ABN 11 127 171 877

ANNUAL FINANCIAL REPORT

30 JUNE 2022

CORPORATE DIRECTORY

DIRECTORS

Mr Simon Jackson	Non-Executive Chairman
Mr Andrew Pardey	Managing Director
Mr Steven Michael	Non-Executive Director
Ms Sandra Bates	Non-Executive Director

Company Secretary
Mr Ian Hobson

AUDITOR

PKF Perth
Level 4, 35 Havelock Street
WEST PERTH WA 6005

REGISTERED OFFICE
Suite 8
110 Hay Street
SUBIACO WA 6000
Telephone: +61 8 6143 1840
Fax : +61 8 9321 4692
Email: info@predictivediscovery.com
Website: www.predictivediscovery.com

SHARE REGISTRY
Link Market Services Limited
Level 4, 152 St Georges Terrace
PERTH WA 6000
Telephone: +61 8 9211 6670
Email : info@linkmarketservices.com.au

POSTAL ADDRESS
PO Box 1710
WEST PERTH WA 6872

ASX CODE
PDI

CONTENTS

DIRECTORS' REPORT

Predictive Discovery Limited (the "Company" or "Predictive") is a public company incorporated and domiciled in Australia and listed on the Australian Securities Exchange.

The directors of the Company present their report on the Group, which comprises Predictive Discovery Limited and its controlled entities, for the year ended 30 June 2022.

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

NAMES	POSITION
Mr Simon Jackson	Non-Executive Chairman (Appointed 19 October 2021)
Mr Andrew Pardey	Managing Director
Mr Steven Michael	Non-Executive Director
Ms Sandra Bates	Non-Executive Director (Appointed 7 June 2022)
Mr Francis Harper	Non-Executive Chairman (Resigned 19 October 2021)
Mr Paul Roberts	Executive Director (Resigned 30 June 2022)

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

COMPANY SECRETARY

Mr Ian Hobson – B. Bus FCA ACIS MAICD
Mr Hobson is a Fellow Chartered Accountant and Chartered Secretary with 15 years of experience as Company Secretary of ASX listed companies. Mr Hobson is also Company Secretary of Decmil Group Ltd, Province Resources Ltd, Sarytogan Graphite Ltd, Novatti Group Ltd, Dubber Corporation Ltd and VRX Silica Ltd.

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 $9,687,702 (2021: $6,622,404). This was largely from exploration costs, provision for indirect taxes in Guinea and the costs of administering the Group to 30 June 2022.

In Financial Year 2021-22, Predictive made substantial progress developing a 4.2MOZ Inferred Resource at the Bankan gold project located in Guinea. The Bankan gold camp is situated in north-east Guinea, West Africa. The project is 550km by road from Guinea's capital Conakry within the region of Upper Guinea (Haute-Guinée) and is near the regional administrative centre of Kouroussa, a city of approximately 50,000 inhabitants.

The Bankan project area covers 356km^2 in four exploration permits Kaninko, Saman, Bokoro and Argo. Three permits are held by wholly owned subsidiaries of Predictive. The fourth, Argo, is held in a joint venture with the owners of local company Argo Mining SARLU, through which the company has the right to acquire 100% equity at decision-to-mine.

Since the initial Maiden Inferred Resource was reported on 30 September 2021, drilling at Bankan has been focused on growing the NE Bankan Deposit and the high-grade zone beneath the 2021 Maiden Resource Estimate US$1,800/oz pit shell. Resource drilling continued in FY22 as part of the continued growth strategy, in parallel with aircore and power auger programmes being completed across the Bankan project, testing structural target areas interpreted from the aeromagnetic survey across the project area.

The Mineral Resource Estimate for the Bankan Project is shown in Table 1, reported at a 0.5 g/t Au cut-off grade and constrained by the open pit optimisation, along with the remaining Lower HG outside the optimised pit at NE Bankan, considered as an underground resource.

The resource and grade-tonnage tables are as follows:

TABLE 1: BANKAN PROJECT UPDATED MINERAL RESOURCE ESTIMATE

Deposit	Classification	Million Tonnes	Grade Au g/t	'000 Contained Au ounces
NE Bankan	Inferred	72.3	1.65	3,884
Bankan Creek	Inferred	7.2	1.43	331
Total	Inferred	79.5	1.63	4,215

(Assays to 21 July 2022)
Notes to Resource Table:
1. The NE Bankan Mineral Resource is estimated with all drilling data available 21 July 2022; the Bankan Creek Mineral Resource is estimated with all data available 2 September 2021, and was previously reported by Predictive on 30 September 2021
2. The Mineral Resource is reported in accordance with the JORC Code 2012 Edition at a 0.5 g/t Au cut-off.
3. The Competent Person is Phil Jankowski FAusIMM of CSA Global
4. The Resources are constrained by optimised pit shells using a metal price of USD$1,800 per ounce Au and process recovery of 94%.
5. Rounding may lead to minor apparent discrepancies

The entire resource for both prospects is classified Inferred, and both are open at depth and along strike. The grade-tonnage relationship is shown in Table 2.

TABLE 2: NE Bankan Grade Tonnage Table

Cut-off Au g/t	Tonnes	Grade Au g/t	Contained Au ounces
0	496,386,611	0.25	4,014,366
0.1	92,718,277	1.35	4,014,366
0.2	88,314,177	1.41	3,993,127
0.3	80,670,227	1.52	3,931,687
0.4	75,579,577	1.60	3,876,040
0.5	72,332,714	1.65	3,884,109
0.6	68,141,564	1.71	3,755,997
0.7	61,957,776	1.82	3,626,769
0.8	54,888,963	1.96	3,456,318
0.9	47,457,813	2.13	3,253,238
1.0	40,072,925	2.35	3,027,680

COMPETENT PERSONS STATEMENT

The Mineral Resource estimates reported herein were released to ASX on 2 August 2022 and are based on information compiled by Mr Phil Jankowski, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Jankowski is a full-time employee of CSA Global Pty Ltd 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 Jankowski consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The exploration results reported herein are based on information compiled by Mr Norm Bailie. Mr Bailie 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 Bailie consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to prior exploration results have been referenced to the original announcement date. The Company confirms that it is not aware of any new information or data that materially affects previous exploration results referred to in this announcement. The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the relevant original market announcements.

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 increased by $37,788,338 from 30 June 2021 to 30 June 2022. This net movement is largely due to the following factors:

- $42m net capital raising;
- Expenditure on exploring and evaluating the assets in Guinea.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the Group's state of affairs occurred during the financial year.

EVENTS AFTER THE END OF REPORTING PERIOD

The following events have occurred subsequent to the year ended 30 June 2022:

(i) On 1 July 2022, the Company advises that application monies received from the Share Purchase Plan was $2,894,700;
(ii) Approval to issue 10,000,000 options and 16,000,000 ZEPOS at a shareholder meeting on 18 July 2022, which were issued to directors on 20 July 2022
(iii) Approval of the 2nd tranche of the May 2022 Placement shares on 18 July 2022, which were issued on 22 July 2022 i.e., 99,359,878 at $0.18 per share;
(iv) Announcement of 4.2MOZ Inferred Resource at Bankan on 2 August 2022; and
(v) Conversion of Options to Shares at various dates and amounts.

The Company recognises the current global COVID-19 pandemic may impact on its operations. Specifically, government restrictions may:

(i) prevent Company staff or contractors from carrying out their exploration activities; or
(ii) impede the supply of equipment or other exploration consumables required to do the exploration work.

The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The ability to freely move people and equipment to and from exploration projects may cause delays or cost increases.

The effects of COVID-19 on the Company's share price may also impede the ability to raise capital, or require the Company to issue capital at a discount, which may in turn cause dilution to shareholders.

There has not been any other matter or circumstance arising after the balance date that has 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.

