

Prodigy Gold NL

(ACN 009 127 020)

(ASX Code: PRX)

Offer Document

Non-Renounceable Rights Issue

Offered on the basis of 1 New Share for every 4 Shares held on the Record Date, at an Issue Price of \$0.082 per New Share

To raise up to \$8.8 Million (prior to the costs of issuing the Offer)

Eligible Shareholders may apply for Shortfall Shares under the Shortfall Facility

The Offer is not underwritten

Valid Applications must be received by 5.00pm (WST) on 10 December 2018

PLEASE NOTE

This Offer Document is an important document that requires your immediate attention.

This Offer Document is not a prospectus and does not contain all information that you may require in order to make an informed investment decision.

You should read the contents and instructions in this Offer Document and on the Entitlement and Acceptance Application Form in their entirety. If you do not understand their contents or are in any doubt about how to deal with your Entitlements or the course you should follow, please consult your stockbroker, accountant, financial planner or other professional adviser without delay and before making an investment decision.

The New Shares offered under this document should be considered speculative.

1. IMPORTANT NOTE

This Offer Document has been prepared by the Company and is dated 16 November 2018. Certain capitalised words and terms used in this Offer Document have defined meanings set out in the Glossary at the end of this Offer Document.

Not a prospectus

This is an Offer Document for an Offer of continuously quoted securities of the Company as defined by the Corporations Act and has been prepared in accordance with section 708AA of the Corporations Act and *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*, which permit certain offers to be made without a prospectus. Accordingly, this Offer Document is not a prospectus. The level of disclosure in this Offer Document is significantly less than that required in a prospectus. This Offer Document does not contain all of the information that an investor would find in a prospectus or other disclosure document or which may be required or expected by an investor in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares. You should therefore rely on your own knowledge of the Company and refer to disclosures already made by it to ASX and other publically available knowledge.

This Offer Document and the Entitlement and Acceptance Application Form are important and you should read them in their entirety (including the "Investment Risks" section) prior to making an investment decision.

If you do not understand the Offer Document or the Entitlement and Acceptance Application Form, or are in any doubt as to how to deal with your Entitlements, you should consult your professional adviser before deciding whether to take up your Entitlement.

This Offer Document has not been lodged with ASIC. Neither ASIC nor ASX take any responsibility for the contents of this Offer Document nor the merits of the investment to which this Offer Document relates.

No representations

No person is authorised to give any information or make any representation in connection with the Offer which is not expressly contained in this Offer Document. Any information or representation outside this Offer Document cannot be relied on by any person as having been authorised by the Company in connection with the Offer.

Not professional advice

This Offer Document does not constitute investment or financial product advice nor is it a recommendation to acquire any New Shares. It has been prepared without taking into account your individual investment objectives, financial circumstances, taxation position or particular needs. It is not intended to be relied upon as the basis for making a financial decision, nor is it intended to constitute legal, tax, accounting or other advice.

No guarantee of returns or future performance

The Company does not guarantee any particular rate of return, the future value of new Shares or the performance of the Company, nor does it guarantee any particular tax treatment. Share prices can fall as well as rise.

An investment in New Shares is subject to known and unknown risks, which can be beyond the control of the Company. Eligible Shareholders should have regard to the Investment Risks section of this Offer Document when making their investment decision.

Some statements in this Offer Document are in the nature of forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Past performance is not necessarily an indication of future performance. Actual events or results may differ materially from the

events or results expressed or implied in any forward looking statement. Such statements are not guarantees of future performance or representations of future matters and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of the Company, the Directors and management. The estimates and projections contained in this Offer Document involve significant elements of subjective judgment and analysis, which may or may not be correct when considered with hindsight against the background of actual events. The forward looking statements in this Offer Document reflect views held only as at the date of this Offer Document and the Company assumes no obligation to update such information or publish any further prospective information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

Making an application

Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Application Form sent together with this Offer Document. The Entitlement and Acceptance Application Form sets out an Eligible Shareholder's Entitlement. By returning an Entitlement and Acceptance Application Form or otherwise arranging for payment for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Application Form, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Offer detailed in this Offer Document and you agree to all of the terms and conditions in this Offer Document.

Restrictions on Offer

The distribution of this Offer Document in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Document should seek advice on, and observe the requirements of, these laws. Non-observance by such persons may violate securities laws. Any recipient of this Offer Document residing outside Australia and New Zealand should consult their professional advisers on requisite formalities.

This Offer is not being extended, and Shares will not be issued, to Shareholders with a registered address which is outside Australia and New Zealand.

The Company will be sending to each Overseas Shareholder details of the Offer and advice that the Company will not offer New Shares to that Shareholder.

Neither this Offer Document, the Entitlement and Acceptance Application Form nor any other document released or distributed by the Company in connection with this Offer constitutes an offer or an invitation by or on behalf of the Company to subscribe for or purchase any New Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify this Offer Document in Australia or New Zealand or elsewhere or to otherwise permit a public offering of New Shares outside Australia and New Zealand. Shareholders in Australia or New Zealand holding Shares on behalf of overseas Shareholders are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Application Form will be taken by the Company to constitute a representation that there has been no breach of the applicable regulations.

