

ASX ANNOUNCEMENT / MEDIA RELEASE

16 November 2018

ASX: PRX

Prodigy Gold NL – 1 for 4 Non-Renounceable Rights Issue

Notice under Section 708AA(2) (f) of the Corporations Act 2001

Prodigy Gold NL (**Company**) will be undertaking a non-renounceable rights issue of up to approximately 108 million ordinary shares to its shareholders on the basis of an entitlement to subscribe for 1 fully paid ordinary share (**New Share**) for every 4 fully paid ordinary shares held as at the record date of 5pm (WST) on 23 November 2018 with each New Share being issued at an issue price of \$0.082 to raise a total of up to approximately \$8.8 million (before transaction costs) (**Rights Issue**).

The Company states, in compliance with the requirements of section 708AA(7) of the Corporations Act 2001 as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Act**), that it will offer the New Shares for issue without disclosure to investors under Part 6D.2 of Chapter 6D of the Act and that this notice is given to ASX Limited (**ASX**) under paragraph 708AA(2)(f) of the Act.

As at the date of this notice, the Company states that it has complied with:

- (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (b) section 674 of the Act.

As at the date of this notice there is no 'excluded information', being information:

- (a) that has been excluded from a continuous disclosure notice in accordance with the Listing Rules of ASX; and
- (b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (2) the rights and liabilities attaching to the New Shares or generally to the ordinary shares in the capital of the Company.

The potential effect that the issue of the new ordinary shares under the Rights Issue will have on the control of the Company, and the consequences of that effect, will depend on a number of factors including the level of shareholder participation in the Rights Issue and the extent to which shareholders apply for, and the directors decide to issue, shortfall shares.

Shortfall shares will be allocated as follows:

- the directors reserve the right to issue (or to not issue) the shortfall shares to any one or more eligible shareholders or third parties at their discretion;
- eligible shareholders will not receive more shortfall shares than they have applied for; and
- no shortfall shares will be issued to an applicant if doing so would, to the extent of the knowledge of the Company, result in a breach of the Listing Rules or the restrictions on obtaining or increasing relevant interests of greater than 20% of the Company's issued voting shares under Chapter 6 of the Corporations Act or would otherwise be contrary to the Corporations Act or Listing Rules.

For example, if all Eligible Shareholders take up their Entitlements, the issue of the new ordinary shares under the Rights Issue would not be expected to have any material effect or consequence on the control of the Company, although it will have a dilutionary effect on the ineligible foreign shareholders who are not entitled to participate in the Offer.

The potential effect of the Rights Issue on control of the Company is explained in the tables set out below (on the basis described beneath the table).

Substantial holder	Holding at date of this notice	Entitlement	Holding % (after Rights Issue)	
			if all other Entitlements taken up	if no other Entitlements taken up
Pacific Road Capital Management Pty Ltd	68,080,809	17,020,202	15.65%	17.21%
APAC Resources Limited & Allied Properties Investments (1) Company Limited	59,067,914	14,766,978	13.58%	14.93%
ST Barbara Limited	43,560,000	10,890,000	10.02%	11.01%
Independence Group NL	39,403,428	9,850,857	9.06%	9.96%
Craton Capital Precious Metal Fund	26,000,000	6,500,000	5.98%	6.57%

Note 1: The table assumes the substantial holders each take up their full Entitlement and that none of the 24,000,000 unquoted options on issue to employees and directors or their nominees are exercised or any shares held are disposed of or new shares are acquired between the date of this document and the Record Date. It does not take into account any options which may be exercised in favour of a substantial holder or any shortfall shares which may be issued to a substantial holder. However, any allocation of shortfall shares will be subject to the rules applying to the shortfall facility specified in the offer document (which are summarised above).

Note 2: The table shows a simplified post-offer comparison between the scenarios: (1) where the other eligible shareholders take up 100% of their entitlements versus (2) where no other eligible shareholders take up any of their entitlement (under the primary offer or the shortfall facility). The potential control outcomes above are based on the substantial holdings which the company has been notified of or has otherwise been able to ascertain from its register of shareholders as at the date of this offer document. The figures are approximate.

Terms and expressions given a meaning in the Act and not given a meaning in this notice, have the same meaning when used in this notice as given to them in the Act.

Signed



Mr Matt Briggs
Managing Director