

QUARTERLY REPORT

For the 3 months ended 30 June 2019

OVERVIEW

Prodigy Gold 100% Projects

- Aircore drilling underway on 100% owned Bluebush Project targeting deposits analogous to the 14.2Moz Callie Gold Mine - work undertaken during the Quarter includes:
 - 54 aircore holes completed at Apertawonga
 - 39 aircore holes completed at Capstan East
 - 61 aircore holes currently underway at Capstan South
 - 59 hole program planned at Apertawonga
- Co-funding secured from NT Government under Resourcing the Territory Initiative with funds to be deployed towards two programs:
 - 350m diamond drillhole testing broad gold bearing structure at Suplejack
 - Gravity survey at Capstan
- 4.5km of anomalous gold and pathfinder (Ag, As, Bi, Cu) results intersected at Apertawonga in four holes within the Dead Bullock Formation, including:
 - 1m @ 0.7g/t Au from 36m (BL0668)
 - 3m @ 0.14g/t Au from 36m (BL0655)

Lake Mackay JV (IGO)

- Managing JV partner Independence Group commenced a nominal 9,600m FY19 RC drilling campaign during the Quarter, testing targets highly prospective for Au, Ag, Cu, Co and Ni mineralisation
- 42 RC holes for 8,544m of drilling were completed in the Quarter
- 5,000m of RC drilling is planned in FY20, continuing the screening of some 63 EM targets

Phreaker Cu-Au-Ag Prospect

- The results of three RC holes at Phreaker were received around Quarter end:
 - 19LMRC028 14m @ 0.84% Cu 0.15g/t Au 4.1g/t Ag from 353m
 - 19LMRC031 10m @ 0.98% Cu 0.06g/t Au 13.9g/t Ag from 146m
 - 19LMRC032 11m @ 1.15% Cu 0.07g/t Au 7.9g/t Ag from 189m
- Copper and iron sulphide mineralisation intersected at Phreaker
 - 1km long EM conductor modelled along strike
 - Copper mineralisation extends for over 250m down dip and is still open at depth

Grimlock Co-Ni Prospect

- The shallow cobalt and nickel enriched layer was intersected in all ten drill holes completed at Grimlock during the Quarter. Results included:
 - 19LMRC003 4m @ 0.6% Co and 0.49% Ni from 2m
 - 19LMRC004 1m @ 1.86% Co and 0.84% Ni from 8m and 4m @ 0.22% Co and 0.64% Ni from 20m
 - 19LMRC020 5m @ 0.28% Co and 0.85% Ni from 18m
 - 19LMRC022 1m @ 0.42% Co and 0.17% Ni from 4m

Euro Farm-in (Newcrest)

- Four targets drilled during the June 2019 Quarter
- Dune Prospect (3 targets)
 - 7 RC/diamond holes 2,198m
- Vivitar Prospect (1 target)
 - 8 RC holes 2,199m

Tobruk JV (Newmont Goldcorp)

- Exploration Farm-in and Joint Venture Agreement (“Agreement”) signed with Newmont Exploration Pty Ltd (now known as Newmont Goldcorp Exploration Pty Ltd), a wholly owned subsidiary of Newmont Goldcorp Corporation (“Newmont Goldcorp”), over highly prospective Tobruk Project in the Northern Territory
- Tobruk Project has an analogous structural setting to Newmont Goldcorp’s Callie Gold Mine
- Under the Agreement, Newmont Goldcorp is to sole fund up to A\$12M in exploration expenditure to earn up to a 70% interest in the Tobruk Project and provide a total of A\$2.5M cash payments to Prodigy Gold (with A\$1M being contingent on Newmont Goldcorp electing to proceed to phase 2 of the earn-in)
- The Newmont Goldcorp JV increases Prodigy Gold’s total exploration earn-in from its three earn-in partners (Newmont Goldcorp, Newcrest and Gladiator) to a maximum of A\$33M – foundations set for discovery
- Tobruk Project exploration program expected to commence in the September 2019 Quarter

EXPLORATION

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 footprint 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).

During the Quarter, an aircore drilling program commenced on the Company’s Bluebush Project targeting deposits analogous to the 14.2Moz Callie Gold Mine. To date, 54 holes for 3,316m of reconnaissance drilling were completed at the Apertawonga Target. 31 holes at Apertawonga successfully intersected the magnetic Dead Bullock Formation sediments and intrusions.