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Financial Markets*

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

This Offer Document and Entitlement and Acceptance Application Form may not be released or distributed in the United States. This Offer Document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Offer Document have not been, and will not be, registered under the *US Securities Act of 1933* and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under that act or any applicable US state securities laws.

Electronic Access to this Offer Document

The Offer Document is available in electronic form via the Company's website www.prodigygold.com.au. Any person may obtain a copy of this Offer Document free of charge by contacting the Company.

Privacy

If you complete an Entitlement and Acceptance Application Form, you will be providing personal information to the Company (directly or by the Share Registry). The Company (and the Share Registry on its behalf) collects, holds and uses personal information of Shareholders in order to service their needs as Shareholders, provide facilities and services that they request or that are connected with their interests in New Shares and carry out appropriate administration.

The information may also be used from time to time and disclosed to persons inspecting the securities register, bidders for the securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers and mail houses.

A Shareholder may request access, correct and update his or her personal information held by the Company or the Share Registry, by contacting the Share Registry or the Company Secretary.

For full details regarding the Company's handling of personal information, refer to its privacy policy available on the Company's website www.prodigygold.com.au.

You should note that if you do not provide the information required on the Entitlement and Acceptance Application Form, the Company may not be able to accept or process your Application.

2. CORPORATE DIRECTORY

Directors & Officers

Thomas David McKeith - Non-Executive Chairman
Matthew Simon Briggs - Managing Director
Brett Robert Smith - Non-Executive Director
Mark William Faul - Non-Executive Director

Company Secretary

Ms Jutta Zimmermann

Registered Office

Level 1, 141 Broadway
Nedlands WA 6009
Telephone: +61 8 9423 9777
Fax: +61 8 9423 9733
Website: www.prodigygold.com.au

Lawyers

Piper Alderman
Level 16, 70 Franklin Street, Adelaide SA 5000
Telephone: 08 8205 3312

Auditor

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Share Registry

Security Transfer Australia Pty Limited
PO Box 52
Collins Street West VIC 8007
Telephone: 1300 992 916

3. INDICATIVE TIMETABLE

Event	Date
Announce Offer, deliver Appendix 3B to ASX	Friday, 16 November 2018
Deliver Offer Document and cleansing notice to ASX	Friday, 16 November 2018
Despatch appendix 3B information letters to shareholders Despatch letters to option holders who cannot participate in Offer	Tuesday, 20 November 2018
'Ex' date (date from which securities commence trading without the entitlement to participate in the Offer)	Thursday, 22 November 2018
Record Date	Friday, 23 November 2018 (5:00pm WST)
Despatch Offer Document and Entitlement and Acceptance Application Form to Eligible Shareholders (and notify ASX when this occurs) Despatch letters to ineligible Shareholders	Wednesday, 28 November 2018 (5:00pm WST)
Offer opens	Wednesday, 28 November 2018
Closing Date	Monday, 10 December 2018 (5:00pm WST)
New Shares quoted on a deferred settlement basis	Tuesday, 11 December 2018
Notify ASX of undersubscriptions (i.e. Shortfall Shares)	Thursday, 13 December 2018
Issue of New Shares (and confirm to ASX when this occurs)	Friday, 14 December 2018 (12 noon WST)
Expected commencement of trading of New Shares	Monday, 17 December 2018

This timetable is indicative only and is subject to change. The Company reserves the right to vary the dates and times of the Offer without prior notice to you, subject to compliance with the Corporations Act and the Listing Rules. Should this occur, any extension will have a consequential effect on the anticipated date of issue of the New Shares.

4. LETTER FROM THE MANAGING DIRECTOR

Dear Shareholders

PRO RATA NON-RENOUNCEABLE RIGHTS ISSUE – PRODIGY GOLD NL

On behalf of the Company, I am pleased to invite you to take part in a pro-rata non-renounceable rights issue to raise up to approximately \$8.8 million (**Offer**).

Eligible Shareholders will have the opportunity under the Offer to subscribe for one New Share for every four Shares held on the Record Date at the Issue Price of \$0.082 per New Share. The Issue Price under the Offer represents a discount of approximately 4% to the volume weighted average traded price (**VWAP**) over the last 10 days preceding the date of this Offer.

The Company intends that the funds raised under this Offer, together with existing cash, will be used to fund ongoing exploration, project development and acquisitions, general working capital and expenses associated with the Offer. Exploration activities will particularly include drilling on the 100% owned Bluebush Project and contributions to the Lake Mackay JV.

As the Offer is non-renounceable, Entitlements will not be tradeable on the ASX or otherwise transferable. Eligible Shareholders who do not take up their Entitlements in full will not receive any value for those Entitlements that they do not take up. There is a Shortfall Facility under which Eligible Shareholders can apply for New Shares in excess of their Entitlement. The Directors will have the discretion to issue (or not issue) Shortfall Shares to any one or more Eligible Shareholders or third parties (subject to the Listing Rules and the Corporations Act).

