

By email: ListingsCompliancePerth@asx.com.au

Mr Sam Dorland

Adviser, Listings Compliance (Perth)

Dear Mr Dorland,

ASX PRICE QUERY

I refer to your letter to Predictive Discovery Limited ("PDI" or the "Company") dated 13 June 2023 ("Letter") and additional queries sent by email on 13 June 2023 ("Email"). The Company responds to each of the questions in the Letter and Email below.

Responses to Letter

1. *Is PDI aware of any information concerning it that has not been announced to the market, which, if known by some in the market, could explain the recent trading in its securities?*

Yes. PDI has recently received assay results from resource definition drilling at NE Bankan ("NEB"), Bankan Creek ("BC") and Gbenbeden, initial reverse circulation ("RC") drilling at 800W and auger geochemical drilling at Argo.

As set out in the response to question 2a, these results were confidential and incomplete at the time of the Letter and Email, and PDI was not in a position to release those results. As a consequence of the Letter and Email, PDI accelerated and has now completed its usual process regarding assessment of materiality, as well as its quality assurance / quality control ("QAQC") processes, geological interpretation and assessment, and has prepared all necessary disclosures to the market in accordance with the ASX Listing Rules and the JORC code. PDI has provided an update to the market of this information today in two announcements ("Announcements").

The Company also wishes to note that it does not believe these results explain the recent trading in its securities, including for reasons set out in the response to question 3.

2. *If the answer to question 1 is "yes":*

a. *Is PDI relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in PDI's securities would suggest to ASX that such information may have ceased to be confidential and therefore PDI may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes". You need to contact us immediately to discuss the situation.*

Yes. PDI is undertaking extensive drilling programs at the Bankan Gold Project, which have been ongoing over the last several years. During the past 12 months, PDI has completed approximately 86,000m of resource definition drilling at the NEB and BC deposits and this drilling program is ongoing. PDI has recently commenced RC drilling at Argo and at near-resource targets in the vicinity of NEB.

Assay results from drilling are regularly received by the Company. In accordance with standard industry practice, PDI's usual process is that those preliminary assay results are subject to QAQC review, analysis,

geological interpretation and assessment. If the results are determined to require release to the ASX, PDI will then promptly and without delay prepare an announcement including commentary, images and the required ASX Listing Rules and JORC Code disclosures. The results are kept confidential by PDI throughout this process and PDI ensures that all advisors, consultants and other service providers who are provided with the results are subject to appropriate obligations of confidentiality.

PDI was relying on Listing Rule 3.1A not to disclose the assay results on or before 13 June 2023. In this respect PDI notes that:

- PDI has no reason to believe that confidentiality of the assay results had been lost at any time. PDI does not consider that any such loss of confidentiality was the reason for the recent trading in its securities. Rather, PDI considers the matters summarised in the response to question 3 below may explain the recent trading;
- The vast majority of assay results in the Company's possession were first distributed to PDI Management on the afternoon of Monday 12 June 2023 (2:33pm WST). Accordingly, at the time of the Letter and Email, the Company had not had sufficient time to complete its above process for assessing results, determining whether the results are sufficiently material to require ASX disclosure and preparing an announcement. Hence PDI was not in a position to release the results on the ASX at that time;
- Certain results were first distributed to PDI Management on 27 May 2023 (Saturday) and 20 May 2023 (Saturday), which related to a single RC hole at 800W and partial auger geochemical drilling results at Argo. These results provided incomplete information about the programs to which they related, and were not considered material in their own right;
- Following receipt of the Letter and Email, PDI's results review process in relation to the 12 June 2023 results (including implications on the 27 May 2023 and 20 May 2023 results) and the preparation of a draft of the Announcements (including addressing the requirements of the JORC Code and the ASX Listing Rules) was accordingly accelerated and completed by Saturday 17 June 2023; and
- Following review and approval, the Announcements were subsequently lodged by the Company Secretary on the ASX market announcement platform earlier today.

b. Can an announcement be made immediately?

As outlined in the response to question 2a, PDI was not in a position to make an announcement at the time of the ASX Letter and Email. The assessment of materiality, the QAQC process and interpretation of the assay results was accelerated and undertaken while PDI's securities were in a trading halt / suspension period and the information was released to the market as soon as practicable in the Announcements.