Initial results received from the Apertawonga campaign were received post-Quarter end (ASX: 16 July 2019), outlining 4.5km of gold and pathfinder (Ag, As, Bi, Cu) anomalism within the prospective Dead Bullock Formation, including highlights of:

- 1m @ 0.7g/t Au from 36m (BL0668)
- 3m @ 0.14g/t Au from 36m (BL0655)

Approximately 40 aircore holes are proposed to further define the gold anomaly at Apertawonga and these will be included as part of a larger campaign with Capstan.

The Capstan East gold trend remains underexplored with an area of 4km x 2km only tested with 13 historic drillholes >20m depth. Drilling aims to intersect gold in bedrock anomalism and the intersection of prospective units of the Dead Bullock Formation with a mineralising structure.

A total of 39 holes for 2,338m of reconnaissance drilling were completed at Capstan East during the Quarter, intercepting sulphides and veining in the holes overlying the interpreted position of the north south fault. All samples are currently being processed at the laboratory.

The Company was also successful in two applications for co-funding from the Northern Territory Government as part of the Resourcing the Territory Initiative. The programs approved for co-funding include a diamond drillhole at the Suplejack Project and a gravity survey at Capstan East and Capstan South respectively.

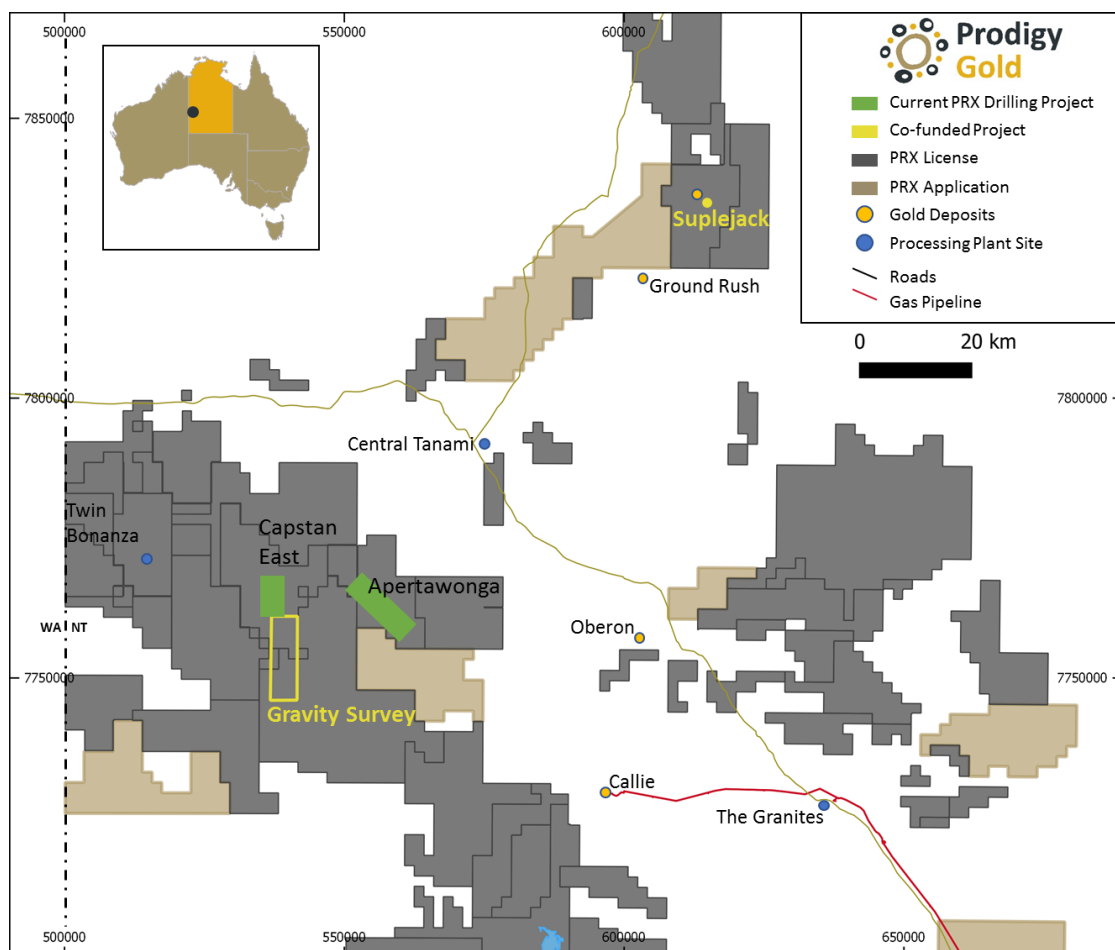


Figure 1 - 100% owned tenements and Tanami deposits

Lake Mackay JV (IGO)

Background: IGO commenced activity on the current Lake Mackay JV area in 2015. 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.

In April 2019, managing JV partner IGO commenced a nominal 9,600m reverse circulation ("RC") drilling program to test bedrock conductors generated from Moving Loop Electromagnetic ("MLEM") surveys, which were undertaken to characterise 63 conductive targets identified by an airborne electromagnetic survey ("AEM") completed in January 2019. A total of 42 holes for 8,544 metres were drilled to test 26 targets across the Lake Mackay Project during the Quarter.