Eligible Shareholders participating in the Rights Issue may be eligible to receive Junior Minerals Exploration Incentive (**JMEI**) credits. Subject to the uptake of the rights issue, the maximum possible JMEI credit entitlement that could be available to shareholders is up to 30% of every \$1 spent. A participating shareholder's precise JMEI entitlement amount will be determined following the lodgement of the Company's Annual Tax Return for the 2018/2019 Financial Year. The Company has a total JMEI credit of \$1,576,603 available for distribution and only new shares issued during the 2018/2019 FY will be eligible for JMEI credits.

The actual number of JMEI credits to be received by each Eligible Shareholder for the 2018/19 FY will depend on a number of factors including but not limited to:

- the total number of Company shares issued during the 2018/19 FY
- the assessment of the Company's tax rate for the FY (30% vs 27.5%)
- the actual amount of allowable exploration incurred during the JMEI eligibility period
- the Company's tax losses for the JMEI eligibility period
- the Company retaining its eligibility; and
- the individual Shareholder's financial circumstances.

All Eligible Shareholders are encouraged to seek their own independent financial advice before participating in the Offer, in particular in regard to JMEI credits.

Prodigy Gold Managing Director Matt Briggs said: *"There are few, if any, other gold exploration and project development companies that have the scale of prospective tenements in a world class gold mining district, with exploration managed by an experienced team, and multiple joint ventures accelerating the potential for discovery."*

"The proceeds of the Rights Offer will be used to continue exploration at an accelerated rate of exploration on our 100% owned gold projects in the Tanami. The success of 2018 aircore drilling programs have been highly encouraging and the catalyst to continue an aggressive exploration program through 2019."

“Additionally, the Lake Mackay JV with IGO is screening this emerging metallogenic province with airborne EM, soil sampling and moving loop EM. The project is now primed for a substantial base metal discovery with 39 anomalies presently defined. 9,600 metres of drilling is planned in the next seven months.”

“The Company is still awaiting RC drilling results for completed programs at Capstan (100% Prodigy Gold), Suplejack (100% Prodigy Gold) and Euro (farm-in with Newcrest), and a RC and diamond drilling program at North Arunta (Gladiator Resources JV) is about to commence.”

“Several geophysical surveys are underway including, airborne EM at Lake Mackay undertaken by IGO and a 100m spaced airborne magnetic and radiometric survey over Euro and Capstan. This survey is currently being conducted by Northern Territory Geological Survey and Geoscience Australia with Prodigy Gold, and Newcrest contributing to infill priority areas to 100m lines spacing.”

Full details of the Offer are contained in this Offer Document and the accompanying Entitlement and Acceptance Application Form which I encourage you to read carefully before deciding whether to invest. The Closing Date and time for the Offer is set out in the indicative timetable in section 3 of this Offer Document above. To participate, you need to ensure that you have completed your personalised Entitlement and Acceptance Application Form and lodged it along with payment in the required amount with the Share Registry, before the Closing Date.

The Directors of the Company each intend to take up their full Entitlement pursuant to the Offer. Directors are not eligible to apply for Additional Shares under the Shortfall Facility.

Substantial shareholders, Pacific Road Capital, St Barbara Limited (ASX: SBM) and Independence Group NL (ASX: IGO) representing approximately 34.68 percent of the share capital, have committed to support the rights issue.

\$3M of commitments have been received from major shareholders, directors and managers.

For further information on the Company, you can visit the Company’s website at: www.prodigygold.com.au. If you are in any doubt as to how to respond to this Offer, you should consult your stockbroker, accountant or other independent professional adviser.

On behalf of the Board, I extend this Offer to you and look forward to your continuing investment in the Company. I also invite existing shareholders to apply for New Shares in addition to their Entitlement under the Shortfall Facility to increase their shareholding in the Company.

Thank you for your continued support.



Matt Briggs
Managing Director

5. DETAILS OF THE OFFER

This Offer was submitted to the ASX on, and is dated, 16 November 2018. The details of the Offer are as follows.

5.1. The Offer

The Offer is being made as a non-renounceable rights issue to Eligible Shareholders. Under the Offer, each Eligible Shareholder is entitled to apply for one New Share for every four Shares held at the Record Date, at an Issue Price of \$0.082 per New Share.

Based on the capital structure of the Company as at the date of this Offer Document, a maximum of approximately 108 million New Shares will be issued pursuant to this Offer to raise up to approximately \$8.8 million. As at the date of this Offer Document, the Company has 24 million unquoted options on issue to employees and directors of the Company or their nominees.

The Issue Price is \$0.082, which represents a 4% discount to the 10 day VWAP of the Shares before the date of the announcement of the Offer (such VWAP being \$0.0854).

The number of New Shares that Eligible Shareholders are entitled to apply for under this Offer (that is, an Eligible Shareholder's Entitlement) is shown on the personalised Entitlement and Acceptance Application Form accompanying this Offer Document sent to Eligible Shareholders. There is also an offer to issue Shortfall Shares under the Shortfall Facility. Please refer to section 5.7 for further information and details of the Shortfall Facility.

The Issue Price is payable on application.

The Directors may at any time decide to withdraw this Offer Document and the Offer of New Shares in which case the Company will return all Application Monies (without interest) within 28 days of giving such notice of withdrawal.

