

## **QUARTERLY REPORT**

**For the 3 months ended 31 December 2019**

### **OVERVIEW**

#### **Prodigy Gold 100% Projects**

- Results returned from drilling programs at 100% owned Bluebush and Hyperion Projects
- 62 aircore holes completed at Hat and Capstan North Prospects within Bluebush Project
- Multiple >0.5g/t Au intersections returned with best results including:
  - 6m @ 0.52g/t Au from 36m (BL0888) Hat
  - 3m @ 0.58g/t Au from 57m & 3m @ 0.51g/t Au from 69m (BL0880) Hat
  - 6m @ 0.45g/t Au from 75m (BL0844) Hat
  - 6m @ 0.47g/t Au from 45m (BL0854) Hat
  - 3m @ 0.25g/t Au from 36m (BL0896) Capstan North
- 32 aircore drill holes completed at Hyperion Project during October
- Extensions to mineralised structures defined 600m to the south of the existing gold resource – demonstrating potential for the Hyperion Resource to extend further south
- Best results include:
  - 6m @ 0.20g/t Au from 84m (SJ0187)
  - 3m @ 0.13g/t Au from 102m (SJ0186)
  - 3m @ 0.10g/t Au from 84m (SJ0185)
  - 3m @ 0.10g/t Au from 54m (SJ0181)

#### **Lake Mackay JV (IGO)**

##### **Arcee Au Prospect**

- RC drilling completed by managing JV partner IGO Ltd returns 12m @ 3.5g/t Au from 112m from Arcee Prospect
- Results received from soil sampling completed during the Quarter extend the gold in-soil anomaly to 2.3km long

##### **Grimlock Co-Ni-Mn Prospect**

- First bench-scale leach extraction results returned for high grade Grimlock Co-Ni-Mn sample with head grade of 1.94% Co, 0.47% Ni and 51.91% Mn:
- Atmospheric Leach SO<sub>2</sub>
  - >97% Co extracted
  - >85% Ni extracted
  - >99% Mn extracted

- Additional surface samples collected for leach extraction testwork returned head grade assays >2.7% Co

### **Euro Farm-in (Newcrest)**

- RC drilling at Dune Prospect identifies significant gold in oxide and further extends the 1.4km gold and arsenic anomaly which remains open to the north
- Best intersections include:
  - 18m at 0.4g/t Au from 126m (EUR0019)
  - 10m at 0.3g/t Au from 146m (EUR0021)
- 616.9m diamond hole completed at the Anomaly 16 target

### **Old Pirate Operator Agreement and Buccaneer Project Option (TRL Tanami)**

- Agreement signed with TRL Tanami to develop and mine the Old Pirate Project under a strategic 10-year Operator Agreement
- Option for TRL Tanami to acquire up to 100% interest in the Buccaneer Gold Project via three-staged earn-in

### **Key Tenements within the North Arunta JV Returned (Gladiator Resources)**

- Tenement rationalisation completed by Gladiator Resources (ASX: GLA) resulting in several highly prospective targets at the North Arunta Project being returned to Prodigy Gold
- Prodigy Gold has the optionality to progress exploration of several regional and large-scale targets on a 100% basis or through additional JV agreements

### **Management Commentary**

Prodigy Gold Managing Director, Matt Briggs, said: “Prodigy Gold remained highly active in its systematic exploration of our 100%-owned and JV projects during the December Quarter.

“We have made considerable progress over the past three months, as we continue to identify and test areas consistent with multiple gold anomalies – particularly within our Bluebush and Hyperion Projects which are adjacent to the world-class 14.2Moz Callie Gold Mine.

“Furthermore, the results of leach extraction testwork from surface samples at the Grimlock Co-Ni-Mn Prospect has given us much cause for optimism for the Lake Mackay JV, and a targeted follow-up exploration program is planned to commence early in the next field season to advance this project.

“We are very confident of continuing this momentum into the New Year, and I would also like to thank our valued shareholders for their support in 2019.”

### **Exploration Overview**

#### **Prodigy Gold 100% Projects**

Background: The Tanami is host to multiple 1Moz+ gold deposits. The Company is using broad spaced RAB and aircore drilling to screen for the alteration and geochemical footprints associated with large scale deposits. Drilling is prioritised on targets with the same rocks as the known gold deposits, occurring in similar structural settings. This approach has already successfully defined broad scale anomalism at the Capstan project including RC drill results of up to 4m @ 6.1g/t Au (ASX 18 December 2018).

Prodigy Gold is continuing to systematically explore the Company’s 100%-owned project portfolio with aircore, reverse circulation (“RC”) and diamond drilling to screen for new large-scale gold deposits analogous to the 14.2Moz Callie Gold Mine in the Tanami.

As part of this strategy, a total of 50 holes were completed in the December Quarter.

### **Capstan North RC Drilling**

Capstan is a 22km x 8km sub-area of the Bluebush Project, located 50km northwest of the world-class Callie Gold Mine. Aircore drilling at Capstan defined a large-scale bedrock gold anomaly over an area 8km long with results up to 4g/t Au in samples from aircore drilling (ASX 2 August 2018).

The RC drilling program completed in the September Quarter included 12 holes testing 1,000m of strike (Figure 1). These holes were designed to confirm the interpreted orientation of mineralisation and infill between previous results including 4m @ 6.1g/t Au (RC), 9m @ 1.3g/t Au (RC) (ASX 18 December 2018).

Results of drilling completed in the September Quarter continued to define the mineralised structures. Sampling at Capstan returned low grade results including 2m @ 1.2g/t Au from 122m (BLRC028) and 1m @ 1.1g/t Au from 102m (BLRC027) (ASX 22 November 2019). While the target structure was intersected, the RC drilling limited the scale of gold mineralisation in this part of the prospect.