The first three RC holes completed at the Grimlock Co-Ni Prospect all intersected a dark manganese-rich duricrust horizon. Assay results included (ASX: 30 May 2019):

- 4m @ 0.6% Co and 0.49% Ni from 2m in hole 19LMRC003
- 1m @ 1.86% Co and 0.84% Ni from 8m and 4m @ 0.22% Co and 0.64% Ni from 20m in hole 19LMRC004
- 4m @ 0.13% Co and 0.32% Ni from 2m and 5m @ 0.15% Co and 0.41% Ni from 13m in hole 19LMRC005

An additional seven holes (for 262m) were then drilled to confirm the presence of the shallow Co-Ni mineralisation in other areas of duricrust mapped, or interpreted to continue under shallow cover.

Results for these additional seven holes were reported post-Quarter end (ASX: 17 July 2019), with the best results including:

- 4m @ 0.17 % Co and 0.78% Ni from 13m in hole 19LMRC018
- 5m @ 0.28% Co and 0.85% Ni from 18m in hole 19LMRC020
- 1m @ 0.42% Co and 0.17% Ni from 4m in hole 19LMRC022

In addition, results for three RC holes (for 930m of drilling) were released post-Quarter end (ASX: 17 July 2019) on a single section into a 1km-long modelled EM conductor at the Phreaker Prospect. Results from these holes include sulphide intersections of:

- 14m @ 0.84% Cu, 0.15g/t Au, 4.1g/t Ag from 353m in hole 19LMRC028
- 10m @ 0.98% Cu, 0.06g/t Au, 13.9g/t Ag from 146m in hole 19LMRC031
- 11m @ 1.15% Cu, 0.07g/t Au, 7.9g/t Ag from 189m in hole 19LMRC032

Higher grade copper intervals were also intersected, with 19LMRC032 returning an interval of 2m @ 2.45% Cu from 189m.

The modelling of EM anomalies and drilling outlined sulphide mineralisation over 250m of vertical extent, but still open at depth, and 1,000m of strike. Follow-up drilling is planned during the September 2019 Quarter to test the strike length of Phreaker on a 200m-spacing to determine the scale of the system and to define thicker and/or higher-grade zones.

Lake Mackay JV proposed work for the September 2019 Quarter:

- Continue with ground geophysical (MLEM) surveys,
- Continuing 5,000m of RC drilling planned for FY2020 including:
 - Drilling priority conductors and soil anomalies
 - Drilling strike extent of Phreaker Prospect on a 200m spacing,

- Metallurgical testing of high-grade Grimlock sample material,
- Soil sampling.