5.2. Purpose of the Offer

The Offer is proposed to raise up to approximately \$8.8 million by the issue of approximately 108 million New Shares (before the payment of costs associated with the Offer). The Company intends to apply funds raised under the Offer as follows:

Proceeds of the Offer	\$	%
Exploration costs (including tenement holding costs), project development and acquisitions	7,300,000	82.95%
General working capital	1,400,000	15.91%

Offer Costs	100,000	1.14%
Total	8,800,000	100%

The table above is an indication of current intentions as at the date of this Offer Document. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way that the funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

5.3. Eligible Shareholders

Eligible Shareholders are those holders of Shares who:

- are registered as a holder of Shares as at 5.00pm (WST) on the Record Date;
- have a registered address in Australia or New Zealand; and
- are not in the United States and are not acting for the account or benefit of a person in the United States.

If you are a Shareholder who does not satisfy each of the criteria listed above, you are an "Overseas Shareholder". Refer to Section 5.21 for more information regarding the Offer and Overseas Shareholders.

By returning a completed Entitlement and Acceptance Application Form with your cheque or money order, or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

5.4. Option holders

Option holders will not be entitled to participate in the Offer unless they have validly exercised their options (to the extent they are entitled to do so under the option terms) prior to the Record Date and are an Eligible Shareholder at 5.00pm (WST) on the Record Date (i.e. a registered holder of Shares who meets the requirements set out in section 5.3 above).

5.5. Entitlements and acceptance

Details of how to apply under the Offer are set out in section 5.25 of this Offer Document. The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date and set out on the Entitlement and Acceptance Application Form accompanying this Offer Document. The Directors reserve the right to reject any Application that they believe comes from a person who is not an Eligible Shareholder.

5.6. Non-Renounceable

The Entitlement is non-renounceable. Accordingly, there will be no trading of Entitlements on the ASX and you may not dispose of your Entitlements to subscribe for New

Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares by the Closing Date, the Offer to you will lapse.

Where an Eligible Shareholder does not take up their Entitlement, their shareholding will be diluted with no compensating cash payment. New Shares not subscribed for by Eligible Shareholders will become Shortfall Shares which can be taken up by other Eligible Shareholders under the Shortfall Facility.

5.7. Shortfall Facility

Under the Shortfall Facility, Eligible Shareholders will be entitled to apply for Shortfall Shares in excess of their Entitlement, at the same issue price as the New Shares. The total number of Shortfall Shares available will be determined by the number of Entitlements that have not been taken up under the Offer. Eligible Shareholders wishing to subscribe for Shortfall Shares must apply for them at the same time as they apply for New Shares under their Entitlement by completing the relevant section of their Entitlement and Acceptance Application Form. There is no limit on the number of Shortfall Shares that Eligible Shareholders may apply for under the Shortfall Facility. However, applications under the Shortfall Facility will only be satisfied to the extent that there are Shortfall Shares available.

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;
- 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.

There is no guarantee that an Eligible Shareholder will receive any or all of the Shortfall Shares they have applied for under the Shortfall Facility. If an Eligible Shareholder receives less Shortfall Shares than they have applied for, the Application Monies for those Shortfall Shares which have not been allocated will be returned to the relevant Eligible Shareholder without interest.

5.8. Fractional Entitlements

Fractional Entitlements to New Shares will be rounded down to the nearest whole number.

5.9. Rights on Issue of New Shares

New Shares will have the same rights as, and will rank equally with, Shares on issue as at the date of this Offer Document. The rights attaching to Shares are set out in the Company's constitution, a copy of which can be obtained from the Company.

5.10. No Minimum Subscription

There is no minimum subscription for the Offer.

5.11. Effect of the Offer on the capital structure

Financial Position

The Company's cash position immediately before the date of the Offer is approximately \$3.8 million. On close of the Offer, the Company's cash position will increase to \$12.5 million, after addition of the gross proceeds of the Offer of up to approximately \$8.8 million, less the expected costs of the Offer of approximately \$100,000.

Capital Structure

Upon completion of the Offer, the effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised between the date of this Offer Document and prior to the Record Date, is set out below:

	Number
Shares on issue as at the date of this Offer Document	435,601,334
Unquoted Options on issue as at the date of this Offer Document	24,000,000
New Shares to be issued under this Offer Document	*108,062,634
Total Shares on issue after completion of the Offer (notional expanded capital)	**543,663,968

**accounts for no Shares to be issued to overseas Shareholders.*

***The numbers may vary due to the rounding of Entitlements and assumes no options are exercised.*

5.12. No Underwriting

The Offer is not underwritten. Any Shortfall Shares that are not subscribed for by Eligible Shareholders under the Shortfall Facility may be placed to professional and sophisticated investors following the close of the Rights Issue.

5.13. Potential Effect of Offer on Voting Power

The effect of the Offer on voting power in the Company for the purposes of the Corporations Act is dependent on the

number of New Shares taken up (including under the Shortfall Facility).

