



ABN 11 127 871 877

**INTERIM FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED**

**31 DECEMBER 2023**

## 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 5, 35 Havelock Street  
WEST PERTH WA 6005

### REGISTERED OFFICE

Suite 8  
110 Hay Street  
SUBIACO WA 6000  
Telephone: +61 8 9216 1000  
Email: [info@predictivediscovery.com](mailto:info@predictivediscovery.com)  
Website: [www.predictivediscovery.com](http://www.predictivediscovery.com)

### SHARE REGISTRY

Computershare Pty Ltd  
Level 17, 221 St Georges Terrace  
PERTH WA 6000  
Telephone: 1300 850 505  
Website: [www.computershare.com.au](http://www.computershare.com.au)

### POSTAL ADDRESS

PO Box 1710  
WEST PERTH WA 6872

### SOLICITORS

Hamilton Locke  
Level 27, 152-158 St Georges Terrace  
PERTH WA 6000

### ASX CODE

PDI

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## DIRECTORS' REPORT

Your directors present their report, together with the financial statements of Predictive Discovery Limited (PDI or the Company) and controlled entities (the Group) for the half year ended 31 December 2023.

## DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

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

## RESULTS

The consolidated loss after income tax of the Group for the half year after providing for income tax amounted to \$3,004,558 (31 December 2022: \$8,538,377).

## CORPORATE

### Cash Position

Predictive remains well-funded with cash and term deposits of \$25,508,230 million as at 31 December 2023.

## REVIEW OF OPERATIONS

During the half-year, the Company continued to focus on advancing its Bankan Project, a Tier-1 gold project located in Guinea, West Africa.

In August 2023, the Bankan Project's Mineral Resource increased to 100.5Mt @ 1.66g/t for 5.38Moz<sup>1</sup>, representing a 29% increase in contained gold compared to the previous 4.18Moz Mineral Resource. Increases were achieved across all of the NEB Open Pit, NEB Underground and BC Open Pit Mineral Resources, and importantly a total of 4.14Moz was upgraded to the Indicated category.

Table 1: Bankan Project August 2023 Mineral Resource Estimate

Deposit	Classification	Cut-off (g/t Au)	Tonnes (Mt)	Grade (g/t Au)	Contained (Koz Au)
NEB Open Pit	Indicated	0.5	78.4	1.55	3,900
	Inferred	0.5	3.1	0.91	92
	<b>Total</b>		<b>81.4</b>	<b>1.53</b>	<b>3,993</b>
NEB Underground	Inferred	2.0	6.8	4.07	896
<b>NEB Total</b>			<b>88.3</b>	<b>1.72</b>	<b>4,888</b>
BC Open Pit	Indicated	0.4	5.3	1.42	244
	Inferred	0.4	6.9	1.09	243
<b>BC Total</b>			<b>12.2</b>	<b>1.24</b>	<b>487</b>
<b>Total Bankan Project</b>			<b>100.5</b>	<b>1.66</b>	<b>5,376</b>

<sup>1</sup> ASX announcement "Bankan Mineral Resource Increases to 5.38Moz" dated 7 August 2023.

Due to the significance of the Mineral Resource increase and upgrade, combined with the advanced level of work being completed, the Company announced in October 2023 that the Bankan Project study had been upgraded from a Scoping Study to a PFS (including maiden Ore Reserves), which will materially improve the level of certainty of the Project. To achieve PFS-level across the entire study, additional work is required in areas such as geotechnical, mine design and cost estimation, and the completion date was therefore revised to Q1 2024 (previously end of 2023 for the Scoping

Study). The PFS and the Environmental and Social Impact Assessment continued to progress and remain on track to be completed during Q1 2024.

Following completion of the updated Mineral Resource estimate, PDI increased its focus on exploring and drilling multiple Argo and near-resource targets.

At Argo, which is located 15-20km north of NEB, PDI is aiming to discover additional commercial gold deposits which have the potential to host additional major gold discoveries. Multiple targets were identified through geochemical auger drilling and geophysics. During the half-year, PDI completed an initial 49-hole reverse circulation (RC) drilling program and commenced a follow-up RC and aircore (AC) drilling program, which is ongoing.

