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PREDICTIVE DISCOVERY LIMITED

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CHAIRMAN'S LETTER

Dear Fellow Shareholder,

Predictive Discovery Limited ('PDI') has made substantial progress in the past year despite the very difficult market conditions for junior gold explorers.

Following the excellent drill results from Bongou reported in 2013-14, we calculated and announced a maiden gold resource for that deposit in September 2014. Bongou is thick and high grade with preliminary metallurgical testwork indicating excellent gold recoveries. The resource was calculated within the confines of a conceptual open pit and the deposit is open at depth. There is good potential to discover more resources at depth which may be mineable using a bulk underground extraction method.

Our Burkina Faso strategy is now focused on defining new resources at and near Bongou that can support a substantial gold mining operation. Consequently, following estimation of the Bongou resource we designed and implemented a careful and cost effective exploration program using a new approach based on lessons learned from the Bongou discovery history. This culminated in a 3,854m drilling program in May 2015 which identified new gold mineralisation at a number of locations within 10km of Bongou. This work has increased our confidence in the area's potential and provided us with a clear priority list for resource definition drilling.

Predictive's joint venture partner in Cote D'Ivoire has made significant progress since starting work in March this year. We are beginning to see the fruits of that work now and we are confident that there will be a lot more good news coming out of the Toro Gold joint venture in the coming year.

We thank our largest shareholder, Aurora Minerals Limited for its support and especially for underwriting our rights issue in November 2014. With this support, we have been able to continue advancing our Burkina Faso project.

Thank you to our Managing Director, Paul Roberts, my fellow Directors and our staff in Australia and Burkina Faso. This has been another very difficult year and the Company has been obliged to cut costs wherever possible. Despite this, we have managed to continue to advance our projects with the assistance of our shareholders and joint venture partners. I thank everyone for their dedication to Predictive.

Finally, I thank all of our shareholders for your support during a difficult time. I look forward to seeing your patience rewarded in the years to come.

Phillip Jackson
CHAIRMAN

Review of Operations

HIGHLIGHTS

Predictive Discovery Limited (**PDI**) carried out a successful exploration program in 2014-15. Important achievements included:

- Resource estimate for the high grade Bongou Gold Deposit in Burkina Faso, as follows:

Cut-off grade (g/t Au)	Indicated Resources			Inferred Resources			Total Resources		
	Million tonnes	Au (g/t)	Ounces	Million tonnes	Au (g/t)	Ounces	Million tonnes	Au (g/t)	Ounces
0.4	1.21	2.54	99,000	1.33	2.13	91,000	2.55	2.32	190,000
0.8	1.14	2.67	98,000	1.09	2.48	86,000	2.22	2.58	184,000
2.0	0.64	3.64	75,000	0.49	3.90	61,000	1.13	3.75	136,000
3.0	0.34	4.68	52,000	0.28	4.95	45,000	0.62	4.80	96,000

- Discovery of additional gold mineralisation within 10km of Bongou, particularly at the Prospect 71 and Target 92 prospects.
- Completion of a large exploration program in Burkina Faso, focused on Bongou and the surrounding area, including 3,854m of RC and air core drilling, 5,390m of power auger drilling and completion of six ground magnetics surveys.
- Signature of a joint venture agreement with Toro Gold Limited of the UK resulting in commencement of a substantial exploration program by Toro on Predictive's ground and receipt of \$US200,000 in a signature payment.

INTRODUCTION

PDI is exploring for large, high value gold deposits in West Africa. The Company's project focus is on 13 gold exploration permits in Burkina Faso, West Africa, covering a total area of 1,605km², especially the Bonsiega Project in the well mineralised Samira Hill greenstone belt (Figure 2). The Company also has a large ground position in Cote D'Ivoire, covering 1,533km².

BURKINA FASO GOLD PROJECTS

Background

PDI's Burkina Faso projects are all located within the Birimian gold belts in West Africa. These belts contain numerous gold ore deposits (Figure 1), many of which are in production.

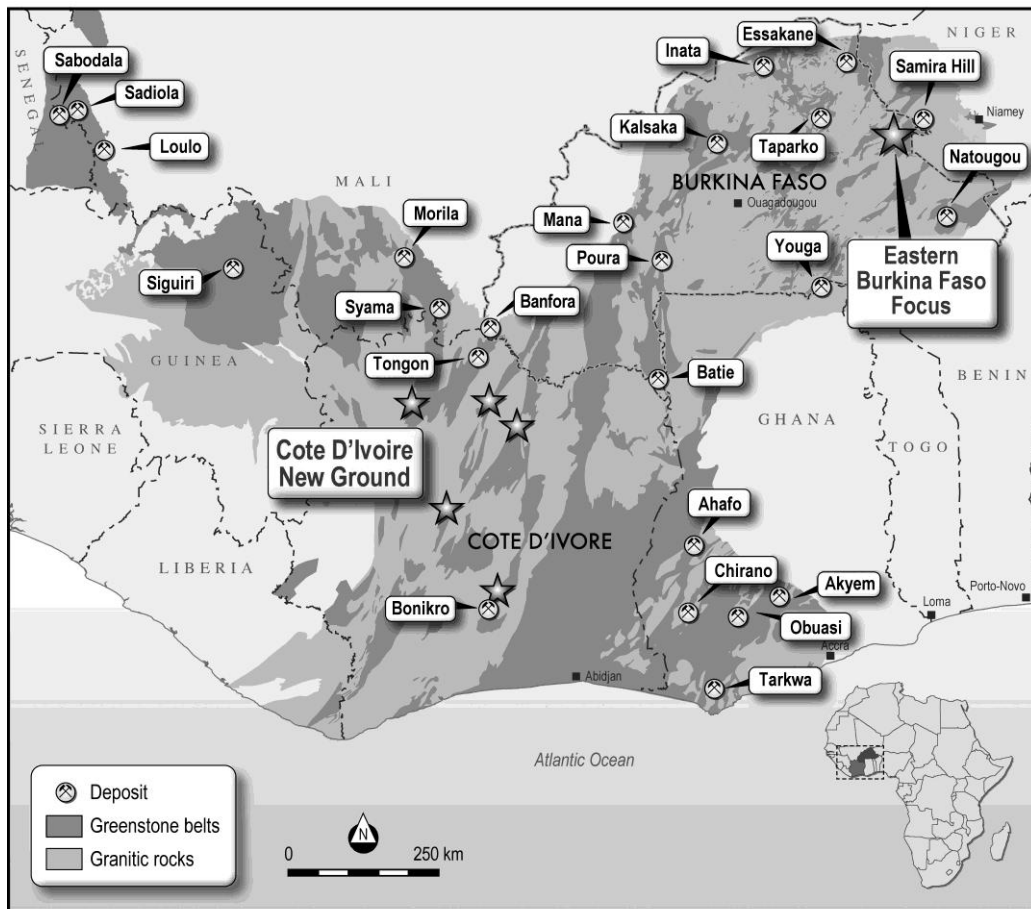


Figure 1: Map of the Birimian Gold Belt showing major mines and PDI project location areas.

Burkina Faso is a landlocked country, bounded to the south by Ghana, Cote D'Ivoire, Togo and Benin, to the west by Mali and to the east by Niger (Figure 1). Gold mining in the past was confined to artisanal mining and one substantial mining operation at Poura in the west of the country which closed in 1999. In the past nine years, however, there has been a strong resurgence in exploration and mine development, stimulated especially by the release of new mining regulations in 2003.

Seven gold mines are now in production. New mine developments are underway on the Yaramoko (Roxgold Resources) and Karma (True Gold Mining) gold deposits. Positive feasibility study results have also been announced on the Natougou (Semafo), Banfora (Gryphon Minerals) and Mankarga (West African Resources) deposits indicating that more mines will be developed in the coming years.

Some Burkina Faso prospects have gold grades well above the West African average, notably Yaramoko, Natougou and PDI's own Bongou deposit, indicating that Burkina Faso has significant potential for high-grade, low cost ounces.

In common with other West African countries, the Government has the right to take a free carried interest of 10% in any ore deposit that is brought into production. Gold mining royalties range from 3% to 5% depending on the gold price. The rate of corporate tax for mining companies is 27.5%.

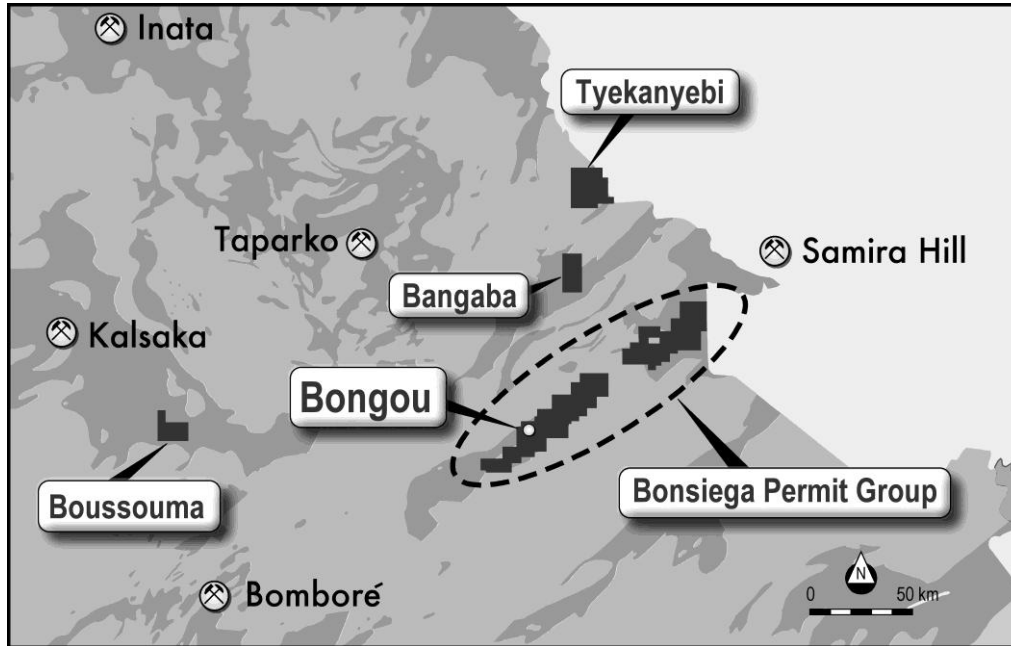


Figure 2: Location of PDI’s Burkina Faso permits, highlighting the Bongou Prospect. Note that the nearby operating Samira Hill gold mine in Niger contains resources, reserves and past production of 2.5 million ounces (source: www.semafo.com).

In Burkina Faso, PDI holds rights to explore 13 granted exploration permits covering a total area of 1,605km². The bulk of the tenement area is contained in 10 permits known as the Bonsiega permit group in the Samira Hill greenstone belt (Figure 2).

The Company’s objective in Burkina Faso is to discover a large resource/reserve inventory with an average grade of 2 to 3g/t Au capable of supporting a major gold mining operation.

High-grade gold results have been obtained from drilling on a number of prospects throughout PDI’s large Burkina Faso ground holdings, including Bongou (Figure 2). The Company’s immediate focus is on Bongou and the surrounding area.

Bonsiega Permit Group

Background

The Bonsiega Permit Group consists of 10 exploration permits totalling 1,119 km² covering approximately 100km of strike length in the same greenstone belt which hosts the Samira Hill Mine in Niger (Figure 2).

Most of the permits contain artisanal workings and/or significant gold geochemical anomalies.

The Bonsiega permits were acquired either by direct application in PDI’s name or through agreements with third parties. PDI owns 100% of seven of the permits. The other three agreements are option deals with local businessmen in which PDI is earning either a 95% or 100% equity through a series of option payments. Option payments were deferred or reduced in 2014-15 on these permits in order to conserve cash.

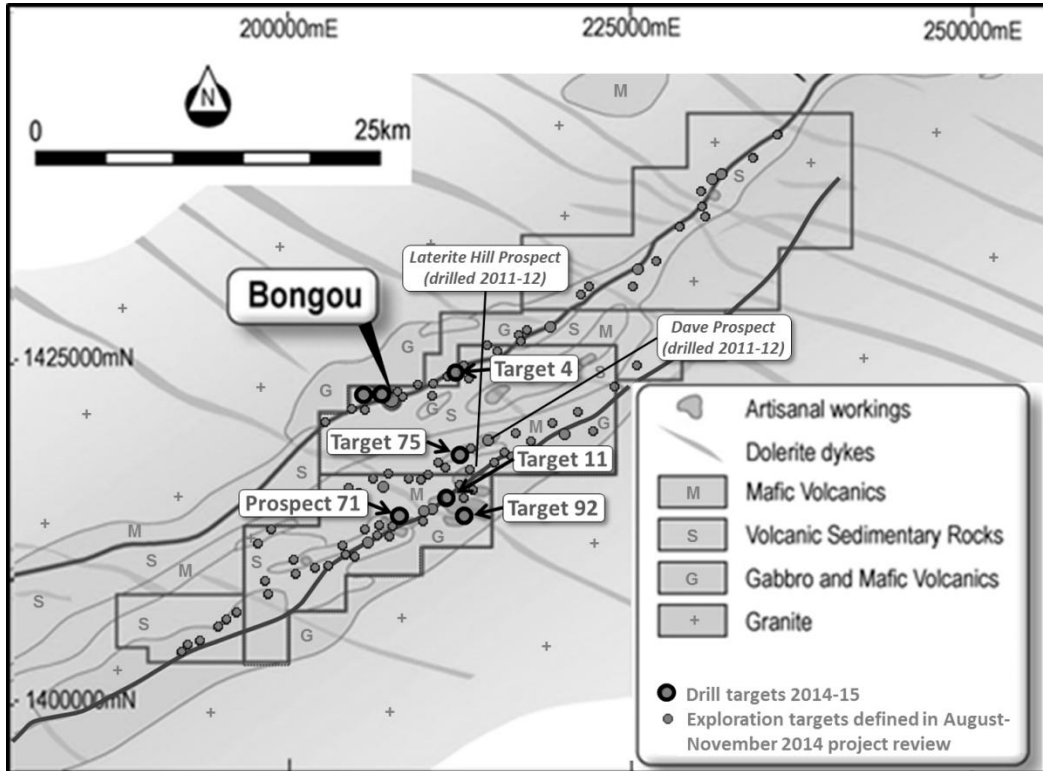


Figure 3: Geology of the SE Bonsiega Permit, including the Bongou Prospect and nearby exploration targets

In earlier exploration, PDI has discovered gold mineralisation on many prospects in Eastern Burkina Faso. Following the intersection of broad, high-grade gold mineralisation in multiple holes at Bongou in late 2013, PDI has focused most of its attention on Bongou and the surrounding area.