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 the Commonwealth and State legislation in Australia and under local legislative authorities in Guinea and Burkina Faso. 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 Andrew Pardey	**Managing Director**
Qualifications	BSc
Experience	Mr Pardey is a geologist with more than 30 years' experience covering exploration, project development, construction and operation. From 2015 to 2019, Mr Pardey served as the CEO of the $2 billion LSE/TSX-listed Centamin plc, which owns the major (450,000oz pa) Sukari Gold Mine in Egypt. Prior to being CEO of Centamin, Mr Pardey was a major driving force in bringing Sukari into production, having joined during the transition of the operation from construction into production. Earlier in his career, Mr Pardey also held senior management roles at the Anglogold-Ashanti Siguiri Mine and Nordgold Lefa Mine, both of which are located within Guinea's Siguiri Basin, which also hosts Predictive's Bankan Project.
Interest in Shares and Options (at the date of this report)	Shareholding: Nil Option holding: 16,000,000
Directorships held in other listed entities during the three years prior to the current year	Marvel Gold Limited (Appointed June 2020) Wia Gold Limited (Appointed October 2020)
Mr Simon Jackson	**Non-Executive Chairman (appointed 19 October 2021)**
Qualifications	B Com FCA
Experience	Mr Jackson is a Chartered Accountant with over 25 years' experience in management of resource companies, particularly in Africa. Mr Jackson was a senior member of the management team of TSX listed Red Back Mining Inc., a company that financed, developed and operated two gold mines in West Africa culminating in a takeover by Kinross Gold Corp in 2010 that valued Red Back at CAD$9.3 billion. He was then founding President & CEO and later Chairman of TSXV listed Orca Gold Inc, a company which discovered the Block 14 gold project in Sudan and was recently taken over by Perseus Mining. Mr Jackson is currently Non-executive Chairman of ASX/TSXV listed Sarama Resources Limited and non-executive Director of ASX/LSE listed Resolute Mining Limited. He has been a director of multiple ASX and TSX listed companies.
Interest in Shares and Options (at the date of this report)	Shareholding: 426,667 Option holding: 7,000,000
Directorships held in other listed entities during the three years prior to the current year	Cygnus Gold Limited (Resigned May 2022) CZR Resources Limited (Resigned Sept 2021) Kopore Metals Limited (Resigned Nov 2021) Resolute Mining Limited (Appointed Oct 2021) Sarama Resources Limited (Appointed Mar 2011)

Mr Steven Michael	**Non-Executive Director**
Qualifications	B. Com, CA, MAICD
Experience	Mr Michael has over 25 years' experience in the global resources sector specialising in corporate finance and equity capital markets. He is currently Executive Director at Deep Yellow Limited, a uranium development company. He has previously worked in the natural resources divisions of Macquarie Bank, Rothschild and Royal Bank of Canada. Mr Michael is also a Non-Executive Director of Wia Gold Limited (ASX: WIA) and was previously Managing Director of ASX-listed Arrow Minerals Limited (ASX: AMD) which held several gold projects in Burkina Faso. Mr Michael is a Member of the Institute of Chartered Accountants in Australia and is a member of the Australian Institute of Company Directors.
Interest in Shares and Options (at the date of this report)	Shareholding: 2,866,080 Option holding: 2,500,000
Directorships held in other listed entities during the three years prior to the current year	Arrow Minerals Limited (Resigned February 2020) Wia Gold Limited (Appointed September 2020) Vimy Resources Limited (Resigned August 2022) Deep Yellow Limited (Appointed August 2022)
Ms Sandra Bates	**Non-Executive Director**
Qualifications	BCom, LLB Admitted as a Solicitor of England and Wales and South Australia
Experience	Sandra Bates is an international lawyer and expert adviser with over 20 years' experience guiding management teams and boards through complex, cross-border, corporate transactions. Throughout her professional career, Ms Bates has been a trusted adviser to a range of listed and private companies in the natural resources and energy sectors and has broad experience encompassing Africa, Australia, Europe and the Americas. In addition to her legal and commercial expertise, Ms Bates advises on Environmental, Social and Governance (ESG) engagement, corporate governance and risk management. Ms Bates is General Counsel for Elemental Altus Royalties Corp and Legal Director and ESG adviser to ion Ventures. She is also Non-Executive Director of ASX and LSE listed Adriatic Metals Plc where she is Chair of the audit committee.
Interest in Shares and Options (at the date of this report)	Shareholding: Nil Option holding: 5,000,000
Directorships held in other listed entities during the three years prior to the current year	Adriatic Metals Plc (Appointed Nov 2019) Pensana Plc (Resigned September 2021)
Mr Francis Harper	**Former Non-Executive Chairman (Resigned 19 October 2021)**
Qualifications	LLB (Hons), BEc
Experience	Mr Harper is Chairman and a significant shareholder in Tietto Minerals Limited, which is studying development of the expanding 3 million-ounce Abujar Gold Project in Ivory Coast. Prior to that, from 2009 to 2015, he was a major shareholder and Chairman of West African Resources, which recently commissioned the high-grade Sanbrado gold project in Burkina Faso. He was also Chairman of Vital Metals Ltd until 2020 and is a founding director and co-owner of Blackwood Capital since 2002. Blackwood Capital has raised over $1 billion for ASX resources and industrial companies. Prior to this he was an Executive Director of Rothschild Australia and spent 15 years with the NM Rothschild Group in the US, UK and Australia in resources M&A and project finance advice.
Interest in Shares and Options (at the date of this report)	Resigned at date of this report
Directorships held in other listed entities during the three years prior to the current year	Tietto Minerals Limited Vital Metals Ltd (resigned August 2020)

Mr Paul Roberts	**Former Managing Director (Resigned 30 June 2022)**
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 (at the date of this report)	Resigned at date of this report
Directorships held in other listed entities during the three years prior to the current year	None

MEETINGS OF DIRECTORS

During the financial year, 20 meetings / circular resolutions of directors (including committees of directors) were held. Attendances by each director at meetings during the year were as follows:

Director	Directors' Meetings		Circular Resolutions	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr Simon Jackson	5	5	9	9
Mr Steven Michael	6	6	12	12
Ms Sandra Bates	0	0	2	2
Mr Andrew Pardey	6	6	14	14
Mr Paul Roberts	6	6	14	14
Mr Francis Harper	1	1	4	4

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 under option, including those options issued during the year and since 30 June 2022 to the date of this report are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
24 December 2019	24 Dec 2022	$0.0180	74,325,569
30 June 2020	30 Jun 2023	$0.1800	7,500,000
09 November 2020	05 May 2023	$0.0986	7,400,000
21 Dec 2020	21 Dec 2023	$0.1120	8,000,000
05 February 2021	05 May 2023	$0.0986	11,185,802
14 May 2021	26 May 2024	$0.0986	3,500,000
09 July 2021	28 Jul 2024	$0.1400	8,000,000
8 November 2021	05 Nov 2024	$0.2910	2,500,000
25 May 2022	03 Jan 2025	$0.3400	3,000,000
18 July 2022	30 June 2026	$0.3000	10,000,000
18 July 2022	18 July 2025	NIL	4,000,000
18 July 2022	18 July 2026	NIL	4,000,000
18 July 2022	18 July 2027	NIL	8,000,000
		TOTAL	151,411,371

During the year ended 30 June 2022 9,005,800 ordinary shares of Predictive were issued on the exercise of options granted at $0.0986 per share and 8,774,601 ordinary shares of Predictive were issued on the exercise of options granted at $0.018 per share.

PROCEDINGS 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 is satisfied that the provision of non-audit services by the auditor during the year is compatible with the general standard of independence for auditors imposed by *the Corporations Act 2001.*

Details of the amounts paid to the auditor of the Group for audit and non-audit services provided during the year are set out at note 18.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 49 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:

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.

