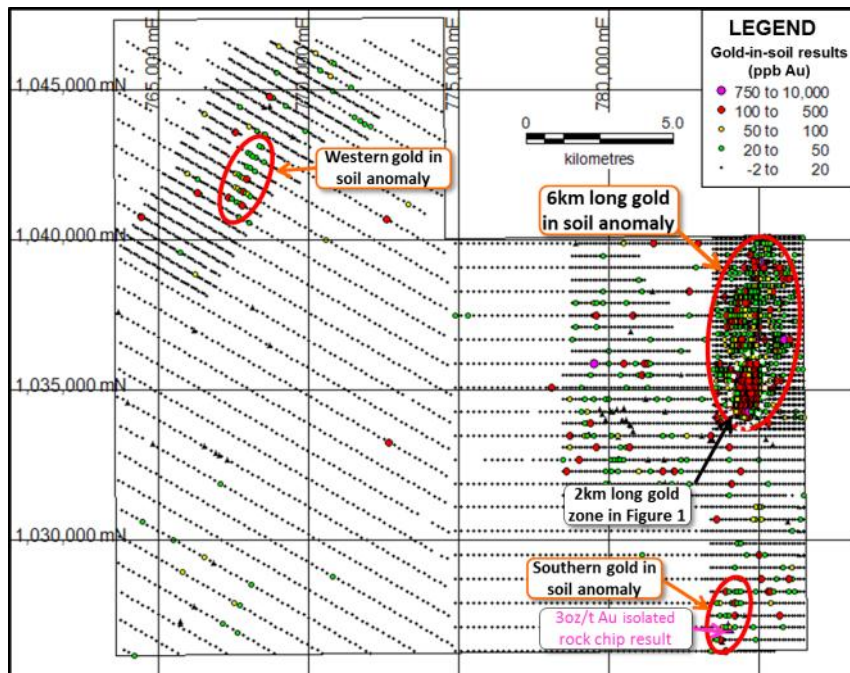


Figure 4: Toro Gold soil sampling grid covering the entire Boundiali exploration permit. Results in grade intervals are shown for all of Toro soil results to date. The large NE Boundiali gold anomaly and two other coherent gold anomalies are highlighted on this map. Rock chip samples are shown as small black triangles.

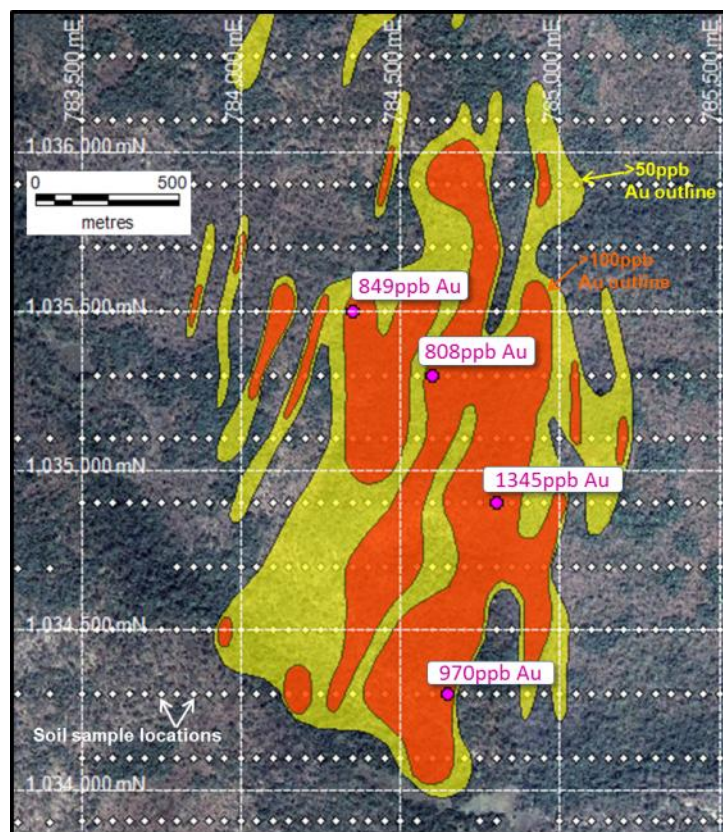


Figure 5: Gold-in-soil geochemical contour image of the southern 2km of the Boundiali permit's 6km long anomaly on satellite imagery, highlighting the consistency of >100ppb gold anomaly (in orange).

This work has shown that the southern 2km of the largest (6km long) anomaly is of particular interest with very clear line-to-line continuity (Figure 5). Elsewhere, two other coherent anomalies have been highlighted, both of which lie upstream of BLEG stream sediment anomalies recorded by PDI in its initial exploration of the permit (ASX release dated 4th August 2014). Of these, the south-eastern anomaly coincides with an isolated, high grade rock chip sample containing **90g/t Au** or **3 oz/t Au** (ASX release dated 10th November 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

Predictive reported encouraging reconnaissance soil sampling results from the northern two thirds of the Ferkessedougou permit on 10th November 2015.

In February and March, 2016, Toro completed reconnaissance soil sampling coverage of the southern third of the permit and undertook infill sampling of the 3km long gold anomalous zone identified in the initial survey (ASX release 10/11/15). The reconnaissance samples were collected on an 800 x 100m grid and every second sample was submitted for analysis. The infill samples were collected on a 200 x 50m grid and all samples were analysed. Soil samples were sieved to 80 mesh at a nearby field office and assayed for gold by ALS at Loughrea in Ireland. In total, 1,364 samples were submitted for analysis (see also Table 2 for additional details).

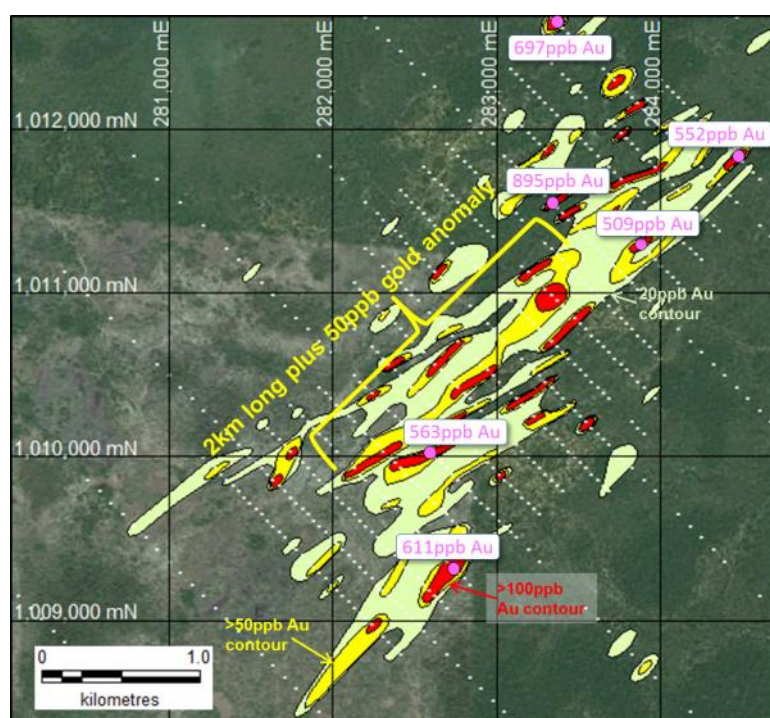


Figure 6: Ferkessedougou geochemical map on satellite imagery background - showing location of the northern gold-in-soil anomaly including values above 0.5g/t Au (plus 500ppb Au).

The infill sampling showed that there is a coherent gold anomalous zone in the northern part of the permit with values above 20ppb Au extending over 4km (Figure 6). Within that zone, there is a 2km long continuous anomaly above 50ppb along with other shorter strike length gold anomalous features. There are a number of encouraging high values (>500ppb Au or >0.5g/t Au), ranging from 509 to 895 ppb Au.

