

TRANSFORMATIONAL CAPITAL RAISING TO RAPIDLY ADVANCE KANINKO GOLD DISCOVERY, GUINEA

Predictive Discovery Limited ("**Predictive**" or the "**Company**") (**ASX:PDI**) is pleased to advise that it has received binding commitments for a conditional placement to raise up to \$6.9 million ("**Placement**"). In addition, the Company is pleased to provide shareholders with a non-renounceable entitlement offer to raise up to a further \$2.1 million ("**Entitlements Issue**"), for a total of up to \$9 million ("**Capital Raising**").

The Capital Raising will place the Company in the strongest financial footing it has ever enjoyed, ensuring it is well-funded to carry out an unbridled exploration push on the exciting North-East Bankan gold discovery ("**NE Bankan**"), within the Kaninko Gold Project, Guinea ("**Kaninko Project**").

Predictive's Managing Director, Paul Roberts commented:

"This fundraising is a transformational step-change for Predictive, setting us up for the largest drilling program in the Company's history, and putting us on a pathway towards a targeted maiden Resource Estimate on Kaninko by mid-2021.

Our first round of shallow drilling at NE Bankan has uncovered a new, very wide, shallow gold discovery in the prolific Siguiri Basin, with thick intersections and some excellent grades, starting almost at surface, and open in all directions, all of which points to the potential for Kaninko to evolve into a future large, high margin gold mining opportunity.

We are grateful to our long-standing shareholders who have supported the Company to date, and again in this capital raising. We are also pleased to welcome several domestic and international institutional investors to the register".

Use of Funds

Funds raised pursuant to the Capital Raising will be applied to:

- ▶ A substantial drill program focused on the recent discovery at NE Bankan with additional drilling on nearby prospects. The program will map out the full extent of NE Bankan's surface footprint, explore the full width of the gold mineralised system and drill it at depth, and will consist of at least:
 - 25,000 metres of RC drilling;
 - 5,000 metres of diamond drilling; and
 - 20,000 metres of auger drilling
- ▶ Targeting a maiden Resource estimate at NE Bankan by mid-2021;

- ▶ A metallurgical test work program on the Kaninko Project;
- ▶ Ongoing early stage exploration on the Company's other 100% owned Guinea exploration portfolio;
- ▶ Joint Venture contributions to its projects in Cote D'Ivoire; and
- ▶ Working capital, including costs of the Capital Raising.

Hartleys Limited is Lead Manager and Bookrunner to the Capital Raising. Euroz Securities Limited is Co-Manager and Amvest Capital Inc (acting through Mann Mann Jensen Partners LP) is North American placement agent to the Placement.

Placement

The Company has agreed to issue up to 138 million fully paid ordinary shares at an issue price of \$0.05 each to institutional and sophisticated investors in Australia and overseas, raising up to \$6.9 million (before costs).

Settlement of the Placement is subject to shareholder approval at a general meeting scheduled to take place on or around 10 June 2020. Furthermore, the Placement will not continue if the ASX All Ordinaries Index as published by ASX closes below 4,800 for two consecutive days, or if the ASX All Ordinaries Index closes below 4,800 on the day immediately prior to scheduled settlement of the Placement, unless waived by the Lead Manager.

Entitlements Issue

The Company intends to lodge a prospectus for the Entitlements Issue on Monday, 11 May 2020 (**Prospectus**). The Entitlements Issue will offer eligible shareholders the opportunity to subscribe for one (1) new fully paid ordinary share for every fifteen (15) existing fully paid ordinary shares held at an issue price of \$0.05 per share. Approximately 42.1 million shares will be offered to eligible shareholders under the Entitlements Issue to raise up to approximately \$2.1 million (before costs). The Entitlements Issue is not underwritten, and Placement participants cannot participate in respect of their proposed Placement shares.

Eligible shareholders will be able to apply for additional shares beyond their entitlements. The Predictive board will retain discretion in relation to the allocation of shortfall applications by Eligible Shareholders, with further details to be provided in the Prospectus.

The Entitlements Issue is intended to be offered to all shareholders with registered addresses in Australia, New Zealand, Mauritius, Hong Kong and Singapore on the share register at 5:00pm WST on the record date of Thursday, 14 May 2020 ("**Record Date**").

Further information regarding the Entitlements Issue will be sent to eligible shareholders in a Prospectus to be lodged with ASX and ASIC, and the accompanying personalised entitlement and acceptance form will contain instructions on how to apply.

Key Dates

Key dates for the Capital Raising are outlined below:

Event	Date
Announcement of the Capital Raising (Trading Halt lifted)	Tuesday, 5 May 2020
Lodgement of prospectus with ASIC and ASX	Monday, 11 May 2020
Shares quoted on an "EX" basis ("Ex" date)	Wednesday, 13 May 2020
Record Date for determining entitlements	Thursday, 14 May 2020
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders – Offer Opens	Tuesday, 19 May 2020
Closing Date of Entitlements Offer (5pm WST)*	Tuesday, 9 June 2020
Entitlements Issue shares quoted on a deferred settlement basis	Wednesday, 10 June 2020
General Meeting to approve Placement	Wednesday, 10 June 2020
Announcement of results of issue and notification of Shortfall	Friday, 12 June 2020
Anticipated settlement date of Placement	Monday, 15 June 2020
Issue date of the shares under the Entitlements Offer Deferred settlement trading ends	Tuesday, 16 June 2020
Anticipated date for commencement of New Shares trading on a normal settlement basis	Wednesday, 17 June 2020

Proposed Options issue to Directors and Employees

The Company proposes to issue unquoted options to directors and employees as set out below.

Paul Roberts, Managing Director: 12.5 million unquoted options expiring on 5 May 2023 and exercisable at \$0.0986 each (being the price that is 40% above the most recent 5-day VWAP).

Phillip Jackson, Chairman: 3 million unquoted options expiring on 5 May 2023 and exercisable at \$0.0986 each (being the price that is 40% above the most recent 5-day VWAP).

