

ASX ANNOUNCEMENT / MEDIA RELEASE

ASX:PRX

4 July 2018

Farm-in Agreement with Newcrest Mining signed

HIGHLIGHTS:

- Binding farm-in agreement signed with Newcrest Mining on Prodigy Gold's highly prospective Euro Project in the Northern Territory
- Newcrest to sole fund up to \$12M over seven years to ultimately earn up to a 75% interest in the project
- Project area hosts key targets along strike or parallel to the Trans-Tanami Trend which have seen limited or no previous exploration
- Exploration to commence during Q3 2018

Prodigy Gold NL ("Prodigy Gold" or "Company") is pleased to announce that it has signed a binding and unconditional farm-in agreement ("Farm-in Agreement") with a subsidiary of Newcrest Mining Ltd ("Newcrest") to advance exploration on the Euro Project ("Project") in the Northern Territory. The Farm-in Agreement covers Prodigy Gold's tenements and tenement applications at the Euro project, adjacent to The Granites mine and Oberon deposit.

Matt Briggs, managing director of Prodigy Gold said: "The completion of the Farm-in Agreement marks a major milestone in advancing the Euro project and progressing the area towards the next major gold discovery. Newcrest and Prodigy are combining technical skills and intend to commence exploration during Quarter 3 2018."

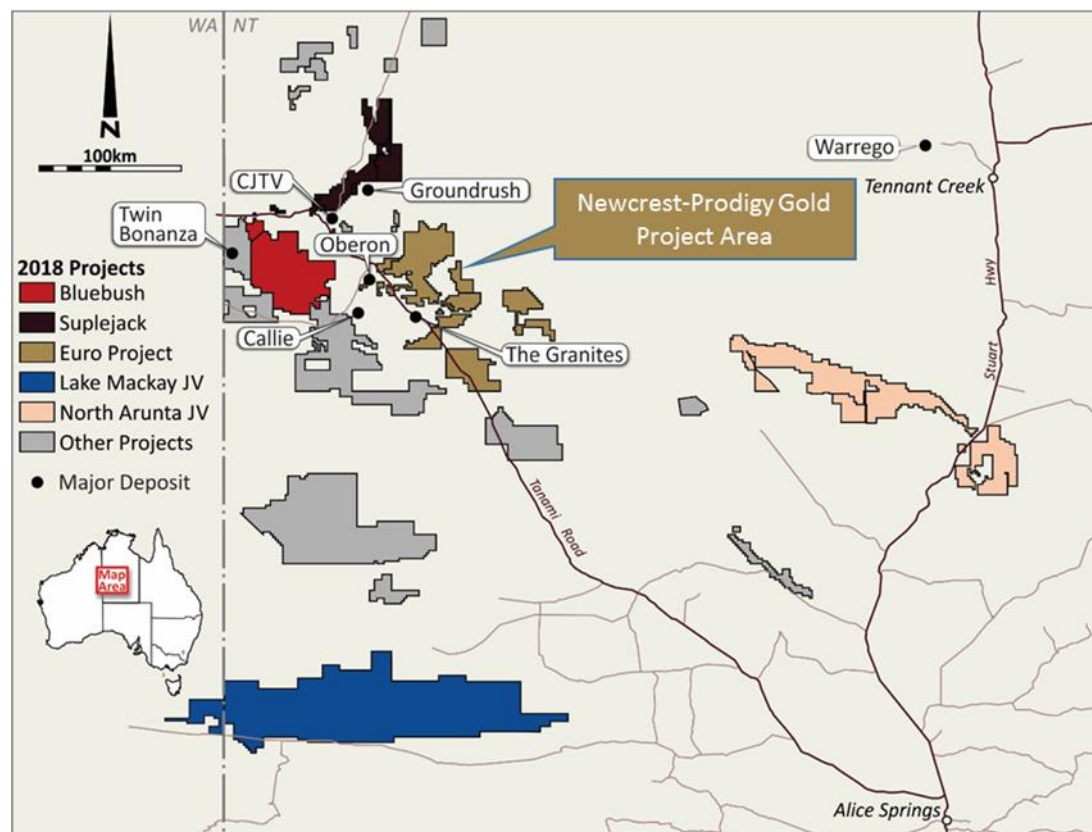


Figure 1. Farm-in Agreement area and Prodigy Gold's broader 100%-owned Tanami projects and JVs.

Farm-in Agreement Terms

Earn-in period:

- Stage 1: Newcrest can earn a 51% interest in the Project by spending \$6 Million on exploration on the Project (“Stage 1 Expenditure”) over a period of four years
- Newcrest may withdraw during Stage 1 after spending a minimum \$2 Million (“Minimum Commitment”)
- Prodigy will remain manager of the Project until Newcrest has spent the Minimum Commitment, however, Newcrest has the right to second a geologist into the Prodigy exploration team
- Stage 2: Newcrest may elect to increase its stake to 75% by spending an additional \$6 Million on exploration within three years from electing to commence Stage 2

Joint Venture

- Newcrest may elect to acquire a 51% interest in the Project at any time after it has satisfied the Stage 1 Expenditure
- Joint venture commences after Newcrest acquires a 51% interest in the Project
- Joint Venture principles are already agreed with a more fulsome agreement to be executed following the Stage 1 earn-in

Funding of the Joint Venture by Prodigy Gold

Upon the earlier of:

- Newcrest earning a 75% interest in the Project; or
- Newcrest electing to cease sole funding exploration expenditure after earning and acquiring a 51% interest in the Project,

Prodigy Gold can elect to co-fund all future exploration and development or dilute its interest and convert to a 1.5% net profit royalty if the interest dilutes to 10% or below.



Figure 2. Flat topography with minimal areas of outcrop at the Euro Project.

