



**Predictive  
Discovery Limited**  
ACN 127 171 877

# **Notice of Annual General Meeting 2014**

**9.00am (AEDST),  
Tuesday, 25 November 2014**

Level 17  
530 Collins Street  
Melbourne, Victoria

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# Predictive Discovery Limited

## NOTICE OF MEETING 2014

The 2014 Annual General Meeting of Predictive Discovery Limited (**Predictive** or the **Company**) will be held at Level 17, 530 Collins Street, Melbourne, Victoria at **9.00am (AEDST), Tuesday, 25 November 2014.**

17 October 2014

### Dear Shareholder

On behalf of the Directors of Predictive Discovery Limited, please find enclosed the following documents which relate to the Annual General Meeting of the Company:

- Notice of Meeting for the Annual General Meeting, including the Explanatory Notes; and
- Proxy Form and return envelope.

During the past 12 months, the Company has comprehensively reviewed its West African properties and exploration strategy, and is focusing on leveraging the economic potential of the Bongou gold deposit in Burkina Faso.

I strongly urge you to carefully read the attached Notice of Meeting and either attend the Annual General Meeting in person or lodge your vote using the enclosed Proxy Form.

If you have any questions, please contact the Company Secretary of Predictive, your stockbroker or other professional adviser.

Yours faithfully



Phillip Harman  
Phillip Harman  
Chairman

### HOW TO GET TO THE ANNUAL GENERAL MEETING:



# Predictive Discovery Limited

## NOTICE OF MEETING 2014

Items of business		Type of resolution	Voting prohibitions and further information
<b>ORDINARY BUSINESS</b>			
1. Discussion of annual Financial Statements and Reports	To receive and consider the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2014.	No resolution	Page 5
2. Remuneration Report	To adopt the remuneration report for the year ended 30 June 2014.	Non-binding	Page 5
3. Re-election of Phillip Harman	That Mr Phillip Harman be re-elected as a Director.	Ordinary Resolution	Page 5
<b>SPECIAL BUSINESS</b>			
4. Approval of issue of Hartleys Options	For the purposes of Listing Rule 7.1, to approve the issue of Options to Hartleys on the terms described in the Explanatory Notes.	Ordinary Resolution	Page 6
5. Ratification of prior issue of Placement Shares	For the purposes of Listing Rule 7.4, to ratify and approve the issue of Shares to sophisticated and professional investors on the terms described in the Explanatory Notes.	Ordinary Resolution	Pages 6-7
6. Approval of additional 10% Capacity to issue securities	For the purposes of Listing Rule 7.1A, to grant the Company with additional equity raising capacity equivalent to 10% of the Company's ordinary securities, on the terms described in the Explanatory Notes.	Special Resolution	Pages 7-9

Terms used in this Notice and the Explanatory Notes are defined in the glossary on page 10.

# Predictive Discovery Limited

## NOTICE OF MEETING 2014

### VOTING

#### Voting Record Date

Shareholders recorded on the Company's register of members at 7.00pm (AEDST) on Sunday, 23 November 2014 will be entitled to vote on Items at the AGM.

#### Becoming a Shareholder

Shareholders who become registered Shareholders by acquiring Shares between the Notice Record Date and the Voting Record Date who wish to vote at the AGM by proxy should call +61 8 9388 8290 and request an additional Proxy Form.

Shareholders who become beneficial shareholders of Shares by acquiring Shares between the Notice Record Date and the Voting Record Date who wish to vote at the AGM by proxy should contact their broker or intermediary for instructions on how to do so.

#### How to Vote

Shareholders can vote in one of two ways:

- by attending the AGM and voting; or
- by appointing a proxy to attend and vote on their behalf.

The voting prohibitions and exclusions for each Item are set out in the Explanatory Notes.

Shareholders are asked to arrive at the venue 30 minutes prior to the time designated for the AGM.

### PROXY FORMS

#### Proxy Form

Enclosed with this Notice is a personalised Proxy Form. The Proxy Form allows Shareholders who are not attending the AGM to either lodge their vote directly, or appoint a proxy to vote on their behalf.

If you hold Shares in more than one capacity, please be sure to complete the Proxy Form that is relevant to each holding.

#### Appointing proxies

Shareholders who are entitled to attend and vote at the AGM may appoint a proxy to act generally at the AGM on their behalf, and to vote.