Figure 2 - RC drilling at the Lake Mackay Project, May 2019

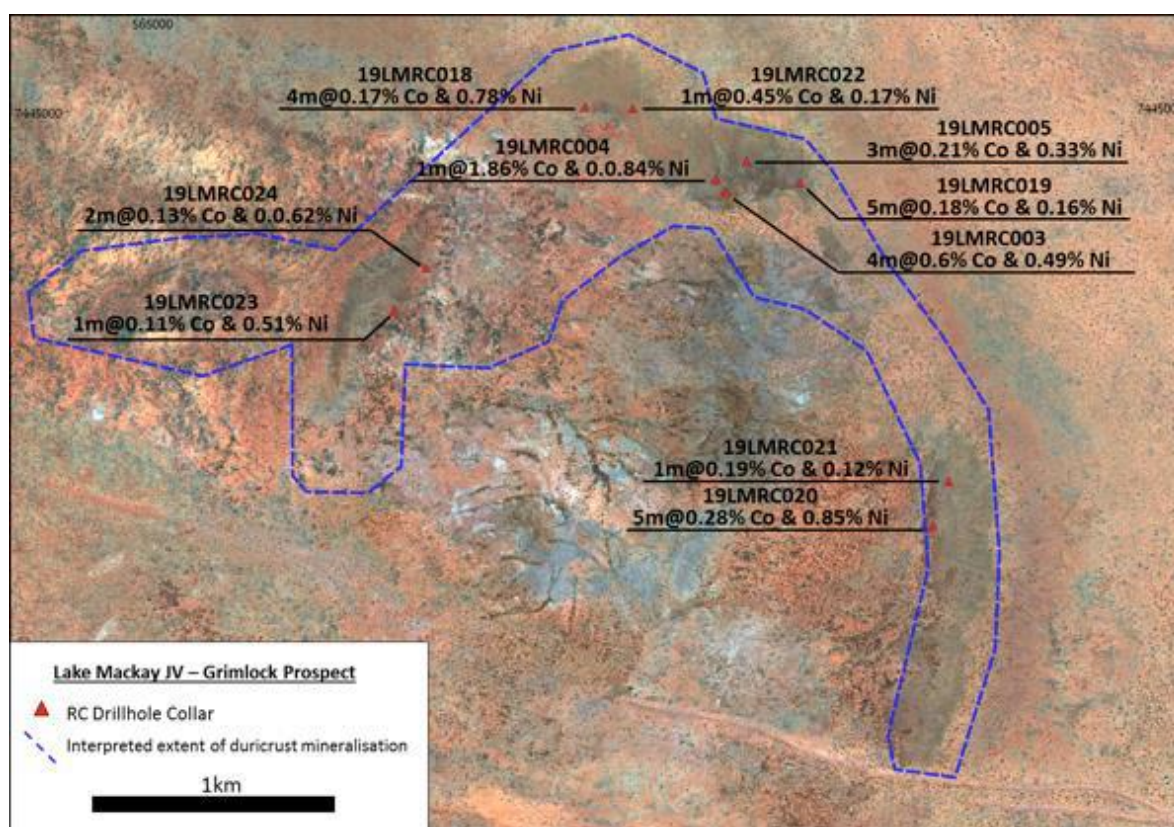


Figure 3 - Grimlock Prospect collar map labelled with best intersection per hole

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 ~3,478km² 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.

Drilling commenced in April testing four targets at the Euro Project. Seven RC and diamond holes at three targets were drilled within the Dune Prospect totaling 2,198m, while eight RC holes were drilled totaling 2,199m on one target at the Vivitar Prospect.

The recently completed RC/diamond program at Dune tested the target position for Anomaly 1 and Anomaly 2. Target 3, a magnetic high now demonstrated to be Dead Bullock Formation, also had a diamond hole drilled. This hole was co-funded by the Northern Territory Government as part of its Resourcing the Territory Initiative.

The target at Vivitar Prospect is a 1km long As-Mo anomaly with a coincident IP geophysical anomaly in altered sediments. Low level gold anomalism was intersected in EUR0028 with a best result of 1m @ 1.3g/t Au from 141m (ASX: 10 July 2019). No further work is planned on this target.

Results for the Dune Targets are pending. Further drilling is planned to expand to targets to the northwest with aircore drilling scheduled at Anomaly 16, Anomaly 14, and Prospero in the September 2019 Quarter.

Tobruk Joint Venture (Newmont Goldcorp)

The Tobruk Project is interpreted to have occurrences of the same prospective lithologies that host Newmont Goldcorp's 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 Goldcorp Granites Plant recently constructed and the Federal Government's commitment to upgrade the Tanami Track, which will improve the economics of any future discoveries.