Encouraging results were received at a number of Argo targets during the half-year, including:

- **Fouwagbe:** 12m @ 6.75g/t, 4m @ 12.14g/t, 4m @ 4.81g/t and 6m @ 1.56g/t at a 600m long multi-element auger anomaly coincident with artisanal workings<sup>2,3,4</sup>;
- **Sinkoumba:** 4m @ 6.87g/t and 2m @ 10.90g/t in the same corridor as Fouwagbe<sup>4</sup>;
- **Sounsoun:** two parallel north-west dipping structures intersected at the north-eastern end of a 1.8km long auger anomaly, with best results of 5m @ 5.16g/t and 9m @ 1.04g/t<sup>3</sup>;
- **Naladioulou-Gbata:** 9m @ 4.42g/t at an auger anomaly and 1m @ 30.40g/t on trend 700m to the south-west near artisanal workings<sup>3</sup>;
- **Tindini:** Best result of 14m @ 1.97g/t<sup>3</sup>.

Near-resource drilling is aiming to discover additional deposits which can support an operation centred around the NEB and BC deposits. The drilling program is progressively testing numerous areas in the vicinity of the NEB and BC deposits and following up the most promising targets with additional drilling.

During the half year, best results were received from the 800W, SB and SEB targets, which are showing potential to become future satellite deposits. Best results from these targets included<sup>3,4</sup>:

- **800W:** 16m @ 1.74g/t, 11m @ 2.42g/t, 9.5m @ 2.73g/t, 9m @ 2.72g/t and 11m @ 1.91g/t;
- **SB:** 3m @ 13.40g/t, 9m @ 3.30g/t, 10m @ 1.84g/t and 6.75m @ 1.96g/t;
- **SEB:** 3m @ 27.66g/t, 2m @ 3.96g/t, 1m @ 12.80g/t, 2m @ 3.84g/t, 4m @ 2.47g/t and 3m @ 4.68g/t.

Encouraging results were also received at other near-resource targets, including NEB North, NEB South and BC East.

### Compliance Statement

Predictive confirms that it is not aware of any new information or data that materially affects the exploration results or mineral resource estimates included in any original ASX announcement and all material assumptions and technical parameters underpinning the mineral resource estimates continue to apply and have not materially changed.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial half-year.

### EVENTS SUBSEQUENT TO BALANCE SHEET DATE

Subsequent to the half-year end, results were announced in February 2024 for 131 holes for 9,355m of exploration drilling at Argo and near-resource.<sup>5</sup> At Argo, drilling at the high-priority Sounsoun target intersected four mineralised structures over a 700m strike length so far (of the 1.8km auger anomaly). Best new results included 2m @ 7.76g/t from 38m, 6m @ 2.11g/t from 11m, 6m @ 1.62g/t from 158m and 6m @ 1.54g/t from 20m. Near-resource drilling delivered further positive results from the SB and SEB targets. At SB, best results included 3m @ 8.28g/t from 2.8m, 7m @ 1.51g/t from 19m, 9m @ 1.38g/t from 244m and 8m @ 1.12g/t from 195m. The best result at SEB was 2.9m @ 14.50g/t from 194m.

<sup>2</sup> ASX Announcement – Encouraging Initial Argo RC Results (29 August 2023).

<sup>3</sup> ASX Announcement – Promising Results from Across the Bankan Gold Project (24 October 2023).

<sup>4</sup> ASX Announcement – Drilling at Bankan Delivers More Positive Results (11 December 2023).

<sup>5</sup> ASX Announcement – Sounsoun, SB and SEB Targets advanced by Latest Drilling (1 February 2024).

There are no other matters or circumstances which have arisen since the end of the half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

#### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the lead auditor's independence declaration as required by Section 307c of the Corporations Act 2001 is included within the Financial Report.