Bongou Prospect (PDI 100%)

The Bongou gold prospect is located in Eastern Burkina Faso (Figures 2-3). Gold mineralisation there is contained within an intensely altered pyrite-bearing granite intrusion. PDI has completed four RC and diamond drilling programs at Bongou since the discovery was made in mid-2012, resulting in a series of high grade and width drill intercepts (e.g. Figure 1).

Bongou Maiden Resource Estimate

The Company completed a formal Mineral Resource Estimate in August-September 2014 on the drilled out portion of the deposit with the assistance of Golder Associates (reported to the ASX on 4th September 2014).

Results of the Bongou Mineral Resource estimate are tabulated as follows:

Cut-off grade	Indicated Resources			Inferred Resources			Total Resources		
	Million tonnes	Au (g/t)	Ounces	Million tonnes	Au (g/t)	Ounces	Million tonnes	Au (g/t)	Ounces
0.4	1.21	2.54	99,000	1.33	2.13	91,000	2.55	2.32	190,000
0.8	1.14	2.67	98,000	1.09	2.48	86,000	2.22	2.58	184,000
2.0	0.64	3.64	75,000	0.49	3.90	61,000	1.13	3.75	136,000
3.0	0.34	4.68	52,000	0.28	4.95	45,000	0.62	4.80	96,000

Mineral Resource Governance and Internal Controls

Predictive Discovery Limited ensures that the Bongou Mineral Resource estimate quoted here is subject to governance arrangements and internal controls. The Bongou Mineral Resource was estimated under the supervision of by Mr Richard Gaze of Golder Associates, an independent third party competent person. The Bongou resource statement was subject to review by Predictive Discovery Limited's technical staff and suitably qualified members of the Board of Directors.

The Company confirms that its Mineral Resources are reported in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 Edition.

Notes on the Bongou Deposit

The Company notes that:

- The Bongou deposit is intrinsically high grade, because:
 - There is very little difference in contained ounces between the 0.4g/t Au cut-off and the 0.8g/t Au cut-off grades, and
 - Over 70% of the resource ounces are retained when the cut-off grade is raised from 0.8g/t Au to 2.0g/t Au, with a high average grade of 3.75g/t Au.
- The bulk of the estimated resources are contained in one mineralised granite body, which is thick in the near surface and appears to taper to the east.
- The shape of the mineralisation lends itself to a simple open pit mining operation, with high-grade mineralisation in the near surface position, which would suggest the possibility of early strong cash flow in a future mining operation.
- Gold grades are associated with pyrite-bearing altered granite, which is very visibly distinct from the adjacent low grade gabbro, suggesting that dilution can be minimised quite easily by standard grade control practice.
- Previously reported metallurgical work on a composite sample of primary gold mineralisation from Bongou gave a 94% gold recovery from a standard 75 micron grind, 72 hour cyanidation test (ASX release dated 14th May 2013¹) suggesting that gold recoveries from mining this deposit would be high.

¹ This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

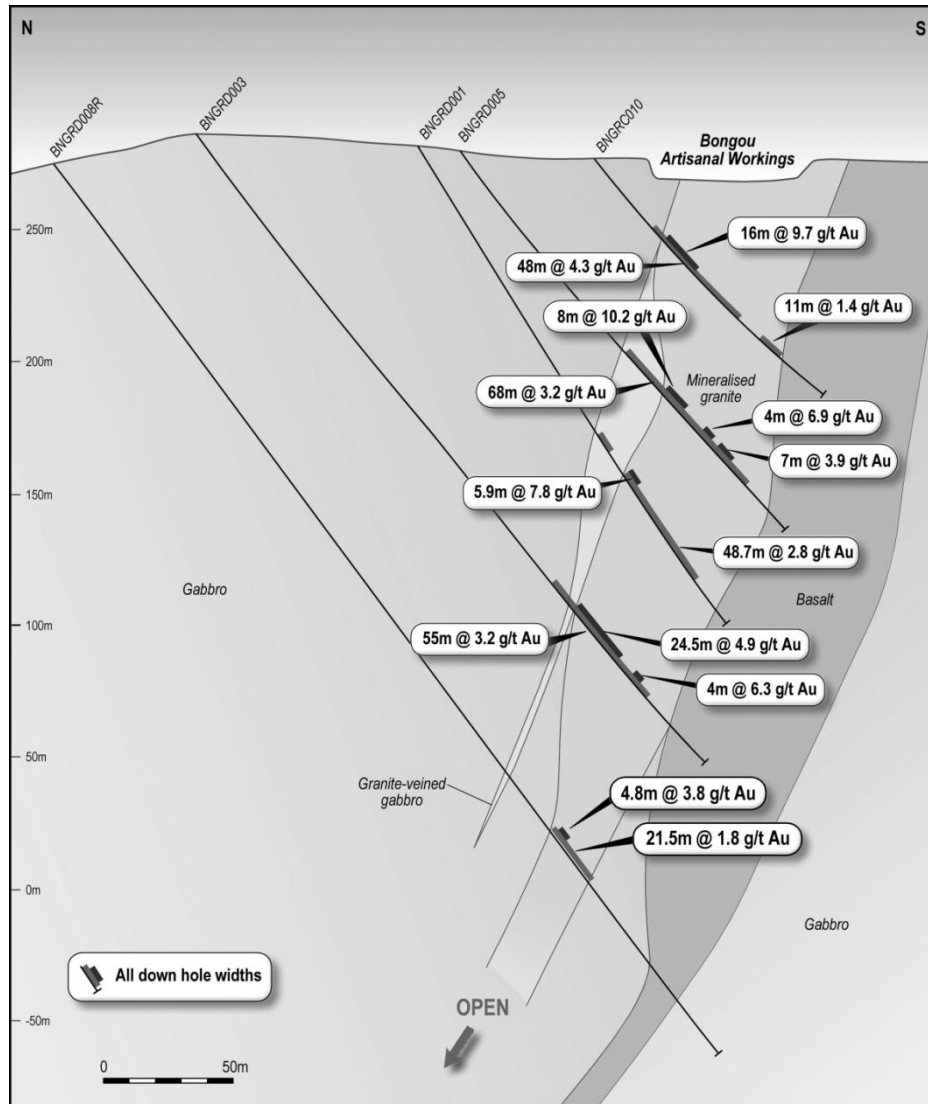


Figure 4: Cross Section through drill holes BNGRC010, BNGRD001, BNGRD003 and BNGRD005. Results reported to the ASX on 2/12/13, 16/12/13, 20/03/14 and 1/05/14.

Exploration Programs near Bongou (PDI 100%)

Strategic Review

PDI reviewed its exploration strategy in Burkina Faso during September and October, 2014 and decided to focus all its efforts on finding sufficient high grade gold resources near Bongou to support a profitable gold mine development.

92 exploration targets near Bongou (Figure 3) were identified through a rigorous ranking process focused on prospects with Bongou-like geological and geophysical characteristics.

Of these, 12 were prioritised for follow-up activities. Most of the prioritised targets were prospects traversed by strong east-west magnetic linear features, which also characterise both Bongou and known Bongou-style mineralisation within several kilometres of Bongou. Some targets had pre-existing drill intercepts (e.g. **24m at 2.1 g/t Au²** at Prospect 71) but most were untested by previous drilling of any kind.

² This drill result was reported to the ASX in the March 2012 Quarterly Report. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Work Programs

Following the strategic review, the Company completed a large exploration program including:

- ground magnetic surveys on six priority targets,
- power auger drilling programs, totalling 5,390m, testing ten priority targets,
- one soil sampling survey,
- XRF measurements on power auger samples from all of the 2014-15 drilling plus all the past power auger drilling within 3km of Bongou, in order to identify weathered Bongou-like granites in the subsurface, and
- A combined RC and air core drilling program, totalling 3,854m, which tested the highest priority drill targets determined by the above work, including: three Bongou-like targets within 2km of Bongou, Targets 4, 11, 75, 92 and Prospect 71 (Figure 3).

Drill Program Results

The following drill results were all reported to the ASX in the June 2015 Quarterly Report.

Target 92 (see Figure 3 for location)

The target area overlaps a large area of surficial artisanal gold workings and coincides with a large east-west structure interpreted from magnetic data. PDI’s exploration around Bongou in 2014 showed that such east-west features may have controlled the location of gold mineralisation in this area.

Power auger drilling in March and April 2015 revealed a 3km long gold anomalous area at a 25ppb Au cut-off. Shallow RC drilling was carried out on widely spaced cross sections, testing areas with better values in power auger drilling. Better intercepts included:

- TBFRC004: **2m at 3.27g/t Au** from 0m and **2m at 2.03g/t Au** from 10m.
- TBFRC010: **3m at 3.91g/t Au** from 17m, including **1m at 10.75g/t Au** (last metre drilled).
- TBFRC011: **9m at 2.83g/t Au** from 4m, including **1m at 11.80g/t Au**.

The better mineralisation intersected in holes TBRC010 and TBRC011 is hosted by gabbro on the margins of steeply dipping diorite bodies (Figure 4). This is an interesting new style of mineralisation with some geological similarities to Bongou. The zone is open in all directions, including for at least 600m along strike to the east and west. The presence of higher grades in both holes is also encouraging.

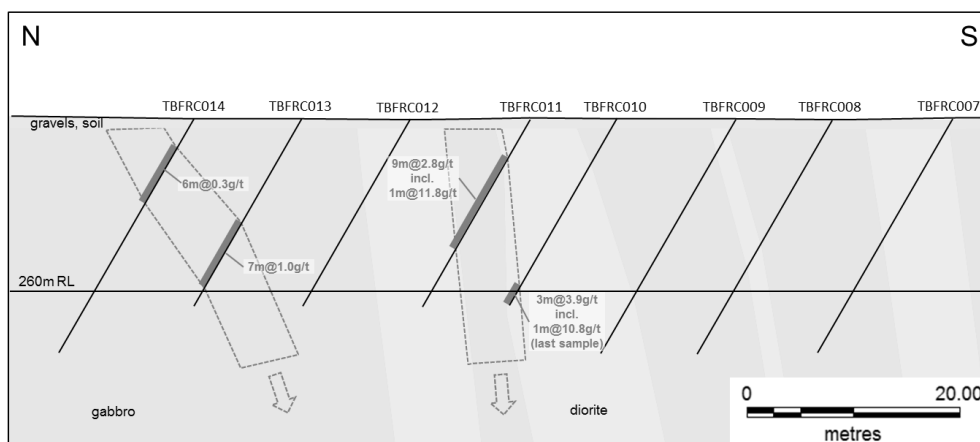


Figure 5: Target 92 – cross section through the encouraging TBFRC010 and TBFRC011 drill intercepts.

Prospect 71 (see Figure 3 for location)

This prospect lies near the northern edge of a large gold geochemical anomaly covering 2.4km². Close spaced power auger drilling and ground magnetic surveys in early 2015 revealed two sub-parallel NW striking structures within the broader anomaly. Of these, the southern zone contains a series of strongly anomalous power auger values including **4.7g/t Au** and **1.8g/t Au** (ASX releases dated 20 February 2015 and 24 April 2015).

The 2015 drilling program, totalling 911m, was designed to test both of the targeted structures. The best results were obtained in a cross section through the southern zone (Figure 6), and included:

- PSORC056: **6m at 2.25g/t Au** from 19m, including **1m at 6.80g/t Au**. Stopped in gold mineralisation
- PSORC058: **4m at 3.32g/t Au** from 10m, including **1m at 9.22g/t Au**.
- PSORC060: **14m at 0.84g/t Au** from 0m, including **3m at 2.70g/t Au**.

This drilling showed a clearly defined shallow dipping gold mineralised zone, which correlates well from hole to hole (Figure 6). The mineralisation appears to strike NW. Drilling on a parallel section 110m to the SE revealed several similar, sub-parallel shallowly dipping zones, including **5m at 1.09g/t Au** and **24m at 0.47g/t Au** in hole PSORC051. This mineralisation appears to correlate with the mineralisation drilled in PSORC056, indicating that this newly discovered gold zone is open to the south-east.

The dip and strike of the newly discovered mineralisation is entirely new for the area and provides a possible explanation for the wide area of gold anomalism at Prospect 71. Earlier drilling was designed to test at right angles to steep dipping, NNE-striking mineralised structures mapped in artisanal mining workings. It is now clear that the earlier drill lines were not optimally oriented. Despite this, several gold intercepts were obtained from the earlier drilling, most notably PSORC030 which contained **4m at 7.02g/t Au** from 20m³. This suggests that there is ample opportunity to discover more zones of similar, shallow-dipping gold mineralisation within the Prospect 71 anomaly.

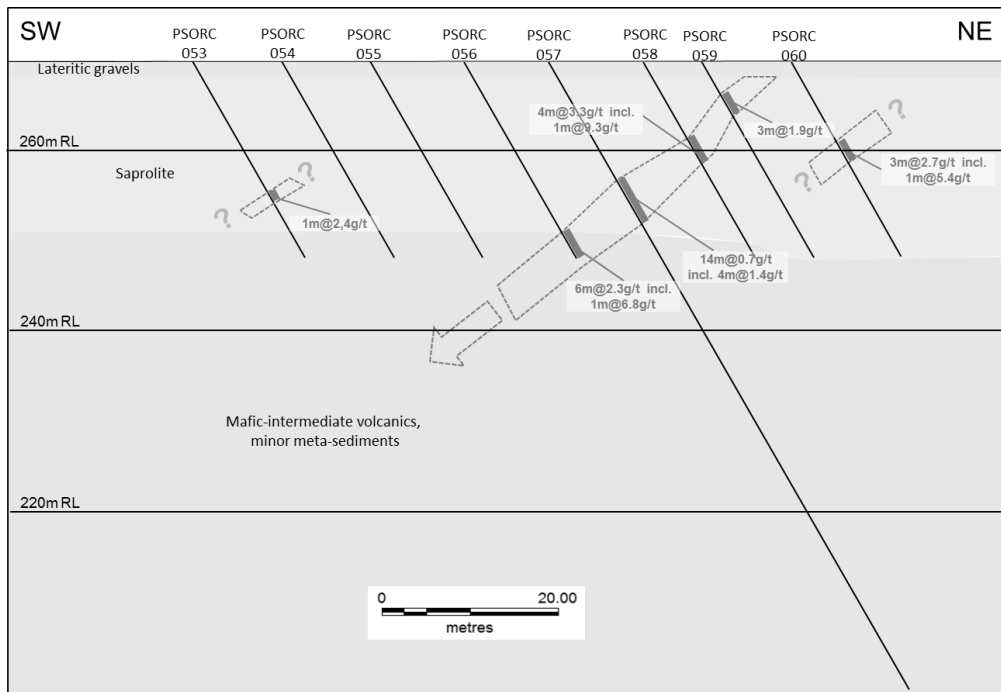


Figure 6: Cross section through the best 2015 drill section in Prospect 71, showing shallow dipping zone with good continuity from hole to hole.