The potential effect that the issue of the New Shares under the Offer will have on the control of the Company is as follows:

- if all Eligible Shareholders take up their Entitlements under the Offer, the issue of New Shares under the Offer will have no effect on the control of the Company and all Shareholders will hold the same percentage interest in the Company, subject only to changes resulting from Overseas Shareholders being unable to participate in the Offer;
- in the event that there are Shortfall Shares, Eligible Shareholders who do not subscribe for their full Entitlement of New Shares under the Offer and Overseas Shareholders unable to participate in the Offer will be diluted relative to those Shareholders who subscribe for some or all of their Entitlement and any additional Shortfall Shares.

5.14. Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 19.88% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders are set out in the table below.

Holding as at Record date	Approx. % at Record Date	Holding if Offer not taken Up	Approx. % post Offer
50,000,000	11.48%	50,000,000	9.20%
25,000,000	5.74%	25,000,000	4.60%
10,000,000	2.30%	10,000,000	1.84%
1,000,000	0.23%	1,000,000	0.18%
100,000	0.02%	100,000	0.02%

Note: This is based on a share capital of 435,601,334 Shares at the date of this Offer Document and the dilution effect is the maximum percentage on the assumption that those Entitlements that are not accepted are placed under the Shortfall Facility and no options are exercised.

5.15. Substantial holders

The Company's substantial holders (within the meaning of the Corporations Act – in broad terms, a holder who, directly or indirectly holds or controls 5% or more of the total votes in the Share capital of the Company) and their Entitlements as at the date of this Offer Document,

together with two potential holdings outcomes upon the issuing of New Shares pursuant to this Offer, are set out in the table below.

Substantial holder	Entitlement	Holding % (post Offer)	
		if all other Entitlements taken up	if no other Entitlements taken up
Pacific Road Capital Management Pty Ltd	17,020,202	15.65%	17.21%
APAC Resources Limited & Allied Properties Investments (1) Company Limited	14,766,978	13.58%	14.93%
ST Barbara Limited	10,890,000	10.02%	11.01%
Independence Group NL	9,850,857	9.06%	9.96%
Craton Capital Precious Metal Fund	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 referred to in Section 5.7.

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 Share holders as at the date of this Offer Document. The figures are approximate.

5.16. Directors' Interests and Participation

Each Director's interest in the Shares of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

Director	Shares	Options	Entitlement
Mr Brett Smith	140,000	1,500,000	35,000
Mr Thomas McKeith	1,726,869	7,000,000	431,717
Mr Mark Faul	NIL	NIL	NIL
Mr Matthew Briggs	NIL	11,000,000	NIL

Note: The table assumes the directors 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. The figures are approximate.

5.17. Issue and Dispatch

New Shares will be issued in accordance with the Listing Rules and the indicative timetable set out in this Offer Document. New Shares to existing Eligible Shareholders issued under the Shortfall Facility will be issued at the same time. The Company may place any New Shares that are not taken up by Shareholders (whether on exercise of any Entitlement under this Offer Document, or otherwise taken up under the Shortfall Facility) to third parties following the close of the Rights Issue no later than 3 months after the close of the offer in accordance with Listing Rules and Corporations Act.

Pending the issue of the New Shares or payment of refunds pursuant to this Offer Document, all Application Monies will be held by the Share Registry in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company will, however, be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Application Form.

The expected dates for issue of New Shares offered by this Offer Document is expected to occur on the dates specified in the indicative timetable set out in this Offer Document.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements do so at their own risk.

5.18. Expenses of the Offer

The estimated expenses which are payable by the Company for legal fees, printing fees, listing fees and other costs incurred in preparing and distributing this Offer Document and making the Offer are estimated to be approximately \$100,000.

5.19. Quotation of Shares

The Company will make application to ASX for quotation of the New Shares on the date of announcement of the Offer. The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

If ASX does not grant quotation for the New Shares, the Company will not allot the New Shares and all Application Monies will be returned without interest.

5.20. Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are quoted on the ASX.

The highest, lowest and last market sale prices of the Shares on the ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	Sale price (\$)	Date
Highest	0.096	11/09/2018
Lowest	0.070	29/10/2018
Last	0.082	15/11/2018

5.21. Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document. The Company has decided not to make the Offer to Shareholders who do not have a registered address in Australia or New Zealand (**Overseas Shareholders**), having regarding to:

- the number of Overseas Shareholders in each jurisdiction where the Offer would be made;
- the number and value of New Shares that the Overseas Shareholders would be offered; and
- the cost of complying with the legal requirements and requirements of a regulatory authority in each jurisdiction of the Overseas Shareholders.

Accordingly, the Offer is not being extended and New Shares will not be issued to Shareholders with a registered address outside of Australia or New Zealand. The Company will be sending to each Overseas Shareholder details of the Offer and advice that the Company will not offer New Shares to that Shareholder.

5.22. CHESS

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

5.23. Taxation Implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

5.24. Enquiries

Enquiries relating to this Offer Document should be directed to the Company's Share Registry on 1300 992 916.

5.25. How to Accept the Offer

Before taking any action, you should read this Offer Document in its entirety.