Signed in accordance with a resolution of Directors:



Andrew Pardey  
**Managing Director**

8 March 2024

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

The accompanying notes form part of these financial statements

		Consolidated	
		31 December 2023	31 December 2022
	Note	\$	\$
Finance income		768,187	360,739
Other income		-	156
Employee benefits expenses		(168,996)	(172,841)
Share based payments expense		(798,942)	(1,562,568)
Administrative expenses	2	(716,519)	(985,034)
Depreciation of fixed assets		(226,523)	(173,889)
Depreciation – Rights of Use assets		(70,899)	(70,195)
Foreign exchange gain/(loss)		118,578	(797,490)
Cost to dispose of subsidiaries	3	(6,940)	(265,322)
Exploration expenditure pre-right to tenure		(1,203,886)	(3,587,323)
VAT impairment expense	10	(698,618)	(1,284,610)
<b>Loss before income tax</b>		<b>(3,004,558)</b>	<b>(8,538,377)</b>
Income tax expense		-	-
<b>Net loss for the year</b>		<b>(3,004,558)</b>	<b>(8,538,377)</b>
<b>Other comprehensive income</b>			
<i>Item that may be reclassified subsequently to operating result</i>			
Foreign currency translation		(2,405,317)	(645,973)
<b>Total comprehensive loss for the year</b>		<b>(5,409,875)</b>	<b>(9,184,350)</b>
<b>Loss attributable to:</b>			
Members of the parent entity		(5,409,875)	(9,184,350)
Basic loss per share (cents per share)		(0.0014)	(0.005)
Diluted loss per share (cents per share)		(0.0014)	(0.005)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

		Consolidated	
	Note	31 December 2023 \$	30 June 2023 \$
<b>Current Assets</b>			
Cash and cash equivalents		15,450,469	43,974,719
Other financial assets – term deposits		10,057,761	919,839
Trade and other receivables		548,115	500,985
Total current assets		<u>26,056,345</u>	<u>45,395,543</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	4	654,422	878,692
Exploration and evaluation expenditure	5	102,907,736	87,201,892
Right of use assets		236,331	312,188
Total non-current assets		<u>103,798,489</u>	<u>88,392,772</u>
Total assets		<u>129,854,834</u>	<u>133,788,315</u>
<b>Current Liabilities</b>			
Trade and other payables	6	4,345,245	4,631,848
Lease liabilities		77,700	78,311
Total current liabilities		<u>4,422,945</u>	<u>4,710,159</u>
<b>Non-Current Liabilities</b>			
Lease liabilities		155,400	234,930
Total non-current liabilities		<u>155,400</u>	<u>234,930</u>
Total liabilities		<u>4,578,345</u>	<u>4,945,089</u>
<b>Net Assets</b>		<u>125,276,489</u>	<u>128,843,226</u>
<b>Equity</b>			
Issued capital	7	177,166,780	175,912,716
Reserves		8,389,055	10,205,298
Accumulated losses		(60,279,346)	(57,274,788)
Total Equity		<u>125,276,489</u>	<u>128,843,226</u>

The accompanying notes form part of these financial statements

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Share Based Payments Reserve	Total
	\$	\$	\$	\$	\$
<b>CONSOLIDATED</b>					
<b>At 1 July 2022</b>	113,950,491	(46,282,167)	4,027,994	2,383,401	74,079,719
Profit (loss) attributable to members	-	(8,538,377)	-	-	(8,538,377)
Other comprehensive income	-	-	(645,973)	-	(645,973)
Total comprehensive loss for the year	-	(8,538,377)	(645,973)	-	(9,184,350)
Transactions with owners in their capacity as owners:					
Transfer of lapsed options	-	-	-	-	-
Transfer from exercise of options	401,043	-	-	(401,043)	-
Issue of share capital	22,385,981	-	-	-	22,385,981
Share-based payments	-	-	-	1,562,568	1,562,568
Transaction costs	(1,011,812)	-	-	-	(1,011,812)
<b>At 31 December 2022</b>	<b>135,725,703</b>	<b>(54,820,544)</b>	<b>3,382,021</b>	<b>3,544,926</b>	<b>87,832,106</b>
<b>At 1 July 2023</b>	175,912,716	(57,274,788)	5,029,754	5,175,544	128,843,226
Profit (loss) attributable to members	-	(3,004,558)	-	-	(3,004,558)
Other comprehensive income	-	-	(2,405,317)	-	(2,405,317)
Total comprehensive loss for the year	-	(3,004,558)	(2,405,317)	-	(5,409,875)
Transactions with owners in their capacity as owners:					
Issue of shares - Exercise of options	896,000	-	-	-	896,000
Transfer from exercise of options	209,868	-	-	(209,868)	-
Issue of share capital	150,000	-	-	-	150,000
Share-based payments	-	-	-	798,942	798,942
Transaction costs	(1,804)	-	-	-	(1,804)
<b>At 31 December 2023</b>	<b>177,166,780</b>	<b>(60,279,346)</b>	<b>2,624,437</b>	<b>5,764,618</b>	<b>125,276,489</b>