Complete the attached Proxy Form to appoint your proxy. A proxy or nominee need not be a Shareholder of the Company.

A Shareholder entitled to attend and vote can appoint up to two proxies, and should specify the proportion or number of votes each proxy or nominee is appointed to exercise.

If no proportion or number is specified, each proxy or nominee may exercise half of the Shareholder's votes. If you wish to appoint two proxies or two nominees, please call +61 8 9388 8290 and request an additional Proxy Form.

Any directed proxies that are not voted on a poll at the AGM will automatically default to the Chair, who is required to vote proxies as directed.

A corporate Shareholder or proxy must appoint a person as its corporate representative.

#### Appointing the Chair as your proxy

You may appoint the Chair as your proxy. If you direct the Chair how to vote on an Item, your vote will be cast in accordance with your direction.

If you do not direct the Chair how to vote on an Item, by completing and returning the relevant Proxy Form you will be expressly authorising the Chair to exercise your undirected proxy or nominee on an Item even though it may be directly or indirectly connected with the remuneration of a member of Key Management Personnel.

The Chair intends to vote all valid undirected proxies received in favour of each Item, subject to the voting prohibitions and exclusions set out in this Notice.

#### Power of attorney and corporate representatives

If the Proxy Form is signed by an attorney, the power of attorney or a certified copy of it must be sent with the Proxy Form.

A body corporate appointed as a proxy must also lodge either:

- a letter or certificate executed in accordance with section 250D of the Corporations Act authorising that person to act as the corporate Shareholder's representative at the AGM; or
- a copy of the resolution appointing that person as the corporate Shareholder's representative at the AGM, certified by a secretary or director of the corporate Shareholder.

### LODGING PROXY FORMS

#### Deadline

Proxy Forms must be received by 9.00am (AEDST) on Sunday, 23 November 2014.

#### How to lodge Proxy Forms

You can lodge your Proxy Forms by:

- mailing it to Predictive Discovery Limited, at PO Box 226, Subiaco WA 6904;
- emailing it to Ian Hobson (Company Secretary) at [info@predictivediscovery.com](mailto:info@predictivediscovery.com);
- facsimile to +61 8 9388 8256; or
- hand delivering it to Predictive Discovery Limited, at Suite 5, 95 Hay Street, Subiaco WA 6904.

Further details on how to lodge your Proxy Form can be found on the Proxy Form.

### ENQUIRIES

Shareholders are invited to contact the Company Secretary by telephone at +61 8 9388 8290 or by email at [info@predictivediscovery.com](mailto:info@predictivediscovery.com) if they have any queries in respect of the matters set out in these documents.

### By order of the Board of Directors



Ian Hobson  
Company Secretary

17 October 2014

# Predictive Discovery Limited

## EXPLANATORY NOTES

### ITEM 1 - DISCUSSION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, Shareholders will have a reasonable opportunity to ask questions concerning the Company's Annual Report, which includes the Company's Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2014.

A copy of the Company's Annual Report is available on:

- its website: [www.predictivediscovery.com](http://www.predictivediscovery.com); or
- the ASX website: [www.ASX.com.au](http://www.ASX.com.au).

The Company's auditor, Nexia ASR, will be present at the AGM and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the Auditor's Report, the Company's accounting policies, and the independence of the auditor.

The auditor will also respond to any written questions provided these are submitted to the Company no later than five business days prior to the AGM.

There is no requirement for Shareholders to approve the Company's Annual Report.

### ITEM 2 - REMUNERATION REPORT

#### Background

The Remuneration Report for the financial year ended 30 June 2014 is set out in the Company's Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for Directors, including the Managing Director and executive staff.

The Chair will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the AGM. Shareholders will then be asked to vote on the Remuneration Report.

The vote is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

#### Spill resolution

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive

annual general meetings, Shareholders must vote at the second of those annual general meetings on a resolution to hold another meeting within 90 days, at which all of the Directors (other than the Managing Director) must stand for re-election.

At the Company's 2013 annual general meeting, less than 25% of votes cast on the resolution were against the adoption of the remuneration report.

#### Board recommendation

The Board unanimously recommends that Shareholders vote **in favour** of the adoption of the Remuneration Report.

The Chair intends to vote undirected proxies in favour of Item 2.

#### Voting prohibitions

In accordance with the Corporations Act, a vote on Item 2 must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel or their Closely Related Parties.