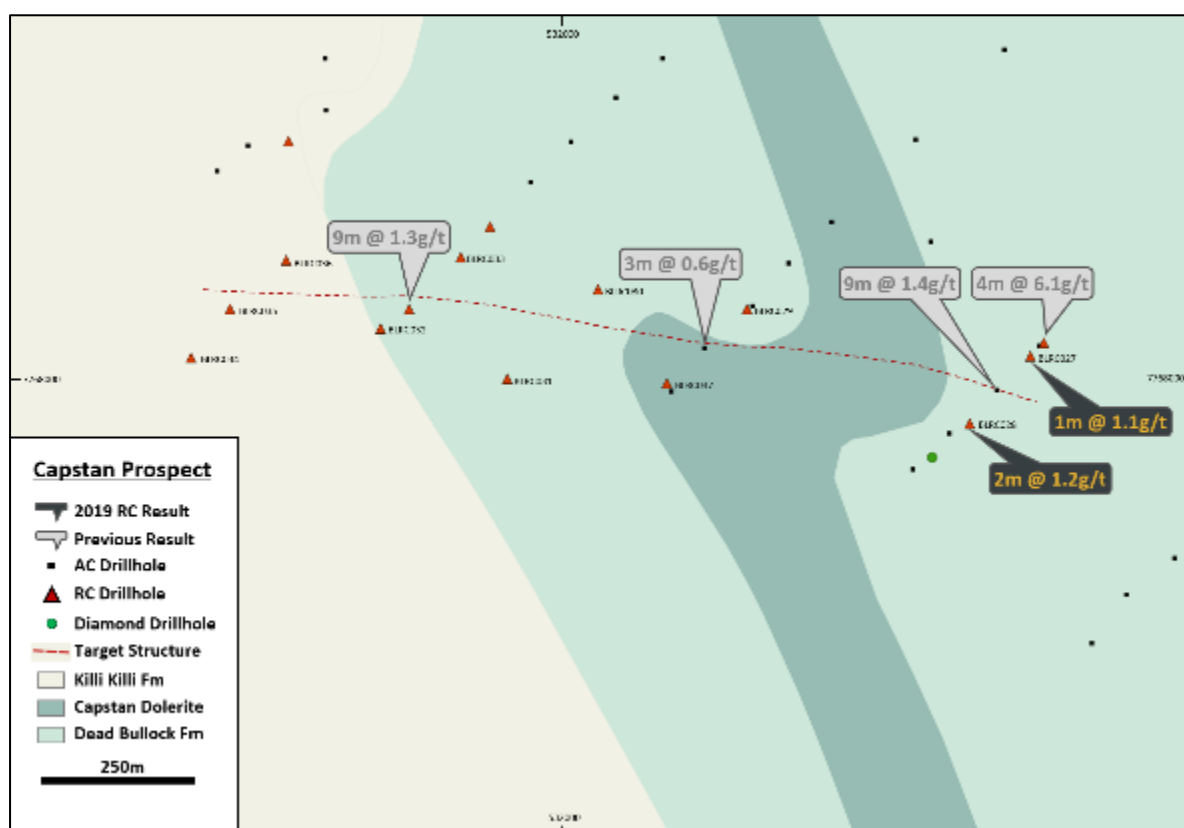


Figure 1 - RC drilling gold results at the Capstan Prospect

### **Hat RC and Aircore**

Hat is a 2km long gold anomaly (Figure 2). The first wide spaced RC program completed in 2018, produced a result of 4m @ 1.2g/t Au from 111m (ASX 18 December 2018).

During the Quarter a single RC hole was drilled at the Hat target designed to confirm the westerly dip to the north south striking structure. Sampling of the single RC hole drilled at Hat returned 2m @ 0.7g/t Au from 152m (BLRC038) (ASX 22 November 2019). This hole has confirmed the interpreted steep westerly dip to mineralisation.

Recent infill aircore drilling defined a coherent >50ppb gold anomaly over 2km long with a best intercept of 3m at 1.8g/t Au from 69m (ASX 15 October 2018). Gold anomalism is associated with sediments in the upper Dead Bullock Formation (Figure 2).

An aircore program of 44 drill holes was completed at the Hat Prospect in October 2019.

Recent results outlined a 0.3g/t Au anomaly within the larger system with best results (ASX 9 December 2019) including:

- 6m @ 0.52g/t Au from 36m (BL0888)
- 3m @ 0.58g/t Au from 57m & 3m @ 0.51g/t Au from 69m (BL0880)
- 6m @ 0.45g/t Au from 75m (BL0844)
- 6m @ 0.47g/t Au from 45m (BL0854)

The gold anomalism has been defined along 3km of strike and is over 500m wide on the southern two sections most recently drilled. The best results and widest part of the gold anomaly coincide with the favourable Dead Bullock Formation and a northwest trending antiformal fold hinge. Gold deposits in the Tanami are typically associated with folded iron rich sediments as occurs at Hat. This data will be combined with geophysical data to determine potential scale of targets and optimise drilling in the 2020 field season.

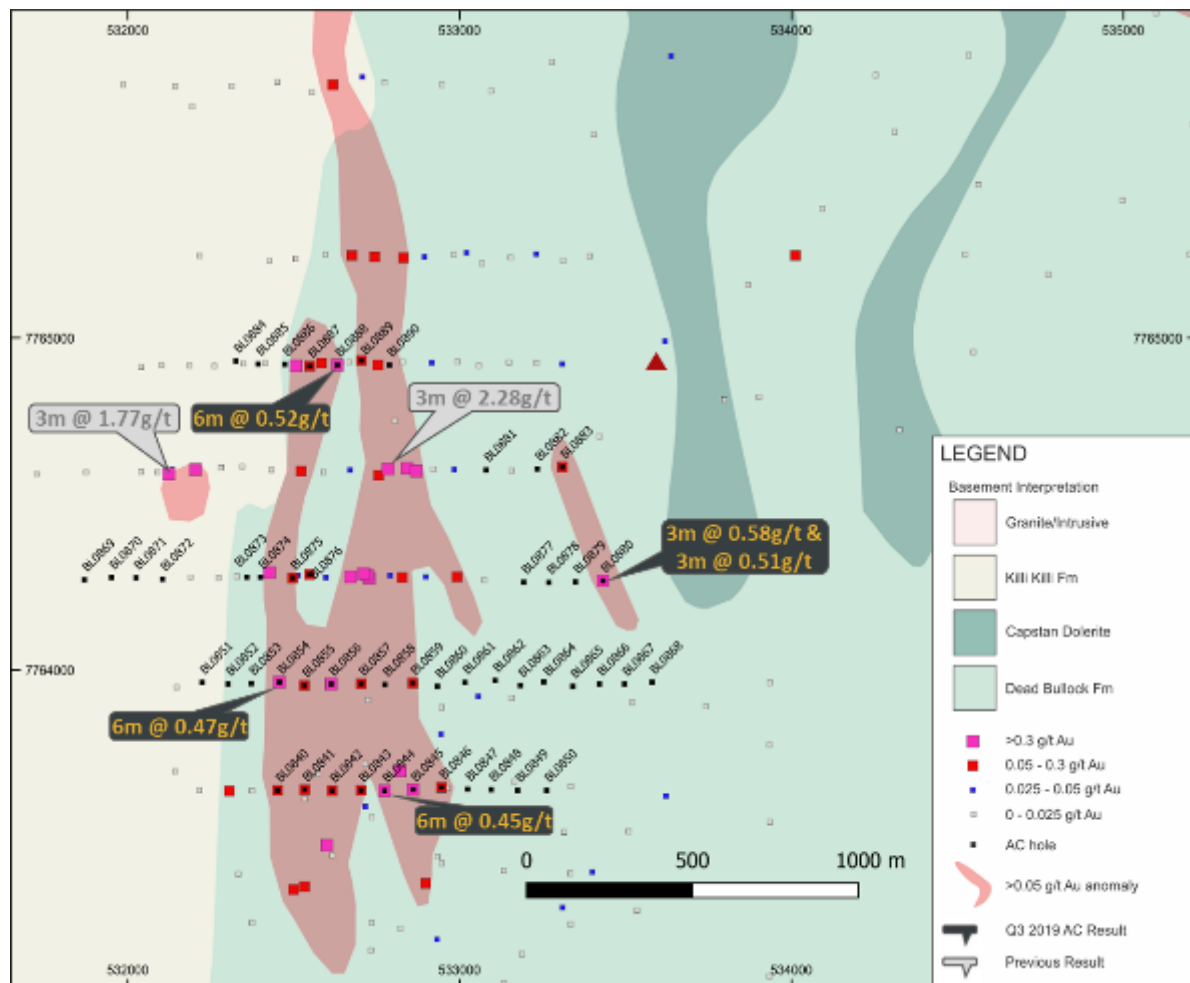


Figure 2- Hat Prospect Geology Map and Recent Result Highlights

### Capstan North Aircore

Capstan North was first drilled with aircore in 2018. Initial results included 1m @ 4.0g/t Au (ASX 2 August 2018) at end of hole within a 900m zone of gold and arsenic anomalism hosted in folded Dead Bullock Formation.

A total of 18 aircore holes were drilled at Capstan North during the recent program, targeting an area of structural complexity coincident with gold anomalism.

The best result (ASX 9 December 2019) was in an area where results of up to 4g/t Au had previously been intersected (Figure 3).

- 3m @ 0.25g/t Au from 36m (BL0896)

Pending the results of geochemical analysis, no further drilling is planned on this target as the recent program has reduced the size of the potential target.