³ These results were first reported to the ASX on 23rd May 2012, and were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Near Bongou (See Figure 7 for prospect locations)

Bongou W2

This target is located 600m from Bongou where PDI has reported a high-grade Indicated and Inferred Resource of 184,000oz at 2.6g/t Au (reported to the ASX on 4th September 2014). The W2 target was initially identified by power auger drilling in 2013 and followed up with trenching. In 2014, a single RC hole intersected **12m at 1.4 g/t Au** (reported to the ASX on 1st April 2014).

Three additional RC holes, totalling 241m, were drilled on section lines approximately 50m apart, with the following results:

- BNGRC025: **2m at 3.40g/t Au** from 10m, including **1m at 6.17g/t Au**.
- BNGRC026: **9m at 1.27g/t Au**, including **1m at 5.22g/t Au**.
- BNGRC027: **21m at 0.98g/t Au**, including **8m at 1.57g/t Au**.

This drilling showed that the mineralisation is open to the west in what appears to be an ENE trending shear zone cutting through the granite. Geological interpretation based on power auger drilling through thin cover indicates that the inferred shear zone is likely to persist to the WSW within granite for at least 150m (Figure 8).

The mineralisation dips almost vertically indicating good down-dip continuity (Figure 9).

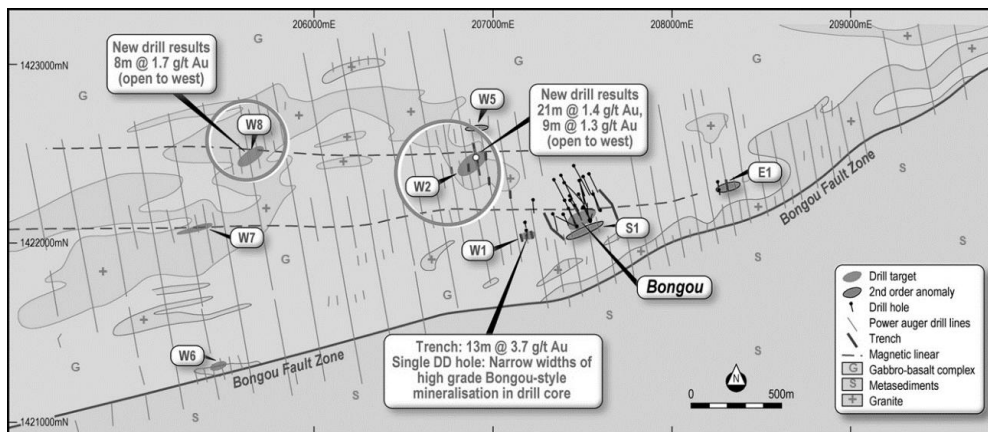


Figure 7: Near-Bongou exploration targets on interpretative geological map. Targets W2, W7 and W8 were tested in the 2015 RC drill program.

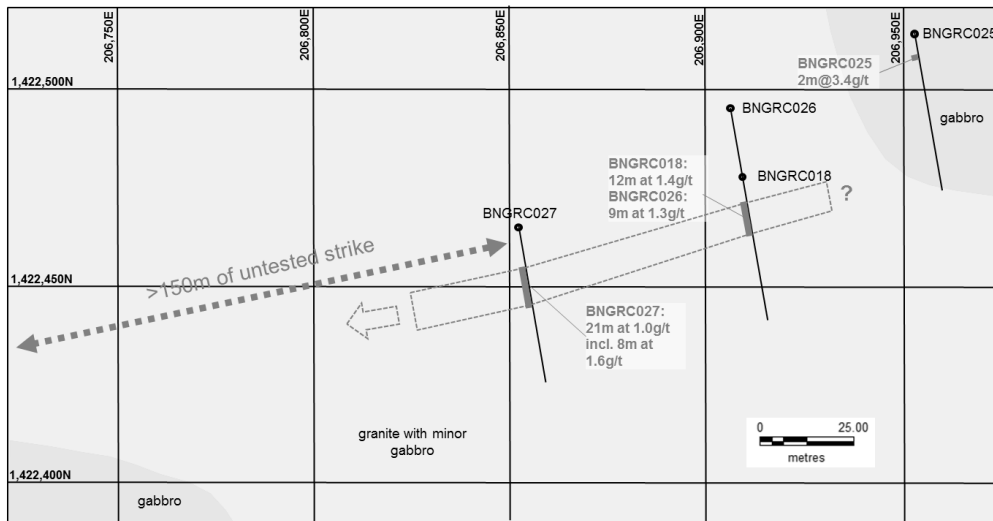


Figure 8: Interpretative geological map of target W2 showing locations of RC drill holes. Results of drill hole BNGRC018 were reported to the ASX on 1 April, 2014.

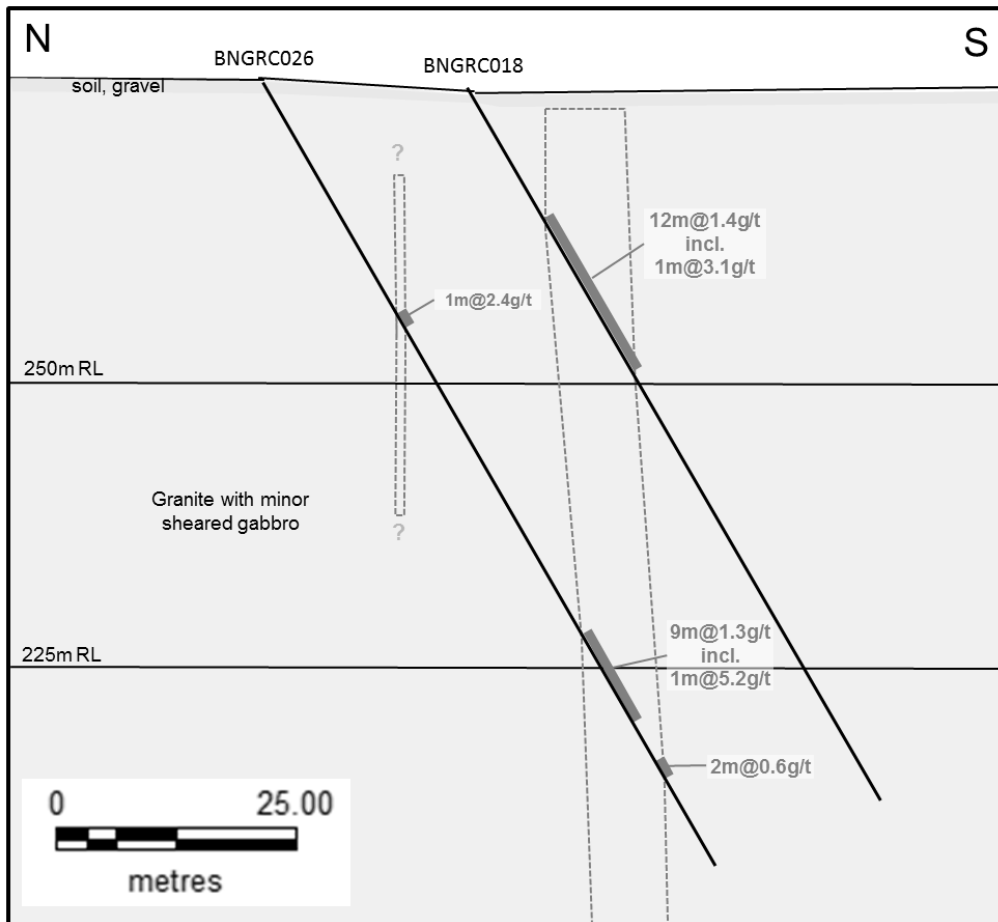


Figure 9: Cross section through the central drill section through target W2. Results of drill hole BNGRC018 were reported to the ASX on 1st April, 2014.

PREDICTIVE DISCOVERY LIMITED

REVIEW OF OPERATIONS

30 JUNE 2015

Bongou W8

This target is located 2km WNW of Bongou (Figure 7). It coincides with a 60m long artisanal open pit working and gold anomalous values in power auger drilling and trenches. Four RC holes, totalling 341m, were drilled on section lines approximately 50m apart, with the following best results:

- BNGRC023: **8m at 1.65g/t Au** from 18m, including **1m at 5.26g/t Au**.
- BNGRC024: **8m at 0.72g/t Au** from 40m, including **3m at 1.51g/t Au**.

The BNGRC023 is located on the westernmost drill line and the mineralised zone is therefore open to the west and at depth.

Bongou Other

Two holes approximately 50m apart were drilled at Bongou W7 and one hole was drilled south-west of the Bongou open pit. None of these holes contained a reportable gold intersection.

Targets 4, 11 and 75 (see Figure 3 for locations)

RC drilling, totalling 1,320m, at these three locations identified:

- Target 11: anomalous gold in 8 out of 12 holes, including:
 - LATRC057: **7m at 1.34g/t Au** from 8m, including **4m at 2.05g/t Au**, and
 - LATRC059: **2m at 2.10g/t Au** from 7m.
- Target 75: anomalous gold in 4 out of 11 holes but with no results exceeding 1g/t Au.
- Target 4: a large, Bongou-like altered granite zone with disseminated sulphides and probably extending over more than 500m of strike length but with no anomalous gold values.

Exploration Target near Bongou

In August 2015, the Company calculated an Exploration Target on drilled prospects within 10km of the Bongou gold deposit (ASX release dated 3rd September 2015).

The Exploration Target detailed in the following table is estimated to be in a range of **9.4 to 10.4 million tonnes** averaging between approximately **1.5 to 1.7g/t Au** and containing approximately **460,000 to 563,000 ounces of gold**, as follows:

Prospect Names	Million Tonnes		Grade		Ounces Gold	
	Lower estimate	Higher estimate	Lower estimate	Higher estimate	Lower estimate	Higher estimate
(see Figure 3 for locations)						
Dave	6.71	7.41	1.49	1.65	322,000	394,000
Laterite Hill	1.48	1.63	1.62	1.79	77,000	94,000
Near Bongou (W2/W8)	0.27	0.30	1.57	1.74	14,000	17,000
Prospect 71	0.68	0.75	1.21	1.33	26,000	32,000
Target 92	0.23	0.26	2.88	3.18	21,000	26,000
Totals	9.37	10.35	1.53	1.69	460,000	563,000

Cautionary Statement: *The potential quantity (tonnage) and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate Mineral Resources and it is uncertain if further exploration will result in the estimation of Mineral Resources.*

The calculation was restricted to prospects for which there is good evidence of mineralisation orientation and continuity. Most of these prospects are open along strike and at depth. A number of other isolated gold intercepts within 10km of Bongou were excluded, so there is significant potential to expand the Exploration Target further within range of PDI's own drilling.

Additionally, PDI's extensive ground holdings in Eastern Burkina Faso hold other significant prospects for which Exploration Targets could be calculated (e.g. Tambiri, Solna, Bira and Fouli)

Data and parameters used in calculating this Exploration Target were as follows:

- Data:
 - Gold intercepts from 291 reverse circulation holes, 4 air core holes and 5 diamond drill holes⁴ were used in the calculation.
 - The holes were mostly drilled on lines spaced from 50m to 100m apart, with a spacing along the lines ranging from 10m to 50m.
- Parameters:
 - 0.5 g/t gold cut-off grade;
 - Minimum downhole intercept width of 2m and a minimum grade times width intercept of 2g*m;
 - Minimum internal waste of 3m except for a few holes where it was clear that the holes had drilled almost down-dip and where the inclusion of larger down-hole intervals of internal waste made geological sense;
 - Maximum of 100m strike extent from drill holes (where the continuity of the mineralisation is supported by mapping and/or the location of artisanal workings and/or anomalous auger results);
 - Maximum of 70m vertical extent below surface;
 - Dry bulk density estimates as follows:
 - Laterite: 2.2
 - Saprolite: 1.8
 - Weathered rock between base of saprock and base of complete oxidation (BOCO): 2.3
 - Fresh mafic volcanics: 2.8
 - Fresh felsic to intermediate rocks including granite and granodiorite: 2.7
 - The calculation was carried out using a cross sectional method with volumes projected half way to the next hole (on the section) or half way to the next section to a maximum distance of 100m (along strike).

Additional Potential

Most of the zones of gold mineralisation included in the Exploration Target are open at depth and along-strike. In addition, there are a series of other mineralised intercepts which have potential for resource discovery either along strike or at depth.

Follow-up Drilling

Subject to funding availability, Predictive plans to follow up the Exploration Target calculation with drilling programs on all the listed prospects in order to make Mineral Resource Estimates. A total drilling budget of 20,000m, consisting of both RC and diamond drilling, has been calculated to complete this task, and is planned for completion over the next two years.

COTE D'IVOIRE (PDI Diluting to 49%)

Background

Systematic work on Côte D'Ivoire data sets since 2010 led PDI to identify a series of high priority prospects and targets. As a result, the Company has holds four granted exploration permits in the country, covering a total area of 1,533 km² (Figure 10).

