

ASX ANNOUNCEMENT / MEDIA RELEASE

ASX: PRX

23 December 2022

Variation to Agreement with Stockton regarding Old Pirate Project and Tanami Exploration Tenements

On 29 April 2022 **Prodigy Gold NL (ASX: PRX) (“Prodigy Gold” or the “Company”)** announced that it had entered into an agreement with Stockton Mining Limited (“Stockton”) for the divestment of the Company’s Old Pirate Gold Project and 23 surrounding exploration tenements located in the Tanami Region of the Northern Territory (“Agreement”).

Transaction Overview

As previously announced, the Agreement provided for the sale of:

- 23 exploration tenements;
- The part of ML29822 which holds the Old Pirate Project excluding the area containing the Buccaneer Project; and
- Camp, mill and airfield surface infrastructure,

with the Company retaining the right to access to the camp and infrastructure to allow the Company to progress its Buccaneer Project.

Variation

The Company and Stockton have agreed to the following variations to the Agreement.

- The Agreement contained an ‘End Date’ of 31 December 2022, following which, if the conditions precedent to the Agreement had not been satisfied or waived, the Agreement would automatically terminate. The End Date has been extended from 31 December 2022 to 30 June 2023. The parties must also negotiate in good faith to further extend the End Date if the conditions precedent are well progressed and likely to be satisfied shortly after the new End Date.
- The Agreement provided that Stockton would pay the ‘Pre-IPO payment’ (under escrow) of \$750,000 to Prodigy Gold within 5 business days of Prodigy Gold obtaining shareholder approval for the transaction in accordance with ASX Listing Rule 11.4.

The Pre-IPO payment will now be paid by Stockton to Prodigy Gold upon the earlier of 30 April 2023 and the date that the parties obtain advice from the Central Land Council (“CLC”) that it will not object to the assignment by Prodigy Gold and the assumption by Stockton of Prodigy Gold’s rights under the mining agreement between the CLC and Prodigy Gold in respect of the Old Pirate Project (ML29822).

- Stockton was required to pay to the Company the holding costs in respect of the exploration tenements and the Old Pirate Project (ML29822), incurred after 31 December 2022 and which are attributable to completion of the Agreement being delayed, where such delays were not a direct result of the actions of Prodigy Gold. Where the delay was a result of factors outside of Stockton’s reasonable control, Stockton would only be required to pay 50% of those holding costs.

This has been amended such that Stockton will be required to pay to the Company:

- for the period from 1 March 2022 to 31 December 2022, 100% of the holding costs in respect of Old Pirate Project (ML29822) and the exploration tenements; and
- for the period from 1 January 2023 to the earlier of the completion date and 30 June 2023:
 - 66% of the holding costs in respect of Old Pirate Project (ML29822); and
 - 100% of the holding costs in respect of the exploration tenements.
- minor amendments have been made to the conditions precedent to reflect the practicalities and recent developments in respect of the required actions for implementation of the transaction.

This announcement is approved for release by the Board of Directors.

For further information please contact:

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About Stockton

Stockton Mining Limited is a public company focused on gold exploration.

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 intends to continue exploration prioritising on:

- drilling targets on its Tanami and lake Mackay Projects
- a scoping study on the Buccaneer Resource
- systematic evaluation of high potential early stage targets
- joint ventures to expedite discovery on other targets