The accompanying notes form part of these financial statements



## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

		Consolidated	
	Note	31 December 2023 \$	31 December 2022 \$
<b>Cash flows from operating activities</b>			
Interest received		768,187	204,496
Receipts from customers		-	-
Payments to suppliers and employees		(1,815,544)	(1,459,196)
Payments for exploration expenditure		(19,387,328)	(30,983,066)
Net cash (used in) operating activities		(20,434,685)	(32,237,766)
<b>Cash flows from investing activities</b>			
Payment for other financial assets		(10,057,761)	(11,234,239)
Payments for purchase of plant and equipment		(2,253)	(149,068)
Payment of lease liabilities		(80,141)	(133,556)
Net cash (outflow) from investing activities		(10,140,155)	(11,516,863)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		125,000	20,779,465
Proceeds from exercise of options		896,000	1,606,516
Payment for share issue costs		(1,804)	(957,750)
Net cash inflow from financing activities		1,019,196	21,428,231
<b>Net (decrease) in cash and cash equivalents held</b>		(29,555,644)	(22,326,398)
Effect of exchange rate on Cash and Cash Equivalents		111,555	1,441,432
<b>Cash and cash equivalents at beginning of the half-year</b>		44,894,558	42,035,541
<b>Cash and cash equivalents at the end of the half-year</b>		15,450,469	21,150,575

The accompanying notes form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

This consolidated interim financial report for the half year ended 31 December 2023 are general purpose financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting, as appropriate for a profit-oriented entity. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS134: Interim Financial Reporting.

The financial statements were authorised for issue, in accordance with the resolution of directors, on 8 March 2024.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Predictive Discovery Limited and controlled entities (the Group). This interim consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this interim financial report be read in conjunction with the annual financial report of the Group for the year ended 30 June 2023, together with any public announcements made during the half year. The same accounting policies and methods of valuation have been followed in this interim financial report as were applied in the most recent annual financial report.

#### (b) Going Concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The Group incurred a loss of \$3,004,558 (2022: \$8,538,377) and incurred cash outflows from operating activities of \$20,434,685 (2022: \$32,237,766) for the half year ended 31 December 2023. As at 31 December 2023 the Group had net assets of \$125,276,489 (30 June 2023: \$128,843,226) and continues to incur expenditure on its exploration tenements drawing on its cash balances.

The ability of the Company and the Group to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional share capital and ultimately developing its mineral properties. The Directors believe that they will continue to be successful in securing additional funds through equity issues as and when the need to raise working capital arises. Considering the cashflow projection for projects it is noted that the cash surplus position would be significantly depleted in the next 12 months, however no material uncertainty exists as approximately \$6m of projected outflow is discretionary and could be avoided if required.

The financial report has been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of assets and liabilities in the ordinary course of business. The financial report does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as going concern.

#### (c) New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all 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 Group.

	Consolidated	
	31 December 2023	31 December 2022
	\$	\$
<b>NOTE 2: ADMINISTRATIVE EXPENSES</b>		
Legal, professional and consultancy fees	151,733	135,001
Advertising and marketing	206,808	335,851
Compliance fees	61,709	25,656
Recruitment fees	16,250	113,068
IT & telecommunication expenses	80,492	79,129
Travel and accommodation fees	101,815	127,152
Insurance	63,400	4,543
Other expenses	34,312	164,634
	<b>716,519</b>	<b>985,034</b>

### NOTE 3: COST TO DISPOSE OF SUBSIDIARIES

During the half year ended 31 December 2022, the Company decided to close all of its subsidiaries in Burkina Faso and to surrender active permits to the respective authorities in-country. The total cost to dispose the entities amounted to \$265,322. This includes legal cost, cost to compensate employees and other administration fees.

#### (a) Gayeri Resources SARL

On the 30 August 2022, Gayeri Resources SARL was dissolved. Gayeri Resources SARL was inactive and there was no profit or loss on disposal on 30 August 2022.