The prohibition will not apply if the vote is cast as a proxy for a person who is entitled to vote, where:

- the Proxy Form specifies how the proxy is to vote on Item 2; or
- the proxy is the Chair, who may vote on Item 2 in accordance with the express authorisation on the Proxy Form.

### ITEM 3 – RE-ELECTION OF PHILLIP HARMAN

Phillip Harman is standing for re-election and will retire in accordance with the provisions of the Company's Constitution and, being eligible, offers himself for re-election as a Director. Mr Harman's relevant skills and experience are summarised in this section.

#### Board recommendation

The Board (other than Mr Harman) recommends that Shareholders vote **in favour** of the re-election of Mr Harman.

The Chair intends to vote undirected proxies in favour of Item 3.



**Mr Phillip Harman**  
Chairman  
*BSc (Hons), MAusIMM, MAICD*

#### Term of office

Appointed in 2008

#### Independent

Yes

#### Skills and experience

Mr Harman was formerly Chief Geophysicist of BHP Billiton Limited, and had previously held a variety of exploration management positions including Exploration Manager South America. He was responsible for commercialising the Falcon® technology out of BHP Billiton Limited into Gravity Capital Limited from which a number of companies were created. He has substantial experience in senior positions in the junior exploration sector that are relevant to Predictive's exploration approach. He is currently Chairman of Stellar Resources Limited and Callabonna Uranium Limited.

#### Interests in the Company

900,000 unlisted Options held directly.

67,500 Shares and 5,625 unlisted Options, held by Mr Harman's spouse, Anne.

5,901,811 Shares and 1,189,844 unlisted Options, held by Pajal Pty Ltd ATF P&A Harman Superfund, of which Mr Harman is a beneficiary.

# Predictive Discovery Limited

## EXPLANATORY NOTES

### ITEM 4 – APPROVAL OF ISSUE OF HARTLEYS OPTIONS

#### Background

The Company is being provided corporate advisory services by Perth-based stockbroking and corporate advisory firm Hartleys Limited (**Hartleys**). As announced by the Company on 25 September 2014, pursuant to the Company's mandate with Hartleys, the Company has agreed to issue a wholly-owned subsidiary of Hartleys 12,000,000 Options with an exercise price of \$0.02 per Option, expiring three years from the date of issue (**Hartleys Options**).

#### Details of the proposed Option issue required in accordance with ASX Listing Rule 7.3

<b>Maximum number of securities</b>	12,000,000 Options
<b>Date of issue</b>	It is anticipated that the Company will issue and allot the Shares on one date on or around 26 November 2014, but in any event within three months of the date of receipt of the Shareholder approval (or such later date as permitted by ASX waiver or modification of the Listing Rules).
<b>Issue price of each security</b>	The issue price for each Option is nil. The exercise price of each Option is \$0.02.
<b>Proposed allottees</b>	A wholly-owned subsidiary of Hartleys Limited, who is not a related party of the Company.
<b>Terms of the issue</b>	The Options will be issued on the terms and conditions set out in <b>Schedule 1</b> .
<b>Use or intended use of the funds raised</b>	The Hartleys Options are being issued as part of remuneration for corporate advisory services Hartleys has provided to the Company. As such, no funds will be raised from the issue.

#### Purpose of Shareholder approval

The Company must not issue equity securities which amount to more than 15% of its Shares in any 12 month period (**15% Capacity**), unless the issue of equity securities has been approved by Shareholders.

The approval sought under Item 4 will allow the Company to issue the Hartleys Options without using the Company's 15% Capacity.

This approval will preserve the Company's 15% Capacity, providing the Company with additional flexibility to raise funds by issuing equity securities over the next 12 months.

If Shareholder approval is not obtained, the Company will issue the Hartleys Options under its existing 15% Capacity.

#### Voting exclusions

In accordance with the ASX Listing Rules the Company will disregard any votes cast on Item 4 by or on behalf of (including by proxy) Hartleys and any of its associates and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed .

However, the Company need not disregard a vote if the vote is cast as proxy for a person who is entitled to vote:

- in accordance with the directions on the Proxy Form; or
- by the Chair of the meeting in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### Board recommendation

The Board unanimously recommends Shareholders vote **in favour** of the approval to issue the Hartleys Options.

The Chair intends to vote undirected proxies in favour of Item 4.