REMUNERATION REPORT (AUDITED) *(continued)*

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 2022	Non-salary cash-based incentives	Options/ Rights	Fixed Salary/Fees	Total
		%	%	%	%
Mr Francis Harper[(1)]	Non-Executive Chairman	-	-	100	100
Mr Paul Roberts [(2)]	Managing Director	-	-	100	100
Mr Andrew Pardey	Non-Executive Director	-	36	64	100
Mr Steven Michael	Non-Executive Director	-	-	100	100
Mr Simon Jackson [(3)]	Non-Executive Chairman	-	-	100	100
Ms Sandra Bates [(4)]	Non-Executive Director	-	-	-	-
Mr Ian Hobson	Company Secretary	-	60	40	100
Mr Pierre Louw[(5)]	Chief Financial Officer	-	-	100	100

(1) Resigned 19 October 2021
(2) Resigned on 30 June 2022
(3) Appointed on 19 October 2021
(4) Appointed on 7 June 2022. Ms Bates was not paid any remuneration for FY22.
(5) Appointed on 25 of May 2022

All non-executive directors are remunerated on a monthly basis with no fixed term or termination benefits.

Ian Hobson, who was appointed company secretary on 4 June 2020, was engaged pursuant to a consultancy agreement at $200/hr with no notice period.

REMUNERATION REPORT (AUDITED) ***(continued)***

REMUNERATION DETAILS FOR THE YEAR ENDED 30 JUNE 2022

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:

Table of Benefits and Payments for the Period Ended 30 June 2022

Key Management Personnel	Salary, fees and leave	Other	Pension and super-annuation	Shares/ Units	Options/ Rights	Total
	$	$	$	$	$	$
Mr Francis Harper(1)	18,182	-	1,818	-	-	20,000
Mr Paul Roberts (2)	293,881	-	29,388	-	-	323,269
Mr Andrew Pardey	203,417	-	-	-	118,946	322,363
Mr Steven Michael	63,400	-	-	-	-	63,400
Mr Simon Jackson (3)	55,255	-				55,255
Ms Sandra Bates (4)	-	-	-	-	-	-
Mr Ian Hobson	103,300	-	-	134,272	18,652	256,224
Mr Pierre Louw(5)	17,405	-	-	-	-	17,405
Total Key Management Personnel	**754,840**	**-**	**31,206**	**134,272**	**137,598**	**1,057,916**

(1) Resigned 19 October 2021
(2) Resigned on 30 June 2022
(3) Appointed on 19 October 2021
(4) Appointed on 7 June 2022. Ms Bates was not paid any remuneration during FY22.
(5) Appointed on 25 May 2022

Table of Benefits and Payments for the Period Ended 30 June 2021

Key Management Personnel	Salary, fees and leave	Other	Pension and super-annuation	Shares/ Units	Options/ Rights	Total
	$	$	$	$	$	$
Mr Francis Harper(1)	17,613	-	1,673		33,882	53,168
Mr Paul Roberts(2)	275,000	-	26,125	-	428,848	729,973
Mr Andrew Pardey(1)	12,702	-	-		16,941	29,643
Mr Steven Michael	58,200	-	-	-	150,812	209,012
Mr Philip Jackson(3)	47,177	-	-	-	102,924	150,101
Mr Ian Hobson	103,435	1,670	-	-	43,158	148,263
Total Key Management Personnel	**514,126**	**1,670**	**27,798**	**-**	**776,565**	**1,320,160**

(1) Appointed 22 March 2021
(2) Resigned on 30 June 2022
(3) Resigned 22 March 2021

REMUNERATION REPORT (AUDITED) *(continued)*

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:

30 June 2022	**Balance at beginning of period**	**Granted as remunerat-ion 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 unexercis-able**
Mr Francis Harper(1)	7,000,000	-	-	(7,000,000)	-	-	-	-
Mr Paul Roberts(2)	12,500,000	-	-	(12,500,000)	-	-	-	-
Mr Andrew Pardey	3,500,000	-	-	-	3,500,000	-	3,500,000	-
Mr Steven Michael	2,500,000	-	-	-	2,500,000	-	2,500,000	-
Mr Simon Jackson (3)	-	-	-	-	-	-	-	-
Ms Sandra Bates(4)	-	-	-	-	-	-	-	-
Mr Ian Hobson	3,000,000	-	-	(1,000,000)	2,000,000	-	2,000,000	-
Mr Pierre Louw(5)	-	-	-	-	-	-	-	-
	28,500,000	-	-	(20,500,000)	8,000,000	-	8,000,000	-

(1) Resigned 19 October 2021
(2) Resigned on 30 June 2022
(3) Appointed on 19 October 2021
(4) Appointed on 7 June 2022. Ms Bates was not paid any remuneration during FY22
(5) Appointed on 25 May 2022

30 June 2021	**Balance at beginning of period**	**Granted as remunerat-ion 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 unexercis-able**
Mr Francis Harper(1)	-	7,000,000	-	-	7,000,000	-	-	-
Mr Paul Roberts	1,100,000	12,500,000	(1,100,000)	-	12,500,000	12,500,000	12,500,000	-
Mr Andrew Pardey(2)	-	3,500,000	-	-	3,500,000	-	-	-
Mr Steven Michael	-	2,500,000	-	-	2,500,000	2,500,000	2,500,000	-
Mr Philip Jackson(3)	275,000	3,000,000	(275,000)	(3,000,000)	-	-	-	-
Mr Ian Hobson	-	3,000,000	-	-	3,000,000	3,000,000	3,000,000	-
	1,375,000	31,500,000	(1,375,000)	(3,000,000)	28,500,000	18,000,000	18,000,000	-

(1) Appointed 22 March 2021
(2) Appointed 22 March 2021
(3) Resigned 22 March 2021

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 2022						
Mr Francis Harper (1)	-	-	-	4,000,000	(4,000,000)	-
Mr Paul Roberts (2)	5,974,171	-	6,100,000	375,000	(12,449,171)	-
Mr Andrew Pardey	-	-	-	-	-	-
Mr Steven Michael	178,580	-	-	187,500	-	366,080
Mr Simon Jackson (3)	-	-	-	260,000	-	260,000
Ms Sandra Bates (4)	-	-	-	-	-	-
Mr Ian Hobson	50,880	-	-	-	-	50,880
Mr Pierre Louw (5)	-	-	-	-	-	-
	6,203,631	-	6,100,000	4,822,580	(16,449,171)	676,960

(1) Resigned 19 October 2021
(2) Resigned on 30 June 2022
(3) Appointed on 19 October 2021
(4) Appointed on 7 June 2022
(5) Appointed on 25 May 2022

	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 2021						
Mr Francis Harper (1)	-	-	-	-	-	-
Mr Paul Roberts	5,259,671	-	-	714,500	-	5,974,171
Mr Andrew Pardey (2)	-	-	-	-	-	-
Mr Steven Michael	-	-	-	178,580	-	178,580
Mr Ian Hobson	50,880	-	-	-	-	50,880
Mr Phillip Jackson (3)	533,334	-	-	714,500	(1,247,834)	-
	5,843,885	-	-	1,607,580	(1,247,834)	6,203,631

(1) Appointed 22 March 2021
(2) Appointed 22 March 2021
(3) Resigned 22 March 2021

SECURITIES RECEIVED THAT ARE NOT PERFORMANCE-BASED

The options granted to members of key management personnel during the year 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

No options were granted as remuneration during the year to key management personnel and other executives.