During the Quarter, Prodigy Gold signed a A\$14.5M Exploration Farm-in and Joint Venture Agreement ("Agreement") with Newmont Exploration Pty Ltd (now known as Newmont Goldcorp Exploration Pty Ltd), a wholly owned subsidiary of Newmont Goldcorp Corporation ("Newmont Goldcorp") (ASX: 16 May 2019). Under the Agreement, Newmont Goldcorp is to sole fund up to A\$12M in exploration expenditure to earn up to a 70% interest in the Tobruk Project and provide a total of A\$2.5M cash payments to Prodigy Gold (with A\$1M being contingent on Newmont Goldcorp electing to proceed to phase 2 of the earn-in).

The Agreement covers the Company's tenements and tenement applications at the Tobruk Project, adjacent to Newmont Goldcorp's 14.2 Moz Callie Gold Mine.

Permitting of heritage clearances is well advanced. On-ground work, including geochemistry is scheduled to commence later in 2019.



Figure 4 - Field mapping by Prodigy Gold on the Tobruk Project

TENEMENTS

One tenement application was for the Lake Mackay JV was withdrawn. For full details refer to point 10 in Appendix 5B below.

ESG (Environmental Social Governance)

There were no reportable safety or environmental incidents during the Quarter. Rehabilitation was completed for 29 holes from previous quarters drilling. Rehabilitation trialed the use of a tracked bobcat for maximum mobility while minimising disturbance. Site clearance surveys were undertaken for the Euro, Bluebush and Tobruk Projects.

CORPORATE

Capital Structure

The Company issued 2,325,000 options to employees under the Employee Share Option Plan at a NIL exercise price.

The Company currently has 480,627,606 shares and 26,325,000 unlisted options on issue.

JMEI Application

The Company was successful in its application for \$1.5M Junior Mineral Exploration Incentives for the 2020 income year.

Cash Position

The Company received \$1.5M from Newmont Goldcorp during the Quarter for the Tobruk farm-in and joint venture. Additionally, Prodigy Gold received re-imbursments from JV Partners during the June 19 Quarter where the payments for JV Partner invoices were settled in the September 19 Quarter.

At Quarter end, Prodigy Gold held \$6.4M in available cash with an additional \$2.4M deposited in restricted accounts to cash back performance bonds. The Company has no debt.

Signed



Matt Briggs
Managing Director



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Follow [Prodigy Gold](https://www.linkedin.com/company/prodigy-gold) on LinkedIn

About Prodigy Gold NL

Prodigy Gold has a unique greenfields and brownfields exploration portfolio in the proven multi-million-ounce Tanami Gold district. An aggressive program for 2019 will continue to build on 2018 successes by:

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

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")

June 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation			
This amount includes re-imbursements from JV Partners during the June 19 Quarter where the payment for JV Partner invoices were settled in the September 19 Quarter		(227)	(4,323)
(b) development			
(c) production			
(d) staff costs		(120)	(533)
(e) administration and corporate costs (positive due to GST refunds)		32	(215)
1.3 Dividends received (see note 3)			
1.4 Interest received		50	177
1.5 Interest and other costs of finance paid		(17)	(62)
1.6 Income taxes paid			
1.7 Research and development refunds			
1.8 Other (provide details if material) (Predominantly funds received for the Tobruk farm-in and joint venture)		1,434	1,500
1.9 Net cash from / (used in) operating activities		1,152	(3,456)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2. Cash flows from investing activities			
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			
(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)			
2.6 Net cash from / (used in) investing activities			

3. Cash flows from financing activities			
3.1 Proceeds from issues of shares	-		3,692
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	-		(68)
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)	-		51
3.10 Net cash from / (used in) financing activities	-		3,675

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,204	6,137
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,152	(3,456)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,675
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	6,356	6,356

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,106	1,399
5.2	Call deposits	2,250	3,805
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,356	5,204

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	101
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	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	3,000
9.2 Development	
9.3 Production	
9.4 Staff costs	130
9.5 Administration and corporate costs	120
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	3,250


Mining exploration entity and oil and gas exploration entity quarterly report

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	EL31723 Lake Mackay	165 blocks (531km ²) Tenement surrendered	30%	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 July 2019

Date:

Jutta Zimmermann

Print name:

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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.