About the Euro Project Area

The Euro project area covers ~3,478 square kilometres of exploration licences and applications in the Tanami Region of the Northern Territory. The project is along strike of, or contains structures parallel to, the Trans-Tanami Trend which is the regional control of major gold deposits in the area, including Newmont Mining's Callie Gold mine.

The land surface is generally flat with a thin covering of windblown sand over variable thicknesses of transported Quaternary sediments. Laterite exposures form low rises. There are minor outcrops of underlying rocks, however outcrop is limited to less than 2% of the project area.

Previous exploration has primarily been soil sampling and patchy reconnaissance drilling with 10 of the 17 tenements in the project having no drilling in the last 20 years. The shallow veneer of transported sand covering 90% of the area and the limited previous work has resulted in the area remaining untested or ineffectively tested. The majority of the project area has been subjected to no exploration as the early focus shifted to the Titania/Oberon and Ptilotus discoveries. Strike extensions or potential repeats of these deposits exist within the project area.

Future Work

Work programs for Euro are currently being permitted, with initial activity focusing on the Dune target, two kilometres to the south of the Newmont Oberon deposit.

Signed

A handwritten signature in black ink, appearing to read 'M. Briggs', with a stylized flourish at the end.

Matt Briggs
Managing Director

About Prodigy Gold

Prodigy Gold has a unique greenfields and brownfields exploration portfolio in the proven multi-million ounce Tanami Gold district. An aggressive program for 2018 will continue to build on 2017 successes by:

- drilling targets at the Bluebush Project, including the Capstan 8km long bedrock gold anomaly
- drilling of extensions to the shallow gold Resources at Suplejack
- systematic evaluation of high potential early stage targets
- joint ventures to expedite discovery on other targets

Appendix 1 – Farm-in Agreement Tenement Schedule

| Tenement Number | Status |
|-----------------|-------------|
| EL25845 | Granted |
| EL26590 | Granted |
| EL26591 | Granted |
| EL26592 | Granted |
| EL26593 | Granted |
| EL26613 | Granted |
| EL26615 | Granted |
| EL26618 | Granted |
| EL26620 | Granted |
| EL26621 | Granted |
| EL26622 | Granted |
| EL26673 | Granted |
| EL27604 | Granted |
| EL30271 | Application |
| EL30272 | Application |
| EL30273 | Application |
| EL30283 | Application |

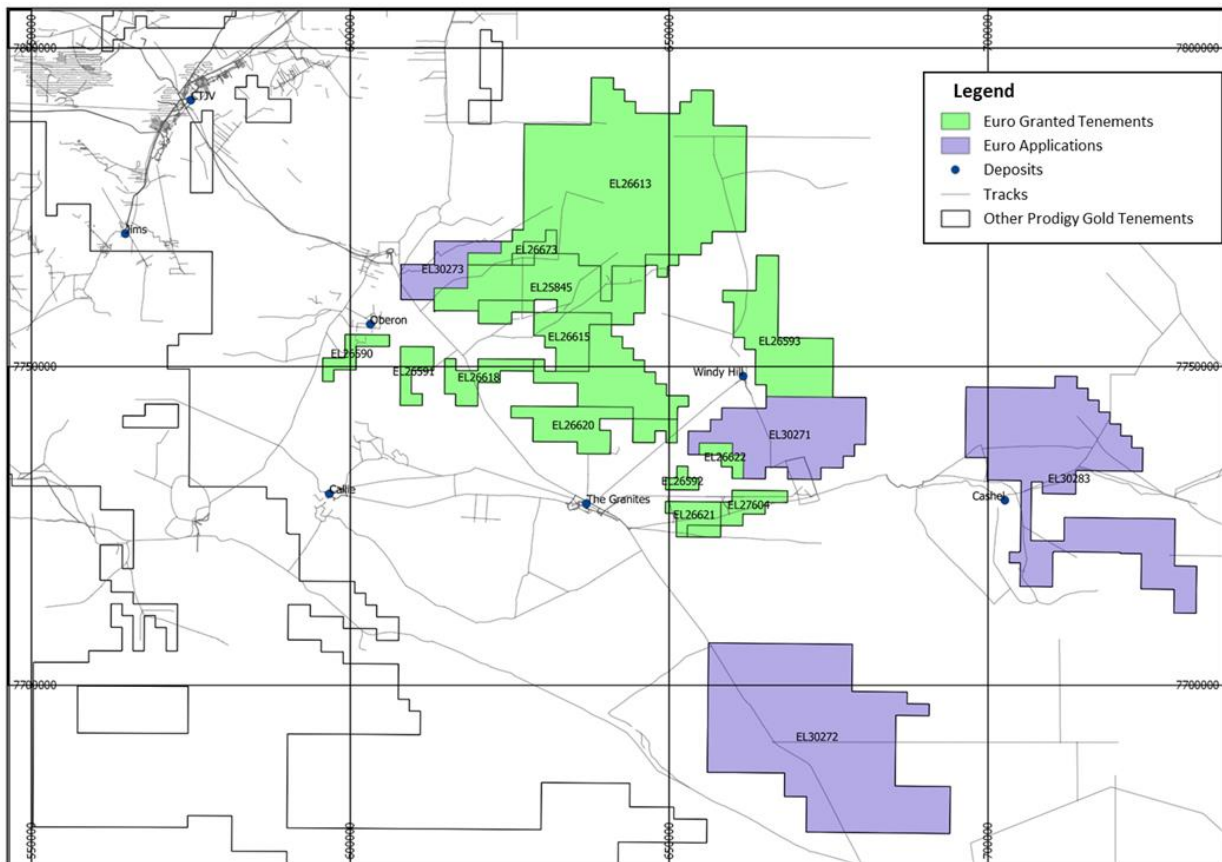


Figure 3. Euro Project tenements.