END OF THE REMUNERATION REPORT

Andrew Pardey
Managing Director
21 September 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated 2022 $	2021 $
Finance income		3,113	4,865
Other income		-	15,037
Share based payments		(731,130)	(1,093,054)
Administrative expenses	2	(1,544,165)	(1,132,892)
Depreciation of fixed assets		(221,747)	(60,529)
Foreign exchange gain/(loss)		313,645	86,126
Employee benefits expense		(309,962)	(518,329)
Impairment of receivables	13	(918,837)	(426,580)
Movement in provisions	3	(1,682,894)	-
Gain on acquisition of exploration asset		-	683
Impairment of exploration expenditure	8	(2,011,363)	(2,492,232)
Exploration expenditure pre-right to tenure		(2,584,362)	(1,005,499)
Loss before income tax		(9,687,702)	(6,622,404)
Income tax expense	4	-	-
Loss from continuing operations		(9,687,702)	(6,622,404)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange difference on translation of foreign operations		4,025,911	948
Total comprehensive loss for the year		(5,661,791)	(6,621,456)
Loss attributable to:			
Members of the parent entity		(5,661,791)	(6,621,456)
		(5,661,791)	(6,621,456)
Basic loss per share (cents per share)	12	(0.7)	(0.7)
Diluted loss per share (cents per share)	12	(0.7)	(0.7)

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	Consolidated 2022 $	Consolidated 2021 $
Current Assets			
Cash and cash equivalents	5(a)	42,035,541	22,729,169
Trade and other receivables	6	404,150	232,836
Total current assets		42,439,691	22,962,005
Non-Current Assets			
Property, plant and equipment	7	811,526	321,176
Exploration expenditure	8	37,376,965	15,505,090
Total non-current assets		38,188,491	15,826,266
Total assets		80,628,182	38,788,271
Current Liabilities			
Trade and other payables	9	6,548,463	2,496,890
Total current liabilities		6,548,463	2,496,890
Total liabilities		6,548,463	2,496,890
Net Assets		74,079,719	36,291,381
Equity			
Issued capital	10	113,950,491	71,376,018
Reserves		6,411,395	1,543,710
Accumulated losses		(46,282,167)	(36,628,347)
Total Equity		74,079,719	36,291,381

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Share Based Payments Reserve	Total
	$	$	$	$	$
CONSOLIDATED					
At 1 July 2020	42,859,342	(30,136,273)	1,135	130,330	12,854,534
Loss for the year	-	(6,622,404)	-	-	(6,622,404)
Other comprehensive income	-	-	948	-	948
Total comprehensive loss for the year	-	(6,622,404)	948	-	(6,621,456)
Transactions with owners in their capacity as owners:					
Transfer of expired options	-	130,330	-	(130,330)	-
Issue of share capital	30,835,990	-	-	-	30,835,990
Share-based payments	-	-	-	1,093,054	1,093,054
Options issued to brokers	-	-	-	448,573	448,573
Transaction costs	(2,319,314)	-	-	-	(2,319,314)
At 30 June 2021	71,376,018	(36,628,347)	2,083	1,541,627	36,291,381
At 1 July 2021	71,376,018	(36,628,347)	2,083	1,541,627	36,291,381
Loss for the year	-	(9,687,702)	-	-	(9,687,702)
Other comprehensive income	-	-	4,025,911	-	4,025,911
Total comprehensive loss for the year	-	(9,687,702)	4,025,911	-	(5,661,791)
Transactions with owners in their capacity as owners:					
Transfer of expired/lapsed options	-	33,882	-	(33,882)	-
Transfer options exercised from reserve to share capital	298,887			(298,887)	-
Issue of share capital	45,048,347	-	-	-	45,048,347
Share-based payments	-	-	-	731,130	731,130
Options issued to brokers	(443,413)	-	-	443,413	-
Transaction costs	(2,329,348)	-	-	-	(2,329,348)
At 30 June 2022	113,950,491	(46,282,167)	4,027,994	2,383,401	74,079,719

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated 2022 $	2021 $
Cash flows from operating activities			
Interest received		3,113	4,865
Government grant received		-	15,037
Payments to suppliers and employees		(1,665,208)	(1,645,956)
Payments for exploration expenditure		(21,380,268)	(12,661,854)
Net cash provided by (used in) operating activities	5(b)	(23,042,362)	(14,287,908)
Cash flows from investing activities			
Purchase of property, plant and equipment		(712,097)	(347,181)
Net cash provided by (used in) investing activities		(712,097)	(347,181)
Cash flows from financing activities			
Proceeds from issue of shares		44,043,679	30,563,590
Proceeds from advance share subscription		498,391	-
Proceeds on exercise of options		848,108	32,394
Payment for share issue costs		(2,329,347)	(1,870,741)
Net cash inflow from financing activities		43,060,831	28,725,243
Net increase (decrease) in cash held		19,306,372	14,090,154
Foreign exchange differences		-	-
Cash and cash equivalents at beginning of financial period		22,729,169	8,639,015
Cash and cash equivalents at end of the financial period	5(a)	42,035,541	22,729,169

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

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.

The financial statements were authorised for issue, in accordance with a resolution of the directors, on 20 September 2022. The directors have the power to amend and re-issue the financial statements.

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 22 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(a) Principles of consolidation *(continued)*

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.

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.

Interests in joint arrangements

IFRS defines a joint arrangement as one over which two or more parties have joint control, which is the contractually agreed sharing of control over an arrangement. This exists only when the decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control.

(i) Joint operations
A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. In relation to its interests in joint operations, the Group recognises its:

- Assets, including its share of any assets held jointly.
- Liabilities, including its share of any liabilities incurred jointly.
- Revenue from the sale of its share of the output arising from the joint operation.
- Share of the revenue from the sale of the output by the joint operation.
- Expenses, including its share of any expenses incurred jointly.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(a) Principles of consolidation *(continued)*

(ii) Joint ventures
A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. The Group's investment in its joint venture is accounted for using the equity method.

Under the equity method, the investment in the joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss and other comprehensive income (OCI) reflects the Group's share of the results of operations of the joint venture. Any change in OCI of that investee is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of the joint venture is shown on the face of the statement of profit or loss and other comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, then recognises the loss as 'Share of profit of a joint venture' in the statement of profit or loss and other comprehensive income. On loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit or loss.

(iii) Reimbursement of the costs of the operator of the joint arrangement
When the Group, acting as an operator or manager of a joint arrangement, receives reimbursement of direct costs recharged to the joint arrangement, such recharges represent reimbursements of costs that the operator incurred as an agent for the joint arrangement and therefore have no effect on profit or loss. When the Group charges a management fee (based on a fixed percentage of total costs incurred for the year) to cover other general costs incurred in carrying out the activities on behalf of the joint arrangement, it is not acting as an agent. Therefore, the general overhead expenses and the management fee are recognised in the statement of profit or loss and other comprehensive income as an expense and income, respectively.

(b) Revenue recognition

The Group recognises revenue as follows:
Interest
Interest revenue is recognised using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) 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.

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.

(d) 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 corporate 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) 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.

(f) 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.

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.

(g) 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.

(h) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Investments and other financial assets *(continued)*

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(i) 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 - 10 years

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Property, Plant and Equipment (*continued*)

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.

Where required by accounting standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(j) 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.

(k) 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.

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(k) Impairment of Assets *(continued)*

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.

(l) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(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 Australian 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(o) 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.

(p) 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.

(q) 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.

(r) 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.

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. $37,376,965 has been capitalised as at 30 June 2022 (see note 8). 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 13. 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Critical Accounting Estimates and Judgements *(continued)*

Key Judgements - Recoverability of Intercompany Loan
Within non-current assets of the parent entity (see note 23) there is a loan due from the 100% subsidiaries of $38,591,578 is considered fully recoverable. The recoverability of this loan is dependent upon the successful development or sale of exploration assets in Guinea.

Key Judgements - Joint arrangements
Judgement is required to determine when the Group has joint control, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement, such as: the approval the capital expenditure programme for each year, and appointing, remunerating and terminating the key management personnel or service providers of the joint arrangement. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries.