5.26. What you may do

You may:

- take up all your Entitlements by completing the Entitlement and Acceptance Application Form, filling in all the relevant details in the spaces provided and attaching your payment for the amount indicated on that form;
- take up part of your Entitlements by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance

Application Form and attaching your payment for the appropriate Application Monies;

- if you have taken up all of your Entitlements, apply for Shortfall Shares under the Shortfall Facility by completing the Entitlement and Acceptance Application Form, filling in all the relevant details in the spaces provided including the number of New Shares under the Shortfall Facility you wish to apply for, and attaching your payment for the appropriate Application Monies which would be calculated as the amount indicated on that form for your full Entitlements plus the additional New Shares that you wish to apply for under the Shortfall Facility; or
- not do anything with your Entitlements and allow all of them to lapse.

Your acceptance of the Offer must be made on the Entitlement and Acceptance Application Form accompanying this Offer Document. You should read the instructions on the Entitlement and Acceptance Application Form in their entirety. Your completed Entitlement and Acceptance Application Form must reach the Share Registry no later than the Closing Date.

The Offer is non-renounceable. Accordingly, Shareholders may not sell or transfer any of their Entitlements.

Any Application Monies received for more than your final allocation of New Shares or Shortfall Shares will be refunded to you. No interest will be paid on any Application Monies.

5.27. Your Entitlements

Your Entitlements are set out on your personalised Entitlement and Acceptance Application Form and will have been calculated as one New Share for every four Shares you held at 5.00pm on the Record Date. If you have more than one holding of Shares you will be sent a personalised Entitlement and Acceptance Application Form for each holding.

5.28. If you do nothing with your Entitlements

If you choose not to do anything with your Entitlements, you will not be allocated any New Shares and your Entitlements will lapse and any associated New Shares may be taken up by Eligible Shareholders subscribing for Shortfall Shares under the Shortfall Facility, or cancelled. Eligible Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

5.29. Nominees and Custodians

The Company is not required to determine whether or not any registered holder of Shares is acting as a nominee or

the identity or residence of any beneficial owners of Shares. Where any registered holder of Shares is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

5.30. Acceptance of your Entitlement

The method of acceptance of your Entitlement will depend on your method of payment being:

- by cheque or money order; or
- by BPAY®.

By completing, and delivering to the Share Registry or the Company, your personalised Entitlement and Acceptance Application Form with the requisite Application Monies or making a payment by BPAY®, you:

- agree to be bound by the terms of this Offer Document and the provisions of the Company's constitution;
- authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- declare that all details and statements made in the Entitlement and Acceptance Application Form are complete and accurate;
- acknowledge that the Offer Document is not investment advice and does not constitute a recommendation that you subscribe for New Shares under the Offer or the Shortfall Facility;
- declare that you have full legal capacity to subscribe for New Shares under the Offer;
- acknowledge that once the Company receives the Entitlement and Acceptance Application Form or your payment by BPAY®, you may not withdraw it except as allowed by law;
- agree to apply for, and be issued with up to, the number of New Shares that you apply for at the Issue Price per New Share;
- authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you;
- represent and warrant that you are an Eligible Shareholder; and
- acknowledge you have read and understood this Offer Document and the Entitlement and Acceptance Application Form and that you acknowledge the matters, and make the warranties and representations and agreements contained in

this Offer Document and the Entitlement and Acceptance Application Form.

5.31. Payment by BPAY®

For payment by BPAY® please follow the instructions on the personalised Entitlement and Acceptance Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Application Form but are taken to make the declarations on that Entitlement and Acceptance Application Form; and
- you are deemed to have applied for such whole number of New Shares which is covered in full by your Application Monies, whether that number is less than, equal to, or more than your Entitlement (in the latter case, you will be deemed to have applied for Shortfall Shares under the Shortfall Facility).

When paying by BPAY® please make sure you use the specific Biller Code and your unique customer reference number (**CRN**) which can be found on the back of your personalised Entitlement and Acceptance Application Form. If you pay by BPAY®, and the amount paid is more than the total Application Monies for your Entitlement, such excess amount will be treated as an application for such number of Shortfall Shares as may be subscribed for at the Issue Price (rounded down to the nearest whole number).

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the Closing Date. No interest will be paid on any Application Monies received or refunded.

5.32. Payment by cheque or money order

For payment by cheque or money order, you should complete your Entitlement and Acceptance Application Form in accordance with the instructions on the Entitlement and Acceptance Application Form and return it accompanied by a cheque or money order in Australian currency for the amount of the Application Monies payable to "Prodigy Gold NL" and cheques are required to be crossed "Not Negotiable".

Your cheque or money order must be:

- for an amount equal to the Issue Price multiplied by the number of New Shares that you are applying for (including any Shortfall Shares applied for under the Shortfall Facility); and
- in Australian currency drawn on an Australian branch of a financial institution.

If the amount of your cheque or money order for Application Monies (or the amount of which the cheque or money order clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Application Form, you will be taken to have applied for such number of New Shares (rounded down to the nearest whole number) as your cleared Application Monies will pay for (and to have specified that number of New Shares on your Entitlement and Acceptance Application Form). Alternatively, your Application will not be accepted.