⁴ These drilling results were reported to the ASX in the following Quarterly Reports: June Quarter 2011, March Quarter 2012, June Quarter 2012, March Quarter 2014 and June Quarter 2015. The drill results reported in these Quarterly Reports up to the June Quarterly of 2012 were prepared and first disclosed under the JORC Code 2004; they have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

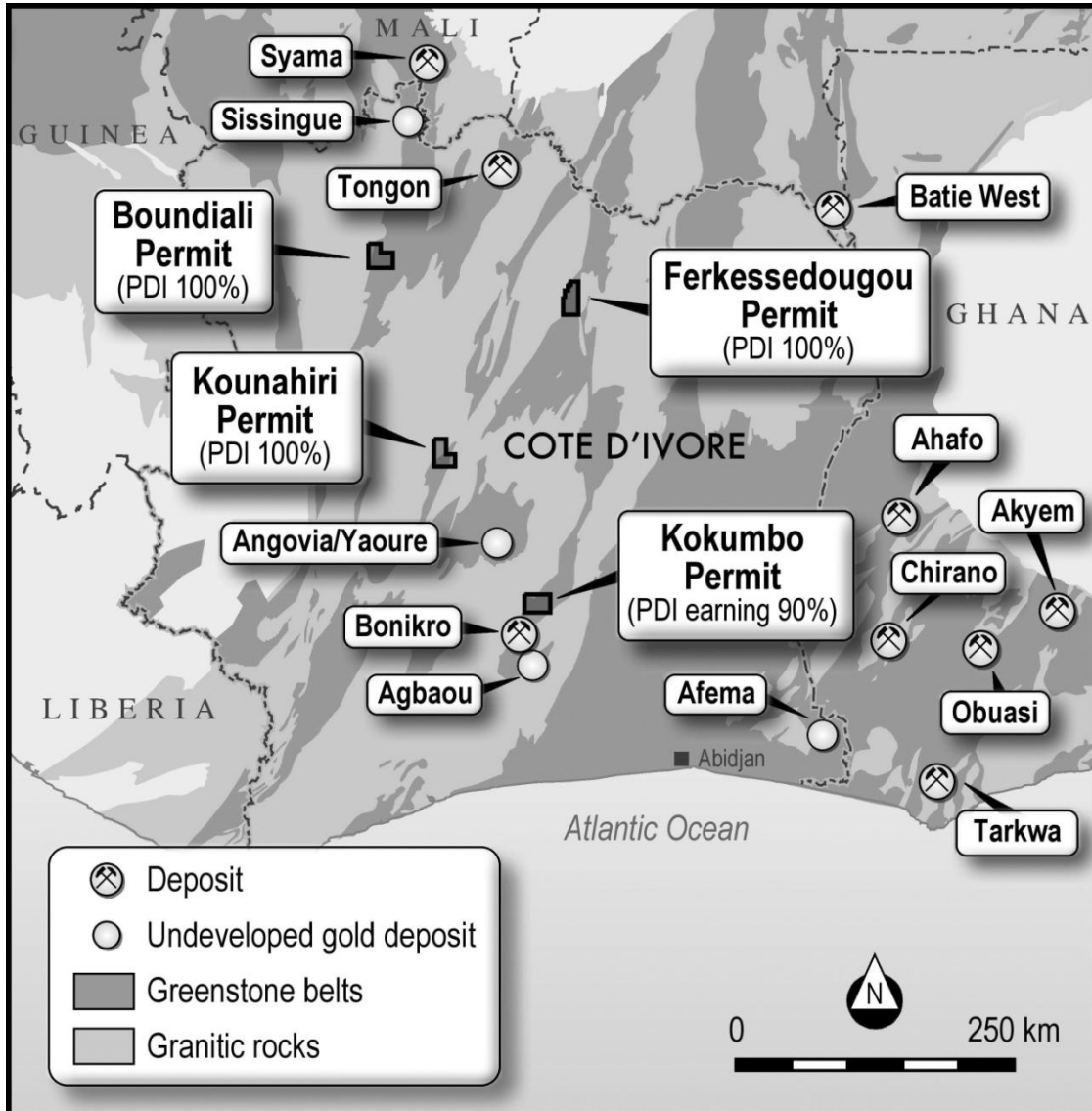


Figure 10: Geological Map of Cote D'Ivoire showing location of PDI permits and major gold deposits

Toro Gold Joint Venture

PDI announced to the ASX that it had signed a Heads of Agreement (HOA) with Toro Gold Limited (Toro) on the Company's entire Cote D'Ivoire ground holding on 22nd September 2014. The terms of that agreement included:

- Toro to spend US\$1 million in exploration of PDI's Cote D'Ivoire ground to earn 51% in PDI's Cote D'Ivoire subsidiary, Predictive Discovery Cote D'Ivoire SARL (Predictive CI), which holds PDI's four Cote D'Ivoire permits (Figure 10);
- Toro to pay US\$200,000 in cash to PDI on completion of legal due diligence and execution of a full Joint Venture document. This was subsequently paid in June 2015;
- Assuming that Toro earns the initial 51%, Toro will make further cash payments of up to US\$100,000 in the next 2 years;
- After Toro has earned 51%, PDI may choose to contribute or dilute in stages. If PDI chooses to dilute, Toro can earn 65% by spending US\$2.5 million and up to 90% by sole funding through to a full feasibility study;
- Toro's minimum commitment is US\$400,000 expenditure within 12 months. Toro Gold has advised PDI that this minimum amount has now been spent.

Toro is a private gold exploration and development company focused in Africa. It is led by a team with a successful track record of discovery, development, operation and corporate transactions. Toro is well funded, and has strong institutional shareholder support, including the African Lion 3 Fund, Resource Capital Funds, Macquarie Bank and Spratt⁵. Toro's flagship project is the Mako deposit in Senegal. A Definitive Feasibility Study has recently been completed. This joint venture is Toro's first investment into Cote D'Ivoire.

Work completed by Toro to the end of June 2015 consisted of geological mapping, rock chip and large soil sampling programs on the Kokoumbo and Boundiali exploration permits (Figure 10). At the end of June 2015, Toro had collected 4,886 soil and rock samples on the Kokoumbo permit and 1,088 soil samples on the Boundiali permit. Results of the Kokoumbo soil and rock chip sampling were released to the ASX on 15th September 2015, and included the following highlights:

- Rock chip and selective quartz samples with high values including 98g/t Au, 54g/t Au, 44g/t Au and 23g/t Au.
- Widespread, strong soil gold geochemical anomalies with peak values of 5.6g/t Au, 3.4g/t Au and 3.3g/t Au:
 - A 6km long WNW trending gold in soil anomaly on the contact with an interpreted granite body and coinciding with PDI's strongest stream sediment anomaly on the permit.
 - A strong gold anomaly covering more than 2 km² including the historic Kokoumbo Mine workings

VICTORIAN GOLD PROJECT

Cape Clear EL5434 (PDI diluting to 49%)

PDI has one project remaining in Australia, the Cape Clear Project west of Ballarat in Victoria (Figure 11). The Company's objective there is to discover a large gold deposit on the margins of one of more concealed volcanic domes beneath basalt cover, similar to the 5 million ounce Stawell gold deposit in western Victoria.

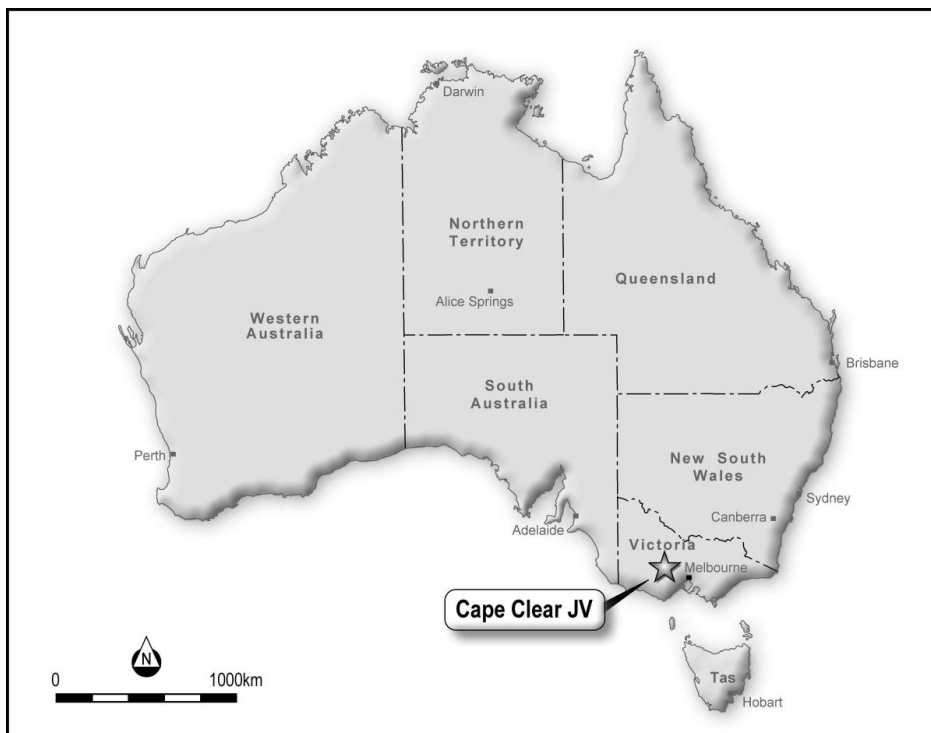


Figure 11: Cape Clear Project, Victoria - locality plan

⁵ Source: <http://www.torogold.com/>

PREDICTIVE DISCOVERY LIMITED

REVIEW OF OPERATIONS

30 JUNE 2015

PDI announced the signing of a joint venture agreement with Cape Clear Minerals Pty Ltd (CCM) in regards to the project on 22nd September 2014. Key terms of the agreement were:

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

CCM's exploration work during the 2014-15 year consisted of a gravity survey, limited rock chip sampling and obtaining the necessary permissions for a 1,000m drilling program. That drill program is expected to be completed in October 2015.

CORPORATE

Capital raisings during the year totalled \$1.85 million via a placement and underwritten rights issue in October-November 2014. The Company's overhead costs were again reduced in 2014-15, reflecting the ongoing difficult capital raising environment during the year.

OUTLOOK

In Burkina Faso, Predictive's priority is to leverage the economic potential of the Bongou gold deposit and the surrounding prospects in order to develop a profitable gold mining operation with a central mill situated at or close to Bongou. To this end, the Company's 2015-16 objective is to advance its Eastern Burkina project towards that goal with drilling and associated evaluation studies, either using its own funds or with a support of a suitable joint venture partner.

Elsewhere, in Cote D'Ivoire and Victoria, Predictive's projects are being explored by highly competent joint venture partners. The Company retains rights to fund its minority equity in those projects once its partners have earned majority stakes and if significant exploration success has been achieved.

Competent Person's Statement

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

The input data, including the drill hole dataset, topography and geology interpretation used in the Mineral Resource estimate for the Bongou deposit is based on information and supporting documentation compiled by Mr Paul Roberts. Mr Roberts is a full-time employee of Predictive Discovery Ltd and a Fellow of the Australasian Institute of Geoscientists. Mr Roberts has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition). Mr Roberts consents to the inclusion of the drill hole data, topography and geological interpretation and the supporting information in the form and context in which it appears in this report.

The Mineral Resource estimation and classification of Mineral Resources and Exploration Targets for the Bongou deposit is based on, and fairly represents, information and supporting documentation compiled by Mr Richard Gaze. Mr Gaze is a full-time employee of Golder Associates Pty Ltd and a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Gaze has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition). Mr Gaze consents to the inclusion of the estimates, classification and the supporting information in the form and context in which it appears in this report.

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' REPORT

30 JUNE 2015

Your directors present their report for the financial year ended 30 June 2015.

The names of the directors in office at any during, or since the end of the year are:

NAMES	POSITION
Mr Phillip Harman	Non-Executive Chairman (resigned 25 November 2014)
Mr Phillip Jackson	Non-Executive Chairman (appointed 4 December 2014)
Mr Paul Roberts	Managing Director
Mr Philip Henty	Non-Executive Director
Mr Timothy Markwell	Non-Executive Director

The Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Eric Moore (Appointed 7 April 2015)

Eric (Ric) Moore was appointed as Company Secretary on 7 April 2015. He has held senior managerial positions in a number of resource companies during the past 20 years and was Company Secretary of a public listed company between 1996 and 2005. Ric is also Company Secretary of Aurora Minerals Limited and Peninsula Mines Limited.

Mr Ian Hobson was Company Secretary from September 2010 until his resignation on 7 April 2015.

PRINCIPAL ACTIVITIES

During the financial year, the principal activity of the group was mineral exploration with the objective of identifying and developing economic reserves in West Africa and Australia.

OPERATING RESULTS FOR THE PERIOD

The consolidated loss of the group for the financial year after providing for income tax amounted to \$7,060,889 (2014: \$2,589,882). This was largely from the costs of administering the group to 30 June 2015, impairment of exploration and exploration costs.

REVIEW OF OPERATIONS

In the year to June 2015, Predictive Discovery Limited (PDI) undertook a substantial exploration program and announced a maiden resource for the Company's high grade Bongou gold deposit in Burkina Faso. \$1.9 million was successfully raised via a combined placement and underwritten rights issue in October-November, 2014. As in previous years, staff numbers were again reduced in Burkina Faso and Australian office costs were lowered further, reflecting the ongoing difficult capital raising environment. Special three year renewals were obtained for PDI's key permits: Madyabari (which includes the Bongou and Dave prospects), Sirba, Bangaba and Fouli. PDI also implemented a farm-out strategy to ensure that exploration funds would be focused on the Company's Burkina Faso properties. To this end, PDI's four Cote D'Ivoire exploration permits were farmed out to Toro Gold Limited, a UK based company, and the Company's Cape Clear Exploration Licence (EL5434) in Victoria was joint ventured out to Cape Clear Pty Ltd, a Ballarat-based Company. Toro Gold Ltd is spending US\$1 million to earn 51% in PDI's Cote D'Ivoire subsidiary, Predictive Discovery Cote D'Ivoire SARL, and paid US\$200,000 in cash to PDI on completion of legal due diligence and execution of joint venture documentation during the past year. Cape Clear will spend \$250,000 to earn 51%, and a further \$250,000 to earn 75%, in EL5434.

PDI announced a Mineral Resource Estimate for Bongou of 2.2Mt at 2.6g/t Au containing 184,000oz Au, including 136,000oz Au at an average grade of 3.8g/t Au (ASX release dated 4th September 2014). A review of exploration potential around Bongou in late 2014 revealed over 90 targets with Bongou-like characteristics within 25km of Bongou. Exploration programs in Burkina Faso during the year were largely focused on those targets. 9,244m of drilling was completed, consisting of 3,854m of combined reverse circulation and air core drilling and 5,390m of power auger drilling. Encouraging RC drill results were obtained from Target 92, Prospect 71, W2 and W8 prospects, all of which are within 10km of Bongou (ASX release dated 20th July 2015). Ground magnetics surveys and limited soil sampling were also carried out on some targets. XRF measurements on historic power auger samples and data compilation and interpretation were conducted elsewhere in Burkina Faso.

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' REPORT

30 JUNE 2015

Toro Gold Ltd commenced work on PDI's Cote D'Ivoire permits in March, and, by the end of June, had carried out geological mapping and collected over 4,000 soil and rock chip samples on the Kokoumbo permit. Cape Clear Pty Ltd completed a gravity survey on PDI's Cape Clear Exploration Licence and planned a 1,000m drilling program, which is due to commence in September 2015.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

FINANCIAL POSITION

The net assets of the group have decreased by \$5,416,680 from 30 June 2014 to 30 June 2015. This net movement is largely due to the following factors:

- \$1.6m net capital raising;
- Expenditure on exploring and evaluating the assets in Burkina Faso and Cote d'Ivoire; and
- Impairment of exploration costs carried forward.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year Aurora Minerals Limited (ASX: ARM) assumed 44% ownership of Predictive Discovery Limited, and the balances of the group are consolidated into Aurora, as they have control over the group. This does not have an impact on the amounts presented in the group's financial statements.

EVENTS SUBSEQUENT TO BALANCE DATE

There are no matters or circumstances that have arisen since balance date that significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

FUTURE DEVELOPMENTS

Likely developments in the operations of the group and the expected results of those operations in future financial years have not been included in this report, as the inclusion of such information is likely to result in unreasonable prejudice to the group.

ENVIRONMENTAL ISSUES

The group's operations are subject to significant environmental regulations under both Commonwealth and State legislation. The Board believes that the group has adequate systems in place for the management of its environmental regulations and is not aware of a breach of those environmental requirements as they apply to the group.