Judgement is also required to classify a joint arrangement. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement. Specifically, it considers:

- The structure of the joint arrangement – whether it is structured through a separate vehicle
- When the arrangement is structured through a separate vehicle, the Group also considers the rights and obligations arising from:
- The legal form of the separate vehicle
- The terms of the contractual arrangement
- Other facts and circumstances (when relevant)

This assessment often requires significant judgement, and a different conclusion on joint control and also whether the arrangement is a JO or a JV, may materially impact the accounting. The Group has a joint arrangement which is structured through a separate vehicle, being a company structure. This structure, and the terms of the contractual arrangement indicate that the Group has rights to the net assets of the arrangement. Given this, the Group then had to assess the other facts and circumstances relating to this arrangement. After undertaking this assessment, there were a number of indicators for both a joint venture classification and a joint operation classification. Significant judgement was therefore required to determine how these factors would be analysed. The final conclusion was that the arrangement was a joint venture.

Key judgements - Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date

(s) Adoption of New and Revised Accounting Standards
The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity.

NOTE 2: ADMINISTRATIVE EXPENSES

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Legal, professional and consultancy fees	406,020	346,761
Advertising and marketing	301,520	216,007
Compliance fees	155,618	119,572
Recruitment fees	104,945	26,000
IT & telecommunication expenses	97,728	26,280
Travel and accommodation fees	28,156	1,968
Insurance	82,605	25,419
Other expenses	367,574	370,885
	1,544,165	1,132,892

NOTE 3: INDIRECT FOREIGN TAXES

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Indirect foreign taxes - Guinea	1,682,894	-
	1,682,894	-

The provision for foreign indirect taxes is in respect of the Company's tenements held in Guinea. At 30 June 2021, the value added tax (VAT) for prior periods up to December 2020 was disclosed as a contingent liability as the magnitude of this liability could not be reliably determined, pending formal assessment by the Guinea tax authorities. Subsequently, this liability was confirmed at $243,384 and fully paid during the year ended 30 June 2022.

In addition, a VAT provision of $1,439,510 for the period from 1 January to 30 November 2021 has been made based on a final assessment of the tax liability by independent tax advisors in Guinea. The total provision for foreign indirect taxes at 30 June 2022 amounts to $1,774,265 (refer to note 9).

NOTE 4: INCOME TAX

	Consolidated 2022 $	2021 $
(a) Income tax expense/benefit		
The components of income tax expense/benefit comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Reconciliation of income tax expense/(benefit) to prima facie tax payable on accounting profit/(loss)		
Operating (loss) before income tax	(9,687,702)	(6,622,404)
Prima facie tax benefit at Australian rate of 25% (2021: 30%)	2,421,926	1,986,721
Adjusted for tax effect of the following amounts:		
Taxable/non-deductible items	(2,306,857)	(1,573,928)
Non-taxable/deductible items	266,707	196,447
Deferred tax expense relating to change in tax rate	-	(787,628)
Deferred tax benefit relating to under-provision in prior year	-	(138,099)
Income tax benefit not brought to account	381,776	316,487
Income tax benefit	-	-

(c) Deferred tax assets and liabilities not brought to account

The directors estimate that the potential deferred tax assets and liabilities carried forward but not brought to account at year end at the Australian corporate tax rate of 25% (2020: 27.5%) are made up as follows:

	2022 $	2021 $
On income tax account		
Carry forward tax losses	7,662,198	7,217,818
Deductible temporary differences	8,163	12,666
Taxable temporary differences	(58,101)	-
	7,612,260	7,230,484

These benefits will only be obtained if:

(i) the group derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deductions for the losses to be realised,
(ii) the group continues to comply with the conditions for deductibility imposed by tax legislation, and
(iii) no changes in tax legislation adversely affect the group in realising the benefit from the deduction for the losses.

NOTE 5(a): CASH AND CASH EQUIVALENTS

	Consolidated 2022 $	2021 $
Cash at bank	42,035,541	22,729,169
	42,035,541	22,729,169

NOTE 5: CASH AND CASH EQUIVALENTS (*continued*)

NOTE 5(b): Reconciliation of loss after income tax to net cash flow from operating activities	**2022** **$**	**2021** **$**
Operating loss after income tax	(9,687,702)	(6,622,404)
Non-operating items in loss:		
Non-cash flows in loss:		
Gain on deregistered entity		
Gain on acquisition of exploration asset	-	(683)
Depreciation	221,747	60,529
Exchange difference on translation of foreign operations	1,252,285	-
Provision for doubtful debts	918,837	426,580
Impairment of exploration expenditure	2,011,363	2,492,232
Capitalised exploration expenditure	-	(12,707,508)
Share based Payment	731,130	1,093,054
Movement in assets and liabilities:		
(Increase)/decrease in assets	(22,043,204)	(533,878)
Increase/(decrease) in liabilities	3,553,182	1,504,170
Net cash outflow from operating activities	(23,042,362)	(14,287,908)

NOTE 6: TRADE AND OTHER RECEIVABLES

Other receivables	404,150	232,836
	404,150	232,836

NOTE 7: PLANT AND EQUIPMENT

Plant and Equipment	1,111,491	399,396
Accumulated depreciation	(299,965)	(78,220)
	811,526	321,176

A reconciliation of the carrying amounts of each class of plant and equipment between the beginning of the current financial year is set out below:

	Plant and Equipment **$**	**Total** **$**
2022		
Balance at the beginning of year	321,176	321,176
Additions	712,097	712,097
Depreciation expense	(221,747)	(221,747)
Balance at the end of the year	811,526	811,526
2021		
Balance at the beginning of year	34,524	34,524
Additions	347,181	347,181
Depreciation expense	(60,529)	(60,529)
Balance at the end of the year	321,176	321,176

NOTE 8: EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS

	2022 $	2021 $
Exploration and evaluation expenditure	37,376,965	15,505,090
	37,376,965	15,505,090

	Exploration and Evaluation
2022	**$**
Balance at beginning of the year	15,505,090
Expenditure incurred	23,883,238
Expenditure acquired	-
Impairment of capitalised exploration	(2,011,363)
Balance at the end of the year	37,376,965
2021	**$**
Balance at beginning of the year	5,048,178
Expenditure incurred	12,709,855
Expenditure acquired	239,289
Impairment of capitalised exploration	(2,492,232)
Balance at the end of the year	15,505,090

The Group has capitalised exploration expenditure of $37,376,965 (30 June 2021: $15,505,090). This amount includes costs directly associated with exploration and the purchase of exploration properties. These costs are capitalised as an exploration asset until assessment and / or drilling of the permit is complete and the results have been evaluated. These direct costs include employee remuneration, materials, permit rentals and payments to contractors. The expenditure is carried forward until such a time as the area moves into the development phase, is abandoned or sold. The ultimate recovery of the carrying value of exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the interest in the tenements. The Directors are of the opinion that the exploration expenditure is recoverable for the amount stated in the financial report.