3. If the answer to Question 1 is "no", is there any other explanation that the Company may have for the recent trading in its securities?

Whilst the answer to question 1 was 'yes', PDI considers that a further explanation for the recent trading in PDI securities may stem from the recent capital raising that was completed on 6 June 2023 and anticipation of other activities that have recently commenced at the Bankan Gold Project.

As announced to ASX on 29 May 2023, PDI raised approximately \$40m in a placement to institutional and sophisticated investors. Funds raised from the Placement will be used as follows:

- Ongoing resource definition drilling to further expand and upgrade the existing Mineral Resource at the Bankan Gold Project;
- Acceleration of regional exploration drilling at multiple high priority targets along Bankan's 35km structural gold corridor, commencing at the Argo prospects located along strike to the north of the NEB deposit;
- Completion of the Environmental & Social Impact Assessment and Scoping Study; and
- Expenses of the Placement, corporate costs and general working capital.

The placement was strongly supported by the Company's major shareholders and new institutional investors, and provides the Company with a strong balance sheet to achieve its objectives without needing to raise further capital in the short term.

Significant resource definition drilling has been completed at NEB and BC in the last six months, and the Company is on track to achieve a Mineral Resource update in Q3 2023 and complete a Scoping Study in late 2023.

PDI's broader Bankan permits have significant exploration potential, and PDI has recently commenced RC drilling in the highly prospective Argo region. PDI has also recently commenced RC drilling of near-resource targets in the vicinity of NEB.

4. Please confirm that PDI is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Confirmed.

5. Please confirm that PDI's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of PDI with delegated authority from the board to respond to ASX on disclosure matters.

Confirmed.

Responses to Email

6. Please advise whether any samples of the drilling exploration programme that PDI is currently undertaking have been sent to the laboratory? If yes, please provide the exact date on which the drill cores were sent to the laboratories.

Yes, PDI's drilling programs are ongoing and samples are regularly sent to the laboratories. The latest drill samples were sent to the laboratory on 9 June 2023.

7. ***Please advise whether PDI is expecting any results from the laboratories in relation to its drilling programme and if yes, please advise when the results are expected to be provided to PDI. Please provide detailed information in relation to the timing of these results.***

PDI is expecting results from samples which were sent to the laboratory on 9 June 2023. It is not possible to provide definitive timing on the expected receipt of these results and it will depend on laboratory scheduling and the volume of samples at the laboratory from other companies, amongst other factors.

Assay results from drilling are expected to be sent to the laboratory and released to the ASX on a regular and ongoing basis during the drill programs. A definitive timeline is not predictable but results are expected to be delivered on a regular basis over the next 12 months.

8. ***Please advise if the drill program relating to the abovementioned assay results has been completed, and if so, when.***

The drill programs are ongoing.

9. ***Please advise what arrangements (if any) PDI has in place to maintain confidentiality of its assay results? Please provide detailed information.***

PDI has confidentiality protocols in place with the SGS and Bureau Veritas laboratories, and protocols with its external consultants and internally to maintain confidentiality of its assay results. This includes initially limiting the distribution of results and using a secure server with limited access to ensure all data, including assay results, remain confidential. PDI considers that these measures constitute adequate confidentiality protocols and are in line with industry norms and practice.

Please let me know if you have any further queries.

Yours faithfully



Ian Hobson
Company Secretary
Predictive Discovery Ltd



13 June 2023

Reference: 75443

Mr Ian Hobson
Company Secretary
Predictive Discovery Limited

By email

Dear Mr Hobson

Predictive Discovery Limited ('PDI'): Price - Query

ASX refers to the following:

- A. The change in the price of PDI's securities from a low of \$0.16 to a high of \$0.185 today.
- B. The significant increase in the volume of PDI's securities traded today.

Request for information

In light of this, ASX asks PDI to respond separately to each of the following questions and requests for information:

1. Is PDI aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is PDI relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in PDI's securities would suggest to ASX that such information may have ceased to be confidential and therefore PDI may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that PDI may have for the recent trading in its securities?
4. Please confirm that PDI is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that PDI's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of PDI with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **7:00 AM AWST Wednesday, 14 June 2023**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, PDI's obligation is to disclose the information

‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require PDI to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in PDI’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in PDI’s securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to PDI’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that PDI’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Sam Dorland
Adviser, Listings Compliance