### ITEM 5 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

#### Background

On 1 October 2014, the Company announced a placement of \$150,000 via an issue of 18,750,000 Shares at 0.8 cents per Share to sophisticated and professional investors

(**Placement**). The Shares are expected to be issued on or around 8 October 2014.

#### Details of the issue required in accordance with ASX Listing Rule 7.5

<b>Number of securities allotted</b>	18,750,000 Shares.
<b>Issue price of each Share</b>	\$0.008 per Share.
<b>Terms of the issue</b>	The Shares are fully paid ordinary shares and are on the same terms as existing fully paid ordinary Shares in the Company.
<b>Allottee</b>	Sophisticated and professional investors including Aurora Minerals Limited.
<b>Use or intended use of the funds raised</b>	The Shares were issued to fund exploration, including drilling, at and around the Company's high grade Bongou Gold deposit in Burkina Faso, and for working capital purposes.

#### Purpose of Shareholder approval

An issue of securities without Shareholder approval will not count towards the Company's 15% Capacity if the issue is ratified by Shareholders.

Item 5 provides retrospective approval of the Placement, so that the Placement will not count towards the Company's 15% Capacity.

Shareholder approval under Item 5 will provide the Company with the maximum flexibility to undertake future equity raisings before requiring further Shareholder approval. Irrespective of Item 5 approval, future equity raisings will remain subject to the 15% limit.

#### Voting exclusions

In accordance with the ASX Listing Rules the Company will disregard any votes cast on Item 5 by or on behalf of (including by proxy) any of the recipients of the Shares under the Placement and any of their associates.

However, the Company need not disregard a vote if the vote is cast as proxy for a person who is entitled to vote:

# Predictive Discovery Limited

## EXPLANATORY NOTES

- in accordance with the directions on the Proxy Form; or
- by the Chair of the meeting in accordance with a direction on the Proxy Form to vote as the proxy decides.

### Board recommendation

The Board unanimously recommends Shareholders vote **in favour** of the ratification of the Placement Shares.

The Chair intends to vote undirected proxies in favour of Item 5.

### ITEM 6 – APPROVAL OF ADDITIONAL 10% CAPACITY TO ISSUE SHARES

The Company seeks Shareholder approval under ASX Listing Rule 7.1A to increase the Company's capacity to issue equity securities equivalent to 10% of the Company's ordinary securities in the 12 months proceeding this AGM (**10% Capacity**).

The 10% Capacity would be in addition to the existing 15% Capacity to issue equity securities.

#### Purpose of approval

Shareholder approval is being sought to provide the Company with the maximum flexibility to raise funds by issuing equity securities without the need for further Shareholder approval.

If the 10% Capacity is not approved, the Company may be required to obtain Shareholder approval at the time of an issue of securities, which may limit the Company's ability to take advantage of opportunities to raise equity capital.

Under ASX Listing Rule 7.1A the Company must obtain Shareholder approval at the AGM to issue equity securities equivalent to 10% of the Company's ordinary securities in the 12 months following the approval.

The 10% Capacity must be approved by a Special Resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The number of equity securities issued under the 10% Capacity will be determined in accordance with the formula set out in ASX Listing Rule 7.1A.2.

### Details of the 10% Capacity

#### Minimum issue price

The Company will not issue securities under the 10% Capacity at a price less than 75% of the VWAP for the securities in the same class, calculated over the 15 ASX trading days immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within five ASX trading days of that date, the date on which the securities are issued.

#### Date of issue

The Company's ability to issue equity securities under the 10% Capacity will expire on the earlier of:

- 25 November 2015; or
- the date Shareholders approve a significant change to the nature or scale of the Company's activities under Listing Rule 11.1.2 or a disposal of the Company's main undertaking under Listing Rule 11.2.

#### Intended use of funds

Shares may be issued under the 10% Capacity for the following purposes:

- non-cash consideration for the acquisition of new resources assets or other investments. If this occurs, the Company will provide a valuation of the non-cash consideration in accordance with ASX Listing Rule 7.1A.3; or
- cash consideration. If this occurs, the Company intends to use the funds raised to continue exploration and development on the Company's current assets, to acquire new assets or investments, or for working capital purposes.

The Company will comply with its disclosure obligations under ASX Listing Rules 3.10.5A and 7.1A.4 in relation to any issue of securities under the 10% Capacity.

#### Previous approval

The Company previously sought and obtained Shareholder approval under ASX Listing Rule 7.1A at its annual general meetings in 2012 and 2013.