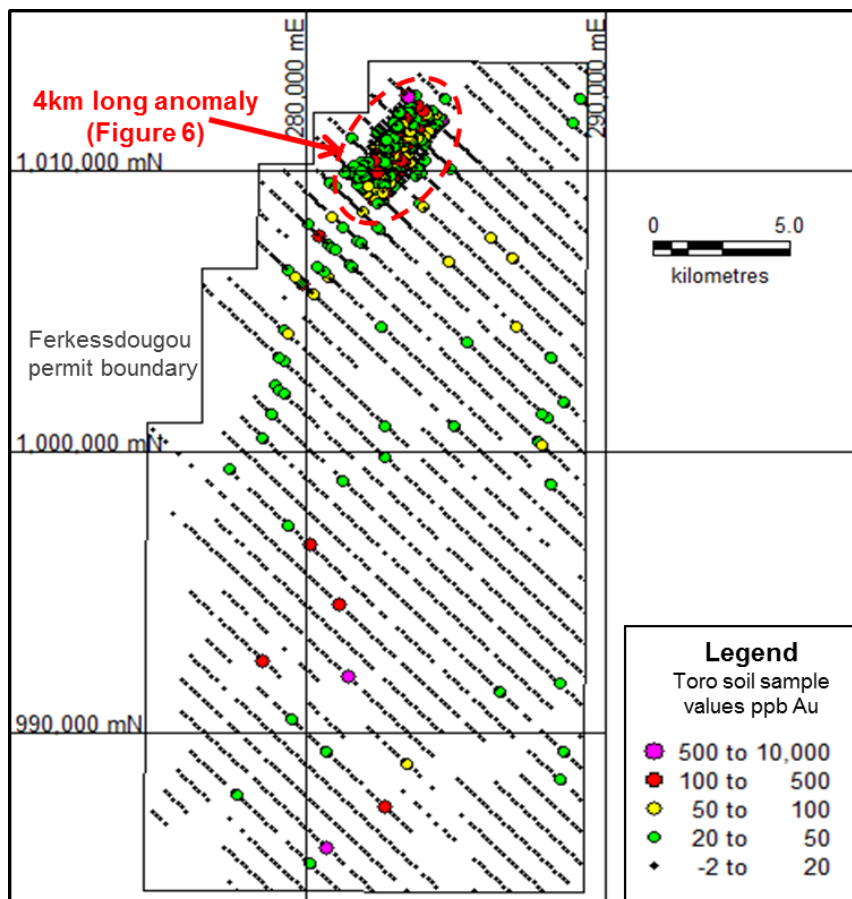


Figure 7: Soil sample locations from the entire Ferkessedougou permit in north-east Cote D'Ivoire. Gold results in grade intervals are shown.

Toro JV – 51% Earn-In

Under the terms of the Toro Joint Venture agreement:

- Toro earns a 51% interest in Predictive CI by spending US\$1 million in exploration costs and option payments.
- Once Toro achieves its 51% interest, PDI then has the option to contribute to 49% of expenditure from then on or dilute to 35%.
- In the event of a dilution decision by PDI, Toro then earns a further 14% in Predictive CI by spending an additional US\$2.5 million on exploration costs and option payments.

Toro has now advised Predictive that it has achieved the US\$1 million expenditure. Predictive has in turn advised Toro in writing that it will dilute to a 35% interest once Toro completes spending

of the next US\$2.5 million tranche. Predictive plans to contribute at the 35% level thereafter as long as Toro's drill results are sufficiently encouraging to warrant that investment.

Under Ivoirian law, Toro's acquisition of a 51% stake in Predictive CI is subject to the approval of the Minister of Mines. Formal application for that approval has now been made and is currently being processed within the Mines Ministry.

PDI's Board decided not to contribute at the 49% equity level because that would have required a highly dilutive capital raising totalling approximately \$1.7 million. In accordance with the Company's stated strategy following the \$1.3 million Rights Issue late last year, the Company is limiting its expenditure rate while relying on project-level funding to ensure that large exploration programs can be carried out on the Company's ground holdings. This situation will change, however, if Toro achieves highly encouraging drill results from its aggressive drill programs on Predictive CI's large ground holdings. In that event, Predictive will raise the necessary funds so that it can maintain its 35% equity in Predictive CI after the next tranche of US\$2.5 million has been spent.

GIV Agreement

Predictive CI has entered into a joint venture with a local Ivoirian Company, Gold Ivoire Minerals SARL (**GIV**) over 1,600 km² of ground, consisting of two permits and two permit applications (Figure 1). Of these, the two granted permits, Beriaboukro (also known as Toumodi) and Ferkessedougou North, are of most exploration interest, and are both located on known gold-mineralised greenstone belts.

Beriaboukro lies directly to the south of the Kokoumbo permit (Figure 1). The addition of this permit to the Kokoumbo ground has resulted in an 800km² strategic land package in one of the most strongly gold-mineralised belts in Cote D'Ivoire. Two gold mines are already operating in this belt - Bonikro (Newcrest) and Agbaou (Endeavour).

The major terms of the GIV joint venture agreement are as follows:

- Predictive CI can earn an initial 51% in the four GIV permits by expenditure of \$US1 million in two years or less. This amount may be reduced if Predictive CI hands back any permits or if the two permit applications (Odiene North and Odiene South) are not granted in the next two years.
- Predictive CI may then, at its sole discretion, increase its equity to 85% of the (remaining) GIV permits in two stages by completion of a Definitive Feasibility Study (DFS).
- On completion of the DFS, the original owners of GIV (GIV Owners) may convert all or part of their 15% interest to an NSR royalty at the rate of 1% NSR for 10% of equity. The GIV Owners may then also choose to fund all or part of their equity ownership in a subsequent mine development.
- Predictive CI will pay the GIV Owners a US\$40,000 signature bonus and, later, a further US\$30,000 in the event that Odiene North and Odiene South permits are granted. In

the event that a decision is made to develop a mine on the permits, the GIV Owners will receive an exploration success bonus of US\$1 per reserve ounce. Reserve ounces will be calculated independently in accordance with the JORC or 43-101 standards.

- The agreement will come into effect and the initial cash payment will be made on satisfactory completion of legal and financial due diligence relating to the corporate structure and standing of GIV. This is currently in progress.

The exploration expenditure and cash payments contemplated in the GIV Agreement will be incurred by Predictive CI in conformity with the terms of the underlying Toro JV Agreement.

Follow-up Work Programs

The Joint Venture's immediate focus is on a 3,000m RC drilling program on the Boundiali permit, which is about to commence.

Consideration will also be given to undertaking a drilling program at Ferkessedougou after results are received from drilling on the Kokoumbo and Boundiali permits.

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 Ivorian 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).

Historical soil sampling by Equigold (ASX release 28/10/15) obtained many anomalous results over the Bassawa permit and Wendene permit applications. Of particular note is a **7km² area** in Wendene in which most of the values are above 100ppb Au (Figure 5). 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.

The size and average value of the 7km² anomaly suggests the presence of a substantial alluvial/colluvial gold deposit. Nonetheless, soil samples are typically taken at a 0.5m depth and are not appropriate for an estimation of the real average grade of the material. In addition, there has been artisanal mining in this area. Therefore, at this stage, the potential economic value of the near-surface material is not known.

569 RC holes and 11 diamond drill holes were completed in the area of the 7km² anomaly (Figure 5). Of these, 221 holes contained at least one 2gxm intercept² 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

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

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

was approximately 80m. High-grade and/or wide mineralised intercepts recorded in the database include the following (ASX release dated 28/10/15):