NOTE 9: CURRENT TRADE AND OTHER PAYABLES

	2022 $	2021 $
Trade and other payables	4,774,198	1,883,427
Foreign indirect tax provision[1]	1,774,265	613,463
	6,548,463	2,496,890

1 Refer to note 3

NOTE 10: ISSUED CAPITAL

	2022 $	2021 $
1,582,048,031 (30 June 2021: 1,268,491,755) Ordinary Shares	122,185,920	76,838,685
Share issue costs written off against issued capital	(8,235,429)	(5,462,667)
	113,950,491	71,376,018

NOTE 10: ISSUED CAPITAL (Continued)

	Shares No.	Issue Price $	Total
At 1 July 2021	1,268,491,755	-	76,838,685
Issue of shares in placement	81,580,127	$0.08	6,526,410
Issue of shares in placement	8,000,000	$0.071	568,000
Exercise of listed options to shares	8,774,601	$0.018	157,943
Exercise of unlisted options to shares	6,904,259	$0.0986	680,760
Exercise of employee options to shares - cashless	2,101,541	-	-
Issue of shares – Capital raising	206,195,748	$0.18	37,115,235
Transfer from Reserves to share capital			298,887
At 30 June 2022	1,582,048,031		122,185,920
At 1 July 2020	823,886,255		46,002,695
Issue of shares in placement - Tranche 1	176,785,281	$0.056	9,899,975
Issue of shares to acquire 51% PM SARL	4,028,477	$0.060	240,000
Issue of shares in placement - Tranche 2	12,321,869	$0.056	690,025
Exercise of options to shares	1,800,000	$0.018	32,400
Issue of shares – Capital raising	249,669,873	$0.080	19,973,590
At 30 June 2021	1,268,491,755		76,838,685

	Listed Options No.	Unlisted Options No.
At 1 July 2021	84,631,485	69,000,000
Issue of Options	-	13,500,000
Exercise of listed options to shares	(8,774,601)	-
Exercise of unlisted options to shares	-	(6,904,259)
Exercise of employee options to shares - cashless	-	(4,000,000)
Options cancelled/expired	-	(7,000,000)
At 30 June 2022	75,856,884	64,595,741
At 1 July 2020	86,431,485	9,452,500
Issue of Options	-	61,500,000
Exercise of options to shares	(1,800,000)	-
Options cancelled/expired	-	(1,952,500)
At 30 June 2021	84,631,485	69,000,000

OPTIONS

For information relating to the 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 13.

NOTE 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, refer to Note 13.

NOTE 12: EARNINGS PER SHARE

	2022 $	2021 $
Reconciliation of loss		
Loss used in calculating earnings per share – basic and diluted	(9,687,702)	(6,622,404)
Net loss for the reporting period	(9,687,702)	(6,622,404)
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted earnings per share	1,373,148,452	976,478,193

NOTE 13: SHARE BASED PAYMENTS

During the year ended 30 June 2022, the Group granted the following options as share-based payment:

- 8,000,000 unlisted options exercisable at $0.14 expiring in 3 years to the brokers
- 2,500,000 unlisted options exercisable at $0.2910 expiring in 3 years as part of the long-term employee incentive plan
- 3,000,000 unlisted options exercisable at $0.34 expiring in 3 years as part of the long-term employee incentive plan

During the year ended 30 June 2021, the Group granted the following options as share-based payment:

- 40,500,000 unlisted options exercisable at $0.0986 expiring in 2 years as part of the long-term employee incentive plan
- 2,500,000 unlisted options exercisable at $0.011 expiring in 2.5 years as part of the long-term employee incentive plan
- 8,000,000 unlisted options exercisable at $0.1120 expiring in 3 years to the brokers
- 10,500,000 listed options exercisable at $0.0986 expiring in 3 years as part of the long-term employee incentive plan.

At 30 June 2022, the Group has the following share-based payment options on issue:

Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at the end of the year	Vested and exercisable at the end of the year
24 Dec 2019	24 Dec 2022	$0.0180	84,431,485	-	(8,774,601)	-	75,856,884	75,856,884
30 Jun 2020	30 Jun 2023	$0.1800	7,500,000	-	-	-	7,500,000	7,500,000
09 Nov 2020	05 May 2023	$0.0986	15,500,000	-	(6,100,000)	-	9,400,000	9,400,000
09 Nov 2020	19 Dec 2022	$0.011	2,500,000	-	-	-	2,500,000	2,500,000
11 Dec 2020	21 Dec 2023	$0.112	8,000,000	-	-	-	8,000,000	8,000,000
05 Feb 2021	05 May 2023	$0.0986	25,000,000	-	(4,804,259)	-	20,195,741	20,195,741
14 May 2021	26 May 2024	$0.0986	10,500,000	-	-	(7,000,000)	3,500,000	3,500,000
28 Jul 2021	28 Jul 2024	$0.1400	-	8,000,000	-	-	8,000,000	8,000,000
05 Nov 2021	05 Nov 2024	$0.2910	-	2,500,000	-	-	2,500,000	2,500,000
26 May 2022	03 Jan 2025	$0.3400	-	3,000,000	-	-	3,000,000	-
			153,631,485	13,500,000	(19,678,860)	(7,000,000)	140,452,625	137,452,625

NOTE 13: SHARE BASED PAYMENTS (continued)

At 30 June 2021, the Group has the following share-based payment options on issue:

Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at the end of the year	Vested and exercisable at the end of the year
29 Nov 2016	29 Nov 2020	$0.3867	1,952,500	-	-	(1,952,500)	-	-
24 Dec 2019	24 Dec 2022	$0.0180	86,431,485		(1,800,000)	-	84,631,485	84,631,485
30 Jun 2020	30 Jun 2023	$0.1800	7,500,000		-	-	7,500,000	7,500,000
09 Nov 2020	05 May 2023	$0.0986	-	15,500,000	-	-	15,500,000	15,500,000
09 Nov 2020	05 May 2023	$0.011	-	2,500,000	-	-	2,500,000	2,500,000
11 Dec 2020	21 Dec 2023	$0.112	-	8,000,000	-	-	8,000,000	8,000,000
05 Feb 2021	05 May 2023	$0.0986	-	25,000,000	-	-	25,000,000	-
14 May 2021	26 May 2024	$0.0986	-	10,500,000	-	-	10,500,000	-
			95,883,985	61,500,000	(1,800,000)	(1,952,500)	153,631,485	118,131,485

The three tranches of options granted on 29 November 2016 were originally issued with exercise prices of $0.01805, $0.02578 and $0.03867 respectfully and in quantities of 19,525,000 options in each tranche. A 1 for 10 capital consolidation effective 19 May 2017 resulted in the quantities and conditions shown in the above table.

The weighted average exercise price of options as at 30 June 2022 was $0.1498 (30 June 2021: $0.0347). The weighted average remaining contractual life of options outstanding at year end was 0.79 years (30 June 2021: 1.26 years).

For the options granted, the valuation model inputs used in the Black-Scholes Model were as follows:

2022:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value
09 July 2021	28 July 2024	$0.100	$0.140	100%	-	0.40%	$0.055
05 Nov 2021	08 Nov 2024	$0.220	$0.291	100%	-	0.40%	$0.123
10 May 2022	03 Jan 2025	$0.243	$0.340	100%	-	1.15%	$0.134

2021:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value
09 Nov 2020	05 May 2023	$0.069	$0.0986	100%	-	1.1%	$0.034
09 Nov 2020	05 May 2023	$0.069	$0.0110	100%	-	1.1%	$0.060
21 Dec 2020	21 Dec 2023	$0.055	$0.1120	100%	-	1.1%	$0.026
05 Feb 2021	05 May 2023	$0.065	$0.0986	70%	-	0.4%	$0.019
14 May 2021	05 May 2023	$0.0088	$0.0986	70%	-	0.4%	$0.039

NOTE 14: 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

NOTE 14: OPERATING SEGMENTS (Continued)