#### (b) Burkina Faso SARL, PD SARL and Progress Mineral SARL

The Company started the process of surrendering the Burkina Faso permits and closing all three subsidiaries during the half year ended December 2022. The dissolution of these subsidiaries is progressing and all assets within the subsidiaries are fully written off as at 31 December 2022.

During the half December 2023, a final payment of \$6,940 was made in relation to closing of all Burkina Faso subsidiaries.

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$

### NOTE 4: PROPERTY, PLANT AND EQUIPMENT

Balance at the beginning of the period	878,692	811,526
Additions	2,514	493,844
Disposal	(261)	(46,707)
Depreciation expense	(226,523)	(379,971)
	<b>654,422</b>	<b>878,692</b>

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$

#### NOTE 5: EXPLORATION AND EVALUATION EXPENDITURE

Carrying amount at beginning of year	87,201,892	37,376,965
Expenditure incurred	15,705,844	49,824,927
Expenditure acquired	-	-
Impairment of capitalised exploration	-	-
	<u>102,907,736</u>	<u>87,201,892</u>

The Group has capitalised exploration expenditure of \$102,907,736 (30 June 2023: \$87,201,892). 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.

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$

#### NOTE 6: TRADE AND OTHER PAYABLES

Trade and other payables	4,185,280	4,340,164
Foreign indirect tax provision <sup>1</sup>	159,965	291,684
	<u>4,345,245</u>	<u>4,631,898</u>

<sup>1</sup> Relates to accrued tax liability of prior years in Guinea.

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$

#### NOTE 7: ISSUED CAPITAL

2,076,244,088 (30 June 2023: 2,067,244,088) Ordinary Shares	175,912,716	187,267,327
Share issue during the period	1,255,868	-
Share issue costs written off against issued capital	(1,804)	(11,354,611)
	<u>177,166,780</u>	<u>175,912,716</u>

Shares	Shares No.	Issue Price \$	Value \$
<b>At 1 July 2023</b>	2,067,244,088	-	187,267,327
Issue of shares in Placement	1,000,000	\$0.15	150,000
Issue of shares from exercise of options	8,000,000	\$0.112	896,000
Transfer from Reserves to share capital			209,868
Transaction costs	-	-	(11,356,415)
<b>At 31 December 2023</b>	<u>2,076,244,088</u>	<u>-</u>	<u>177,166,780</u>

Shares	Shares No.	Issue Price \$	Value
<b>At 1 July 2022</b>	1,582,048,031	-	122,185,920
Issue of shares - Capital raising	16,081,697	\$0.18	2,894,700
Issue of shares in Placement	99,359,878	\$0.18	17,884,765
Issue of shares from exercise of options	74,531,461	\$0.018	1,340,833
Issue of shares from exercise of options	2,500,000	\$0.011	27,500
Issue of shares from exercise of options	2,415,618	\$0.0986	238,180
Exercise of employee options to shares - cashless	5,595,351	-	-
Transfer from Reserves to share capital			401,046
Transaction costs	-	-	(9,247,241)
<b>At 31 December 2022</b>	<u>1,782,532,036</u>	<u>-</u>	<u>135,725,703</u>

Options	Listed Options No.	Value \$	Unlisted Options No.	Value \$
At 1 July 2023	-	-	81,000,000	5,175,544
Exercise of options to shares	-	-	-	-
Exercise of unlisted options to shares	-	-	(8,000,000)	(209,868)
Vesting from prior year	-	-	-	798,942
<b>At 31 December 2023</b>	<u>-</u>	<u>-</u>	<u>73,000,000</u>	<u>5,764,618</u>

**NOTE 7: ISSUED CAPITAL (Continued)**

Options	Listed Options	Value	Unlisted Options	Value
	No.	\$	No.	\$
At 1 July 2022	75,856,884	-	64,595,741	2,383,401
Options lapsed	(1,325,423)	-	-	-
Exercise of options to shares	(74,531,461)	-	-	-
Exercise of unlisted options to shares			(4,915,618)	(195,868)
Exercise of employee options to shares - cashless			(9,000,000)	(205,175)
Issue of options	-	-	56,000,000	1,358,915
Vesting from prior year	-	-	-	203,653
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>106,680,123</b>	<b>3,544,926</b>

The options issued in the period from 1 July 2022 to 31 December 2022 were valued by applying a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model for the options:

- On 20 July 2022, 10,000,000 options at a price of \$0.30 expiring 30 June 2026 were issued as part of the long-term employee incentive plan. The vesting conditions are as follows:
  - 25% of the options vest 12 months from the date of issue of the options provided the offeree remains a director of the company at the vesting date;
  - 25% of the options vest 24 months from the date of issue of the options provided the offeree remains a director of the company at the vesting date;
  - 50% of the options vest 36 months from the date of issue of the options provided the offeree remains a director of the company at the vesting date.