- 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

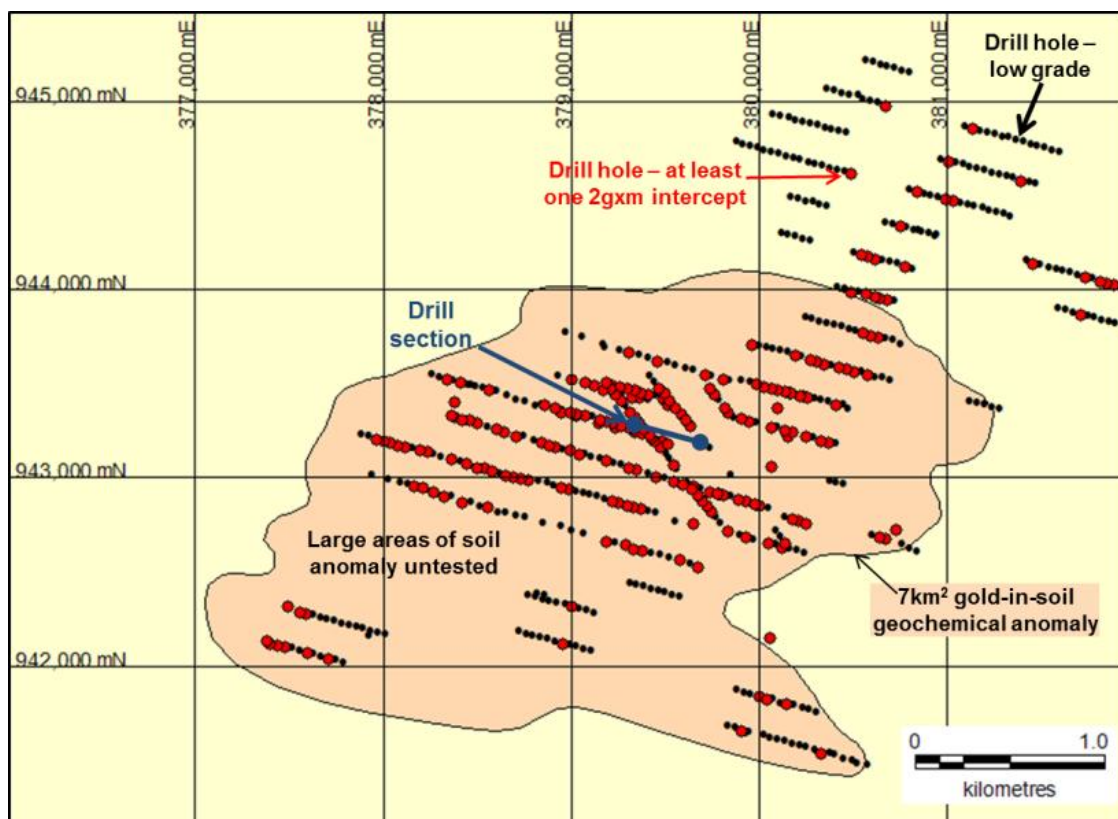


Figure 8: Bobosso gold in soil geochemical anomaly showing location of all historical RC holes, highlighting all holes with gold intercepts of at least 2 g x m (red dots) and showing cross section location (Figure 9).

PDI is excited about the opportunity that the Bobosso Project represents because of the large gold mineralised system that is evidently present at Bobosso itself (Figure 8) and because of the extensive regional potential along strike from the well drilled prospect.

XMI Agreement

Predictive has entered into an agreement with XMI on the Wendene and Bassawa permits whereby it can provide funding or arrange for third parties to invest in the Bobosso Project. Details of the agreement were released to the ASX on 28/10/15.

At present, PDI is investing its own funds into a series of relatively low cost work programs (see next section) through which it will obtain an equity of **approximately 35%** into XMI's parent company (Exploration and Mining Investments Limited of the UK) over the next few months. The purpose of these programs is to add value to the project as a whole prior to seeking external investment. Under its agreement with XMI, PDI has the option to seek such investment via Predictive itself or at the project level from a third party. The Company's current plan is to seek capital for Bobosso after the current work program is completed, commencing in July 2016.

Current Bobosso Work Program

The current work program commenced in February 2016 and aims to:

- provide an initial assessment both of the near surface alluvial/colluvial potential at Bobosso,
- clarify the geological interpretation of some key sections through the Bobosso gold mineralisation,
- undertake a regional targeting exercise to identify gold mineralisation potential along strike from the Bobosso prospect both in the Wendene and Bassawa exploration permits.

Alluvial/Colluvial Gold Assessment

Figure 9 shows a cross section through a small part of the gold mineralised system showing a series of significant gold intercepts in the immediate subsurface. The Company is currently undertaking a 30 hole pitting program in the vicinity of this cross section to determine average grades relative to down-hole values and to obtain material for gravity metallurgical testwork. The sampling will be finished in several days and the gravity metallurgical testwork will be carried out in Australia commencing in June.

In the event that a high percentage of the gold in the shallow material can be recovered by simple gravity treatment (e.g. via Knelson or Falcon concentrators), the Company will consider a much larger pitting program with the aim of identifying a shallow resource that could profitably support an alluvial/colluvial gold mining operation producing at least 10,000oz per annum for some years. This could possibly represent the first stage in a larger mining operation which would also mine the underlying primary gold mineralisation.

Re-Logging Of Drill Holes

Predictive has gained access to much of the drill core and RC chips from this project. Re-logging of some key mineralised intercepts was carried out in March and early April.

Initial indications are that there is good hole-to-hole continuity of gold anomalous alteration, at least in the holes which have been re-logged, an important requirement for making JORC-compliant resource estimates. Re-processing of magnetic and radiometric data, however, suggests that the overall trend of mineralisation may be near parallel to the historical drill section lines. If this is proved correct, it is quite possible that the historical drilling has cut very obliquely

through gold mineralised horizons or structures, opening up the possibility of discovering long strike lengths of gold mineralisation between the drilled cross-sections in the planned 2016 drill program.

Compilation of the new drill data together with new geological mapping will enable Predictive to plan a well-directed RC or diamond drill program to test the new geological model of the mineralised system later in 2016.

Regional Targeting Assessment

This work commenced with re-processing of existing aeromagnetic data in January 2016, followed by reconnaissance geological mapping the following month. Detailed geological mapping, which is currently underway on the Bobosso Prospect, will also support this assessment.

All of the new and historical data is currently being compiled to generate a series of regional targets, successful drill testing of which could result in gold discoveries to support a future gold mining operation at Bobosso.

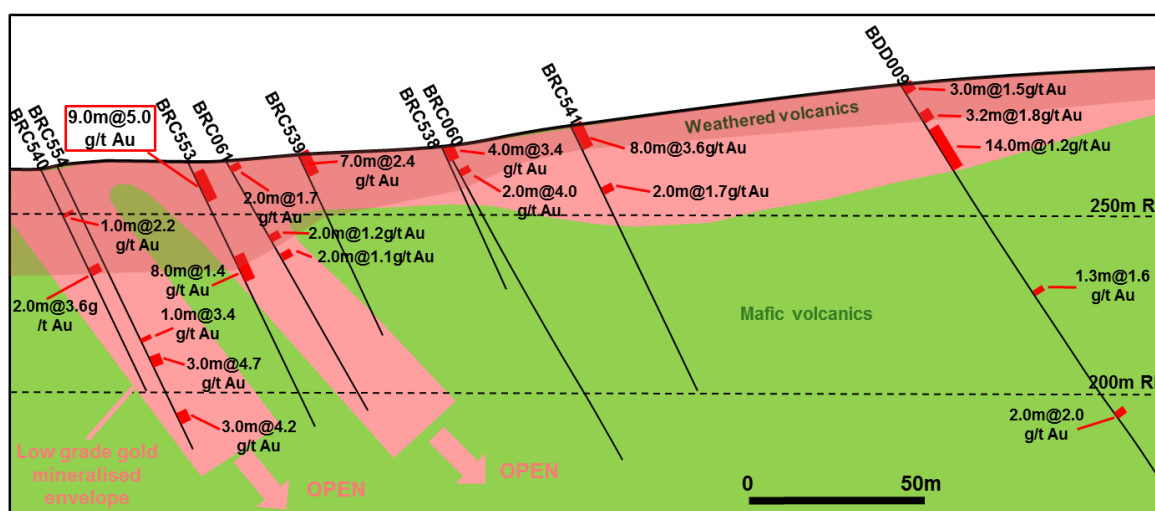


Figure 9: Drill cross section showing near surface alluvial/colluvial gold zone (first reported to the ASX on 28/10/15). Note also the flat zone of gold anomalous material (pale pink) lying directly beneath this zone. Re-logging of hole BCD009 (at right) has demonstrated that this apparently flat-lying gold-bearing zone consists of primary alteration (i.e. it is not a shallow supergene enrichment zone). This recognition of the variability in the dip of the primary alteration is a key component of PDI's developing re-interpretation of the Bobosso gold mineralised system.

BURKINA FASO

The Company's tenement holding covers 1,387km² including approximately 100km of strike length in the Samira Hill greenstone belt in eastern Burkina Faso (the Bonsiega permit group, Figure 10). 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).