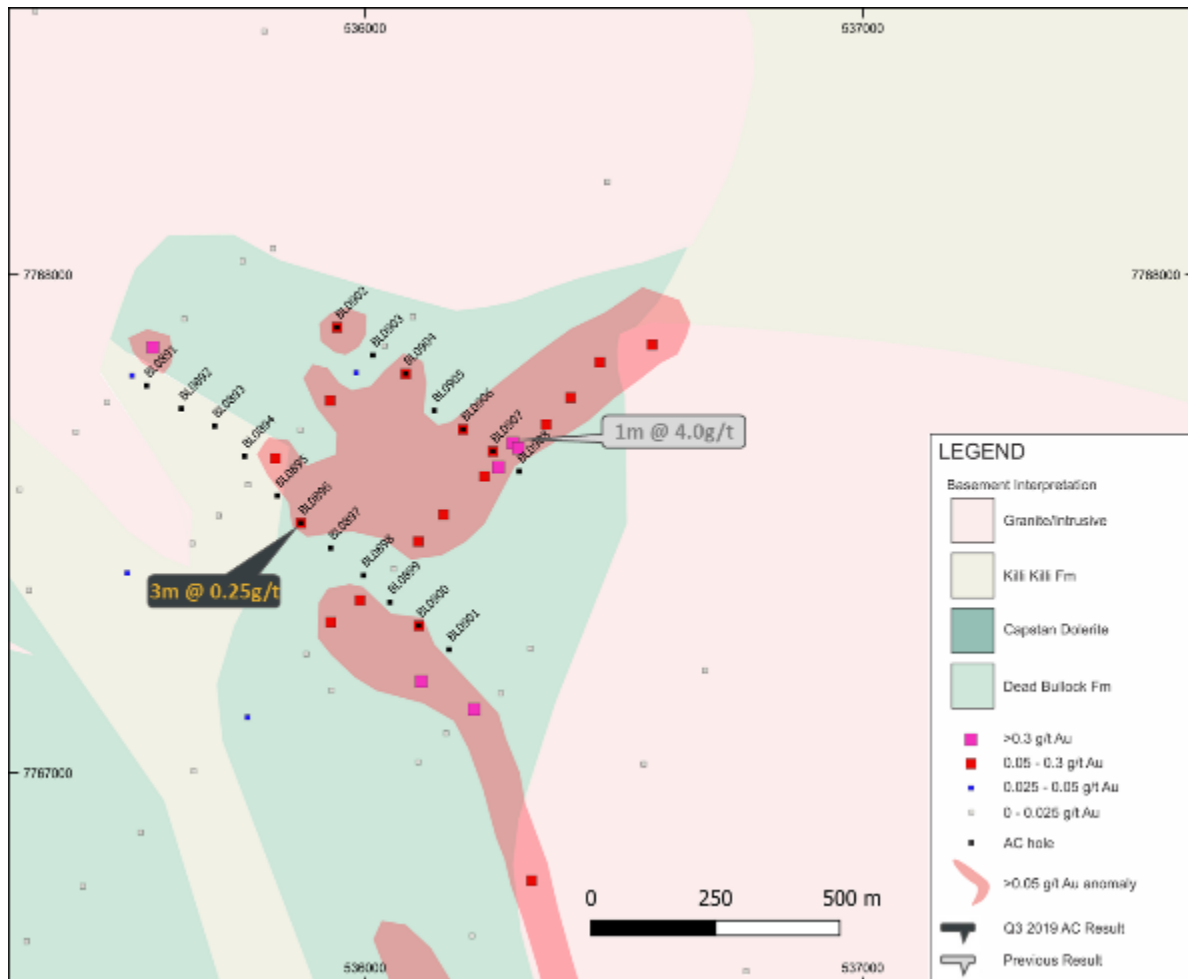


Figure 3 – Capstan North East Prospect Geology Map and Recent Result Highlights

### **Capstan South Aircore**

Results have been returned for 61 stratigraphic aircore holes completed at Capstan South (Figure 4). The broad drilling has confirmed stratigraphy and will form the foundation of a detailed aeromagnetic structural interpretation to target Callie-style deposits. No significant gold anomalism was identified in this drilling (ASX 21 October 2019).

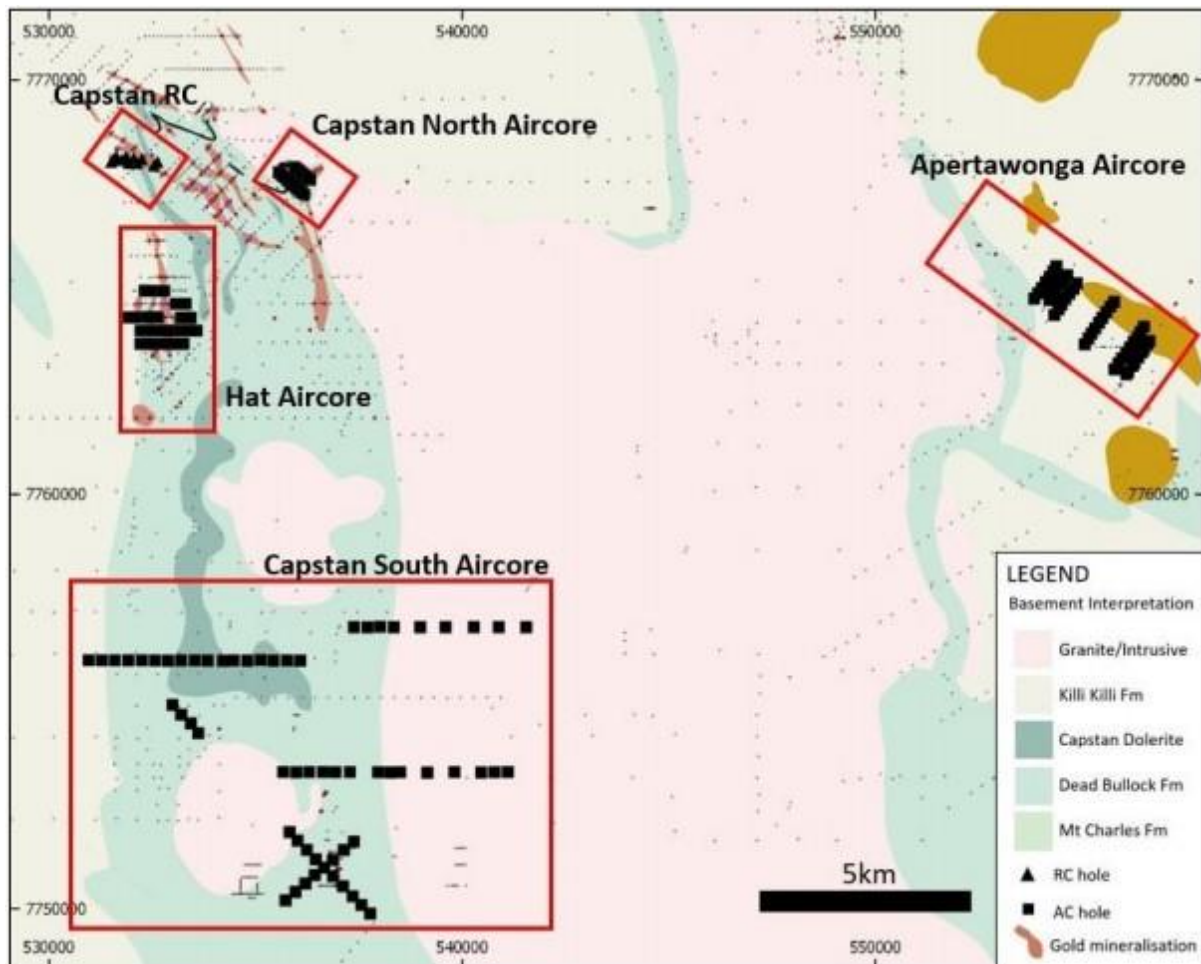


Figure 4 - Recent RC and aircore drilling at Bluebush

### **Apertawonga Aircore**

The Apertawonga Prospect is located 50km northwest of the Callie Gold Mine. The target is a >7km long northwest trending magnetic anomaly. Apertawonga lies on a steep gravity gradient and is bisected by the Trans-Tanami Fault Zone, a long lived regional structure that is interpreted to be a focus for gold bearing fluids during deformation.