INFORMATION ON DIRECTORS

Mr Phillip Jackson

Non-Executive Chairman (Appointed 4 December 2014)

Qualifications

BJuris, LLB, MBA, FAICD

Experience

Mr Jackson, the Chairman and a Director of the Company, is a barrister and solicitor with significant legal and international corporate experience, especially in the areas of commercial and contract law, resources law and corporate governance. He was formerly a managing legal counsel for Western Mining Corporation, and in private practice specialised in small to medium resource companies. Phillip was for many years a director and senior executive of the Australian and Asian subsidiaries of a large multinational oil services company. He is now the Legal Manager of the regional operations of a large oil and gas

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' REPORT

30 JUNE 2015

	<p>company. He has been a director of a number of Australian public companies and has management experience in administration, finance, accounting and human resources.</p>
Interest in Shares and Options	Nil
Directorships held in other listed entities during the three years prior to the current year	Aurora Minerals Limited, Peninsula Mines Limited and Scotgold Resources Limited
Mr Phillip Harman	Non-Executive Chairman (Resigned 25 November 2014)
Qualifications	BSc (Hons), MAusIMM, MAICD
Experience	Mr Harman is a professional geophysicist who spent more than 30 years working for BHP Billiton in minerals exploration in a broad number of roles both technical and managerial, both in Australia and overseas. Mr Harman was material in bringing BHP Billiton's proprietary FALCON® airborne gravity gradiometer technology to Gravity Capital Limited in 2001, which was the precursor to Gravity Diamonds Limited.
Directorships held in other listed entities during the three years prior to the current year	Callabonna Resources Limited and Stellar Resources Limited.
Mr Paul Roberts	Managing Director
Qualifications	BSc, MSc, FAIG, MGSA
Experience	Mr Roberts has a long and successful history in mineral exploration management and mine geology both in Australia and overseas. He was responsible for discovery of the Henty gold deposit and major extensions to the St Dizier tin deposit both in Tasmania, as well as resource evaluations of the Kuridala copper gold deposit in North Queensland, the Bongara zinc deposit in Peru and a number of gold deposits in the Cue and Meekatharra districts in Western Australia.
Interest in Shares and Options	Shareholding: 7,165,895 Optionholding: 3,000,000
Directorships held in other listed entities during the three years prior to the current year	None
Mr Philip Henty	Non-Executive Director
Qualifications	BA Acc, Dip SIA, F Fin
Experience	Mr Henty has extensive experience in the Australian securities markets. He has worked for nearly 30 years in stockbroking and investments markets. His experience covers the equities, derivatives and fixed interest markets and most aspects of the securities industry from dealing and advice through to management, capital raising, investment management and private investment.
Interest in Shares and Options	Shareholding: 20,712,583 Optionholding: 1,000,000
Directorships held in other listed entities during the three years prior to the current year	None
	Non-Executive Director

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' REPORT

30 JUNE 2015

Mr Timothy Markwell

Qualifications

BSc (Hons), GradDipAppFin, MAusIMM

Experience

Mr Markwell is a geologist and has worked for 20 years in the resources and finance industries. He is currently African Lion 3 Limited's manager based in Melbourne. Previously Mr Markwell worked for LinQ Resources Fund as an investment manager and as a resource analyst for Perth broker DJ Carmichael. He has also worked as a geologist for BHP-Billiton, Golder Associates, Anaconda Nickel, Great Central Mines and Reynolds.

Interest in Shares and Options

Shareholding: Nil

Optionholding: Nil

Directorships held in other listed entities during the three years prior to the current year

Aurora Minerals Ltd

Celamin Holdings NL

MEETINGS OF DIRECTORS

During the financial year, 16 meetings / circular resolutions of directors (including committees of directors) were held. Attendances by each director at meetings during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr Phillip Jackson	4	4
Mr Phillip Harman	2	2
Mr Paul Roberts	6	6
Mr Philip Henty	6	6
Mr Timothy Markwell	6	6

INDEMNIFYING OFFICERS OR AUDITORS

The group has paid premiums to insure directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of the group, other than conduct involving a wilful breach of duty in relation to the group. The terms and conditions of the insurance are confidential and cannot be disclosed.

OPTIONS

At the date of this report, the unissued ordinary shares of Predictive Discovery Limited under option, including those options issued during the year and since 30 June 2015 to the date of this report are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
5 December 2012	30 October 2015	\$0.15	2,000,000
27 March 2013	31 March 2017	\$0.022	8,000,000
		TOTAL	10,000,000

During the year ended 30 June 2015, no ordinary shares of Predictive Discovery Limited were issued on the exercise of options granted.

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' REPORT

30 JUNE 2015

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceeding on behalf of the group or intervene in any proceedings to which the group is a party for the purpose of taking responsibility on behalf of the group for all or any part of those proceedings.

The group was not a party to any such proceeding during the year.

NON AUDIT SERVICES

The Board of Directors in accordance with the advice from the audit committee is satisfied that no provision of non-audit services was provided by the auditors during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The auditors' independence declaration for the year ended 30 June 2015 has been received and can be found on page 10 of the financial report.

REMUNERATION REPORT (AUDITED)

REMUNERATION POLICY

It is the policy of the Company that, except in special circumstances, non-executive directors normally be remunerated by way of fixed fees, should not receive a bonus or options and should not be provided with retirement benefits other than statutory superannuation.

The Board, within the limit pre-approved by shareholders, determines fees payable to individual non-executive directors. The remuneration level of any executive director or other senior executive is determined by the Board after taking into consideration levels that apply to similar positions in comparable companies in Australia and taking account of the individual's possible participation in any equity based remuneration scheme. The Board may use industry wide data gathered by independent remuneration experts annually as its point of reference. Options or shares issued to any director pursuant to any equity based remuneration scheme require approval by shareholders prior to their issue. Options or shares granted to senior executives who are not directors are issued by resolution of the Board.

It is the policy of the Company that persons to whom options have been issued should not enter into any transaction in any associated product which is designed to limit the economic risk of participating in unvested entitlements under an equity based remuneration scheme.

There are no schemes for retirement benefits, other than the payment of the statutory superannuation contribution for non-executive and executive directors.

All executives receive a base salary (which is based on factors such as qualifications, expertise, experience etc.), superannuation and fringe benefits and are eligible for the grant of options under the Employee Option Plan.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for the time, commitment and responsibilities.

The fees payable to individual non-executive directors must be determined by the Board within the aggregate sum of \$500,000 per annum provided for under clause 21.1 of the constitution. That aggregate sum can only be increased with the prior approval of the shareholders of the Company at a general meeting. A non-executive director is entitled to a refund of approved expenditure and may also receive payments for consultancy work contracted for and performed separately on the Company's behalf.

The Company's policy for determining the nature and amount of emoluments of Board members and senior executives of the Company is as follows:

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' REPORT

30 JUNE 2015

The remuneration structure for executive officers, including executive directors, is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company, Directors and executives are on a continuing basis the terms of which are not expected to change in the immediate future.

PERFORMANCE-BASED REMUNERATION

Performance based remuneration for key management personnel is limited to granting of options.

RELATIONSHIP BETWEEN REMUNERATION POLICY AND COMPANY PERFORMANCE

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The issue of options in past years to the majority of directors and executives is to encourage the alignment of personal and shareholder interests. The company believes this policy will be effective in increasing shareholder wealth.

PERFORMANCE CONDITIONS LINKED TO REMUNERATION

The group's remuneration of key management personnel does not include any performance conditions.

EMPLOYMENT DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL AND OTHER EXECUTIVES

The following table provides employment details of persons who were, during the financial year, members of key management personnel of The Group, and to the extent different, among the five Group executives or company executives receiving the highest remuneration. The table also illustrates the proportion of remuneration that was performance and non-performance-based and the proportion of remuneration received in the form of options.

Key Management Personnel	Position held during the year ended 30 June 2015	Non-salary cash-based incentives	Options/Rights	Fixed Salary/Fees	Total
		%	%	%	%
Mr Phillip Jackson	Non-Executive Chairman	-	-	100	100
Mr Phillip Harman	Non-Executive Chairman	-	-	100	100
Mr Paul Roberts	Managing Director	-	-	100	100
Mr Philip Henty	Non-Executive Director	-	-	100	100
Mr Tim Markwell	Non-Executive Director	-	-	100	100
Mr Ian Hobson	Company Secretary	100	-	-	100
Mr Eric Moore	Company Secretary	-	-	-	-

The employment terms and conditions of key management personnel and group executives are formalised upon each Director's appointment. All non-executive directors are remunerated on a monthly basis with no fixed term or termination benefits.

Paul Roberts, Managing Director, has entered into a contract of employment that requires 12 months' notice of voluntary termination of employment that entitles Mr Roberts to \$180,000 as a termination benefit.

REMUNERATION DETAILS FOR THE PERIOD ENDED 30 JUNE 2015

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the group and, to the extent different, the five group executives and five company executives receiving the highest remuneration:

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' REPORT

30 JUNE 2015

Table of Benefits and Payments for the Period Ended 30 June 2015

Key Management Personnel		Salary,	Other	Pension	Other	Shares/	Options/	Total
		fees and		and super-		Units	Rights	
		leave		annuation				
		\$	\$	\$	\$	\$	\$	\$
Mr Philip Jackson ⁽¹⁾⁽⁵⁾	2015	26,041	-	-	-	-	-	26,041
	2014	-	-	-	-	-	-	-
Mr Phillip Harman ⁽²⁾	2015	12,500	-	-	-	-	-	12,500
	2014	46,825	-	3,175	-	-	9,044	59,044
Mr Paul Roberts	2015	164,384	-	15,616	-	-	-	180,000
	2014	164,759	-	15,240	-	-	27,123	207,132
Mr Philip Henty ⁽⁵⁾	2015	30,725	-	2,087	-	-	-	32,812
	2014	35,000	-	-	-	-	9,044	44,044
Mr Tim Markwell ⁽⁵⁾	2015	32,812	-	-	-	-	-	32,812
	2014	28,194	-	-	-	-	9,044	37,238
Mr Ian Hobson ⁽³⁾	2015	72,550	-	-	-	-	-	72,550
	2014	91,975	-	-	-	-	9,044	101,019
Mr Eric Moore ⁽⁴⁾	2015	-	-	-	-	-	-	-
	2014	-	-	-	-	-	-	-
Total Key Management Personnel	2015	339,012	-	17,703	-	-	-	356,715
	2014	366,753	-	18,415	-	-	63,299	448,467

(1) Appointed 4 December 2014

(2) Resigned 25 November 2014

(3) Resigned 7 April 2015

(4) Appointed 7 April 2015. Mr Moore received no remuneration from the Company. Parent Aurora Minerals Limited provides company secretarial, accounting and bookkeeping services to the Company under an Administration Services Agreement at the rate of \$79,200 per annum.

(5) The non-executive directors of the company agreed to a 25% reduction in directors' fees in recognition of the Company's cash position.

SECURITIES RECEIVED THAT ARE NOT PERFORMANCE-BASED

No members of key management personnel received securities during the period which were not dependent upon the performance of the group's share price as part of their remuneration package.

CASH BONUSES, PERFORMANCE-RELATED BONUSES AND SHARE-BASED PAYMENTS

Options were granted as remuneration during the year to key management personnel and other executives as set out in notes 16 and 22.

END OF THE REMUNERATION REPORT

Signed in accordance with a resolution of the Board of Directors:



Paul Roberts
Managing Director
18 September 2015

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF PREDICTIVE DISCOVERY LIMITED & CONTROLLED ENTITIES**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



NEXIA MELBOURNE
ABN 16 847 721 257



ANDREW JOHNSON
Partner
Audit & Assurance Services

Melbourne

18 September 2015

Nexia Melbourne

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PREDICTIVE DISCOVERY LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2015

		Consolidated	
		2015	2014
		\$	\$
	Note		
Finance income		9,267	25,106
Other income		257,036	-
Share based payments		-	(131,467)
Administrative Payments		(1,055,013)	(1,400,827)
Foreign exchange gain / (expense)		48,217	(31,326)
Impairment of exploration		(6,320,272)	(1,026,461)
Exploration expenditure pre-right to tenure		(124)	(24,907)
		<hr/>	<hr/>
Profit (loss) before income taxes		(7,060,889)	(2,589,882)
Income tax expense	2	-	-
		<hr/>	<hr/>
Profit (loss) from continuing operations		(7,060,889)	(2,589,882)
Other comprehensive income		3,170	158,737
		<hr/>	<hr/>
Total comprehensive income for the year		(7,057,719)	(2,431,145)
		<hr/> <hr/>	<hr/> <hr/>
Profit attributable to:			
Members of the parent entity		(7,057,719)	(2,431,145)
		<hr/>	<hr/>
		(7,057,719)	(2,431,145)
		<hr/> <hr/>	<hr/> <hr/>
Basic (loss) per share (cents per share)	12	(1.281)	(0.818)
Diluted (loss) per share (cents per share)	12	(1.281)	(0.818)

These financial statements should be read in conjunction with the accompanying notes

PREDICTIVE DISCOVERY LIMITED

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**
for the year ended 30 June 2015

		Consolidated	
	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	717,648	950,825
Trade and other receivables	4	188,141	74,939
TOTAL CURRENT ASSETS		905,789	1,025,764
NON-CURRENT ASSETS			
Property, plant and equipment	5	180,703	303,885
Exploration expenditure	6	10,338,343	15,639,370
TOTAL NON-CURRENT ASSETS		10,519,046	15,943,255
TOTAL ASSETS		11,424,835	16,969,019
CURRENT LIABILITIES			
Trade and other payables	7	322,522	350,802
Provisions	9	20,285	19,509
TOTAL CURRENT LIABILITIES		342,807	370,311
Trade and other payables	7	-	100,000
TOTAL NON-CURRENT LIABILITIES		-	100,000
TOTAL LIABILITIES		342,807	470,311
NET ASSETS		11,082,028	16,498,708
EQUITY			
Issued capital	10	24,180,869	22,539,830
Reserves	11	1,961,416	1,958,246
Accumulated losses		(15,060,257)	(7,999,368)
TOTAL EQUITY		11,082,028	16,498,708

These financial statements should be read in conjunction with the accompanying notes