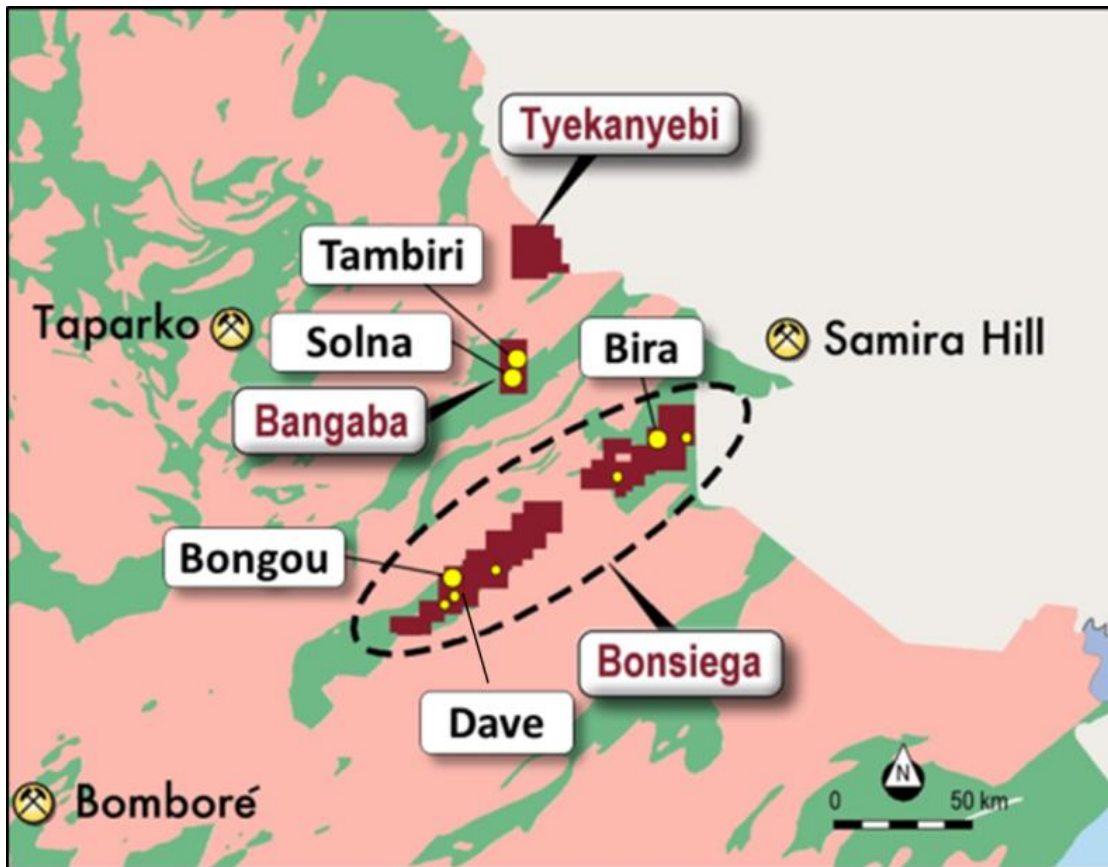


Figure 10: Locality map of PDI permits in eastern Burkina Faso, showing location of Bongou and other key prospects.

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

PDI will continue its efforts during the June Quarter to seek a joint venture partner to help advance evaluation of the ground ideally to enable a scoping study of a potential operation around the Bongou gold deposit.

AUSTRALIA

CAPE CLEAR JOINT VENTURE (EL5434)

Introduction

Exploration Licence 5434 is located west of Ballarat in Victoria (Figure 11). 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.

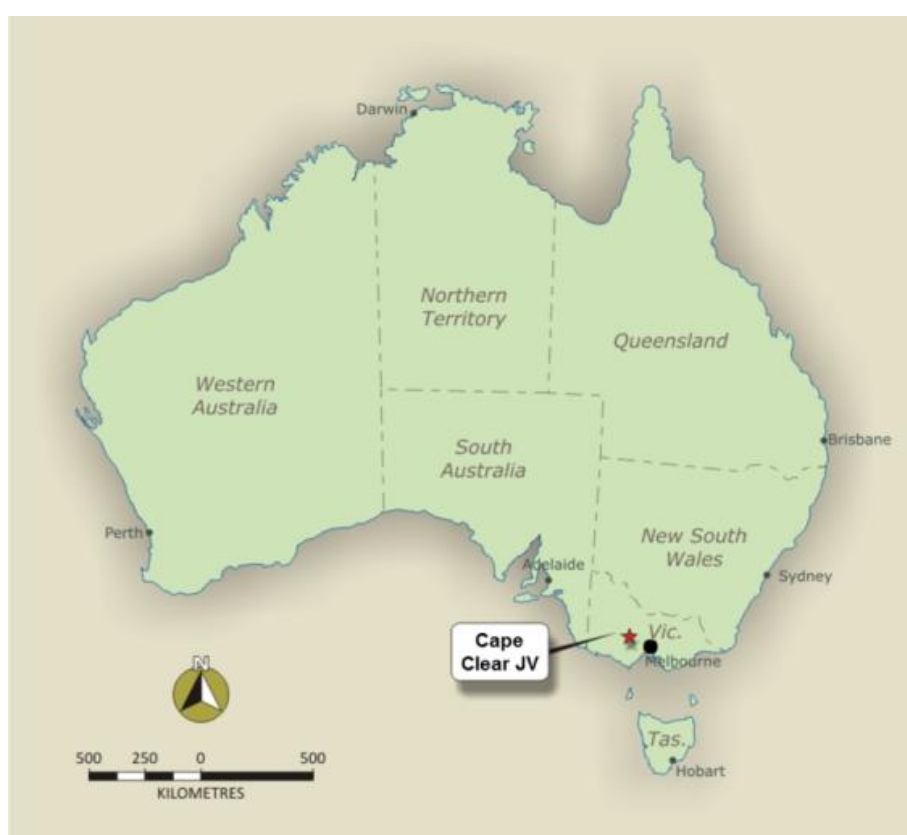


Figure 11: Cape Clear Exploration Licence Locality Plan

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 recently advised that it has now spent \$500,000 and completed 1,000m of drilling, and has therefore achieved a 75% equity in the project. PDI is currently awaiting the results of an independent audit to confirm that the \$500,000 has been spent in accordance with the farm-in agreement.

PDI and CCM held a joint venture meeting on Thursday 7th April 2016 where the recent drill results were presented and the planned next phase of exploration was discussed. PDI is currently considering whether it will contribute to the next phase of exploration.

Geology Background

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.

Exploration by Leviathan Resources Limited about 10 years ago revealed a gold mineralised zone on the eastern side of the basalt ridge at the British Banner prospect (Figure 2). This included drill hole PFD036 (Figures 12 and 13, and Table 4) which reportedly contained visible gold in several places and intersected:

- 0.4m at 6.98g/t Au from 313.1m
- **0.6m at 22.80g/t Au** from 334.0m
- 1.8m at 2.39g/t Au from 347.8.0m
- **3.0m at 3.15g/t Au** from 392.2m including **0.4m at 19.5g/t Au**.
- 0.4m at 4.99g/t Au from 397.2m