Any Application Monies received for more than your final allocation of New Shares (including after the allocation of any Shortfall Shares under the Shortfall Facility) will be refunded as soon as practicable after the Closing Date. No interest will be paid on any Application Monies received or refunded.

Your completed Entitlement and Acceptance Application Form and cheque or money order must reach the Company's Share Registry at the address set out on the Entitlement and Acceptance Application Form and be cleared by no later than 5:00pm WST on the Closing Date. It is your responsibility to ensure that your cheque or money order clears by that time. You should be aware that financial institutions may have different lead times for the clearing of cheques or money orders and you should therefore take this into consideration when making payment.

5.33. Entitlement and Acceptance Application Form is binding

You will not have any right to withdraw your Application for New Shares or to be repaid any amount once your Application has been accepted. Even if an Application has not been completed or submitted correctly it may still be treated as a valid Application for New Shares. The Company's decision as to whether to treat an Application as valid and how to construe, amend, complete or submit the Application is final.

5.34. Mail

To participate, your Application Monies must be received no later than 5.00pm (WST) on the Closing Date.

Shareholders who make payment via cheque or money order should mail their completed personalised

Entitlement and Acceptance Application Form together with Application Monies to:

Security Transfer Australia Pty Limited
PO Box 52
Collins Street West VIC 8007

6. Investment Risks

6.1. Introduction

The New Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business.

There are a number of risk factors, both specific to the Company or the Offer, and of a general nature, which could adversely impact the Company's performance and financial position and the value of its Shares. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, however, many are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade. This section describes certain specific areas that are believed to be the material risks associated with an investment in the Company.

The following is a summary only and the risks in this section are not exhaustive of the risks faced by a potential investor in the Company but they are considered by the Directors to be the more material risks that potential investors should be aware of. These risks in respect of the Company together with the general risks applicable to all investments in listed securities may affect the value of the Shares in the future. You should consider carefully the risks described in this section and read this Offer Document in its entirety, and consult your accountant, broker, financial or other professional adviser before making an investment decision and applying for New Shares.

6.2. Specific Risk Factors

Exploration risks

Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. The Company's exploration activities are subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during mineral exploration are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

Further, the costs of the Company's exploration activities may materially differ from its estimates and assumptions. No assurance can be given that the Company's cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

There is no certainty that exploration carried out by the Company will result in the discovery of mineralisation that has economic value.

Reliance on key personnel

The Company's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including sub-contractors. The loss of

the services of any such personnel could have an adverse effect on the Company at this stage of its development.

Gold Price

The success of the projects held by the Company will be dependent on the price of gold. The ability to raise additional funding for future exploration activities could be impacted if the price of gold fell materially below current levels causing the Company to cease activities. The ability to develop an economically viable mining operation based on currently identified resources or gold resources discovered through future exploration could be impacted if the price of gold was below the level required to ensure viability. Gold prices are volatile and may fluctuate as a result of numerous factors, which are beyond the control of the Company.

Joint Venture and other arrangements

The Company may hold assets, developments or undertake projects through incorporated and unincorporated joint ventures with third parties. There is a risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party. Disagreements between co-venturers or a failure of co-venturer to adequately manage a project poses a further risk of financial loss or legal or other disputes with the other participants in such a joint venture.

Projects held and run through joint ventures impose a number of restrictions on the Company's ability to sell its interest in any assets held through such a structure and may require prior approval of the other joint venture partner or may be subject to preemptive rights.

Financing risks and capital requirements

The Company's capital requirements will depend on a number of factors. As an exploration company, Prodigy Gold may, in the future, require further equity financing which may dilute shareholders and may be undertaken at lower prices than the current market price. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all.

In the ordinary course of business, the Company is required to issue financial assurances, particularly insurances and bond/bank guarantee instruments, to secure statutory and environmental performance undertakings and commercial arrangements. The Company's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position.

Environmental risks and hazards

The operations of the Company may be materially affected by adverse weather conditions and other environmental hazards such as fires, floods and water ingress which may delay or prevent exploration from taking place and cause the Company to incur significant costs to rectify any damage or consequences arising from those hazards.

Security of tenure

The Company cannot guarantee that all or any licences or permits in which it has interests will be renewed. Such renewals are at the discretion of relevant government bodies in the jurisdiction, and often depends on the Company being successful in obtaining other required statutory approvals for its proposed activities. There is no assurance that such renewals or grants will be granted, nor that they will be granted without adverse conditions attached.

There may be areas in relation to tenements which the Company has an existing interest in, or will acquire an interest in the future, over which common law Native Title rights exist or may be found to exist, which may preclude or delay exploration, or development activities. The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of exploration or mining activities.

Regulatory requirements including exploration and mining permits and licences

The Company's operations are subject to various Federal, State and local laws and regulations, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. These laws and regulations may become more restrictive, impose stricter standards and increase penalties for non-compliance, which may adversely affect the Company's financial performance. Additional capital may be required to ensure compliance with such laws and regulations, and operational activities may be delayed or prevented entirely.