PREDICTIVE DISCOVERY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2015

2015	ORDINARY SHARES \$	ACCUMULATED LOSSES \$	SHARE BASED PAYMENTS RESERVE \$	FOREIGN CURRENCY TRANSLATION RESERVE \$	TOTAL \$
Balance at 1 July 2014	22,539,830	(7,999,368)	508,931	1,449,315	16,498,708
Profit/(loss) attributable to members of the parent entity	-	(7,060,889)	-	-	(7,060,889)
Other comprehensive income	-	-	-	3,170	3,170
Total comprehensive income for the year	-	(7,060,889)	-	3,170	(7,057,719)
Shares issued during the year	1,857,784	-	-	-	1,857,784
Transaction costs	(216,745)	-	-	-	(216,745)
Share-based payments	-	-	-	-	-
Sub-total	1,641,039	(7,060,889)	-	3,170	(5,416,680)
Balance at 30 June 2015	24,180,869	(15,060,257)	508,931	1,452,485	11,082,028
2014	ORDINARY SHARES \$	ACCUMULATED LOSSES \$	SHARE BASED PAYMENTS RESERVE \$	FOREIGN CURRENCY TRANSLATIO N RESERVE \$	TOTAL \$
Balance at 1 July 2013	19,942,017	(5,409,486)	377,464	1,290,578	16,200,573
Profit/(loss) attributable to members of the parent entity	-	(2,589,882)	-	-	(2,589,882)
Other comprehensive income	-	-	-	158,737	158,737
Total comprehensive income for the year	-	(2,589,882)	-	158,737	(2,431,145)
Shares issued during the year	2,658,461	-	-	-	2,658,461
Transaction costs	(60,647)	-	-	-	(60,647)
Share-based payments	-	-	131,467	-	131,467
Sub-total	2,597,814	(2,589,882)	131,467	158,737	298,136
Balance at 30 June 2014	22,539,830	(7,999,368)	508,931	1,449,315	16,498,708

These financial statements should be read in conjunction with the accompanying notes

PREDICTIVE DISCOVERY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2015

	Note	2015 \$	2014 \$
CASH FROM OPERATING ACTIVITIES:			
Receipts from customers		257,036	-
GST receipts/(payments)		(2,572)	2,754
Payments to suppliers and employees		(1,187,668)	(1,147,072)
		<hr/>	<hr/>
Net cash provided by (used in) operating activities	21	(933,204)	(1,144,318)
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received		9,267	21,631
Proceeds from refunds of tenement acquisitions		18,985	-
Proceeds from sales of property, plant and equipment		-	54,776
Purchase of property, plant and equipment		(5,606)	-
Payments for exploration expenditure		(1,005,780)	(1,949,111)
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		(983,134)	(1,872,704)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		1,857,784	2,658,461
Payment of share issue costs		(216,747)	(60,647)
		<hr/>	<hr/>
Net cash from financing activities		1,641,037	2,597,814
		<hr/>	<hr/>
Foreign exchange differences		42,124	17,624
		<hr/>	<hr/>
Net cash used by other activities		42,124	17,624
Net increase (decrease) in cash held		(275,301)	(419,209)
Cash and cash equivalents at beginning of period		950,825	1,352,410
		<hr/>	<hr/>
Cash and cash equivalents at end of financial period	3	717,648	950,825
		<hr/> <hr/>	<hr/> <hr/>

These financial statements should be read in conjunction with the accompanying notes

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

This financial report includes the consolidated financial statements and notes of Predictive Discovery Limited and controlled entities (the "group").

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Predictive Discovery Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected financial assets and financial liabilities.

These financial statements are presented in Australian dollars, rounded to the nearest dollar.

(A) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Predictive Discovery Limited at the end of the reporting period. A controlled entity is any entity over which Predictive Discovery Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 18 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated statement of financial position and consolidated statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Subsidiaries are accounted for in the parent entity at cost.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(A) PRINCIPLES OF CONSOLIDATION (continued)

Business Combinations

At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

(B) REVENUE AND OTHER INCOME

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method. The effective interest rate method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(C) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(D) INCOME TAX

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(D) INCOME TAX (continued)

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(E) EMPLOYEE BENEFITS

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by The Group in respect of services provided by employees up to reporting date.

(F) PROVISIONS

Provisions are recognised when The Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(G) FOREIGN CURRENCY TRANSACTIONS AND BALANCES

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. All other companies within The Group have Australian dollars as their functional currency.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(G) FOREIGN CURRENCY TRANSACTIONS AND BALANCES (continued)

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the consolidated statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the consolidated statement of comprehensive income.

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the consolidated statement of financial position. These differences are recognised in the consolidated statement of comprehensive income in the period in which the operation is disposed.

(H) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities in the statement of financial position.

(I) FINANCIAL INSTRUMENTS

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) FINANCIAL INSTRUMENTS (continued)

The group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets).

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets).

If during the period the group sold or reclassified more than an insignificant amount of the held to maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available for sale.

(iv) Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available for sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets).

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(J) PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the group commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The estimated useful lives used for each class of depreciable assets are:

Class of Fixed Asset	Useful Life
Plant and Equipment	2 - 20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the consolidated statement of comprehensive income.

Property, plant and equipment is derecognised and removed from the consolidated statement of financial position on disposal or when no future economic benefits are expected. Gains and losses from derecognition are measured as the difference between the net disposal proceeds, if any, and the carrying amount and are recognised in profit or loss.

Subsequent costs are included in the property, plant and equipment's carrying value or recognised as a separate asset when it is probable that future economic benefits associated with the item will be realised and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss.

(K) EXPLORATION AND DEVELOPMENT EXPENDITURE

Costs Carried Forward

Costs arising from exploration and evaluation activities are carried forward where the rights to tenure for the area of interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves.

Costs carried forward in respect of an area of interest that is abandoned are written off in the period in which the decision to abandon is made.

Contributions received from third parties in exchange for participating interests in exploration and evaluation tenements (e.g. as part of farm out arrangements) are netted off against the costs carried forward in respect of those tenements in which the third party acquires a participating interest.

(L) IMPAIRMENT OF ASSETS

At each reporting date, the group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information including, dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of comprehensive income.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(L) IMPAIRMENT OF ASSETS (continued)

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Non-financial assets, other than inventories, deferred tax assets, assets from employee benefits, investment properties and deferred acquisition costs, are assessed for any indication of impairment at the end of each reporting period. Any indication of impairment requires formal testing of impairment by comparing the carrying amount of the asset to an estimate of the recoverable amount of the asset. An impairment loss is calculated as the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually regardless of whether there is any indication of impairment.

The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. The asset's value in use is calculated as the estimated future cash flows discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks associated with the asset. Assets that cannot be tested individually for impairment are grouped together into the smallest group of assets that generates cash inflows (the asset's cash generating unit).

Impairment losses are recognised in profit or loss. Impairment losses are allocated first, to reduce the carrying amount of any goodwill allocated to cash generating units, and then to other assets of the group on a pro rata basis.

Assets other than goodwill are assessed at the end of each reporting period to determine whether previously recognised impairment losses may no longer exist or may have decreased. Impairment losses recognised in prior periods for assets other than goodwill are reversed up to the carrying amounts that would have been determined had no impairment loss been recognised in prior periods.

(M) TRADE AND OTHER PAYABLES

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(N) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

(O) LEASES

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership that are transferred to entities in the group are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

(P) EARNINGS PER SHARE

Basic loss per share is calculated as net loss attributable to members of the group divided by the weighted average number of ordinary shares. Diluted loss per share is calculated by adjusting the net loss attributable to members of the group and the number of shares outstanding for the effects of all dilutive potential ordinary shares, which include shares options.

(Q) CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown as a deduction, net of tax, from the proceeds.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(R) SHARE-BASED PAYMENT TRANSACTIONS

Employees of the group receive remuneration in the form of share based payment transactions, whereby employees render services in exchange for equity instruments ("equity settled transactions"). When the goods or services acquired in a share based payment transaction do not qualify for recognition as assets, they are recognised as expenses.

The cost of equity settled transactions and the corresponding increase in equity is measured at the fair value of the goods or services acquired. Where the fair value of the goods or services received cannot be reliably estimated, the fair value is determined indirectly by the fair value of the equity instruments using the Black Scholes option valuation technique.

Equity-settled transactions that vest after employees complete a specified period of service are recognised as services are received during the vesting period with a corresponding increase in equity.

(S) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within The Group.

Key estimates – Impairment

The group assesses impairment at the end of each reporting period by evaluating conditions specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using fair value less cost to sell or value-in-use calculations which incorporate various key assumptions.

Key judgements – Exploration and Evaluation Expenditure

The group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. \$10,338,343 has been capitalised as at 30 June 2015 (see note 6). While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded and there are no facts of circumstances that suggest the carrying amounts of the exploration and evaluation assets recognised exceed their recoverable amount.

In assessing the recoverability of the carrying amounts, the Directors have determined that as with similar companies, future capital raisings will be required in order to continue the exploration and development of the company's mining tenements (some subject to an option payment) to achieve a position where they can prove exploration reserves. Should there be no funding available, exploration of the areas of interest may be put on hold. The recoverability of the exploration asset is dependent upon the continued exploration of each area of interest.

Key Judgements – Share-based payment transactions

The group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes method. The related assumptions are detailed in note 22. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Key Judgements - Going Concern

For the year ended 30 June 2015 the Group made a loss of \$7,057,719 (2014: loss \$2,431,145). Notwithstanding this the financial report has been prepared using the going concern basis. The Directors have determined that as with similar companies, future capital raisings will be required in order to continue the exploration and development of the company's mining tenements (some subject to an option payment) and meet operational expenditure at current levels to achieve a position where they can prove exploration reserves. The ability of the company to continue as a going concern is dependent upon the company raising additional capital sufficient to meet the company's exploration commitments and operational commitments. Should there be no funding available, exploration of the areas of interest may be put on hold. The recoverability of the exploration asset is dependent upon the continued exploration of each area of interest.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(S) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

The Directors have prepared a cash flow forecast for the foreseeable future reflecting this expectation and their effect upon the company. The achievement of the forecast is dependent upon the future capital raising, the outcome of which is uncertain.

Key Judgements - Recoverability of Intercompany Loan

Within Non-current assets of the parent entity (see note 20) there is a loan due from the 100% subsidiaries of \$16,829,444 which is considered fully recoverable. The recoverability of this loan is dependent upon the successful development or sale of exploration assets in Burkina Faso.

(T) ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

In the current year, the group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the group's accounting policies.

New accounting standards issued but not yet effective

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

- AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018)

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2017)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(T) ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (continued)

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

This financial report includes the consolidated financial statements and notes of Predictive Discovery Limited and controlled entities (The Group).

2 INCOME TAX EXPENSE

(A) THE COMPONENTS OF TAX EXPENSE COMPRISE:

	2015 \$	2014 \$
Current tax	-	-
Deferred tax	-	-
	-	-

(a) Income tax recognised in profit or loss

Tax expense / (revenue) comprises:

Current tax expense / (revenue)	(723,094)	(1,022,178)
Under / (over) provision in prior year	17,736	(140,290)
Deferred tax expense / (revenue) relating to the origination and reversal of temporary differences	(1,510,484)	190,342
Tax Losses Not Recognised	2,215,842	972,126
Total tax expense / (revenue)	-	-

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

Profit / (loss) from operations	(7,057,715)	(2,431,145)
Income tax expense (revenue) calculated at 30% (2014: 30%)	(2,117,315)	(729,343)
Under / (over) provision in prior year	17,736	(140,290)
Tax Effect of Employee Options	-	23,763
Tax effect of FX Loss	(15,417)	(38,223)
Tax Effect of Capital Raising Costs Not Recognised	(101,037)	(88,033)
Tax Effect on Other Items	191	-
Tax Losses Not Recognised	2,215,842	972,126
	-	-

Income tax rate

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by the Australian corporate entities on taxable profits under the Australian tax law. There has been no change in the corporate tax rate when compared with the previous year.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

3 CASH AND CASH EQUIVALENTS

	2015	2014
	\$	\$
Cash at bank	717,648	950,825
	717,648	950,825

Of the cash at bank amount, \$9,818 is provided as security to the ANZ Bank for a bank guarantee.

4 TRADE AND OTHER RECEIVABLES

	2015	2014
	\$	\$
Other receivables	188,141	74,939
	188,141	74,939

5 PROPERTY, PLANT AND EQUIPMENT

	2015	2014
	\$	\$
PLANT AND EQUIPMENT		
At cost	545,222	589,089
Accumulated depreciation	(364,519)	(285,204)
Total plant and equipment	180,703	303,885

MOVEMENTS IN CARRYING AMOUNTS

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Total
	\$	\$
Balance at 30 June 2015		
Balance at the beginning of year	303,885	303,885
Reclassification of assets to exploration	(27,297)	(27,297)
Additions	5,598	5,598
Disposals	-	-
Depreciation expense	(79,077)	(79,077)
Movement in exchange rates	(22,406)	(22,406)
Balance at 30 June 2015	180,703	180,703
Balance at 30 June 2014		
Balance at the beginning of year	364,969	364,969
Additions	-	-
Disposals	(54,776)	(54,776)
Depreciation expense	(79,976)	(79,976)
Movement in exchange rates	73,668	73,668
Balance at 30 June 2014	303,885	303,885

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

6 EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS

	2015	2014
	\$	\$
Exploration and evaluation expenditure	10,338,343	15,639,370
	10,338,343	15,639,370
	Exploration and evaluation	
	\$	
2015		
Balance at beginning of the year	15,639,370	
Expenditure incurred	1,002,766	
Impairment	(6,320,397)	
Movement in exchange rates	16,604	
Balance at end of the year	10,338,343	
2014		
Balance at beginning of the year	14,604,406	
Expenditure incurred	2,061,425	
Impairment	(1,026,461)	
Balance at end of the year	15,639,370	

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. The board has assessed the exploration and evaluation assets for impairment, using AASB 6 paragraph 20 as a guide. As a result of this process 15 tenements were impaired during the period.

The budget for future exploration and evaluation expenditure is split by geographical area and not by area of interest as the allocation of resources will depend upon findings. However, it is acknowledged that the budget allows for spending on all areas of interest without exclusion. It is anticipated that all expenditure required by agreement or permit will be met.

In assessing the recoverability of the carrying amounts, reference is made to Note 1 (S) - Key Judgements - Exploration and Evaluation Expenditure and Going Concern. The Directors have determined that as with similar companies, future capital raisings will be required in order to continue the exploration and development of the company's mining tenements (some subject to an option payment) to achieve a position where they can prove exploration reserves. Should there be no funding available, exploration of the areas of interest may be put on hold. The recoverability of the exploration asset is dependent upon the continued exploration of each area of interest.