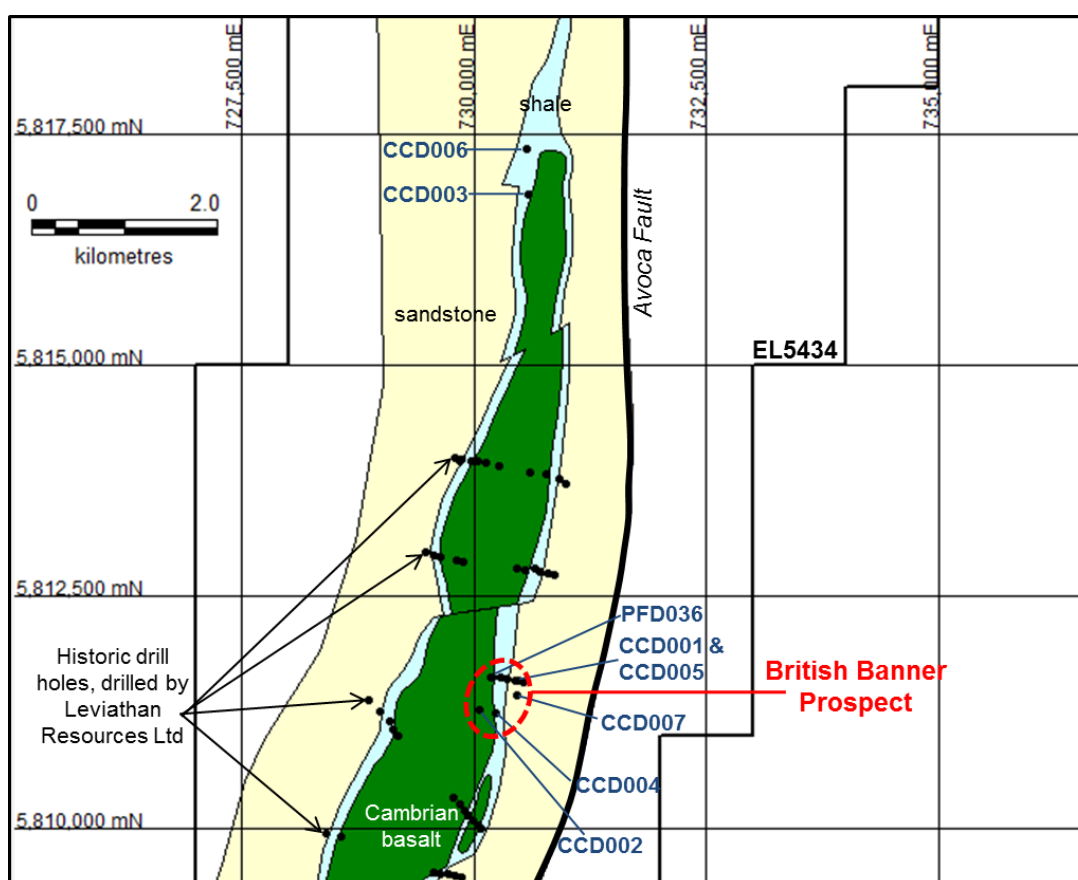


Figure 12: Drill hole locality plan on map of interpreted basement geology below younger (Tertiary) basalt cover (see Figure 13 for cross sectional view).

Drilling program

CCM recently completed a diamond drilling program on EL5434, totalling 7 holes and 2,147m (see Figure 12 for drill hole locations).

Assays have been received from the first 5 holes of the above program and are tabulated in Table 3. Encouraging results, including some high gold grades over narrow widths, were obtained from the British Banner Prospect (Figures 12 and 13). Highlights of that drilling included the following:

- CCD001:
 - 0.7m at 2.07g/t Au from 232.2m
 - **3.8m at 6.74g/t Au** from 265.7m including **1.3m at 17.50g/t Au**
 - **4.5m at 2.45g/t Au** from 326.5m including **0.7m at 10.35g/t Au**
- CCD004:
 - 2.1m at 3.18g/t Au from 206.8m including 0.6m at 5.22g/t Au
 - 1.1m at 4.08g/t Au from 266.5m
- CCD005:
 - 1.2m at 2.45g/t Au from 160.5m
 - 0.8m at 3.72g/t Au from 167.4m

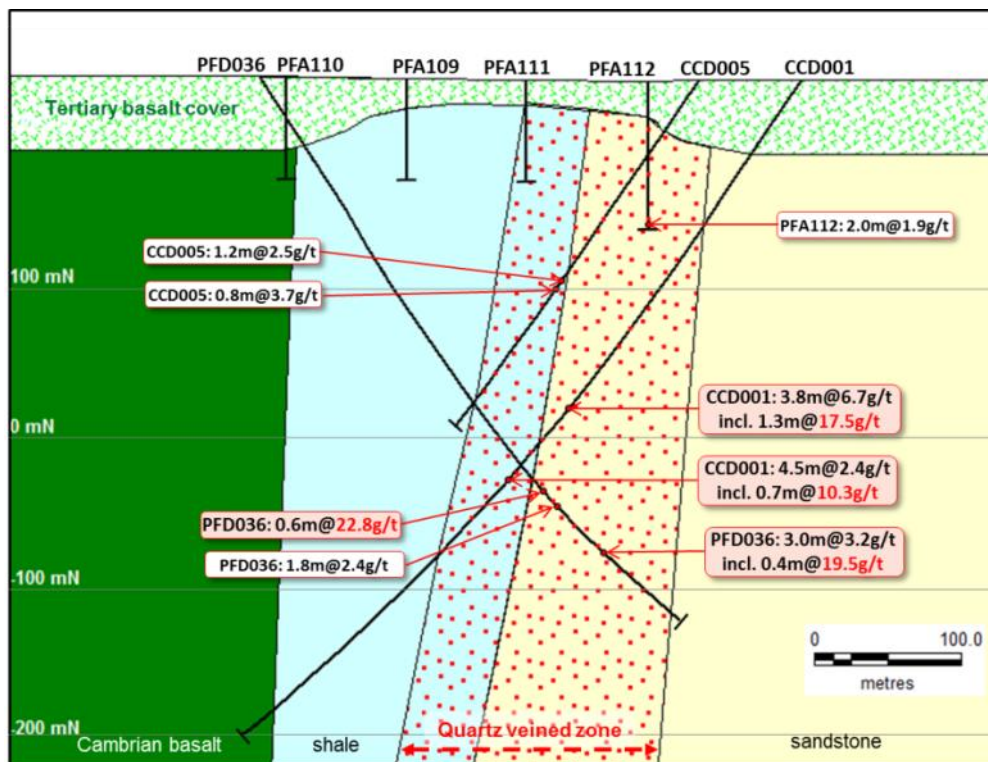


Figure 13: Cross section through the British Banner Prospect and diamond drill holes CCD001 and CCD005

Results are awaited for drill holes CCD06 and CCD007 (Figure 12).

The drill results to date indicate that there is a broad zone of gold-anomalous quartz veining in the vicinity of the contact position between sandstones and shales east of the basalt contact and west of the major Avoca Fault. CCM's drilling has demonstrated that this zone extends for at least 400m along strike and is open to the north and south. Visible gold has been observed in two holes – PFD036 and CCD001 (see Figure 14).

Given the presence of some relatively coarse gold, CCM has been progressively re-assaying gold-bearing intercepts with the screen fire assay method to obtain more reliable results. As expected, the re-assaying has shown some variation between the different assay methods with screen fire assays overall tending to be higher than the original fire assay values. Screen fire assays have been received so far on holes CCD001 and CCD004 and the values reported here are arithmetic averages of all assays recorded for each interval for those holes.

