

ASX ANNOUNCEMENT / MEDIA RELEASE**ASX: PRX**

19 July 2021

Drilling Underway at PHD Gold Target in Northern Tanami**KEY POINTS**

- **80 hole aircore drilling program underway at promising PHD gold target**
- **PHD is an 11km soil gold anomaly within the Hyperion Project - only 30km northwest of the existing 4.93Mt @ 1.95g/t 310koz gold resource**
- **PHD target structure defined by 2019 Northern Territory Geological Survey (NTGS) airborne magnetic survey**
- **Application for co-funding of diamond drilling on the PHD gold target has been successful – co-funding provided by Northern Territory Governments “Resourcing the Territory” initiative**
- **A combination of diamond and reverse circulation drilling is planned for PHD following completion of initial aircore drilling program**

Prodigy Gold NL (ASX: PRX) (‘Prodigy Gold’ or the ‘Company’) is pleased to advise that aircore drilling has commenced at the PHD Gold Target (“PHD”), located within the Company’s Hyperion Project in the Northern Territory. A program of 80 aircore holes drilling on 1,000m line spacing along 7km of strike is now underway.

In addition, Prodigy Gold’s application for co-funding for a planned diamond drilling at PHD under the Northern Territory Government’s “Resourcing the Territory” initiative has been successful. Following completion of this initial program of aircore drilling, Prodigy Gold plans to test the most prospective parts of the PHD structure with a follow-up program of reverse circulation (“RC”) and diamond drilling later this year.

PHD Target Summary

PHD is an 11km soil gold anomaly within the Hyperion Project, located 30km northwest of the existing **4.93Mt @ 1.93g/t 310koz gold resource**¹ and 40km north of Northern Star’s 1.1Moz Groundrush Resource. Shallow RC drilling by previous owner Ord River Resources in 2005 and 2006 defined gold within two zones over 3.5km of strike at PHD. Sampling along strike of the historic anomalism extended the soil gold anomaly over the structure to 11km in length (Figure 1). Airborne magnetic surveying completed in 2019 highlighted the extensions of the structure along strike and the potential for parallel structures.

¹ ASX: 31 July 2018

Management Commentary

“PHD is a promising gold target within relatively close proximity to the gold resource at Hyperion, so we are pleased that drilling is underway. We are also encouraged to have secured co-funding from the Northern Territory Government’s “Resourcing the Territory” initiative and we are thankful for their support of Prodigy Gold’s exploration strategy. The most promising areas of the PHD target structure are planned to be tested with a program of RC and diamond drilling later this year, so this initial phase of aircore drilling will provide our team with important geological data in the near-term.”

“The northern region of the Tanami has renewed focus, with Northern Star spending over \$40M² on exploration on their Groundrush to Crusade Projects which surround Prodigy Gold’s 100% owned Hyperion Project, and Northern Star acquiring an additional 10% of the Central Tanami Project for \$15M. Northern Star and Tanami Gold agreed to form a new Joint Venture with the express purpose of commencing mining of the Groundrush deposit as soon as practicable³.”