Environment, rehabilitation and restoration

The operations and activities of the Company are subject to the environmental laws and regulations of Australia. As with most exploration projects, the Company's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company will attempt to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations.

6.3. Risks Associated with the Offer

Dilution

The completion of the Offer will result in the issue of approximately 108 million New Shares. If an Eligible Shareholder does not take up their full Entitlement their percentage holding of Shares will be diluted.

No cooling off

There are no cooling off rights in relation to the Offer. You cannot withdraw your Application for New Shares once it has been submitted.

Offer provides no guarantee of future performance

While the Offer will help improve the Company's financial position and provide it with additional flexibility, it does not guarantee the Company's future financial performance.

6.4. General Risk Factors

Competition

The Company competes with other companies, including major exploration companies in Australia and internationally. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

General economic conditions

The performance of the Company may be significantly affected by changes in local, national and international financial and economic conditions. Profitability of the business may be affected by factors such as market conditions, fluctuations in currencies, commodity prices, interest rates, inflation, industrial disruption and supply and demand. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

Changes in government policy

Changes in government policy (including fiscal, monetary and regulatory policies at federal, state and local levels) may affect the amount and timing of the Company's future cash flows and profits, and its viability and profitability. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

Geo-political factors

The Company may be affected by the impact that geo-political factors have on the various world economies or the Australian economy or on financial markets and investments generally or specifically.

Equity market conditions

Securities listed on the stock market, and in particular securities of mining and exploration companies, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the

global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

The Company, being a company listed on ASX, is subject to the market forces that influence the broad share market trends and the price of securities of individual companies. Accordingly, assuming that the New Shares are granted official quotation on ASX, they may trade on ASX at higher or lower prices than the Issue Price.

Liquidity and realisation

There can be no guarantee that an active market in Shares will develop or that the price of Shares will increase. There may be relatively few buyers or a relatively high number of sellers of Shares on ASX at any given time. This may increase the volatility of the price of Shares. It may also affect the prevailing price of Shares at which Shareholders are able to sell.

7. ADDITIONAL INFORMATION

7.1. Litigation

The Company is not involved in any material legal proceedings nor, so far as the Directors are aware, are any such proceedings pending or threatened against the Company.

7.2. Governing law

This Offer Document, the Offer and the contracts formed on acceptance of the Entitlement and Acceptance Application Forms are governed by the laws of the State of Western Australia, Australia. Each person that applies for New Shares submits to the exclusive jurisdiction of the Courts of the State of Western Australia, Australia and the Courts of appeal from them.

8. GLOSSARY

Applicant	means an applicant for New Shares who duly completes an Entitlement and Acceptance Application Form and pays the applicable Application Monies.
Application	means an application for New Shares (including Shortfall Shares under the Shortfall Facility) pursuant to the Offer and made on an Entitlement and Acceptance Application Form or by making payment via BPAY®.
Application Monies	means the Issue Price, multiplied by the number of New Shares (including Shortfall Shares under the Shortfall Facility) for which an Applicant has applied.
ASIC	means the Australian Securities and Investments Commission.
ASX	means, as the context requires, ASX Limited ABN 98 008 624 691 (also known as Australian Securities Exchange) or the Australian securities exchange operated by such company.
CHESS	Clearing House Electronic Subregister System
Closing Date	means the last date by which Applications will be accepted, which is 5:00pm (WST) on 10 December 2018 or such other date as the Directors determine.
Company	means Prodigy Gold NL (ACN 009 127 020).
Corporations Act	means the Corporations Act 2001 (Commonwealth).
Directors	means the directors of the Company.
Dollars or \$	means dollars in Australian currency.
Eligible Shareholders	has the meaning given in Section 5.3.
Entitlement	means the right to subscribe for New Shares initially offered to Eligible Shareholders under the Offer based on the number of Shares held by that Shareholder on the Record Date. Every Entitlement gives the holder, upon the payment of the Issue Price, the right to receive one New Share for every four Shares held by that Shareholder on the Record Date.
Entitlement and Acceptance Application Form	means the entitlement and acceptance application form accompanying this Offer Document.
Issue Price	means the price payable on subscription for each New Share, being \$0.082.
Listing Rules	means the Listing Rules of ASX.
New Shares	means Shares offered under this Offer Document, including Shortfall Shares under the Shortfall Facility.
Offer	means the offer of New Shares, initially to Eligible Shareholders, under this Offer Document.
Offer Document	means this offer document.
Overseas Shareholder	has the meaning given to such expression in section 5.21.
Record Date	means the date and time at which Shareholders must hold Shares in order to qualify for the Entitlement under the Offer, being 5:00pm (WST) on 23 November 2018 or such other date as the Directors determine.
Share	means a fully paid ordinary share in the Company.

Share Registry	means Security Transfer Australia Pty Limited.
Shareholder	means a holder of Shares.
Shortfall Facility	means the offer to Eligible Shareholders to subscribe for any Shortfall Shares in addition to their initially allocated Entitlement.
Shortfall Shares	means such number of New Shares offered under the Offer for which valid Applications have not been received on the exercise of an Entitlement.
VWAP	means volume weighted average price.
WST	Western Australian Standard Time