The approval given at the 2013 annual general meeting will expire on 18 November 2014.

On 5 February 2014, 29,746,225 Shares were issued under the Company's 10% Capacity as part of a Share purchase plan. The issue of these Shares was later ratified by Shareholders at the Company's general meeting held on 20 March 2014, effectively resetting the Company's 10% Capacity under ASX Listing Rule 7.1A

No other issues were allotted pursuant to the 10% Capacity in the 12 months before the date of the AGM.

#### Allocation policy

The Company's allocation policy will depend on the prevailing market conditions at the time of any proposed issue under the 10% Capacity. The identity of allottees will be determined on a case-by-case basis having regard to factors which may include:

- the methods of raising funds which are available to the Company, including the time and market exposure associated with the various methods of raising capital applicable at the time of the raising;
- the effect of any such issue on the control of the Company;
- the financial situation of the Company; and
- advice from corporate, financial and broking advisers.

As at the date of this Notice, the allottees under the 10% Capacity have not been determined. They may, however, include substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

#### Is there a risk of economic and voting dilution to you?

There is a risk of economic and voting dilution to the ordinary security holders of the Company. There is a specific risk that:

- the market price for the Company's Shares may be significantly lower on the date of the issue than it is on the date of the AGM; and
- the securities may be issued at a price that is at a discount to the market price for the Company's Shares on the issue date,

which may have an effect on the amount of funds raised by the issue of the securities.

# Predictive Discovery Limited

## EXPLANATORY NOTES

In addition to the current issued capital and market price, the table in this section shows the economic and voting dilution effect in circumstances where the issued capital has doubled and the market price of the Shares has halved.

The table also shows various scenarios in which the issued capital has increased (by both 50% and 100%) and the market price of the Shares has decreased by 50% and increased by 100%.

Shares on issue	Shares issued	Capital raised		
		At 50% decrease in market price	At current market price	At 100% increase in market price
	10% voting dilution (Shares)	\$0.004	\$0.008	\$0.016
<b>Current</b>				
406,615,214	40,661,521	\$162,646	\$325,292	\$650,584
<b>50% increase</b>				
609,922,821	60,992,282	\$243,969	\$487,938	\$975,877
<b>100% increase</b>				
813,230,428	81,323,043	\$325,292	\$650,584	\$1,301,169

### Assumptions and explanations

1. The market price is \$0.008, based on the closing price of the Shares on ASX on 8 October 2014.
2. The current issued Share capital above does not include Shares to be issued pursuant to the rights issue as announced by the Company on 1 October 2014.
3. The Company issues the maximum number of equity securities available under the 10% Capacity.
4. No Options or other securities are exercised into Shares before the date of the issue of the equity securities.
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue.
6. The table does not show an example of dilution that may be caused to a particular Shareholder (taking into account that Shareholder's holding at the date of the AGM).
7. The table does not show the effect of issues under the 15% Capacity under the ASX Listing Rules.

8. The issue of securities under the 10% Capacity consists only of Shares.

9. The issue price of the 10% Capacity used in the table does not take into account discount to market price (if any).

### Has the Company made or proposed any issues in the last 12 months?

The Company has issued the following equity securities in the 12 month period preceding the date of the AGM, further details of which are set out in **Schedule 2**.

Reason	Number	Equity security
Issue of Shares pursuant to the Company's employees	327,000	Shares
Issue to sophisticated and professional investors	61,287,500	Shares
Issue under share purchase plan	20,375,000	Shares
Issue to Directors following Shareholder approval	5,312,500	Shares
Issue to Directors and management following Shareholder approval in lieu of remuneration	8,000,000	Unlisted Options
Issue pursuant to 2014 Placement	18,750,000	Shares
<b>Total</b>	<b>114,052,000</b>	

The equity securities issued in the previous 12 months, if converted, would amount to 114,052,000 Shares. On 25 November 2013, the equity securities of the Company constituted, or were convertible into, 318,194,289 Shares. On this measure, the equity securities issued in the preceding 12 months amount to approximately 36% of the equity securities on issue at 25 November 2014.

### Use of funds received

The Company received approximately \$1,541,600 as consideration for the above issues. These funds were used for working capital and to fund drilling program and

exploration programs on the Company's Bangaba permit and Bonsiega permit groups in Burkina Faso.