A program of 54 aircore holes completed in June defined gold and pathfinder anomalism over 4.5km including highlights of: 1m @ 0.7g/t Au from 36m and 3m @ 0.14g/t Au from 36m (ASX 16 July 2019).

A subsequent program of 54 infill holes commenced in July (Figure 4), designed to confirm the continuity of gold and arsenic anomalies. The infill program was only partially completed due to rig mechanical failure, however drilling was completed in the December Quarter, with assays reducing the potential for gold mineralisation.

### **Hyperion Project (100% PRX)**

The Hyperion Project is located 19km to the north of the 1.7Moz Groundrush Pit (Figure 5) and 58km to the northeast of the Central Tanami Processing Plant site. The area has historically received sporadic shallow drilling. Drilling often ended in the depleted oxide zone testing the area ineffectively.

As part of its exploration strategy, Prodigy Gold is focused on growing the existing resources at Hyperion and progressing the discovery of new standalone projects.

Results from aircore drilling were returned, and two holes diamond holes were completed at the Hyperion Project in the December Quarter.



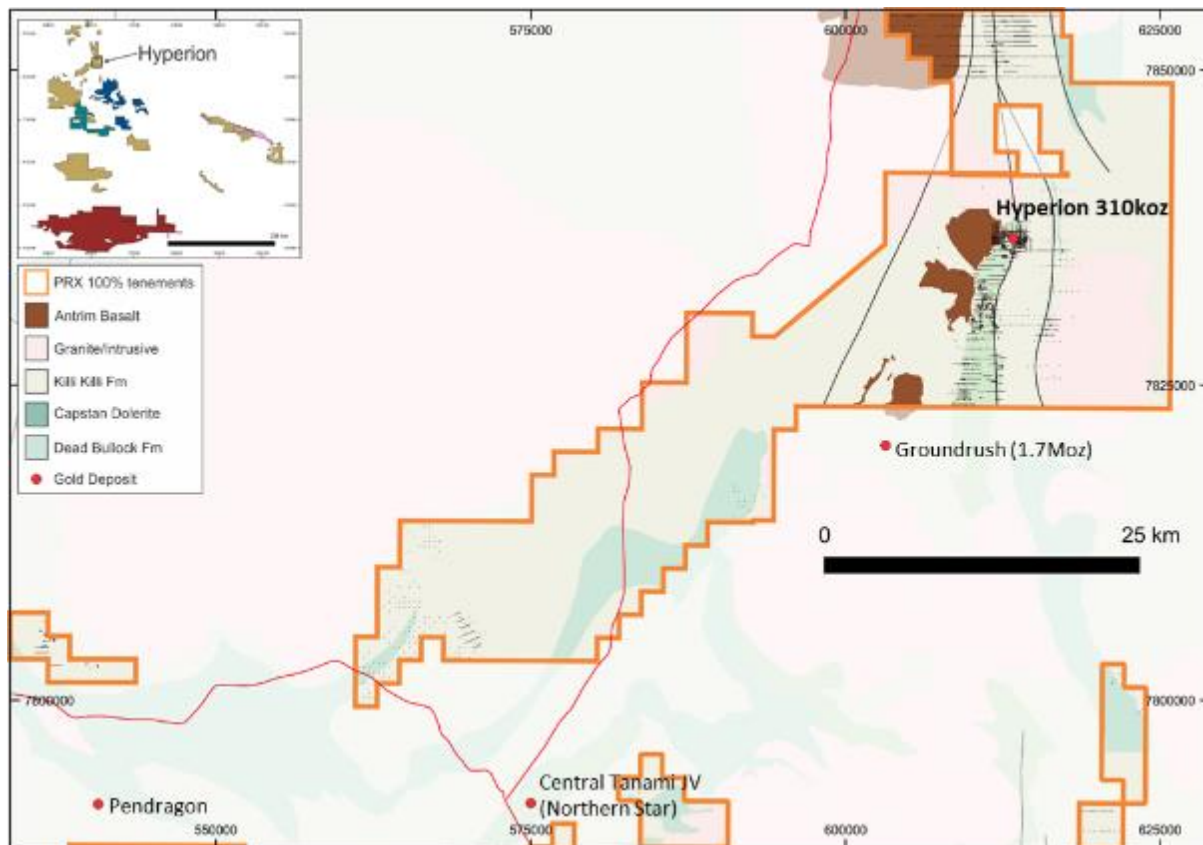


Figure 5 – Hyperion Project location on 100% owned Tenements

### **Seuss Aircore Drilling**

The Seuss Structure was first recognised in late 2016. A north south structure interpreted in RC drilling was confirmed by diamond drilling with an initial intersection of 13m @ 5.6g/t Au (ASX 7 December 2016). Subsequent drilling identified the intersection of the Seuss Structure and mafic sediments as the control higher grade shoots with results of 6m @ 19.4g/t Au, 7m @ 13.2g/t Au, and 15m @ 5.3g/t Au. The Hyperion Project indicated and inferred resource totals are 4.93Mt @ 1.95g/t Au for 310koz (ASX 31 July 2018).

Broad intersections, including 89m @ 0.3g/t Au, 43m @ 0.4g/t Au, and 60m @ 0.5g/t Au (ASX 20 December 2018), highlighted the potential for targets along the Suplejack Fault.

A total of 32 aircore holes were completed in October. This program was drilled to identify extensions of the east-west Hyperion structures to the east of the resource and extension of the Seuss and Hyperion Faults to the south and east of the resource. Two lines of drilling were completed 100m and 500m to the east of the resource, and a single line 600m to the south. The best results (ASX 17 December 2019) from the recent program include:

- 6m @ 0.20g/t Au from 84m (SJ0187)
- 3m @ 0.13g/t Au from 102m (SJ0186)
- 3m @ 0.10g/t Au from 84m (SJ0185)
- 3m @ 0.10g/t Au from 54m (SJ0181)

Gold and arsenic results seen in SJ0186 and SJ087 indicate the mineralisation continues to the south of the resource. The drilling to the east appears to close off the potential for extensions in that direction.

### **Seuss Diamond Drilling**

Previous drilling by Prodigy Gold identified breccia hosted gold mineralisation associated with the north-south trending Suplejack Fault. This is a new style of mineralisation for the district and the

prospective structure has potential to host significant mineralisation where it obliquely intercepts the mafic sediments at Seuss.

A 369.8m NTGS co-funded diamond drill hole HYDD100054 was completed in November. This hole was designed to provide structural information to assist in the targeting of gold mineralisation. The drill hole has successfully intersected the target structure with similar veining and alteration (Figure 6) seen in the previous three RC holes. Drilling intersected approximately 78m of veining from within the interval 141-261m (ASX 22 November 2019).

A diamond tail was also completed on RC hole SJRC0058, extending the hole from 156m to 249.2m. The hole previously ended with a 0.7g/t Au sample from within an interval of 89m @ 0.3g/t Au (ASX 20 December 2018). The diamond tail intersection of this hole has intersected an additional 30m of quartz veining and sulphide.