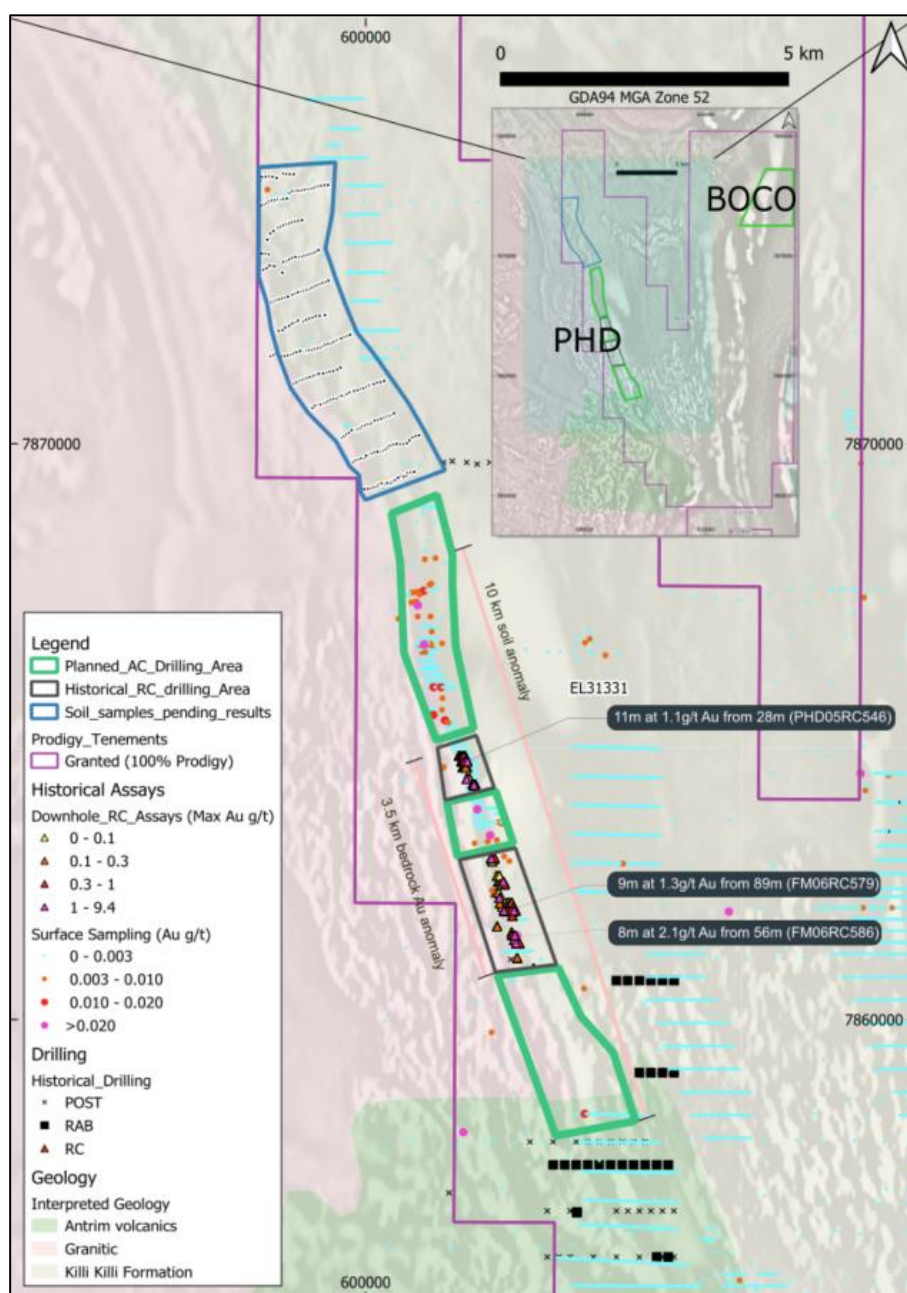


Figure 1 – PHD area project Map showing planned areas for 2021 AC drilling with reference to historical drilling areas