### Voting exclusions

The Company will disregard any votes cast on Item 6 by or on behalf of (including by proxy) a person who might participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of Shares) if Item 6 is passed, and any associates of those persons.

However, the Company need not disregard a vote if the vote is cast as proxy for a person who is entitled to vote:

- in accordance with the directions on the Proxy Form; or
- the Chair of the meeting in accordance with a direction on the Proxy Form to vote as the proxy decides.

The persons eligible to participate in a proposed issue (if any) are not known by the Company at the date of the Notice. Accordingly, no Shareholders are currently excluded from voting on Item 6.

# Predictive Discovery Limited

## EXPLANATORY NOTES

### **Board recommendation**

The Board unanimously recommends Shareholders vote **in favour** of granting the Company the additional equity raising capacity equivalent to 10% of the Company's ordinary securities.

The Chair intends to vote undirected proxies in favour of Item 6.

# Predictive Discovery Limited

## GLOSSARY

<b>10% Capacity</b>	The additional 10% Share capital the Company may issue on top of the 15% Capacity, subject to Shareholder approval.	<b>Closely Related Party</b>	A closely related party, meaning a spouse or child of the member; a child of the member's spouse, a dependent of the member or the member's spouse; anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member in the member's dealings with the Company; or a company the member controls.	<b>Notice or Notice of Meeting</b>	The notice of Meeting and the Explanatory Notes.
<b>15% Capacity</b>	The restriction on the Company to issue securities up to 15% of its issued Share capital in any 12 month period without obtaining Shareholder approval.	<b>Company or Predictive</b>	Predictive Discovery Limited (ACN 127 171 877).	<b>Option</b>	An option to acquire a Share.
<b>A\$ or \$</b>	Australian dollars.	<b>Constitution</b>	The Company's constitution.	<b>Ordinary Resolution</b>	A resolution that must be passed by at least 50% of the votes cast by Shareholders being in favour of the resolution.
<b>Annual Report</b>	The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2014.	<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).	<b>Placement</b>	The issue of 18,750,000 Shares at 0.8 per Share to sophisticated and professional investors as announced by the Company on 1 October 2014
<b>AGM or Annual General Meeting</b>	The Annual General Meeting of Shareholders of the Company to be held at Level 17, 530 Collins Street, Melbourne, Victoria on Tuesday, 25 November 2014 at 9.00am (AEDST), or any adjournment thereof.	<b>Director</b>	A director of the Company.	<b>Proxy Form</b>	The proxy form included with this Notice.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.	<b>Explanatory Notes</b>	The Explanatory Notes attached to the Notice of Meeting.	<b>Remuneration Report</b>	The remuneration report forming part of the Directors' report in the Annual Report.
<b>ASX Listing Rules</b>	The listing rules of the ASX.	<b>Hartleys</b>	Hartleys Limited.	<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>AEDST</b>	Australian Eastern Daylight Saving Time.	<b>Hartleys Options</b>	The Options proposed to be issued to Hartleys pursuant to Item 4	<b>Shareholder</b>	Any people holding a Share in the Company's share register.
<b>AWST</b>	Australian Western Standard Time.	<b>Item</b>	Each resolution set out in the Notice of Meeting.	<b>Special Resolution</b>	A resolution that must be passed by at least 75% of the votes cast by Shareholders being in favour of the resolution.
<b>Board</b>	The board of Directors of the Company.	<b>Key Management Personnel</b>	Key management personnel, which has the same meaning as in the Australian accounting standards. Broadly, this includes those persons with the authority for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Directors.	<b>Voting Record Date</b>	7.00pm on Sunday, 23 November 2014 (AEDST).
<b>Chair</b>	The chair of the Annual General Meeting.			<b>VWAP</b>	Volume Weighted Average Price.

## SCHEDULE 1 – TERMS AND CONDITIONS OF UNLISTED OPTIONS

The terms and conditions of the Hartleys Options are as follows:

- 1 Each Option entitles the holder to subscribe for one Share upon exercise of the Option and payment of the Exercise Price (defined below).
- 2 Each is exercisable at 2.0 cents per Shares on the date of the grant of the Option (**Exercise Price**), payable in full on exercise of the Option.
- 3 The Options automatically expire three years from the date of issue (**Expiry Date**).
- 4 The Options will not be quoted on ASX.
- 5 The Company must give the holder of each Option a certificate or holding statement stating:
  - a. the number of Options issued to each holder;
  - b. the Exercise Price of the Options; and
  - c. the date of issue of the Options.
- 6 Holders may exercise the Options at any time up to the Expiry Date. Any Option not exercised automatically expires on the Expiry Date.
- 7 Options may only be exercised during the hours of 8.30am to 5.00pm AWST (**Business Hours**) by the delivery to the registered office of the Company or the Share Registry of a notice in writing stating the intention of the holder to:
  - a. exercise all or a specified number of the Options; and
  - b. pay the Exercise Price in full for the exercise of each such Option.
- 8 A notice in writing received outside of Business Hours will be deemed received at the next opening of Business Hours.
- 9 The exercise notice must be accompanied by the certificate or holding statement for the options being exercised and a cheque made payable to the Company for the Exercise Price for the Options being exercised.
- 10 The Options will be deemed to have been exercised on the date the exercise notice is received or deemed to be received by the Company or the Share Registry.
- 11 The Company will allot the Shares to which a holder is entitled following exercise of Options and deliver a holding statement with respect to such Shares within the timeframe required by the ASX Listing Rules.
- 12 The exercise of only some Options will not affect the rights of the holder to the balance of the Options held by them.
- 13 If the holder of the Options exercises less than the total number of Options registered in the holder's name:
  - a. the holder of the Options must surrender its option certificate, if one has been issued by the Company; and
  - b. the Company must cancel the certificate and issue the holder of the Options a new certificate or holding statement stating the remaining number of Options held by the holder and stating the information set out above.
- 14 Options will not confer an entitlement to receive dividends declared and paid by the Company, nor an entitlement to vote at general meetings of the Company unless the holder of the Options has exercised the Options before the record date for determining these entitlements and participates as a result of holding Shares.
- 15 All Shares issued on exercise of an Option will:
  - a. rank equally in all respects (including, without limitation, rights relating to dividends) with other issued Shares;
  - b. be issued credited as fully paid;
  - c. be duly authorised and issued by all necessary corporate action; and
  - d. be allotted and issued free from all liens, charges and encumbrances whether known about or not, including statutory and other pre-emption rights and any transfer restrictions.
- 16 The Company will apply to ASX Limited for official quotation of the Shares issued upon exercise of Options within the time period required by the ASX Listing Rules.
- 17 The Options are not transferable.
- 18 A holder of Options does not have the right to participate in bonus issues or new issues of securities offered to Shareholders until Shares are allotted to the holder pursuant to the exercise of the Options.
- 19 In the event of a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the capital of the Company, the rights of the holders of Options (including, without limitation, the number of Options to which the Optionholder is entitled to and the Exercise Price) will be changed (as appropriate) in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- 20 If the Company makes a pro-rata issue (other than a bonus issue) to existing Shareholders and no Share has been issued in respect of the Option before the record date for determining entitlements to the issue, the Exercise Price of each Option will be reduced in the manner permitted by the ASX Listing Rules applying at the time of the pro-rata issue.
- 21 If the Company makes a bonus issue to existing Shareholders and no Share has been issued in respect of that Option before the record date for determining entitlements to the issue, then the number of Shares over which that Option is exercisable will be increased in the manner permitted by the ASX Listing Rules applying at the time of the bonus issue.
- 22 The Company is entitled to treat the registered holder of an Option as the absolute holder of that Option and is not bound to recognise any equitable or other claim to, or interest in, that Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