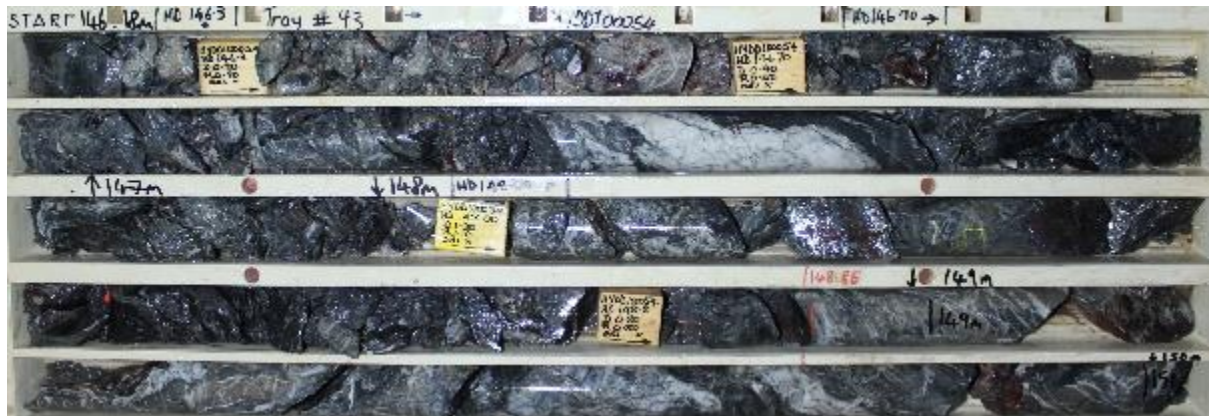


Figure 6 - Veining, sulphides, and alteration in diamond hole HYDD100054 similar to that seen in the 2018 RC drilling

### Lake Mackay JV (IGO)

Background: IGO commenced activity on the current Lake Mackay JV area in 2014. Systematic exploration lead to the discovery of gold and base metal mineralisation at Bumblebee in 2015 and Grapple in 2016. Diamond drilling of Grapple in 2017 defined gold and copper mineralisation over 800m of plunge including a result of 11m @ 7.9g/t Au, 20.7g/t Ag, 0.8% Cu, 0.5% Pb, 1.1% Zn & 0.1% Co in 17GRDD001 (ASX 13 February 2018). In 2018 further work identified Ni, Co, and Mn mineralisation at Grimlock while a 14,951 line kilometre airborne EM survey was being completed. During 2018 IGO completed the \$6M earn-in and the JV Project is now funded 70/30.

Over the course of CY2019, IGO completed an RC drilling program designed to test bedrock conductors over the 63 targets identified in the airborne electromagnetic survey ("AEM") completed in January 2019. Drilling included the Grimlock Co-Ni Prospect along with Au-Cu-Pb-Zn sulphide targets in the area.

A total of 59 of the 63 airborne EM targets were tested with MLEM. Two remain to have MLEM completed and two are covered by sites of cultural significance and are not available for drilling. All EM conductors with MLEM completed and at a shallow depth suitable for RC drilling have now been drilled.

Soil anomalies at the Arcee, Blaze and Bumblebee East Prospects were RC drilled, along with five additional shallow RC holes at the Phreaker Prospect after the encouraging initial results.

In summary, the results from the RC drilling confirmed the presence of the conductors which were generally associated with pyrrhotite and weak anomalism in base metals. Further details on individual prospects are outlined below.

The inaugural soil sampling program was completed on E80/5001 in Western Australia, several anomalous areas will be selected for infill sampling in April.



### Arcee Gold Prospect

The Arcee Prospect is a 2.3km long coherent gold-in-soil anomaly open to the west (Figure 8). The Prospect was first recognised in soil sampling conducted earlier in 2019.

Initial drilling intersected disseminated sulphide in amphibolite yielding a 12m interval of low-level gold. A hole completed 350m to the southeast, 19LMRC072, returned 12m @ 3.5g/t Au from 112m (Figure 7), including 8m @ 4.9g/t Au from 116m (ASX 16 October 2019). This intersection included disseminated pyrite and minor quartz veining.

Results were returned for an additional six RC holes completed at the Arcee Prospect in December, following the completion of drilling on five sections testing ~600m of strike. The drilling confirmed the interpreted orientation of mineralisation.

The best results were returned from the original section RC drilled, 19LMRC073 4m @ 1.6g/t Au from 72m (Figure 7), and the section 120m to the west (19LMRC076); 4m @ 1.5g/t Au from 128m (ASX 12 December 2019). On the most western line of drilling, 19LMRC078 intersected 4m @ 0.9g/t Au from 104m, demonstrating the mineralisation likely extends to the west as suggested by recent soil sampling (Figure 8).

Assays were also received from infill soil sampling around Arcee and to the west into E80/5001. 200 x 400m soil sampling close to the WA/NT border has extended the Arcee gold anomaly into E80/5001 bringing the Arcee gold-in-soil anomaly to 2.3km long.

Additional infill sampling is planned for the Arcee Prospect and any anomalies generated will likely be tested by drilling along with the strike and plunge extent of the Arcee Prospect.