Option holder	Directors
Date of Issue	20/07/2022
Number of options	10,000,000
Dividend yield (%)	Nil
Expected volatility (%)	100%
Risk free interest rate (%)	2.89%
Exercise price (\$)	\$0.30
Expected life of options (years)	4
Share price at grant date (\$)	\$0.18
Value per option (\$)	\$0.110
Expensed during the half year	140,485

- On 20 July 2022, the following Zero Exercise Price Options were issued:
  - 4,000,000 options expiring 20 July 2025.
    - 1,250,000 of these options will vest upon announcement of an updated Mineral Resource estimate of at least 6 million ounces of gold at a minimum cut-off grade of 0.5g/t at the Bankan Gold Project;
    - 1,250,000 of these options will vest upon Board approval of a health, safety and environmental management plan prepared in consultation with suitably qualified and independent third party consultants;
    - 1,500,000 of these options will vest upon continuous service for 12 months.
  - 4,000,000 options expiring 20 July 2026
    - 937,500 of these options will vest upon announcement of an Ore Reserve for the Bankan Gold Project of at least 3 million ounces of gold at a minimum cut-off grade of 0.5g/t at the Bankan Gold Project;
    - 937,500 of these options will vest upon announcement of a positive PFS for the Bankan Gold Project;
    - 625,000 of these options will vest upon achievement of the specified health, safety and environmental milestones approved by the Board for the period between 1 January 2022 and 31 December 2022;
    - 1,500,000 of these options will vest upon continuous service for 24 months.

**NOTE 7: ISSUED CAPITAL (Continued)**

- 8,000,000 options expiring 20 July 2027
  - (a) 1,875,000 of these options will vest upon announcement of a Positive BFS for the Bankan Project;
  - (b) 1,875,000 of these options will vest upon announcement of the issue of an Exploitation Permit by the Guinea Ministry of Mines and Geology for the Bankan Gold Project;
  - (c) 1,250,000 of these options will vest upon achievement of the specified health, safety and environmental milestones for the period between 1 January 2023 and 31 December 2023;
  - (d) 3,000,000 of these options will vest upon continuous service for 36 months.

Option holder	Expiry 20/07/25	Expiry 20/07/26	Expiry 20/07/27
Date of Grant	18/07/2022	18/07/2022	18/07/2022
Number of options	4,000,000	4,000,000	8,000,000
Dividend yield (%)	Nil	Nil	Nil
Expected volatility (%)	90%	90%	90%
Risk free interest rate (%)	3.024%	3.024%	3.024%
Exercise price (\$)	\$0.00	\$0.00	\$0.00
Expected life of options (years)	3	4	5
Share price at grant date (\$)	\$0.18	\$0.18	\$0.18
Value per option (\$)	\$0.18	\$0.18	\$0.18
Expensed during the half year	29,984	144,196	192,350

3. On 07 November 2022, 19,500,000 options at a price of \$0.30 expiring 30 June 2026 were issued as part of the long-term employee incentive plan. The vesting condition is for the employee to remain in employment with the Company for six months. The total value of the options were expensed in the financial year ended June 2023.

Option holder	Consultant
Date of Issue	07/11/2022
Number of options	19,500,000
Dividend yield (%)	Nil
Expected volatility (%)	100%
Risk free interest rate (%)	2.89%
Exercise price (\$)	\$0.30
Expected life of options (years)	4
Share price at grant date (\$)	\$0.18
Value per option (\$)	\$0.102