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

2022	Corporate	Gold Burk. Faso	Gold Cote D'Ivoire	Gold Guinea	Total
	$	$	$	$	$
Revenue					
Interest income	3,113	-	-	-	3,113
Other income	-	-	-	-	-
Expenses					
Administration expenses	(1,289,498)	(269,057)	9,009	(304,581)	(1,854,127)
Depreciation of fixed asset	(4,993)			(216,754)	(221,747)
Share based expense	(731,130)	-	-	-	(731,130)
FX gain / (loss)	695,644	-	-	(381,999)	313,645
Exploration expenditure expensed	-	-	-	(2,584,362)	(2,584,362)
Impairment of Exploration	-	(239,289)	-	(1,772,074)	(2,011,363)
Provision for doubtful debts	-	-	-	(918,837)	(918,837)
Movement in provision	-	-	-	(1,682,894)	(1,682,894)
Loss before tax	(1,326,864)	(508,346)	9,009	(7,861,501)	(9,687,702)
Current assets	41,151,709	36,657	46,013	1,205,312	42,439,691
Exploration expenditure	-	-	-	37,376,965	37,376,965
Plant and Equipment	4,215	-	-	807,311	811,526
Intercompany loans	38,590,184	(673,285)	(165,630)	(37,751,269)	-
Current liabilities	(981,798)	(4,114)	(29,587)	(5,532,963)	(6,548,463)
Net assets/(liabilities)	78,764,310	(401,453)	(149,204)	(3,894,644)	74,079,719

2021	Corporate	Gold Burk. Faso	Gold Cote D'Ivoire	Gold Guinea	Total
	$	$	$	$	$
Revenue					
Interest income	4,865	-	-	-	4,865
Other income	15,037	-	-	-	15,037
Expenses					
Administration expenses	(1,393,992)	(189,929)	(44,036)	(23,264)	(1,651,220)
Depreciation of fixed asset	(2,568)			(57,961)	(60,529)
Share based expense	(1,093,054)	-	-	-	(1,093,054)
FX gain / (loss)	(152,194)	-	-	238,320	86,126
Exploration expenditure expensed	(1,713)	-	-	(1,003,786)	(1,005,499)
Impairment of Exploration	-	-	(2,492,232)	-	(2,492,232)
Provision for doubtful debts	-	-	-	(426,580)	(426,580)
Revaluation	683	-	-	-	683
Loss before tax	(2,622,937)	(189,929)	(2,536,267)	(1,273,271)	(6,622,404)
Current assets	21,026,381	27,892	16,672	1,891,060	22,962,005
Exploration expenditure	-	239,289	-	15,265,801	15,505,090
Plant and Equipment	6,675	-	-	314,502	321,177
Intercompany loans	16,860,670	(200,681)	(160,423)	(16,499,566)	-
Current liabilities	(212,617)	(25,056)	(9,009)	(2,250,209)	(2,496,891)
Net assets/(liabilities)	37,681,109	(41,444)	(152,760)	(1,278,412)	36,291,381

NOTE 15: CAPITAL AND LEASING COMMITMENTS

	2022 $	2021 $
(A) CAPITAL EXPENDITURE COMMITMENTS[(i)]		
Payable:		
-not later than 12 months	3,709,456	3,601,239
-not later than 12 months and 5 years	14,837,823	14,404,955
-more than 5 years	-	-
	18,547,279	18,006,194

(i) Capital expenditure commitments are expenditure commitments on exploration permits in Guinea and Burkina Faso.

NOTE 16: CONTINGENT ASSETS/LIABILITIES

Contingent Assets

According to Guinean tax law, value added tax (VAT) paid in relation to the Company's Guinea tenements may be recovered from the Guinea tax authorities if these tenements progress to the development phase. No asset has been recognised in the Consolidated Statement of Financial Position as there is currently no certainty that these tenements will reach the development phase or that the total VAT will be fully recovered in this event. However, a contingent asset exists of $1,081,641 at 30 June 2022 (2021: $426,580) relating to total VAT paid to date. A total of $655,061 of VAT was paid to the Guinea tax authorities during the year which was expensed in the Statement of Comprehensive Income.

Contingent Liabilities

On acquisition of a 51% interest of Burkina Resources Pty Ltd, Predictive Discovery SARL and Progress Minerals SARL the company entered into Net Smelter Return (NSR) royalty agreements dated 12 April 2019 in which the company assumed payment and the following obligations:

- El Dore Agreement: a US$2 million payment in shares to be made upon completion of a bankable feasibility study and subject to an offer to finance being made to in terms acceptable to the property holder on any of the following properties: Kalinga; Tiabongou; Tambifwanou; Bongou. This liability is only payable if and when the Group reaches a stage of mine development on those permits.

NOTE 17: 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 2022.

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

	Consolidated	
	2022	**2021**
	$	**$**
Short-term benefits	754,840	514,126
Share based payments	271,870	776,565
Post-employments benefits	31,206	29,468
	1,057,916	1,320,160

NOTE 18: 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 comprised the following:

Intercompany Loans

Predictive Discovery Limited has made loans to its subsidiaries in the amount of $38,590,184 (2021: $17,032,152). The loan is interest free and payable on demand.

Directors' Remuneration
Refer to Note 17.

Other Related Party Transactions
There was no related party transactions during the year ended 30 June 2022.

NOTE 19: REMUNERATION OF AUDITORS

		Consolidated	
		2022	**2021**
		$	**$**
Remuneration of the auditor of the parent entity for:			
PKF Perth	-Audit services	58,525	57,740
		58,525	57,740

NOTE 20: 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 9 as detailed in the accounting policies to these financial statements, are as follows:

		Consolidated	
	Note	2022 $	2021 $
Financial Assets			
Cash and cash equivalents	5(a)	42,035,541	22,729,169
Trade and other receivables	6	404,150	232,836
Total Financial Assets		42,439,691	22,962,005
Financial Liabilities			
Trade and other payables	9	6,548,463	2,496,890
Total Financial Liabilities		6,548,463	2,496,890

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 raise 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 expose to price risk.

Primary responsibility for identification and control of financial risks rests with the Chief Financial Officer, 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.

NOTE 20: FINANCIAL RISK MANAGEMENT (Continued)

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.

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	
	2022	2021	2022	2021	2022	2021
	$	$	$	$	$	$
Financial liabilities due for payment						
Trade and other payables	6,548,463	2,496,890	-	-	6,548,463	2,496,890
Total contractual outflows	6,548,463	2,496,890	-	-	6,548,463	2,496,890
Financial assets - cash flows realisable						
Trade and other receivables	404,150	232,836	-	-	404,150	232,836
Total anticipated inflows	404,150	232,836	-	-	404,150	232,836

The financial assets and liabilities noted above are interest free.

NOTE 20: FINANCIAL RISK MANAGEMENT (Continued)

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT (CONTINUED)

(C) MARKET RISK

i. 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.

ii. 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. The weighted average rate of interest earned by the Group on its cash assets during the year was 0.02% (2021: 0.04%). The table below summarises the sensitivity of the Group's cash assets to interest rate risk.

Financial Assets	**Effect of decrease or increase of interest rate on profit and equity**			
	-1%		**+1%**	
	Profit $	**Equity $**	**Profit $**	**Equity $**
30 June 2022				
Total increase/(decrease)	(193,187)	(193,187)	193,187	197,187
30 June 2021				
Total increase/(decrease)	(121,012)	(121,012)	121,012	121,012

NOTE 21: EVENTS AFTER THE END OF THE REPORTING PERIOD

The following events have occurred subsequent to the year ended 30 June 2022:
(i) On 1 July 2022, the Company advises that application monies received from the Share Purchase Plan was $2,894,700;
(ii) Approval to issue 10,000,000 options and 16,000,000 ZEPOS at a shareholder meeting on 18 July 2022, which were issued to directors on 20 July 2022
(iii) Approval of the 2nd tranche of the May 2022 Placement shares on 18 July 2022, which were issued on 22 July 2022 i.e., 99,359,878 at $0.18 per share;
(iv) Announcement of 4.2MOZ Inferred Resource at Bankan on 2 August 2022; and
(v) Conversion of Options to Shares at various dates and amounts.

The Company recognises the current global COVID-19 pandemic may impact on its operations. Specifically, government restrictions may:
(i) prevent Company staff or contractors from carrying out their exploration activities; or
(ii) impede the supply of equipment or other exploration consumables required to do the exploration work

The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID-19 on the Company's share price may also impede the ability to raise capital, or require the Company to issue capital at a discount, which may in turn cause dilution to shareholders.