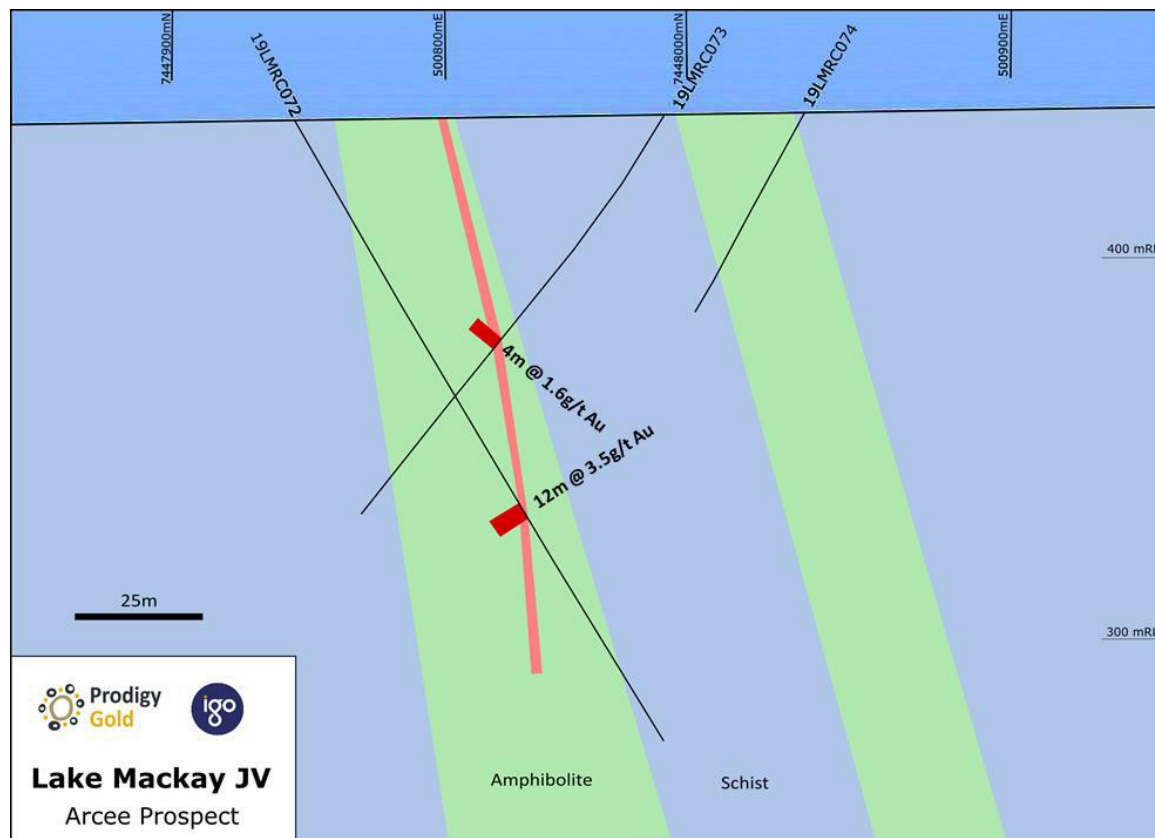


Figure 7 - Arcee Prospect Cross-section

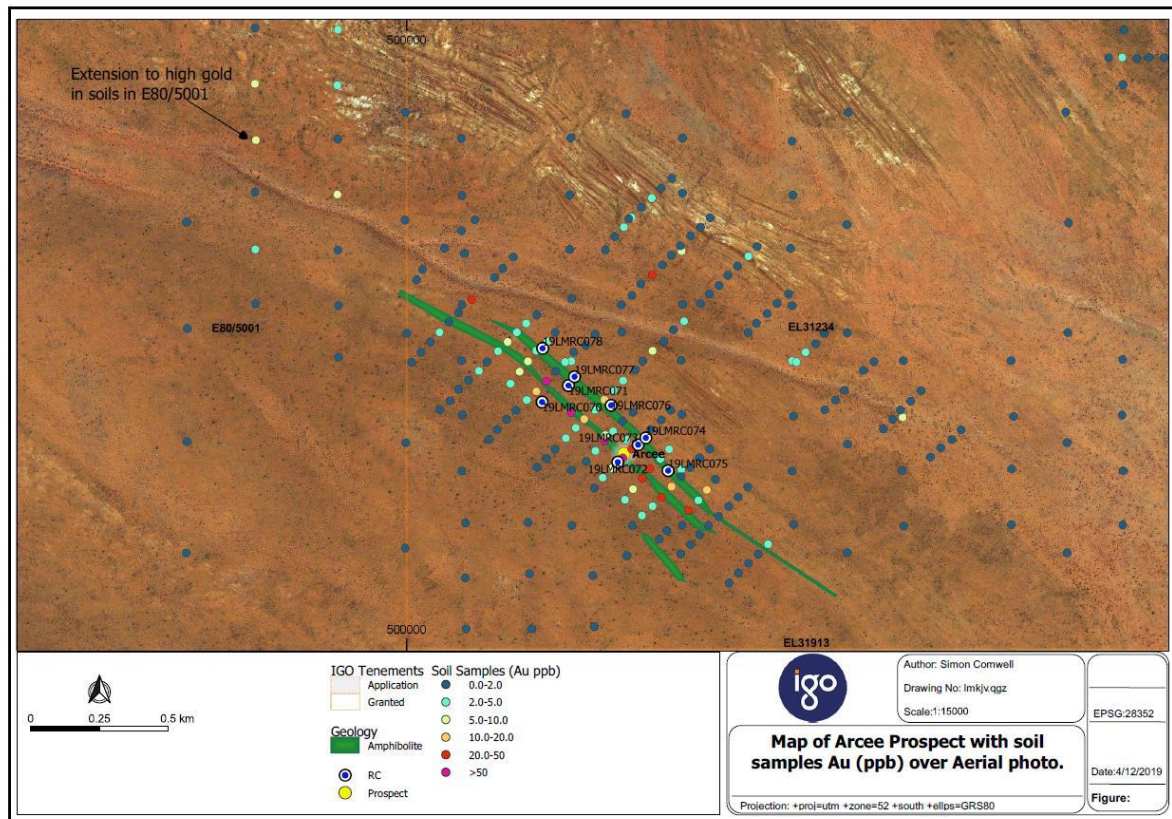


Figure 8 - Arcee Prospect Collar and Soil Sample Map

### **Grimlock Metallurgical Test Work**

Stage 1 metallurgical test work commenced during the December Quarter on approximately 100kg of lateritic duricrust (containing strong Mn, Ni and Co enrichment) from the Grimlock Co-Ni-Mn Prospect (Figure 9).

The first bench-scale leach extraction results were released on December 12, on a bulk sample grade of 1.94% Co, 0.47% Ni and 51.91% Mn.

The preliminary sighter leaching tests conducted at the Perth laboratories of Bureau Veritas used SO<sub>2</sub> (Sulphur Dioxide) to reduce the manganese dioxide present and with the addition of some H<sub>2</sub>SO<sub>4</sub> (Sulphuric Acid) at 40°C and 70°C. These tests were performed at atmospheric pressure with a 3-hour residence time.

The best conditions from testing yielded extractions of 97% cobalt, 85% nickel, and 99% manganese into solution. The testwork showed encouraging extraction results at a bench scale and further leach tests are planned as part of a series of future metallurgical studies.

Additional studies of Grimlock will be required to determine the size potential and grade of the mineralisation. This will likely involve several shallow diamond drill holes and a grid of shallow reverse circulation drill holes.

### **Phreaker Cu-Au-Ag Prospect**

As previously advised, six holes for 1,596m of RC drilling were completed at the Phreaker Prospect (Figure 9) in the September Quarter. These holes confirmed anomalous Cu, Au and Ag over a strike length of 750m, although DHEM results suggest that the target has not been adequately tested at depth with the recently completed RC holes likely drilled up dip of the main mineralisation.

As a result, follow-up diamond drilling will be undertaken to test the centre of the conductors at moderate depth (400-500m) in H1 2020.

### **Raw Prospect**

Results of soil sampling completed during the June Quarter have been received from the Raw Prospect (Figure 9). A 1.1km long polymetallic soil anomaly has been defined. Moving loop EM has defined a conductor modelled at >400m from surface adjacent to the soil anomalism.

Follow-up diamond drilling is planned in the New Year.

### **Blaze Prospect**

Anomalous gold was detected from drilling of the Blaze Prospect soil anomaly, however drilling completed to date within the Blaze Prospect has failed to identify an economic accumulation of copper or gold.