**NOTE 7: ISSUED CAPITAL (Continued)**

4. On 03 November 2022, the following Zero Exercise Price Options were issued:

- 2,625,000 options expiring 20 July 2025
  - (a) 1,312,500 of these options will vest upon announcement of an updated Mineral Resource estimate of at least 6 million ounces of gold at a minimum cut-off grade of 0.5g/t at the Bankan Gold Project;
  - (b) 1,312,500 on board approval of a health, safety and environmental management plan prepared in consultation with suitably qualified and independent third party consultants.
- 2,625,000 options expiring 20 July 2026
  - (a) 984,375 of these options will vest upon announcement of an Ore Reserve for the Bankan Gold Project of at least 3 million ounces of gold at a minimum cut-off grade of 0.5g/t at the Bankan Gold Project;
  - (b) 984,375 of these options will vest upon announcement of a positive PFS for the Bankan Gold Project;
- (c) 656,250 of these options will vest upon achievement of the specified health, safety and environmental milestones approved by the Board for the period between 1 January 2022 and 31 December 2022.
- 5,250,000 options expiring 20 July 2027
  - (a) 1,968,750 of these options will vest upon announcement of a Positive BFS for the Bankan Project;
  - (b) 1,968,750 of these options will vest upon announcement of the issue of an Exploitation Permit by the Guinea Ministry of Mines and Geology for the Bankan Gold Project;
  - (c) 1,312,500 of these options will vest upon achievement of the specified health, safety and environmental milestones for the period between 1 January 2023 and 31 December 2023.

Option holder	Expiry 20/07/25	Expiry 20/07/26	Expiry 20/07/27
Date of Grant	03/11/2022	03/11/2022	03/11/2022
Number of options	2,625,000	2,625,000	5,250,000
Dividend yield (%)	Nil	Nil	Nil
Expected volatility (%)	90%	90%	90%
Risk free interest rate (%)	3.397%	3.397%	3.397%
Exercise price (\$)	\$0.00	\$0.00	\$0.00
Expected life of options (years)	3	4	5
Share price at grant date (\$)	\$0.15	\$0.15	\$0.15
Value per option (\$)	\$0.15	\$0.15	\$0.15
Expensed during the half year	107,877	78,858	105,192



## NOTE 8: SEGMENT INFORMATION

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 Group operates as four segments, which are gold exploration and evaluation within Australia, Cote D'Ivoire, Guinea, Burkina Faso.

The Group is domiciled in Australia. Segment revenues are allocated based on the country in which the customer is located. Segment assets are allocated to countries based on where the assets are located.

	Corporate \$	Burkina Faso \$	Gold Cote D'Ivoire \$	Guinea \$	Consolidated \$
<b>Half Year Ended 31 December 2023</b>					
Other income	768,187	-	-	-	768,187
Expenses/FX differences	(2,544,050)	-	-	(1,228,695)	(3,772,745)
Loss for the period	(1,775,863)	-	-	(1,228,695)	(3,004,558)
<b>At 31 December 2023</b>					
Current assets	21,307,579	-	-	4,748,766	26,056,345
Plant and equipment	-	-	-	654,422	654,422
Right of Use Asset	-	-	-	236,331	236,331
Exploration expenditure	-	-	-	102,907,736	102,907,736
Intercompany loans	114,140,145	-	-	(114,140,145)	-
Current liabilities	(803,672)	-	-	(3,541,573)	(4,345,245)
Right of Use Liability	-	-	-	(233,100)	(233,100)
Net Assets	134,644,052	-	-	(9,367,563)	125,276,489
<b>Half Year Ended 31 December 2022</b>					
Other income	360,739	-	-	156	360,895
Expenses/FX differences	(5,682,416)	209,609	615,590	(4,042,055)	(8,899,272)
Loss for the period	(5,321,677)	209,609	615,590	(4,041,899)	(8,538,377)
<b>At 30 June 2023</b>					
Current assets	44,351,625	-	-	1,043,918	45,395,543
Plant and equipment	1,210	-	-	877,482	878,692
Right of Use Asset	-	-	-	312,188	312,188
Exploration expenditure	-	-	-	87,201,892	87,201,892
Intercompany loans	90,717,226	-	-	(90,717,226)	-
Current liabilities	(493,288)	-	-	(4,451,801)	(6,548,463)
Net Assets	134,576,773	-	-	(5,733,547)	128,843,226