7 TRADE AND OTHER PAYABLES

	2015	2014
	\$	\$
CURRENT		
Trade payables	322,522	350,802
	322,522	350,802
	2015	
	\$	
NON-CURRENT		
Other payables	-	100,000
	-	100,000

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

8 TAX ASSETS AND LIABILITIES

	2015	2014
	\$	\$
(a) Assets		
Current		
Income tax refundable	-	-
	<hr/>	<hr/>
	-	-
Non-current		
Deferred tax asset comprises:		
Employee Entitlements	6,086	5,853
Accruals and payables	7,500	9,000
Cancellation of Licence	54,000	72,000
Tax Losses	5,825,356	5,119,999
Amount Not Recognised	(5,892,942)	(5,206,852)
	<hr/>	<hr/>
	-	-
(b) Liabilities		
Current		
Income tax liabilities	-	-
Less: PAYG instalments paid	-	-
	<hr/>	<hr/>
Income tax payable	-	-
Non-current		
Deferred tax liability comprises:		
Exploration Expenditure	(1,080,770)	(2,610,522)
Amount Not Recognised	1,080,770	2,610,522
	<hr/>	<hr/>
Net DTA/DTL	-	-
(c) Reconciliations		
(i) Gross Movements		
The overall movement in the deferred tax balances is as follows:		
Opening balance	2,596,330	1,624,203
Under/(over) provision in prior year	(17,736)	140,290
Credited / (charge) to the income statement	2,233,578	831,837
Amount Not Recognised	(4,812,172)	(2,596,330)
	<hr/>	<hr/>
Closing balance	-	-
(ii) Deferred tax assets		
The movement in deferred tax assets for each temporary difference during the year is as follows:		
Employee Entitlements		
Opening balance	5,853	6,188
Credited / (charge) to the income statement	233	(335)
Amount Not Recognised	(6,086)	(5,853)
	<hr/>	<hr/>
Closing balance	-	-
Provisions		
Opening balance	-	-
Credited / (charge) to the income statement	-	-
Amount Not Recognised	-	-
	<hr/>	<hr/>
Closing balance	-	-

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

8 TAX ASSETS AND LIABILITIES (continued)

	2015 \$	2014 \$
(c) Reconciliations (continued)		
(ii) Deferred tax assets (continued)		
Accruals and payables		
Opening balance	9,000	11,250
Credited / (charge) to the income statement	(1,500)	(2,250)
Amount Not Recognised	(7,500)	(9,000)
Closing balance	-	-
Tax Losses		
Opening balance	5,119,999	4,097,821
Under/(over) provision in prior year	(17,736)	-
Credited / (charge) to the income statement	723,093	1,022,178
Amount Not Recognised	(5,825,356)	(5,119,999)
Closing balance	-	-
ASX Listing Costs		
Opening balance	-	909
Credited / (charge) to the income statement	-	(909)
Amount Not Recognised	-	-
Closing balance	-	-
Cancellation of Licence		
Opening balance/previous amounts not recognised	72,000	-
Credited / (charge) to the income statement	(18,000)	72,000
Amount Not Recognised	(54,000)	(72,000)
Closing balance	-	-
(iii) Deferred tax liability		
Exploration Expenditure		
Opening balance	(2,610,522)	(2,491,965)
Under / (over) provision in prior year	-	140,290
Credited / (charge) to the income statement	1,529,752	(258,847)
Amount Not Recognised	1,080,770	2,610,522
Closing balance	-	-

The DTL is not recognised as a liability as the future tax benefits are assumed to be available if and when the deferred tax liability crystallises.

9 PROVISIONS

	2015 \$	2014 \$
CURRENT		
Employee entitlements	20,285	19,509
	20,285	19,509

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

10 ISSUED CAPITAL

	2015	2014
	\$	\$
650,584,343 (2014: 387,865,214) Ordinary shares	25,864,824	24,007,040
Share issue costs written off against issued capital	(1,683,955)	(1,467,210)
	24,180,869	22,539,830

ORDINARY SHARES

	2015	2015	2014	2014
	No.	\$	No.	\$
At the beginning of the reporting period	387,865,214	24,007,040	234,633,856	21,348,580
Tenement Purchase	-	-	2,771,462	59,994
Employee share issue	-	-	327,000	6,866
Placements	18,750,000	150,000	129,757,896	2,265,600
Rights Issues	243,969,129	1,707,784	-	-
Share Placement Plan	-	-	20,375,000	326,000
	650,584,343	25,864,824	387,865,214	24,007,040

OPTIONS

- (i) For information relating to Predictive Discovery Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year end, refer to Note 22.

11 RESERVES

FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

OPTION RESERVE

The option reserve records items recognised as expenses on valuation of employee share options.

12 EARNINGS PER SHARE

	2015	2014
	\$	\$
Earnings used to calculate basic EPS	(7,060,889)	(2,589,882)

Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS.

	2015	2014
	No.	No.
Weighted average number of ordinary shares outstanding during the period - Number used in calculating basic EPS	551,201,748	316,503,790
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	551,201,748	316,503,790

Diluted earnings per share is the same as basic earnings per share as the group incurred a loss for the period and therefore is not considered dilutive.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

13 CAPITAL AND LEASING COMMITMENTS

	2015	2014
	\$	\$
(A) LEASE COMMITMENTS		
Payable - minimum lease payments:		
- not later than 12 months	40,054	20,607
- between 12 months and 5 years	164,624	245,802
	204,678	266,409
(B) OPTIONS FEE COMMITMENTS		
Payable – minimum lease payments:		
– not later than 12 months	398,412	322,820
– between 12 months and 5 years	166,549	558,834
- Later than 5 years	55,516	45,025
	620,477	926,678
(C) CAPITAL EXPENDITURE COMMITMENTS		
Payable:		
- not later than 12 months	2,852,334	2,966,064
- between 12 months and 5 years	7,695,339	7,529,914
more than 5 years	-	57,921
	10,547,673	10,553,899

14 FINANCIAL RISK MANAGEMENT

The group's financial instruments consist mainly of deposits with banks, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2015	2014
		\$	\$
Financial Assets			
Cash and cash equivalents	3	717,648	950,825
Trade and other receivables	4	188,141	74,939
Total Financial Assets		905,789	1,025,764
Financial Liabilities			
Trade and other payables	7	322,522	470,311
Total Financial Liabilities		322,522	470,311

The carrying amounts of these financial instruments approximate their fair values.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

14 FINANCIAL RISK MANAGEMENT (continued)

FINANCIAL RISK MANAGEMENT POLICIES

Exposure to key financial risks is managed in accordance with the group's risk management policy with the objective to ensure that the financial risks inherent in exploration activities are identified and then managed or kept as low as reasonably practicable.

The main financial risks that arise in the normal course of business are market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. Different methods are used to measure and manage these risk exposures. Liquidity risk is monitored through the ongoing review of available cash and future commitments for exploration expenditure.

Exposure to liquidity risk is limited by anticipating liquidity shortages and ensures capital can be raised in advance of shortages. Interest rate risk is managed by limiting the amount of interest bearing loans entered into by The Group. It is the Board's policy that no speculative trading in financial instruments be undertaken so as to limit exposure to price risk.

Primary responsibility for identification and control of financial risks rests with the Company Secretary, under the authority of the Board. The Board is apprised of these risks from time to time and agrees any policies that may be undertaken to manage any of the risks identified.

Details of the significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each financial instrument are disclosed in Note 1 to the financial statements. The carrying values less the impairment allowance for receivables and payables are assumed to approximate fair values due to their short term nature. Cash and cash equivalents are subject to variable interest rates.

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT

(A) CREDIT RISK

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the group.

The group trades only with recognised, creditworthy third parties.

The group has no customers and consequently no significant exposure to bad debts or other credit risks.

With respect to credit risk arising from financial assets, which comprise cash and cash equivalents and receivables, the exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. At balance date cash and deposits were held with Australia and New Zealand Banking Group Limited.

(B) LIQUIDITY RISK

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash reserves to meet the ongoing operational requirements of the business. It is the group's policy to maintain sufficient funds in cash and cash equivalents. Furthermore, the group monitors its ongoing exploration cash requirements and raises equity funding as and when appropriate to meet such planned requirements. The group has no undrawn financing facilities. Trade and other payables, the only financial liability of the group, are due within 6 months.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

14 FINANCIAL RISK MANAGEMENT (continued)

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT (continued)

(B) LIQUIDITY RISK (continued)

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Total Contractual Cash Flow	
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment						
Trade and other payables	322,522	450,802	-	-	322,522	450,802
Total contractual outflows	<u>322,522</u>	<u>450,802</u>	<u>-</u>	<u>-</u>	<u>322,522</u>	<u>450,802</u>
Financial assets - cash flows realisable						
Trade and other receivables	188,141	74,939	-	-	188,141	74,939
Total anticipated inflows	<u>188,141</u>	<u>74,939</u>	<u>-</u>	<u>-</u>	<u>188,141</u>	<u>74,939</u>

The financial assets and liabilities noted above are interest free.

(C) MARKET RISK

i. Interest rate risk

The group's cash flow interest rate risk primarily arises from cash at bank and deposits subject to market bank rates. At balance date, the group does not have any borrowings. The group does not enter into hedges. An increase/ (decrease) in interest rates by 1% during the whole of the respective periods would have led to an increase/(decrease) in both equity and losses of less than \$10,000. 1% was thought to be appropriate because it represents four 0.25 basis point rate rises/falls, which is appropriate in the recent economic climate. The majority of cash held in a cash management account earns interest income at a rate of 0.1% p.a.

ii. Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the group holds foreign currency which are other than the AUD functional currency of the group.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

15 OPERATING SEGMENTS

Identification of Reportable Segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The accounting policies applied for internal purposes are consistent with those applied in the preparation of these financial statements.

a) The following is an analysis of the Group's revenue and results from operations by reportable segment.

2015	Corporate \$	Gold Aust \$	Gold Burkina Faso \$	Cote d'Ivoire \$	Total \$
Revenue					
Interest income	9,267	-	-	-	9,267
Other income	257,036	-	-	-	257,036
Expenses					
Administration expenses	(528,433)	-	(466,419)	(60,161)	(1,055,013)
FX Expense	50,332	-	(1,861)	(254)	48,217
Exploration expenditure written off	-	(124)	-	-	(124)
Impairment of Exploration	(950)	-	(5,919,342)	(399,980)	(6,320,272)
Loss before tax	(212,748)	(124)	(6,387,622)	(460,395)	(7,060,889)
Current assets	714,374	-	170,866	20,548	905,788
Exploration expenditure	-	-	10,338,343	-	10,338,343
Plant and Equipment	-	-	180,703	-	180,703
Current liabilities	(159,019)	-	(181,914)	(1,873)	(342,806)
Non-Current liabilities	-	-	-	-	-
Net assets	555,355	-	10,507,998	18,675	11,082,028
2014	Corporate \$	Gold Aust \$	Gold Burkina Faso \$	Other West Africa \$	Total \$
Revenue					
Interest income	25,106	-	-	-	25,106
Expenses					
Share based payments	(131,467)	-	-	-	(131,467)
Administration expenses	(873,425)	-	(408,463)	(118,939)	(1,400,827)
FX Expense	(29,456)	-	(1,870)	-	(31,326)
Exploration expenditure written off	-	(24,907)	-	-	(24,907)
Impairment of Exploration	-	-	(1,026,461)	-	(1,026,461)
Loss before tax	(1,009,242)	(24,907)	(1,436,794)	(118,939)	(2,589,881)
Current assets	825,302	-	160,168	40,294	1,025,764
Exploration expenditure	-	-	15,493,626	145,744	15,639,370
Plant and Equipment	-	-	276,588	27,297	303,885
Current liabilities	(199,059)	-	(132,251)	(39,001)	(370,311)
Non-current liabilities	(100,000)	-	-	-	(100,000)
Net assets	526,243	-	15,798,131	174,334	16,498,708

The group operates in three principal geographical areas – Australia (country of domicile), Burkina Faso and other West African countries.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

16 INTERESTS OF KEY MANAGEMENT PERSONNEL

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the group's key management personnel for the year ended 30 June 2015.

The totals of remuneration paid to key management personnel of the company and the group during the year are as follows:

KEY MANAGEMENT PERSONNEL OPTIONS AND RIGHTS HOLDINGS

The number of options over ordinary shares held by each key management person of the group during the financial year is as follows:

	Balance at beginning of period	Granted as remuneration during the period	Expired during the period	Other changes during the period	Balance at end of period	Vested during the period	Vested and exercisable	Vested and unexercisable
30 June 2015								
Mr Philip Jackson	-	-	-	-	-	-	-	-
Mr Phillip Harman	2,095,469	-	-	(2,095,469) ¹	-	-	-	-
Mr Paul Roberts	4,825,000	-	(125,000)	-	4,700,000	-	4,700,000	-
Mr Philip Henty	2,826,563	-	(1,226,563)	-	1,600,000	-	1,600,000	-
Mr Tim Markwell	-	-	-	-	-	-	-	-
Mr Eric Moore ³	-	-	-	-	-	-	-	-
Mr Ian Hobson	1,000,000	-	-	(1,000,000) ²	-	-	-	-
	10,747,032	-	1,351,563	(3,095,469)	6,300,000	-	6,300,000	-

(1) Mr Harman resigned as a director of the Company on 25 November 2014

(2) Mr Hobson resigned as secretary of the Company on 7 April 2015

(3) Mr Moore appointed as secretary of the Company on 7 April 2015

	Balance at beginning of period	Granted as remuneration during the period	Exercised during the period	Other changes during the period	Balance at end of period	Vested during the period	Vested and exercisable	Vested and unexercisable
30 June 2014								
Mr Phillip Harman	900,000	1,000,000	-	195,469	2,095,469	-	2,095,469	-
Mr Paul Roberts	1,700,000	3,000,000	-	125,000	4,825,000	-	4,825,000	-
Mr Philip Henty	600,000	1,000,000	-	1,226,563	2,826,563	-	2,826,563	-
Mr Tim Markwell	-	1,000,000	-	(1,000,000) ¹	-	-	-	-
Mr Ian Hobson	-	1,000,000	-	-	1,000,000	-	1,000,000	-
	3,200,000	7,000,000	-	547,032	10,747,032	-	10,747,032	-

(1) Options assigned to Lion Manager Pty Ltd in which Mr Markwell does not have a controlling interest

KEY MANAGEMENT PERSONNEL SHAREHOLDINGS

The number of ordinary shares in Predictive Discovery Limited held by each key management person of the group during the financial year is as follows:

	Balance at beginning of period	Granted as remuneration during the period	Issued on exercise of options during the period	Purchased during the period	Other changes during the period	Balance at end of period
30 June 2015						
Mr Phillip Harman	5,969,311	-	-	3,581,587	(9,550,898)	-
Mr Phillip Jackson	-	-	-	-	-	-
Mr Paul Roberts	5,165,895	-	-	2,000,000	-	7,165,895
Mr Philip Henty	17,212,583	-	-	3,500,000	-	20,712,583
Mr Tim Markwell	-	-	-	-	-	-
Mr Eric Moore	-	-	-	-	-	-
Mr Ian Hobson	60,000	-	-	-	(60,000)	-
	28,407,789	-	-	9,081,587	(9,610,898)	27,878,478

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

16 INTERESTS OF KEY MANAGEMENT PERSONNEL (continued)

KEY MANAGEMENT PERSONNEL SHAREHOLDINGS (continued)

	Balance at beginning of year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
30 June 2014					
Mr Phillip Harman	3,398,258	-	-	2,571,053	5,969,311
Mr Paul Roberts	3,702,079	-	-	1,463,816	5,165,895
Mr Philip Henty	10,929,688	-	-	6,282,895	17,212,583
Mr Tim Markwell	-	-	-	-	-
Mr Ian Hobson	60,000	-	-	-	60,000
	<u>18,090,025</u>	<u>-</u>	<u>-</u>	<u>10,317,764</u>	<u>28,407,789</u>

OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with key management personnel, refer to Note 20: Related Party Transactions.