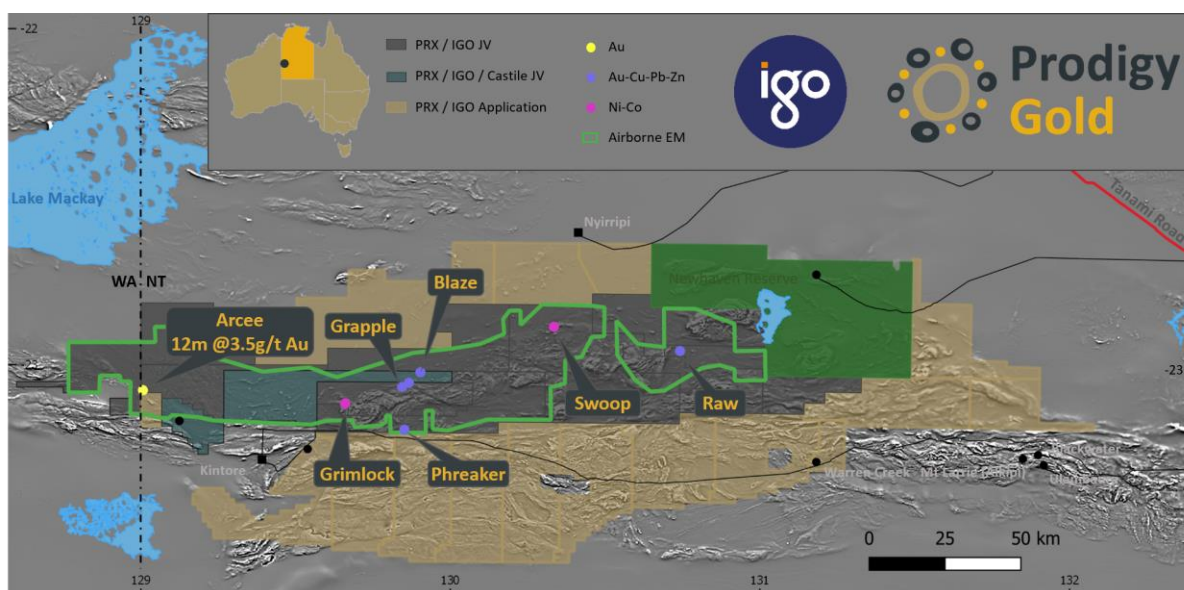


Figure 9 - Lake Mackay JV 2019 RC drilling locations

### **Euro Farm-in (Newcrest)**

Newcrest signed an earn-in agreement in July 2018 to spend \$12M on the Euro Project to ultimately earn a 75% interest. The Project includes ~3,478km<sup>2</sup> of exploration licenses and applications in the Tanami Region of the Northern Territory along strike of, or contains structures parallel to, the Trans-Tanami Trend. This is the regional control of major gold deposits in the area, including Newmont Mining's 14.2Moz Callie Gold mine. Previous exploration has primarily been soil sampling and patchy reconnaissance drilling with 10 of the 17 tenements in the Euro JV Project having no drilling in the last 20 years.

During the Quarter results were returned for 3 RC holes drilled at Dune for a total of 512m and a 616.9m diamond drill hole completed at Anomaly 16.

### **Dune Prospect**

The Dune Prospect is located 1.5km to the south of the Newmont Oberon Deposit.

During the Quarter, results were returned for three RC drill holes drilled for a total of 512m. The holes completed tested northern extensions of the Dune Target 2 anomaly and for an antiformal closure to the east of Target 1 (Figure 10). Holes EUR0019 and EUR0021 infill and extend gold anomalism in oxide to the north to a strike length of 1.4km. The area, thickness and grade of gold in oxide is significant when compared to gold deposits in the district.

Best intercepts included (ASX 28 November 2019):

- 18m at 0.4g/t Au from 126m, including 2m at 1.24g/t Au from 126m (EUR0019)
- 10m at 0.3g/t Au from 146m (EUR0021).



There is no previous drilling between the northern line of drilling and the Newmont Goldcorp tenement boundary. The ongoing intersection of water in RC drilling has made the drilling into fresh rock challenging. Future work, and success on this target requires an effective method of defining the bedrock source of the anomalism through transported cover.

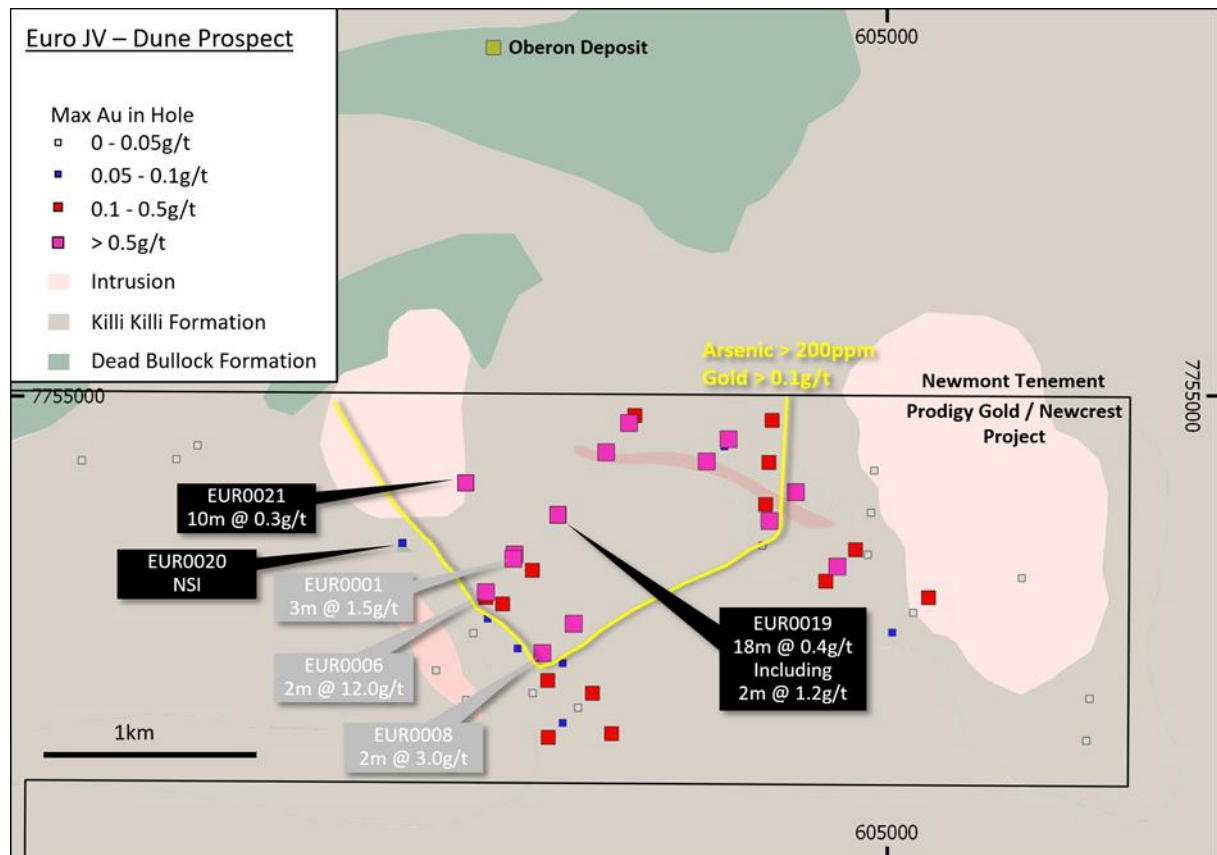


Figure 10 - Dune Prospect 2019 drilling program. New results highlighted in black

### **Anomaly 16**

The Anomaly 16 Prospect is located 50km north of the Granites Gold Mine and 40km northwest along strike of the main controlling structure to the Minotaur (Windy Hill) gold deposit.

A single 616.9m diamond hole (EUR0032), co-funded by the Northern Territory Government as part of the Resourcing the Territory Initiative, was completed in September. Despite the encouraging veining and sulphides, no significant gold intercepts were returned. As previously advised, no additional work is currently planned for this target.

### **Old Pirate Operator Agreement (TRL Tanami)**

On October 3, the Company signed a strategic 10-year Operator Agreement with private company TRL Tanami Pty Ltd ("TRL Tanami") over the Company's Old Pirate and Buccaneer Gold Projects located in the Tanami Region of the Northern Territory. The Old Pirate agreement included staged cash payments totaling approximately \$600,000, replacement of bonds totaling approximately \$1.7M and a 2.5% NSR.

The Old Pirate agreement also includes an option for TRL Tanami to acquire the Old Pirate plant and equipment for a cash consideration of \$500k, or both the Old Pirate Project and Old Pirate plant and equipment for \$3M.

In addition, TRL Tanami can make an additional \$2M payment to secure an exclusive three-month option to negotiate an earn-in into the Buccaneer Gold Project. The Buccaneer agreement will allow TRL Tanami to earn up to a 100% interest in the Buccaneer Gold Project over three stages for an additional staged cash consideration of \$15M. Prodigy Gold retains a 1% NSR on all production.

Some payments due under the agreement are delayed pending a transaction on another TRL Tanami asset. Study work is advancing on both Old Pirate and Buccaneer.

The agreement is in line with Prodigy Gold's strategy to monetise Twin Bonanza and significantly reduce portfolio holding costs.