## NOTE 9: CONTROLLED ENTITIES

	COUNTRY OF INCORPORATION	PERCENTAGE OWNED (%) * 31 DEC 2023	PERCENTAGE OWNED (%) * 30 JUNE 2023
<b>Subsidiaries:</b>			
Predictive Discovery Cote D'Ivoire Pty Ltd	Australia	100%	100%
Ivoirian Resources Pty Ltd	Australia	20%	20%
Bougouni Resources Pty Ltd	Australia	100%	100%
Kenieba Resources Pty Ltd	Australia	100%	100%
Kita Resources Pty Ltd	Australia	100%	100%
Tinkisso Pty Ltd	Australia	100%	100%
Manoko Resources Pty Ltd	Australia	100%	100%
Predictive Discovery SARL	Cote D'Ivoire	100%	100%
Ivoirian Resources SARL	Cote D'Ivoire	20%	20%
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%

*\*Percentage of voting power is in proportion to ownership*

## NOTE 10: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### 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 \$4,284,714 at 31 Dec 2023 (June 2023: \$3,643,956) relating to total VAT paid to date. A total of \$698,618 VAT was paid to the Guinea tax authorities during the half-year period to 31 December 2023 which was expensed in the Statement of Comprehensive Income and foreign exchange gain of \$57,860 relating to the VAT was recognised in the Statement of Comprehensive Income.

#### **NOTE 11: 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.

Other than intercompany loans and remuneration of Key Management Personnel, there were no other related party transactions during the half year.

#### **NOTE 12: EVENTS AFTER THE END OF THE REPORTING PERIOD**

Subsequent to the half-year end, results were announced in February 2024 for 131 holes for 9,355m of exploration drilling at Argo and near-resource.<sup>6</sup> At Argo, drilling at the high-priority Sounsoun target intersected four mineralised structures over a 700m strike length so far (of the 1.8km auger anomaly). Best new results included 2m @ 7.76g/t from 38m, 6m @ 2.11g/t from 11m, 6m @ 1.62g/t from 158m and 6m @ 1.54g/t from 20m. Near-resource drilling delivered further positive results from the SB and SEB targets. At SB, best results included 3m @ 8.28g/t from 2.8m, 7m @ 1.51g/t from 19m, 9m @ 1.38g/t from 244m and 8m @ 1.12g/t from 195m. The best result at SEB was 2.9m @ 14.50g/t from 194m.

There are no other matters or circumstances which have arisen since the end of the half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

<sup>6</sup> ASX Announcement – Sounsoun, SB and SEB Targets advanced by Latest Drilling (1 February 2024).

## DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The interim financial statements and notes, as set out on pages 6 to 19, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standard 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (b) give a true and fair view of the financial position as at 31 December 2023 and of the performance for the half year ended on that date of the Group;
2. 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**  
8 March 2024

## INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE MEMBERS OF PREDICTIVE DISCOVERY LIMITED

#### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Predictive Discovery Limited (the company) and controlled entities (consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2023, 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 half-year ended on that date, and notes to the financial statements, including material policy information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2023, or during the half year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Predictive Discovery Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

#### Independence

We are independent of the company 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.



PKF Perth  
ABN 64 591 268 274  
Level 5, 35 Havelock Street,  
West Perth WA 6005  
PO Box 609,  
West Perth WA 6872  
Australia

+61 8 9426 8999  
perth@pkfperth.com.au  
pkf.com.au

#### Directors' Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'PKF Perth'.

PKF PERTH

A handwritten signature in black ink that reads 'Alexandra Carvalho'.

ALEXANDRA CARVALHO  
AUDIT PARTNER

8 MARCH 2024  
WEST PERTH,  
WESTERN AUSTRALIA



PKF Perth  
ABN 64 591 268 274  
Level 5, 35 Havelock Street,  
West Perth WA 6005  
PO Box 609,  
West Perth WA 6872  
Australia

+61 8 9426 8999  
perth@pkfperth.com.au  
pkf.com.au

## AUDITOR'S INDEPENDENCE DECLARATION

### TO THE DIRECTORS OF PREDICTIVE DISCOVERY LIMITED

In relation to our review of the financial report of Predictive Discovery Limited for the half year ended 31 December 2023, 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.

A handwritten signature in black ink that reads 'PKF Perth'.

PKF PERTH

A handwritten signature in black ink that appears to read 'Alexandra Carvalho'.

ALEXANDRA CARVALHO  
AUDIT PARTNER

8 MARCH 2024  
WEST PERTH,  
WESTERN AUSTRALIA