² Northern Star BAML Global Metals Presentation May 2018

³ Tanami Gold ASX Announcement 10 May 2021

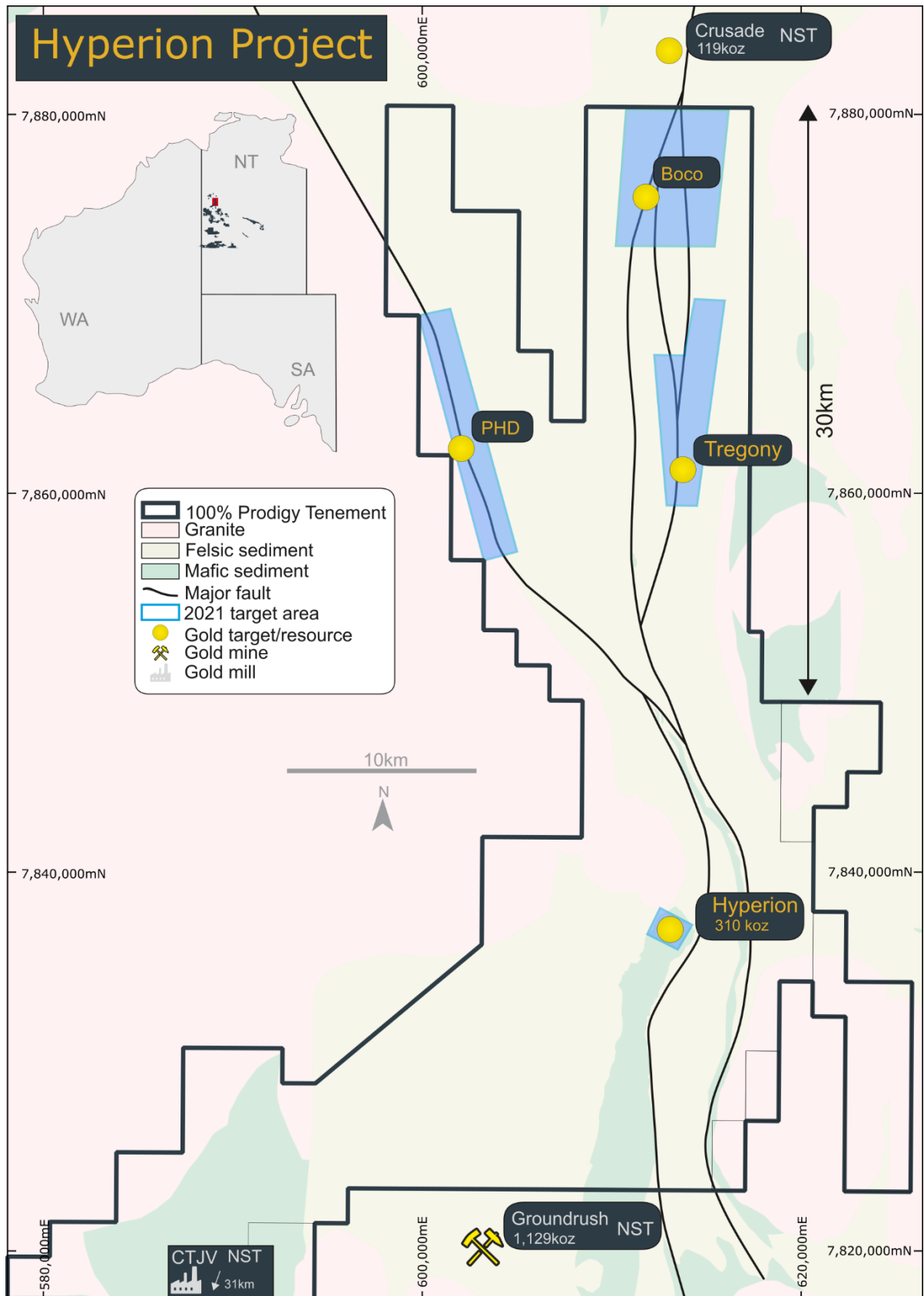


Figure 2 - Prospect Location with simplified geology

Project Background

The area of interest is underlain by sequences belonging to the favourable Tanami Group. It is poorly exposed, with the majority of the geology interpreted from regional magnetics and limited drilling. Localised outcrop that occurs on the PHD and Tregony Prospects has been the focus of historic exploration.