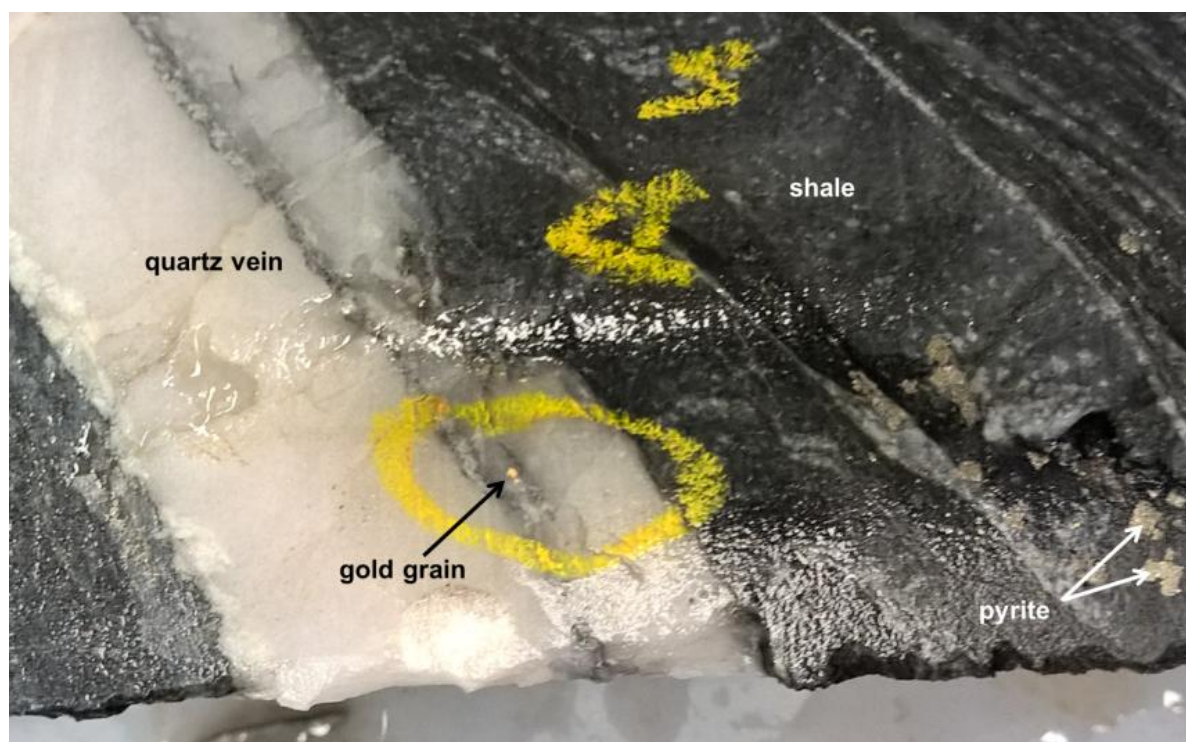


Figure 14: Visible gold grain in drill core at 318m in diamond drill hole CCD001

Next Steps

Results from holes CCD006 and CCD007 are expected in the next few weeks.

CCM is proposing to undertake additional drilling, totalling 2,250m, both around the British Banner Prospect and at several locations on the western flank of the basalt ridge (i.e. in an analogous position to the main Stawell Mine workings). Predictive is currently considering whether or not to contribute 25% of the cost of this drilling program.

CORPORATE

Cash Position

The Company held \$904,000 in cash at the end of the March Quarter with no debt.

PDI made a final payment of \$100,000 to CSIRO in the March Quarter in order to complete the \$300,000 Ausmodel settlement (ASX release of 24/12/13), thereby increasing its expenditure over the normal Quarterly expenditure average. The Company notes that this abnormal cost will be offset by income that is expected in the June Quarter, specifically:

- an R&D claim to the Australian Tax Office, which if successful, will return \$54,000 to the Company, and
- a US\$50,000 cash payment is due from Toro Gold Limited under the terms of the Toro JV Agreement on 10th June, 2016.

Board Membership

Mr David Kelly was appointed as a Non-Executive Director of PDI's Board in January 2016.

TABLE 1 – 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 25092 to 29950.	Refer to Figures 4 and 5 for map locations of all samples	Refer to Figures 4 and 5 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 4 and 5.

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
Sampling Technique	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	<p>The sampling described in this report refers to 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>

	<p>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>	
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 sampling program.
Drill Sample Recovery	<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.
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>	Soil samples are described in terms of soil type, regolith and landscape classification and colour. Descriptions are largely qualitative.
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</p>	The sample preparation method is appropriate and standard for soil samples of this type.

	sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	
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>	The analytical method used has a very low (1ppb Au) detection limit which is appropriate for samples of this type.
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</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 a soil sampling program.
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 control</p>	Coordinates shown on the locality maps (Figures 4 and 5) are for Universal Transverse Mercator (UTM), Datum WGS 84, Zone 29 - Northern Hemisphere.
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>	The soil sampling grids of 400 x 100m and 200 x 50m are considered appropriate for a reconnaissance exploration grid of this type. No Mineral Resource can be estimated from these data.
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>	The samples were collected along lines which were designed to cross cut the interpreted bedding and foliation strike orientations in permit.
Sample Security	The measures taken to ensure sample security	Samples are stored securely at Toro Gold's field office in Yamoussoukro.
Audits or Reviews	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.
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>	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.
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 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. 	This is not relevant to a soil sampling program. Sample coordinate information is provided in Table 1 and Figures 4 and 5 in this release.
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>	This is not relevant to a soil sampling program.
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</p>	This is not relevant to a soil sampling program.

	be a clear statement to this effect (eg 'down hole length, true width not known').	
Diagrams	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.	Appropriate plans showing the locations of the soil samples, classified by results, are shown in this release.
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.	Results from all assayed soil samples have been reported.
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, 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 RC drilling is planned on the permit as outlined in this release.

TABLE 2 – 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 30,244-32,649. Reconnaissance samples from the southern third of the permit were sampled every 100m along lines but only every second sample was submitted for analysis.	Refer to Figures 6 and 7 for map locations of all samples	Refer to Figures 6 and 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 6 and 7.
<p>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 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.</p>									

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 Ferkessedougou 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>
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 sampling program.
Drill Sample Recovery	<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.
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>	Soil samples are described in terms of soil type, regolith and landscape classification and colour. Descriptions are largely qualitative.
Sub-Sampling	If core, whether cut or sawn and	The sample preparation method is appropriate and standard for soil

Technique and Sample Preparation	<p>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>	samples of this type.
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>	The analytical method used has a very low (1ppb Au) detection limit which is appropriate for samples of this type.
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>	This is not relevant to a soil sampling program.
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 control</p>	Coordinates shown on the locality maps (Figures 6 and 7) are for Universal Transverse Mercator (UTM), Datum WGS 84, Zone 30 - Northern Hemisphere.
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>	The soil sampling grid was 800 x 200m with infill in selected areas to 200 x 50m and is considered appropriate for a reconnaissance exploration grid of this type. No Mineral Resource can be estimated from these data.
Orientation of Data in Relation to Geological	Whether the orientation of sampling achieves unbiased sampling of	The samples were collected along lines which were designed to cross cut the interpreted bedding and foliation strike

Structure	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.	orientations in permit.
Sample Security	The measures taken to ensure sample security	Samples are stored securely at Toro Gold's field office in Yamoussoukro.
Audits or Reviews	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.
Section 2 Reporting of Exploration Results		
Mineral Tenement and Land Tenure Status	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 Ferkessedougou exploration permit was granted to PDI Cote D'Ivoire SARL in June 2013. Toro Gold Limited has earned a 51% interest in PDI Cote D'Ivoire SARL by spending US\$1 million.
Exploration Done by Other Parties	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.
Geology	Deposit type, geological setting and style of mineralisation.	The geology of the Ferkessedougou permit consists of granite, metasediments, mafic volcanics and intrusives, and conglomerates.
Drill Hole Information	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: <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. 	This is not relevant to a soil sampling program. Sample coordinate information is provided in Table 1 and Figures 6 and 7 in this release.
Data Aggregation Methods	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. 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. The assumptions used for any reporting	This is not relevant to a soil sampling program..

	of metal equivalent values should be clearly stated.	
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 sampling program.
Diagrams	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.	Appropriate plans showing the locations of the soil samples, classified by results, are shown in this release.
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.	Results from all assayed soil samples have been reported.
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, 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 drilling is expected on this permit but the timing of that drilling has not yet been decided.

TABLE 3 – DRILL RESULTS – CCM DRILLING (CCD001-005)

Hole No.	GDA94 East	GDA94 North	RL (m)	Hole depth (m)	Hole dip (°)	Azimuth (°)	Depth from (m)	Interval (m)	Au (g/t)	Comments
CCD001	730,540	5,811,580	234.0	574.3	-55	277	232.2	0.7	2.07*	
CCD001	730,540	5,811,580	234.0	574.3	-55	277	265.7	3.8	6.74*	includes 1.3m at 17.50g/t Au
CCD001	730,540	5,811,580	234.0	574.3	-55	277	326.5	4.5	2.45*	includes 0.7m at 10.35g/t Au
CCD002	730,050	5,811,270	238.0	311.2	-55	101	no significant result			Abandoned in a fault zone in the Cambrian basalt before reaching target on eastern side of that basalt.
CCD003	730,580	5,816,850	245.0	174.9	-55	100	no significant result			Hole drilled into Cambrian basalt with very minor sedimentary rocks. The target western flank of

										the Cambrian basalt "ridge" was not intersected
CCD004	730,233	5,811,250	237.0	338.8	-55	100	206.8	2.1	3.18*	Includes 0.6m at 5.22g/t Au
CCD004	730,233	5,811,250	237.0	338.8	-55	100	266.5	1.1	4.08*	
CCD005	730,473	5,811,588	234.0	281.4	-55	276	123.7	1.4	0.75	
CCD005	730,473	5,811,588	234.0	281.4	-55	276	160.5	1.2	2.45	
CCD005	730,473	5,811,588	234.0	281.4	-55	276	167.4	0.8	3.72	
* Results are average values of all analyses including include screen fire assay check assays.										