17 AUDITORS' REMUNERATION

	2015 \$	2014 \$
Remuneration of the auditor of the parent entity for:		
- Audit services	37,000	37,000
	<u>37,000</u>	<u>37,000</u>

18 CONTROLLED ENTITIES

Name	Country of Incorporation	Percentage Owned (%)* 2015	Percentage Owned (%)* 2014
Parent Entity:			
Predictive Discovery Limited	Australia		
Subsidiaries of legal parent entity:			
Predictive Discovery SARL	Burkina Faso	100	100
Predictive Discovery Niger SARL	Niger	100	100
Predictive Discovery Cote D'Ivoire SARL	Cote D'Ivoire	100	100
Birrimian Pty Ltd	British Virgin Islands	100	100
Predictive Discovery Cote D'Ivoire Pty Ltd	Australia	100	100

* Percentage of voting power is in proportion to ownership

Acquisitions of controlled entities

There were no acquisitions during the year.

19 CONTINGENT LIABILITIES

There are no material contingent liabilities or contingent assets of the group at balance date.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

20 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

Intercompany Loans

Predictive Discovery Limited has made loans to its subsidiaries in the amount of \$16,829,444. The loan is interest free and payable on demand.

Directors' Remuneration

For information relating to related party transactions with key management personnel during the financial year, refer to Note 16.

Other Related Party Transactions

Churchill Services Pty Ltd, an entity associated with Ian Hobson, was paid \$72,550 for company secretarial services during the year.

21 CASH FLOW INFORMATION

RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER INCOME TAX

	2015	2014
	\$	\$
Profit (loss) for the year	(7,060,889)	(2,589,882)
Non-operating items in profit		
Exploration expenditure	124	24,907
Interest income	(9,267)	(25,106)
Non-cash flows in profit		
Non-cash based share issues		
Share based payments	-	131,467
Depreciation	-	2,405
Foreign exchange (gains)/losses	(48,217)	31,326
Write off of exploration expenditure	6,320,272	1,026,461
Changes in assets and liabilities		
(Increase)/decrease in receivables	113,201	(54,132)
Increase/(decrease) in payables	(128,280)	221,144
Increase/(decrease) in provisions	776	(1,117)
Increase/(decrease) in FX Reserve	(120,924)	88,209
	<u>(933,204)</u>	<u>(1,144,318)</u>

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

22 SHARE BASED PAYMENTS

The group did not enter into any share based payments during the period ending 30 June 2015.

During the previous period ending 30 June 2014, the group entered into the following share-based payments:

1. The issue of 2,771,462 ordinary shares in the company in consideration for the option payments on mining permits for the value of \$59,994;
2. The issue of 327,000 ordinary shares in the company as employee incentives to Burkina Faso employees for the value of \$6,867; and
3. Entered into a contract to issue 12,000,000 unlisted options exercisable at \$0.02 per share expiring 3 years from date of issue for the value of \$59,123.

At 30 June 2015 the group has the following share-based payment options on issue to employees:

Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year
20 Aug 2010	20 Aug 2015	\$0.250	6,000,000	-	-	-	6,000,000	6,000,000
27 Mar 2014	31 Mar 2017	\$0.022	8,000,000	-	-	-	8,000,000	8,000,000
			14,000,000	-	-	-	14,000,000	14,000,000

At 30 June 2015 the group has the following share-based payment options on issue in lieu of capital raising fees:

Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year
5 Dec 2012	30 Oct 2015	\$0.15	2,000,000	-	-	-	2,000,000	2,000,000
5 Dec 2012	30 Jun 2015	\$0.10-\$0.20	3,500,000	-	-	(3,500,000)	-	-
			5,500,000	-	-	(3,500,000)	2,000,000	2,000,000

The weighted average exercise price of options as at 30 June 2015 was \$0.13 (30 June 2014: \$0.12). The weighted average remaining contractual life of options outstanding at year end was 0.94 (30 June 2014: 1.78).

During the year ending 30 June 2015 no options were granted.

During the year ending 30 June 2014, the fair value of options granted was \$72,344.

The fair value of the options granted to employees and brokers is deemed to represent the value of services received over the vesting period. These values were calculated by using a Black-Scholes option pricing model applying the following inputs:

Dividend yield (%):	-
Exercise price (cents):	2.2 cents
Life of option (years):	3
Expected share price volatility (%):	100
Risk-free interest rate (%):	3.03

Historic volatility has been the basis of determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

23 EVENTS AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen for the year which significantly affected or could significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

PREDICTIVE DISCOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

24 PARENT ENTITY

The following information has been extracted from the books and records of the parent, Predictive Discovery Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Predictive Discovery Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

	2015	2014
	\$	\$
Assets		
Current assets	714,374	825,302
Non-current assets	19,039,583	18,067,404
Total Assets	<u>19,753,957</u>	<u>18,892,707</u>
Liabilities		
Current liabilities	159,019	199,059
Non-current liabilities	-	100,000
Total Liabilities	<u>159,019</u>	<u>299,059</u>
Equity		
Issued capital	24,180,868	22,539,831
Accumulated losses	(6,528,748)	(5,905,102)
Reserves	1,942,818	1,958,919
Total Equity	<u>19,594,938</u>	<u>18,593,648</u>

CONTINGENT LIABILITIES

Nil

CONTRACTUAL COMMITMENTS

The parent entity has commitments as at 30 June 2015 that are disclosed in Note 13.

RECOVERABILITY OF INTERCOMPANY LOAN

Within Non-current assets is a loan due from the 100% subsidiaries of \$16,829,444 which is considered fully recoverable. The recoverability of this loan is dependent upon the successful development or sale of exploration assets in Burkina Faso.

25 COMPANY DETAILS

The registered office of the company is:

Predictive Discovery Limited
Suite 2, Level 2
20 Kings Park Road
WEST PERTH WA 6005

The principal place of business of the company is:

Predictive Discovery Limited
Level 2, 33 Ord Street
WEST PERTH WA 6005

PREDICTIVE DISCOVERY LIMITED

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 11 to 39, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group;

2. The Chief Executive Officer and Chief Financial Officer have each declared that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.

- Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Paul Roberts

Managing Director
18 September 2015

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF PREDICTIVE DISCOVERY LIMITED & CONTROLLED ENTITIES**

Report on the Financial Report

We have audited the accompanying financial report of Predictive Discovery Limited & controlled entities, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Nexia Melbourne

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Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

- a. the financial report of Predictive Discovery Limited & controlled entities is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter – Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw to Note 1 (s) "Key Judgement – Going Concern" which indicates the company incurred a loss for the year ended 30 June 2015 of \$7,057,719 and that the company's ability to continue the exploration and development of its mining tenements and meet operational expenditure at current levels is dependent upon future capital raising. These conditions, along with other matters as set forth in Note 1 (s), indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Emphasis of Matter - Inherent Uncertainty regarding Recoverability of Capitalised Exploration and Evaluation Assets

Without modifying the opinion expressed above, attention is drawn to the following matter. As a result of the matter described in Note 1(s) and Note 6 to the financial statements, there is uncertainty as to whether the company will be able to recover the carrying value of exploration expenditure for the amount recorded in the financial report. The ultimate recovery of the carrying value of exploration expenditure, and future exploration expenditure, is dependent upon the successful development and commercial exploitation or, alternatively, sale of the interest in the tenements.

Report on the Remuneration Report

We have audited the remuneration report included in pages 7 to 9 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of Predictive Discovery Limited & controlled entities for the year ended 30 June 2015 complies with s 300A of the *Corporations Act 2001*.

Nexia

NEXIA MELBOURNE
ABN 16 847 721 257



ANDREW JOHNSON
Partner
Audit & Assurance Services

Melbourne

18 September 2015

PREDICTIVE DISCOVERY LIMITED

ADDITIONAL SHAREHOLDER INFORMATION IN COMPLIANCE WITH ASX REQUIREMENTS

The additional ASX information is current as at 15 October 2015.

CORPORATE GOVERNANCE STATEMENT

The 2015 Corporate Governance statement of Predictive Discovery Limited is available on the Company's website at <http://www.predictivediscovery.com/corporate/corporate-governance>

SUBSTANTIAL SHAREHOLDERS

Substantial shareholders as defined by Section 671B of Australian Corporations Law are:

Shareholder name	Number Held	Percentage
AURORA MINERALS LIMITED	285,768,249	43.92%
EQUITY TRUSTEES LIMITED (LOWELL RESOURCES FUND A/C)	34,013,095	5.23%

PARTICULARS OF TWENTY LARGEST SHAREHOLDERS

Rank	Name	Holding	%IC
1	AURORA MINERALS LIMITED	285,768,249	43.92%
2	EQUITY TRUSTEES LIMITED (LOWELL RESOURCES)	34,013,095	5.23%
3	DYSPO PTY LTD	13,368,833	2.05%
4	KITARA INVESTMENTS PTY LTD	10,312,500	1.59%
5	FINANCE ASSOCIATES PTY LTD	10,000,000	1.54%
6	PAJAL PTY LTD	9,442,898	1.45%
7	HYDRONOMEES PTY LTD	9,306,162	1.43%
8	MR WILLIAM HENRY HERNSTADT	7,955,796	1.22%
9	CROFTBANK PTY LTD	7,427,769	1.14%
10	BOND STREET CUSTODIANS LIMITED	7,165,895	1.10%
11	BUPRESTID PTY LIMITED	7,070,000	1.09%
12	MR MICHAEL ROBERT HODGETTS	7,000,000	1.08%
13	MR NEIL CLIFFORD & MRS LUDMILLA DUNCAN	6,523,458	1.00%
14	MR WILLIAM HENRY HERNSTADT	5,750,000	0.88%
15	MR ROBERT TONY SAMBUCCO	5,417,414	0.83%
16	MR CAIGEN WANG	5,380,000	0.83%
17	SISU INTERNATIONAL PTY LTD	5,263,158	0.81%
18	MR RHETT ANTHONY JOHN MORSON	4,625,000	0.71%
19	BLUE SKY HOLDINGS PTY LTD	4,491,203	0.69%
20	PRIVATE EQUITY CAPITAL PTY LTD	4,218,750	0.65%
	TOTAL	450,500,360	69.25%
	Balance of Register	200,083,983	30.75%
	Grand TOTAL	650,584,343	100.00%

DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of shareholders by size of holding:

Range	Securities	No of Holders
100,001 and Over	637,879,192	306
10,001 to 100,000	12,257,123	272
5,001 to 10,000	347,786	40
1,001 to 5,000	97,676	27
1 to 1,000	2,566	20
Total	650,584,343	665
Unmarketable Parcels	18,556,656	402

PREDICTIVE DISCOVERY LIMITED

ADDITIONAL SHAREHOLDER INFORMATION IN COMPLIANCE WITH ASX REQUIREMENTS

DISTRIBUTION OF EQUITY SECURITIES (continued)

UNQUOTED EQUITY SECURITIES

There is 1 holder of 2,000,000 unlisted options expiring 30 October 2015, with an exercise price of 15 cents.

Holders of more than 20%		
Holder name	Number	%
CHALMSBURY NOMINEES PTY LTD	2,000,000	100%

There are 6 holders of 8,000,000 unlisted options expiring 31 March 2017 and exercisable at 2.2 cents.

Holders of more than 20%		
Holder name	Number	%
PAUL ROBERTS	3,000,000	37.5%

USE OF FUNDS

The Company has used the cash and assets in a form readily convertible to cash at the time of re-admission in a way consistent with its business objectives.

VOTING RIGHTS

Each fully paid ordinary share carries voting rights of one vote per share.

PREDICTIVE DISCOVERY LIMITED

**ADDITIONAL SHAREHOLDER INFORMATION
IN COMPLIANCE WITH ASX REQUIREMENTS**

INTEREST IN MINING REDEMPTIONS

Name	Number	Location	Area (sq. km)	PDI equity
Fouli	arrêté 2014-294/MCE/SG/DGMGC	Burkina Faso	186.2	100%
Tantiabongou	arrêté 2013-168/MCE/SG/DGMGC	Burkina Faso	93.9	100%
Sirba	arrêté 2014-296/MCE/SG/DGMGC	Burkina Faso	136.9	100%
Madyabari	arrêté 2014-295/MCE/SG/DGMGC	Burkina Faso	171.9	100%
Tyekanyebi	Arrêté 2015-229/MCE/SG/DGMGC	Burkina Faso	140	100%
Tamfoagou	arrêté 2015-281/MCE/SG/DGMGC)	Burkina Faso	238	100%
Tangagari	arrêté 2013-37/MCE/SG/DGMGC	Burkina Faso	127.5	Earning 95%; current equity 0% (until final cash payment is made)
Aoura	arrêté 2011-405/MCE/SG/DGMGC	Burkina Faso	25	Earning 95%; current equity 0% (until final cash payment is made)
Boussouma	Arrete 2011-059/MCE/SG/DGMGC	Burkina Faso	116	Earning 95%; current equity 0% (until final cash payment is made)
Bangaba	Arrete 2015-109/MCE/SG/DGMGC	Burkina Faso	128	Earning 95%; current equity 84%
Kogodou South	2015-226/MCE/SG/DGMGC	Burkina Faso	44.6	Earning 100%; current equity 0% (until final cash payment is made)
Bira	2013-33/MCE/SG/DGMGC	Burkina Faso	21	100%
Basieri	2013-16/MCE/SG/DGMGC	Burkina Faso	73.5	100%
Kokoumbo	Mining exploration permit No. 307	Cote D'Ivoire	400	Earning 90% (Toro Gold Ltd earning 51% interest)
Ferkessedougou	Mining exploration permit No. 310	Cote D'Ivoire	387	100% (Toro Gold Ltd earning 51% interest)
Boundiali	Mining exploration permit No. 414	Cote D'Ivoire	399	100% (Toro Gold Ltd earning 51% interest)
Kounahiri	Mining exploration permit No. 317	Cote D'Ivoire	347	100% (Toro Gold Ltd earning 51% interest)
Cape Clear	EL 5434	Victoria, Australia	120	Cape Clear Minerals Pty Ltd earning 51%

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