# Predictive Discovery Limited

## SCHEDULE 2 – SECURITIES ISSUED IN PRIOR 12 MONTHS

Brief Details	Date of Issue	Number of Securities	Class / Type of Security	Summary of Terms	Investor / Recipient	Price	Cash consideration	Non-cash consideration	Current value of non-cash consideration
Issue of Shares pursuant to the Company's employee incentive plan	24 December 2013	327,000	Ordinary Shares	Fully paid ordinary Shares <sup>1</sup>	Eligible employees under the Company's employee incentive plan	Nil	n/a	\$6,867 (327,000 Shares @ \$0.021)	\$2,616 (327,000 shares @ \$0.008)
Issue to sophisticated and professional investors	5 February 2014	61,287,500	Ordinary Shares	Fully paid ordinary Shares	Sophisticated and professional investors including those who are clients of stockbrokers	\$0.016 per Share	\$980,600	n/a	n/a
Issue under share purchase plan	4 March 2014	20,375,000	Ordinary Shares	Fully paid ordinary Shares	Existing Shareholders via a share purchase plan	\$0.016 per Share	\$326,000	n/a	n/a
Issue to Directors following Shareholder approval	27 March 2014	5,312,500	Ordinary Shares	Fully paid ordinary Shares	Directors	\$0.016 per Share	\$85,000	n/a	n/a
Issue to Directors (following Shareholder approval) in lieu of remuneration and to management as an incentive	27 March 2014	8,000,000	Unlisted Options	Unlisted Options exercisable at \$0.022 per Share expiring 31 March 2017. <sup>2</sup>	Directors and management	Nil	n/a	\$176,000 (8,000,000 Options @ \$0.022)	\$64,000
Issue to under Placement to sophisticated and professional investors	On or around 8 October 2014	18,750,000	Ordinary Shares	Fully paid ordinary Shares	Sophisticated and professional investors including Aurora Minerals Limited	\$0.008 per Share	\$150,000	n/a	n/a

<sup>1</sup> The terms of fully paid ordinary Shares are set out in the Constitution. This includes the right to share in the surplus assets of the Company on a winding up, the right to dividends and to attend and vote at general meetings.

<sup>2</sup> The full terms and conditions of these unlisted Options are the same as those listed in **Schedule 1**, save for the exercise price being 2.2 cents per Option and the expiry date being 31 March 2017.

# Predictive Discovery Limited

## PROXY FORM

Shareholder Name:.....

**APPOINTMENT OF PROXY**  
**PREDICTIVE DISCOVERY LIMITED**  
**ACN 127 171 877**

Shareholder  
Address.....

### ANNUAL GENERAL MEETING

I/We being a member(s) of Predictive Discovery Limited and entitled to attend and vote at the Annual General Meeting of the Company to be held at 9.00am (AEDST time), on Tuesday, 25 November 2014 at Level 17, 530 Collins Street, Melbourne, Victoria, hereby appoint:

the Chair of  
the AGM  
(mark box)

**OR** if you are **NOT** appointing the Chair of the AGM as your proxy, please write the name of the person or body corporate you are appointing as your proxy (do not insert your own name). I/we appoint the Chairman of the AGM as an alternate proxy to the person named.

If no person/body corporate is named, the Chair is appointed as my/our proxy and to vote for me/us on my/our behalf at the Meeting and at any adjournment or postponement of the meeting.

I acknowledge that Item 1 relates to the remuneration of Key Management Personnel, and that the Chair intends to vote any undirected proxies in favour of this Item. I/ we expressly authorise the Chair to exercise my/our proxy even though the Item is connected directly with the remuneration of a member of the Key Management Personnel.

**The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.**

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#### Voting on business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Item 2 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 – Re-election of Phillip Harman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 – Approval of issue of Hartleys Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 – Ratification of prior issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6– Approval of 10% Capacity to issue securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for the Item, you are directing your proxy not to vote on the Item on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_%

# Predictive Discovery Limited

## PROXY FORM

Signature of Member(s)

Date: \_\_\_\_\_

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: \_\_\_\_\_ Contact Ph (daytime): \_\_\_\_\_

### Instructions for completing Proxy Form

- (Appointing a proxy):** A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. If a Shareholder appoints only one proxy, that proxy may vote on a show of hands. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If a Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company.
- (Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. If a box is not marked the proxy may vote as they choose. If more than one box is marked on an Item the vote will be invalid on that item.
- (Signing instructions):**
  - (Individual):** Where the holding is in one name, the member must sign.
  - (Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - (Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this form when you return it.
  - (Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
- (Attending the AGM):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Annual General Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then:
  - the proxy's authority to speak for that Shareholder is suspended while the Shareholder is present at the Annual General Meeting; and
  - the proxy's authority to vote for the Shareholder on any Item is not suspended while the Shareholder is present but is revoked by the Shareholder voting in person on that Item.
- (Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - mailing it to Predictive Discovery Limited, at PO Box 226, Subiaco WA 6904;
  - emailing it to Ian Hobson (Company Secretary), at [info@predictivediscovery.com](mailto:info@predictivediscovery.com);
  - by facsimile to +61 8 9388 8256; or
  - hand delivering it to Predictive Discovery Limited, at Suite 5, 95 Hay Street, Subiaco, WA 6008,

so that it is received not later than 9.00am (AEDST) on Sunday, 23 November 2014.

**Proxy Forms received later than this time will be invalid.**