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 3 refers to diamond drill core.</p> <p>Diamond drill core for holes CCD001, CCD002, CCD004, CCD005, and CCD007 in the British Banner area were logged geologically and marked up for assay at approximate one metre intervals determined by geological boundaries. Drill core is consistently cut in half to the right side of the structural orientation line and submitted for assay analysis. The remaining half is retained in the core trays.</p> <p>The drill samples are judged to be representative of the rock being drilled because representative sub-sampling of both the core was achieved.</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).	DD: Diamond drilling produced PQ3, HQ3 and NQ3 sized drill core. Triple tube drilling was the selected to maximise core recovery particularly for the oxidised and mineralised zones. The drill core was orientated utilising an Isilex orientation device which was double-checked with an orientation spear for every run.

Drill Sample Recovery	<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>	<p>DD: Drillers measured core recoveries for every drill run completed using 3 metre and 6 metre core barrels. The drillcore is physically measured by tape measure and the length recorded for every 3 metre "run". Core recovery calculated as a percentage were generally greater than 90%. No significant loss of material was reported in the zones of economic interest. Diamond drilling collects uncontaminated fresh core samples which are further cleaned at the drill site and presented cleanly to the client for logging and sampling.</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 DD records lithology, mineralogy, mineralisation, alteration, structure, weathering, colour and other features of the samples. Logging of sulphide mineralization and veining is quantitative. All holes were logged in full.</p> <p>All drill core is photographed both wet and dry in the core trays.</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 core was cut in half longitudinally using a Clipper brick saw Half core samples were collected for assay, and the remaining half core samples stored in the core trays.</p> <p>Core samples were collected on nominal one metre intervals (no intervals greater than 1.5 metres) to create 2-3kg samples for submission.</p> <p>50g fire assay results suggest the presence of "nuggetty" gold. Initial screen fire assays on the original 1kg pulverised sample confirm the presence of nuggetty gold. Re-assaying of initial fire assays above a nominal 0.2g/t cut-off is routinely completed and will be continually evaluated as the drilling progresses.</p> <p>Outside of the "nuggetty" zones the sampled material is considered to be representative of the core 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 were assayed for gold by 50g fire assay with an AAS finish by ALS in Adelaide/Perth. The technique is considered a total analysis. A further 11 elements were tested for utilising the ME-ICP method.</p> <p>At the lab, regular assay Repeats, Lab standards, Checks and Blanks were inserted and analysed by ALS Laboratories.</p> <p>Unlabelled standards (Certified Reference Materials) were inserted at a rate of 3 standards per 100 samples.</p>
Verification of Sampling and Assaying	<p>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</p>	<p>No holes have yet been twinned. Field data collection was undertaken by CCM geologists and supervised by CCM 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 Map Grid of Australia 1994, Zone 54.</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 drill intercepts are irregularly spaced.</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>Diamond drill samples were not composited but air core samples were variably composited from single samples to up to 4m long composites.</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 quartz veined zone. The individual quartz veins which carry gold appear to have several orientations so it is impossible to target all mineralisation optimally.</p>

Sample Security	The measures taken to ensure sample security	The drill core is stored securely at CCM's warehouse in Ballarat.
Audits or Reviews	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 drill program.
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 locations reported here lie within the Cape Clear Exploration Licence (EL 5434) which is held jointly by Predictive Discovery Limited and Cape Clear Minerals Pty Ltd. Subject to a current audit of exploration expenditure, CCM is expected to have beneficial ownership of at least 75% of EL5434 soon. The EL is subject to a farm-in agreement that was signed between PDI and CCM in September 2014 and under which CCM can earn 75% of the EL by exploration expenditure of A\$500,000.</p> <p>The EL is securely held as substantially more than the minimum exploration expenditure commitment has been spent.</p>
Exploration Done by Other Parties	Acknowledgment and appraisal of exploration by other parties.	Past exploration over the EL was mainly conducted by Leviathan Resources Limited prior to 2007. Leviathan's drilling demonstrated anomalous gold and arsenic values along both the eastern and western contacts of the north-south Cambrian basalt ridge shown in Figure 12).
Geology	Deposit type, geological setting and style of mineralisation.	<p>Gold mineralisation is found in quartz veined zones near the contact with a north-south orientated Cambrian basalt ridge, commonly at or near the contact between black shales and sandstones.</p> <p>The mineralisation is interpreted as a variant of the orogenic gold mineralisation style, which is known in central and western Victoria.</p>
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. 	Intercepts that form the basis of this announcement are tabulated in Table 2 within the body of the announcement and incorporate Hole Number, Easting, Northing, Dip, Azimuth, Depth and Assay data for mineralised intervals. An appropriate locality map accompanies this announcement.
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</p>	<p>Gold mineralised material was sampled in variable intervals but typically 1.5m meter or less. No top cuts have been applied to the drill results.</p> <p>Up to 2m (down-hole) of internal waste is included.</p> <p>Mineralised intervals are reported on a weighted average basis.</p>

	<p>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>	True widths have not been estimated given the uncertainty about which veins are hosting the gold and their variable orientation.
Diagrams	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.	An appropriate plan and cross section is included in the text of this document.
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 average gold grades exceeding 1g-m (e.g. 1 g/t Au over a down-hole width of 1m) are reported. Holes in which no significant result were obtained are also routinely reported by PDI.
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.	Historic drill results that are relevant to the British Banner prospect (i.e. on the same cross section as CCD001 and CCD005 are reported in Table 4).
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>	Further drilling is planned to follow up the encouraging results reported here.

**TABLE 4 – CAPE CLEAR DRILL RESULTS – HISTORIC DRILLING
SHOWN ON FIGURE 13**

Hole No.	GDA94 East	GDA94 North	RL (m)	Hole depth (m)	Hole dip (°)	Azimuth (°)	Depth from (m)	Interval (m)	Au (g/t)	Comments
PFA109	730,282	5,811,622	235.0	66.0	-90	0	no significant result			
PFA110	730,204	5,811,637	236.0	66.0	-90	0	no significant result			
PFA111	730,360	5,811,608	234.0	66.0	-90	0	no significant result			
PFA112	730,440	5,811,594	233.0	95.0	-90	0	93.00	2	1.92	
PFD036	730,184	5,811,629	236.4	460.0	-56.8	89.8	313.10	0.4	6.98	
PFD036	730,184	5,811,629	236.4	460.0	-56.8	89.8	334.00	0.6	22.80	
PFD036	730,184	5,811,629	236.4	460.0	-56.8	89.8	347.80	1.8	2.39	
PFD036	730,184	5,811,629	236.4	460.0	-56.8	89.8	392.20	3	3.15	includes 0.4m at 19.5g/t Au
PFD036	730,184	5,811,629	236.4	460.0	-56.8	89.8	397.20	0.4	4.99	
PFD036	730,184	5,811,629	236.4	460.0	-56.8	89.8	431.40	1	1.36	

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 PFA prefix holes were RC/air core holes and PFD 036 was a diamond drill hole.</p> <p>RC/Air core: One metre samples were collected and composited to four metres to produce a bulk 3-4kg sample. Composite samples were taken with a scoop from sample piles were used to derive samples for the aircore drilling.</p> <p>Diamond Drilling (DD): The PFD036 core was cut in half longitudinally with one half submitted for analysis and the remaining half retained in the core trays.</p> <p>The drill samples are judged to be representative of the rock being drilled because representative sub-sampling of both the core and air core sampling was achieved.</p>
Drilling	Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka,	RC/AC: All RC/Aircore drilling was completed by Wallis Drilling. The holes prefixed with PFA were RC collared through the Tertiary Basalt cover and completed with an aircore tail to test the targeted Palaeozoic basement. The AC