NOTE 21: EVENTS AFTER THE END OF THE REPORTING PERIOD (Continued)

There has not been any other matter or circumstance arising after the balance date that has 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.

NOTE 22: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned[i]	
		2022	**2021**
Parent Entity:			
Predictive Discovery Limited	Australia	-	-
Subsidiaries of legal parent entity:			
Predictive Discovery Cote D'Ivoire Pty Ltd	Australia	100%	100%
Ivoirian Resources Pty Ltd	Australia	100%	100%
Gayeri Resources Pty Ltd	Australia	100%	100%
Predictive Discovery Mali Resources Pty Ltd	Australia	100%	100%
Bougouni Resources Pty Ltd	Australia	100%	100%
Kenieba Resources Pty Ltd	Australia	100%	100%
Kita Resources Pty Ltd	Australia	100%	100%
Burkina Resources Pty Ltd[ii]	Australia	100%	100%
Tinkisso Pty Ltd	Australia	100%	100%
Manoko Resources Pty Ltd	Australia	100%	100%
Predictive Discovery SARL [ii]	Cote D'Ivoire	100%	100%
Ivoirian Resources SARL	Cote D'Ivoire	100%	100%
Predictive Discovery Niger SARL	Niger	100%	100%
Gayeri Resources SARL	Burkina Faso	100%	100%
Burkina Resources SARL[ii]	Burkina Faso	100%	100%
Birrimian BV SARL[ii]	Burkina Faso	100%	100%
Sebba Resources SARL[ii]	Burkina Faso	100%	100%
Progress Minerals SARL[ii]	Burkina Faso	100%	100%
Predictive Discovery Mali SARL	Mali	100%	100%
Kindia Resources SARLU	Guinea	100%	100%
Mamou Resources SARLU	Guinea	100%	100%
Tinkisso Resources SARLU	Guinea	100%	100%
Birrimian Pty Ltd[ii]	British Virgin Islands	100%	100%
PMI Burkina Faso (BVI) Inc[ii]	British Virgin Islands	100%	100%
BF Progress (BVI) Inc[ii]	British Virgin Islands	100%	100%

(i) Percentage of voting power is in proportion to ownership

(ii) Refer to notes 6 and 7

NOTE 23: PARENT ENTITY DISCLOSURES

	2022 $	2021 $
Assets		
Current assets	41,151,709	21,026,381
Non-current assets	38,595,794	17,278,115
Total assets	79,747,503	38,304,496
Liabilities		
Current liabilities	(981,799)	(212,617)
Total liabilities	(981,799)	(212,617)
Equity		
Issued capital	114,396,488	71,376,018
Reserves	2,383,400	1,541,626
Prior year accumulated losses	(34,791,872)	(29,710,596)
Current year losses	(3,222,312)	(5,115,169)
Total equity	78,765,704	38,091,879

CONTINGENT LIABILITIES

Nil

CONTRACTUAL COMMITMENTS

The parent entity has commitments as at 30 June 2022 that are disclosed in Note 15.

RECOVERABILITY OF INTERCOMPANY LOAN

Within Non-current assets is a loan due from the 100% subsidiaries of $38,590,184 which is considered fully recoverable. The recoverability of this loan is dependent upon the successful development or sale of exploration assets in Guinea.

NOTE 24: COMPANY DETAILS

The registered office of the company is:

Suite 8, 110 Hay Street,
SUBIACO WA 6000

The principal place of business of the company is:

Suite 8, 110 Hay Street,
SUBIACO WA 6000

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 15 to 43, are in accordance with the *Corporations Act 2001* and:
   (a) comply with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
   (b) give a true and fair view of the financial position as at 30 June 2022 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.

Andrew Pardey

Managing Director
21 September 2022

PKF Perth

Advisory • Audit
Business Solutions

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PREDICTIVE DISCOVERY LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Predictive Discovery Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2022, 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 company and 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.

In our opinion the accompanying financial report of Predictive Discovery Limited 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 2022 and of its performance for the year ended on that date; and

ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

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

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Level 4, 35 Havelock Street, West Perth, WA 6005
PO Box 609, West Perth, WA 6872
T: +61 8 9426 8999 F: +61 8 9426 8900 www.pkfperth.com.au

Key Audit Matters

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate audit opinion on these matters. For the matter below, our description of how our audit addressed these matters are provided in that context.

1. Valuation of capitalised exploration expenditure

Why significant

As at 30 June 2022 the carrying value of exploration and evaluation assets was $37,376,965 (2021: $15,505,090), as disclosed in Note 8. This represents 46.4% of total assets of the consolidated entity, after an impairment of capitalised exploration expenditure of $2,011,363 had been recorded.

The consolidated entity's accounting policy in respect of exploration and evaluation expenditure is outlined in Note 1(j) with the nature of critical estimates and judgements relating to this balance outlined in Note 1(r). Significant judgement is required:

- in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and

- in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the consolidated entity's accounting policy. In particular:

  - whether the particular areas of interest meet the recognition conditions for an asset; and

  - which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.

How our audit addressed the key audit matter

Our work included, but was not limited to, the following procedures:

- conducting a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including:

  - assessing whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;

  - obtaining specific representations with the directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and

  - obtaining and assessing evidence of the consolidated entity's future intention for the areas of interest, including reviewing future budgeted expenditure and related work programmes.

- considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;

- testing, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with AASB 6 and the consolidated entity's accounting policy; and

- reviewing the impairment calculations provided and related assumptions and disclosures in Notes 1(j), 1(r) and 8 for accuracy and completeness.

2. Share Based Payments

Why significant	How our audit addressed the key audit matter

For the year ended 30 June 2022, the value of share based payments issued totalled $1,174,543 as disclosed in Note 13. This has been recognised as a share-based payment expense of $731,130 in the Statement of Profit or Loss and Other Comprehensive Income and a share issue cost of $443,413 within issued capital in the Statement of Financial Position.
 	
The consolidated entity's accounting judgement and estimates in respect of share-based payments is outlined in Note 1(q) and (r). Significant judgement is required in relation to:
• The valuation method used in the model; and
• The assumptions and inputs used within the model.
	Our work included, but was not limited to, the following procedures:
	• Reviewed the company's valuations of the equity instruments issued, including:
	  o assessing the appropriateness of the valuation method used; and
	  o assessing the reasonableness of the assumptions and inputs used within the valuation model.
	• Reviewed Board meeting minutes and ASX announcements as well as enquired of relevant personnel to ensure all share-based payments had been recognised;
	• Assessed the allocation and recognition to ensure these are reasonable; and
	• Assessed the appropriateness of the related disclosures in Notes 1(q), 1(r) and 13.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 consolidated entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

  Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Predictive Discovery Limited for the year ended 30 June 2022 complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 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.

PKF Perth

PKF PERTH

SHANE CROSS
AUDIT PARTNER

21 SEPTEMBER 2022
WEST PERTH
WESTERN AUSTRALIA

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF PREDICTIVE DISCOVERY LIMITED

In relation to our audit of the financial report of Predictive Discovery Limited for the year ended 30 June 2022, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SHANE CROSS
AUDIT PARTNER

21 SEPTEMBER 2022
WEST PERTH
WESTERN AUSTRALIA

Level 4, 35 Havelock Street, West Perth, WA 6005
PO Box 609, West Perth, WA 6872
T: +61 8 9426 8999 F: +61 8 9426 8900 www.pkfperth.com.au

PREDICTIVE DISCOVERY LIMITED

ABN 11 127 871 877

Suite 8
110 Hay Street
WEST PERTH WA 6005

Telephone: +61 8 9216 1000

www.predictivediscovery.com.au