### **Tobruk Joint Venture (Newmont)**

The Tobruk Project is interpreted to have occurrences of the same prospective lithologies that host Newmont Callie Gold deposit and several smaller deposits including Groundrush and Titania-Oberon. The Project's potential is further enhanced by having analogous structural setting to known Tanami deposits including tightly folded stratigraphy, Trans Tanami parallel faults and drill defined anomalous geochemistry positioned on the margins of magnetic features. Key logistical advantages include the 450km gas pipeline to the Newmont's Granites Plant recently constructed and the Federal Government's commitment to upgrade the Tanami Track, which will improve the economics of any future discoveries.

Laboratory analysis of 675 soil samples completed across the Tobruk project area during Q3 2019 is continuing.

### **North Arunta Joint Venture (Gladiator Resources)**

Gladiator have excluded the final tenements held under the joint venture agreement, including those covering the high grades intersected at Kroda. Gladiator have indicated the agreement may be terminated following the payment of outstanding monies owing to Prodigy Gold.

The North Arunta Project includes both highly prospective regional and large-scale targets, and the Prodigy Gold exploration team are assessing advancing these on a 100% basis or through separate earn-in agreements.

## **ESG (Environmental Social Governance)**

During the Quarter the Company completed rehabilitation of previous drilling at the Hyperion and Bluebush Projects to allow regrowth over the summer wet season.

The CFO met with employment service companies in Alice Springs with a view to increase the number of employees sourced from the communities in the areas the Company operates.

A mine liaison meeting was held in October at Twin Bonanza with representatives of the Traditional Owners, Central Land Council, Prodigy Gold and TRL Tanami attending. The CFO/Company Secretary and Project Manager presented an update of recent activities and proposed future work. The meeting was followed by an inspection of the areas the Company had been working, and the airstrip. Heritage surveys were completed over the Bonanza area.

Portable solar powered lights have been installed in some areas at the camp to reduce future diesel consumption.

## **EHS**

No reportable safety or environment incidents occurred during the Quarter.

## **CORPORATE**

### **Capital Structure**

During the September Quarter the Company issued 15M unlisted performance based options to the Managing Director as approved at the 2019 AGM. The grant of the options is dependent on the meeting of performance criteria including environmental, safety and health performance, project



divestment, resource discovery, and shareholder return. During the Quarter St Barbara Ltd ceased to be a substantial shareholder.

### Share Registry

Subsequent to Quarter end the Company's provider for registry services has changed from Security Transfer Australia Pty Ltd to Automic Group. Contact details are available in the ASX announcement released on 20 January 20.

### JMEI Credits

The Company issued a total of \$1,107,646 worth of tax credits under the Federal Government's Junior Mineral Exploration Incentive ("JMEI") scheme to those shareholders who participated in the Company's pro-rata non-renounceable rights issue ("Eligible Shareholders") completed on 13 December 2018.

### Cash Position

At Quarter end, Prodigy Gold held \$12.6M in available cash with an additional \$2.5M deposited in restricted accounts to cash back performance bonds. The Company has no debt.

Authorised for release by a resolution of Prodigy Gold's Board of Directors.

### For further information contact:



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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 district. Prodigy Gold remained highly active in its systematic exploration of our 100%-owned and JV projects:

- drilling targets at the Bluebush Project
- drilling of extensions to the shallow gold resources at Hyperion
- systematic evaluation of high potential early stage targets
- joint ventures to expedite discovery on other targets

### Competent Person's Statement

*The information in this announcement relating to exploration targets and exploration results are based on information reviewed and checked by Mr Matt Briggs who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Briggs is a full time employee of Prodigy Gold NL and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Briggs consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.*

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

**Name of entity**

Prodigy Gold NL

**ABN**

58 009 127 020

**Quarter ended ("current quarter")**

December 2019

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation		(1,977)	(4,887)
(b) development			
(c) production			
(d) staff costs		(117)	(258)
(e) administration and corporate costs		(84)	(422)
1.3 Dividends received (see note 3)			
1.4 Interest received		64	89
1.5 Interest and other costs of finance paid		(11)	(24)
1.6 Income taxes paid			
1.7 Research and development refunds		87	173
1.8 Other (provide details if material)		261	338
Includes \$250,000 received from TRL Tanami for the operator agreement over Old Pirate			
<b>1.9 Net cash from / (used in) operating activities</b>		<b>(1,777)</b>	<b>(4,991)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>2. Cash flows from investing activities</b>			
2.1 Payments to acquire:			
(a) property, plant and equipment			
(b) tenements (see item 10)			
(c) investments			
(d) other non-current assets			
2.2 Proceeds from the disposal of:			
(a) property, plant and equipment		-	3
(b) tenements (see item 10)			
(c) investments			
(d) other non-current assets			
2.3 Cash flows from loans to other entities			
2.4 Dividends received (see note 3)			
2.5 Other (provide details if material)			
<b>2.6 Net cash from / (used in) investing activities</b>		-	<b>3</b>

<b>3. Cash flows from financing activities</b>			
3.1 Proceeds from issues of shares		-	12,000
3.2 Proceeds from issue of convertible notes			
3.3 Proceeds from exercise of share options			
3.4 Transaction costs related to issues of shares, convertible notes or options		-	(766)
3.5 Proceeds from borrowings			
3.6 Repayment of borrowings			
3.7 Transaction costs related to loans and borrowings			
3.8 Dividends paid			
3.9 Other ((placement)/refund of security deposits)			
<b>3.10 Net cash from / (used in) financing activities</b>		-	<b>11,234</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	14,379	6,356
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,777)	(4,991)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	3
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	11,234
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>12,602</b>	<b>12,602</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,352	629
5.2	Call deposits	11,250	13,750
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>12,602</b>	<b>14,379</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	93
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

**7. Payments to related entities of the entity and their associates**

**Current quarter  
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

**Total facility amount  
at quarter end  
\$A'000**

**Amount drawn at  
quarter end  
\$A'000**

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (Guarantee Facility)\*

2,533

2,381

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

\*Prodigy Gold has guarantee facilities with the ANZ bank and CBA which do not require any security to be granted over the Company's assets. The Company is not required to pay interest for the facilities as the funds drawn are fully cash-backed. Related usage fees are part of expenditure under point 1.5.

<b>9. Estimated cash outflows for next quarter</b>		<b>\$A'000</b>
9.1	Exploration and evaluation	1,300
9.2	Development	
9.3	Production	
9.4	Staff costs	140
9.5	Administration and corporate costs	120
9.6	Other (provide details if material)	
<b>9.7</b>	<b>Total estimated cash outflows</b>	<b>1,560</b>



10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Lake Mackay JV EL25146 EL30729 EL30730 EL30732 EL30733 EL30739 EL30740 EL31234	Partial Relinquishments 174 blocks (557km <sup>2</sup> ) 135 blocks (432km <sup>2</sup> ) 61 blocks (195km <sup>2</sup> ) 118 blocks (378km <sup>2</sup> ) 112 blocks (358km <sup>2</sup> ) 168 blocks (538km <sup>2</sup> ) 96 blocks (307km <sup>2</sup> ) 66 blocks (211km <sup>2</sup> )	30% 30% 30% 30% 30% 30% 30% 30%	0% 0% 0% 0% 0% 0% 0% 0%
		Lake Mackay Castile JV EL29747	Partial Relinquishment 52 blocks (166km <sup>2</sup> )	15.3%	0%
		Barrow Creek EL28727	Tenement Expired 28 blocks (138km <sup>2</sup> )	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	NIL			

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  .....

(Company secretary)

31 January 2020  
Date: .....

Print name: Jutta Zimmermann  
.....

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.