	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>bit had a 3.5inch diameter (78mm) and collected samples through an inner tube, reducing hole sample contamination.</p> <p>DD: PFD036 hole was diamond drilled by Titeline Drilling Pty Ltd which utilised HQ triple tube and NQ3 drill core sizes to attain optimal core recoveries for assaying.</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/AC: The majority of samples collected from the drilling was dry. Occasional samples were damp due to injection of water to aid drilling recoveries. Recoveries were expected to be approximately 80-90%.</p> <p>DD: Drillers measured core recoveries for every drill run completed using 3 metre and 6 metre core barrels. The drill core is physically measured by tape measure and the length recorded for every 3 metre "run". Core recovery calculated as a percentage were generally greater than 90% though some core loss was noted outside zones of economic interest.</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. Core (or costean/Trench, channel, etc) photography. The total length and percentage of the relevant intersections logged.</p>	<p>Geological logging was carried out on all drill samples, recording lithology, weathering, structure, veining and/or mineralisation, grainsize and colour. Logging of sulphide mineralization and veining is quantitative.</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. 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.</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>RC/AC: Face sample bits were used for the RC portion drilling through the cover rock. No samples were taken through this zone. One metre drill samples for the AC tails were channelled through a cyclone, collected in a plastic bucket, and deposited on a plastic sheet laid on the ground in 10 samples per row (10m). Four metre composites were collected using a scoop (one scoop per metre) and depositing the sample into a pre-numbered calico bag to attain an approximate 2-3kg sample.</p> <p>DD: The core was cut in half longitudinally. The sampled material is considered to be representative of the core 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 were assayed for gold by 50g fire assay. The technique is considered a total analysis.</p> <p>Unlabelled standards, blank and duplicate samples were submitted with the assay batches</p>
Verification of Sampling and Assaying	<p>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</p>	<p>No holes have yet been twinned. Field data collection was undertaken by Leviathan Resources geologists and supervised by Leviathan 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 Map Grid of Australia 1994, Zone 54.</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 drill intercepts are irregularly spaced.</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>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>The air core holes were vertical and aimed at identifying potentially mineralised bedrock below the Tertiary basalt. They were not optimally orientated for the steep dipping mineralised zone.</p> <p>PFD036 was drilled approximately at right angles to the anticipated strike of the target quartz veined zone. The individual quartz veins which carry gold appear to have several orientations so it is impossible to target all mineralisation optimally</p>

Sample Security	The measures taken to ensure sample security	The core is stored securely at CCM's warehouse in Ballarat.
Audits or Reviews	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 drill program.
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 locations reported here lie within the Cape Clear Exploration Licence (EL 5434) which is held jointly by Predictive Discovery Limited and Cape Clear Minerals Pty Ltd. Subject to a current audit of exploration expenditure, CCM is expected to have beneficial ownership of at least 75% of EL5434 soon. The EL is subject to a farm-in agreement that was signed between PDI and CCM in September 2014 and under which CCM can earn 75% of the EL by exploration expenditure of A\$500,000.</p> <p>The EL is securely held as substantially more than the minimum exploration expenditure commitment has been spent.</p>
Exploration Done by Other Parties	Acknowledgment and appraisal of exploration by other parties.	Past exploration over the EL was mainly conducted by Leviathan Resources Limited prior to 2007. Leviathan's drilling demonstrated anomalous gold and arsenic values along both the eastern and western contacts of the north-south Cambrian basalt ridge shown in Figure 12).
Geology	Deposit type, geological setting and style of mineralisation.	<p>Gold mineralisation is found in quartz veined zones near the contact with a north-south orientated Cambrian basalt ridge, commonly at or near the contact between black shales and sandstones.</p> <p>The mineralisation is interpreted as a variant of the orogenic gold mineralisation style, which is known in central and western Victoria.</p>
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. 	Intercepts that form the basis of this announcement are tabulated in Table 4 within the body of the announcement and incorporate Hole Number, Easting, Northing, Dip, Azimuth, Depth and Assay data for mineralised intervals. Appropriate locality maps accompany this announcement.
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</p>	<p>Gold mineralised material was sampled in variable intervals from less than 1m to up to 5m. No top cuts have been applied to the drill results.</p> <p>Up to 2m (down-hole) of internal waste is included.</p> <p>Mineralised intervals are reported on a weighted average basis.</p>

	<p>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>	True widths have not been estimated given the uncertainty about which veins are hosting the gold and their variable orientation.
Diagrams	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.	An appropriate plan and cross section is included in the text of this document.
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 average gold grades exceeding 1g-m (e.g. 1 g/t Au over a down-hole width of 1m) are reported. Holes in which no significant result were obtained are also routinely reported by PDI.
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.	Historic drill results that are relevant to the British Banner prospect (i.e. on the same cross section as CCD001 and CCD005) are reported herein.
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>	Further drilling is planned to follow up the encouraging results reported here.

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 has

undertaken large exploration programs in Burkina Faso, West Africa where it has assembled a substantial regional ground position totalling 1,387km² 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 3,933 km².

Competent Persons Statement

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

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TENEMENT STATUS – MARCH 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
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)	Will be returned to the owner in June Quarter 2016.
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	400	Predictive CI earning 90%. PDI now owns 49% of Predictive CI.	Toro Gold earned 51% of Predictive CI through expenditure of US\$1 million
Ferkessedoug ou	Mining exploration permit No. 310	Cote D'Ivoire	387	49%	Toro Gold earned 51% of Predictive CI through expenditure of US\$1 million
Boundiali	Mining exploration permit No. 414	Cote D'Ivoire	399	49%	Toro Gold earned 51% of Predictive CI through expenditure of US\$1 million
Kounahiri	Mining exploration permit No. 317	Cote D'Ivoire	347	49%	Toro Gold earned 51% of Predictive CI through expenditure of US\$1 million
Bassawa	Mining exploration permit	Cote D'Ivoire	400	15% beneficial interest	PDI exploration expenditure during the March and June Quarters will 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 lift PDI equity to approximately 35%
Beriaboukro (Toumodi)	Mining exploration permit	Cote D'Ivoire	400	Predictive CI can earn 85% in the permit. PDI currently owns 49% of Predictive CI.	Agreement signed by Predictive CI with GIV in March Quarter, 2016
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.	Agreement signed by Predictive CI with GIV in March Quarter, 2016
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.	Agreement signed by Predictive CI with GIV in March Quarter, 2016
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.	Agreement signed by Predictive CI with GIV in March Quarter, 2016
Cape Clear	EL 5434	Victoria, Australia	160	49% (CCM JV partner has earning in to 75% by expenditure of \$500,000)	CCM advised that they had spent A\$500,000 in the March Quarter and therefore have earned 75% in the EL. This was subject to an audit which is currently being reviewed.

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 March 2016

Consolidated statement of cash flows

		Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(241)	(587)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	2	3
1.6	Income taxes paid	-	-
1.7	Other – security bond	-	(10)
Net Operating Cash Flows		(376)	(1,019)
Cash flows related to investing activities			
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)	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(376)	(1,019)

+ 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)	(376)	(1,019)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	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	(34)	(95)
	Net financing cash flows	(34)	1,206
	Net increase (decrease) in cash held	(410)	187
1.20	Cash at beginning of quarter/year to date	1,314	718
1.21	Exchange rate adjustments to item 1.20	-	(1)
1.22	Cash at end of quarter	904	904

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	38
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	165
4.2 Development	
4.3 Production	
4.4 Administration	145
Total	310

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	216	293
5.2 Deposits at call	688	1,021
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	904	1,314

+ 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	EL5434, Victoria	JV with Cape Clear Minerals Pty Ltd in which PDI is diluting	100% 49%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	Kokoumbo, Boundiali, Ferkessedou gou and Kounahiri exploration permits	All held by Predictive Discovery Cote D'Ivoire SARL (Predictive CI) and subject to Joint Venture with Toro Gold Limited	100% 49%
	Beriaboukro and Ferkessedou gou North permits, Cote D'Ivoire	Two granted permits subject to a new Joint Venture signed with Predictive CI in which Predictive CI has a right to earn 85%	0%	Right to earn 41.7%

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	Preference + securities			
7.2	(description) Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+ Ordinary securities	1,326,168,686	1,326,168,686	Fully Paid

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	*Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	8,000,000	-	<i>Exercise price</i> 2.2 cents	<i>Expiry date</i> 31 March 2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 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).
- This statement does ~~/does not~~* (delete one) give a true and fair view of the matters disclosed.



Sign here:
(Company secretary)
Print name: Eric Moore

Date: 29 April 2016

+ See chapter 19 for defined terms.

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 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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