Five existing deposits (Figure 2) are known along the Suplejack Fault, the major structural control of the project:

- Groundrush Deposit (10.5Mt @ 3.3g/t Au for 1.129Moz⁴ - 60% Tanami Gold, 40% Northern Star) is located 42km to the south with the same NW trend as PHD
- Hyperion Deposit (4.93Mt @ 1.95g/t Au for 310koz above a 0.8g/t cut off - 100% Prodigy Gold) located 27km to the south.
- Crusade Deposit (1.4Mt @ 2.6g/t Au for 119koz⁴ - 60% Tanami Gold, 40% Northern Star) is located 22km to the northeast.
- Ripcord Deposit (1.1Mt @ 2.5g/t Au for 89koz⁴ - 60% Tanami Gold, 40% Northern Star) is located adjacent to the Groundrush Deposit)
- The Tregony Deposit (~0.64Mt @ 3.02g/t for 62.7koz⁵ ounce deposit (JORC 2004), 100% Prodigy Gold) is located 11km to the east. The deposit consists of what appear to be shallow dipping quartz vein arrays within the Killi Killi Formation with some exceptionally high historic gold grades including 3m@106.3g/t Au, 1.7m@64.2g/t Au, and 3m@44.6g/t Au.



Figure 3 – Aircore drilling underway at PHD gold garget July 2021

⁴ 2020 Tanami Gold Annual Report

⁵ ORD ASX 22 November 2012 (see cautionary endnote)

Previous work

1995 – 2000 – AngloGold Ashanti/Acacia Resources

The first and only systematic exploration to occur over the tenement was completed by AngloGold Ashanti (AGA) and Acacia Resources between 1995 – 2000, following up on work (soils, rock chip and limited post hole campaigns) completed by Messenger and Dominion Mining in the early 1990's. AGA's strategy involved a first phase of regional soils and/or shallow VAC holes, with anomalous areas quickly followed up on with a second phase of shallow RAB drilling combined with several regional stratigraphic traverses. With this strategy they discovered the Tregony Deposit and identified the Boco, Thomas, PHD, Five Mile, Maly, Montegue Duck, and Trucks prospects.

Critical analysis of soils indicates that the majority of work has been ineffective at screening areas that are covered by shallow aeolian sand cover, drainage or Cambrian Plateau basalts. The shallow cover (Aeolian sand, paleo-drainage) has masked the underlying rocks, resulting in limited anomalism and thus have not been followed up with drilling. Historic drilling only followed up where soil samples returned anomalous results. Large areas of Hyperion North remain untested by drilling (including Old 8 Mile Fault), despite the presence of favourable lithological units.

2004 - 2012 Ord River Resources

The last exploration to be completed over EL31331 was conducted by Ord River Resources. Ord River completed limited drilling between 2004 and 2012. The program defined gold within two zones over 3.5km of strike at the PHD Prospect. Notable previous intersections at PHD included:

- 8m @ 2.1g/t Au from 56m at the EOH – FM06RC586⁶
- 9m @ 1.3 g/t Au from 89m – FM06RC579⁶

Authorised for release by Prodigy Gold's Chairman, Tommy McKeith.

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About Prodigy Gold NL

Prodigy Gold has a unique greenfields and brownfields exploration portfolio in the proven multi-million-ounce Tanami Gold Province. Prodigy Gold remains highly active in its systematic exploration approach and following the removal of COVID-19 restrictions intends to continue exploration prioritising on:

- drilling targets on its Tanami and Reynolds Range Projects
- systematic evaluation of high potential early stage targets
- joint ventures to expedite discovery on other targets

⁶ ORD ASX 28 September 2007

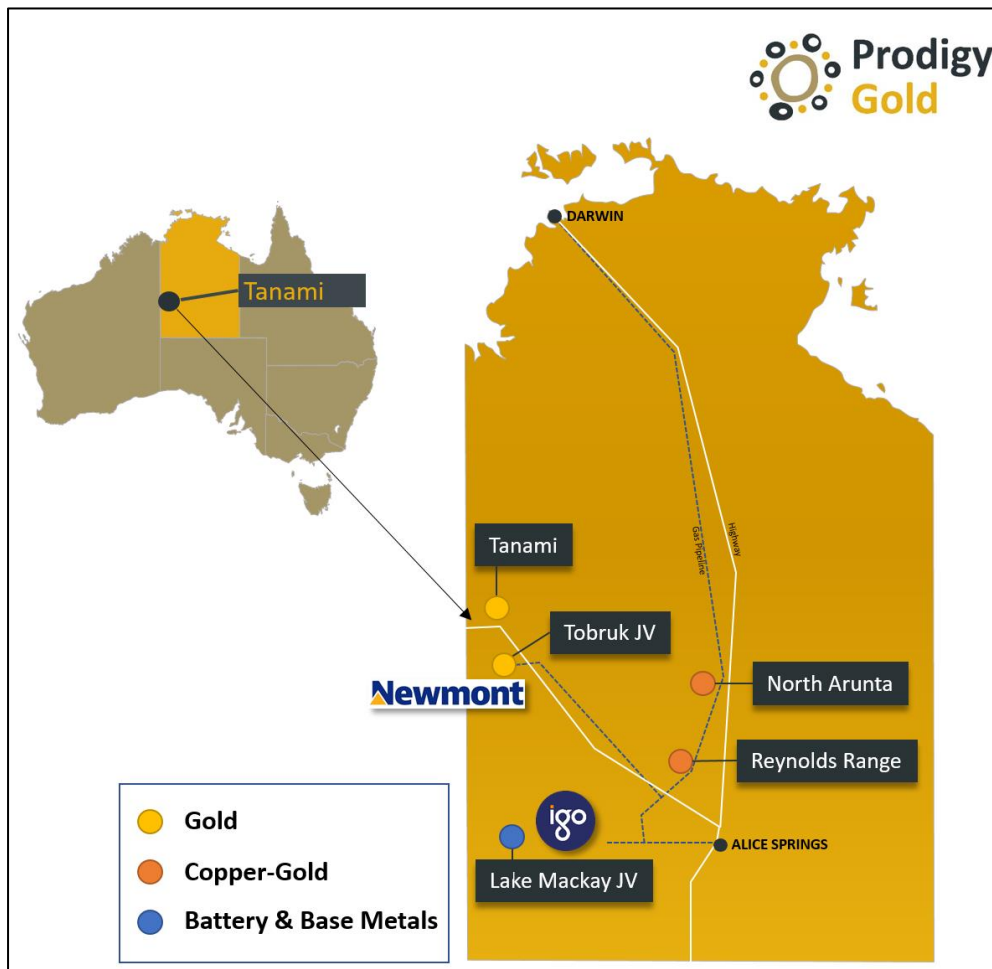


Figure 4 - Prodigy Gold Major Project Areas

Competent Person's Statement

The information in this announcement relating to the PHD/Boco exploration targets and exploration results from Hyperion Project are based on information reviewed and checked by Mr Edward Keys, MAIG. Mr Keys is a Member of the Australasian Institute of Geoscientists (AIG) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Keys is a fulltime employee of the Company in the position of Exploration Manager and consents to the inclusion of the Exploration Results in the form and context in which they appear.

The information in this report that relates to previous Exploration Results, was either prepared and first disclosed under the JORC Code 2004 or under the JORC Code 2012 and was previously disclosed to ASX on 28 September 2007 or has been cross-referenced in the text to the date of original announcement to ASX. In the case of the 2004 JORC Code Exploration Results first reported by Ord River, they have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed.

The information in this report that relates to gold Mineral Resources for the Hyperion Project was reported to the ASX on 31 July 2018 (JORC 2012). Prodigy Gold confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 31 July 2018, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 31 July 2018 continue to apply and have not materially changed.

The Company cautions that the Tregony Mineral Resource is not reported in accordance with the JORC Code 2012. A Competent Person has not yet done sufficient work to classify the estimates of Mineral Resources in accordance with the JORC Code 2012. Prodigy Gold notes that nothing has come to its attention that causes it to question the accuracy or reliability of the former owner's estimate as first announced by Ord River Resources in ASX release dated 22 November 2012, however the Company is in the process of independently validating the former owner's estimates and therefore cannot be regarded as reporting, adopting or endorsing those estimates.