

**ASX ANNOUNCEMENT / MEDIA RELEASE**

**ASX: PRX**

15<sup>th</sup> October 2019

## **North Arunta Joint Venture Update: Highly Prospective Exploration Targets Returned to Prodigy Gold Portfolio**

### **HIGHLIGHTS**

- Tenement rationalisation completed by Gladiator Resources (ASX: GLA) results in several highly prospective targets at the North Arunta 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
- 810km<sup>2</sup> of the 3,188km<sup>2</sup> North Arunta Project remain subject to the Gladiator JV
- GLA must spend a total of \$6.5M on exploration and complete a bankable feasibility study with a positive decision to mine in order to achieve a 70% earn-in
- North Arunta is considered prospective for gold, lithium, copper, nickel and tin-tantalum with Independence Group (ASX: IGO) and Core Lithium (ASX: CXO) located in the immediate area
- Exploration success at North Arunta includes drilling a high-grade shoot at the Kroda Prospect in late 2018 which returned **5m @ 15g/t Au** and **9m at 11.5 g/t Au** (ASX 28 February 2019)

**Prodigy Gold NL (ASX: PRX) (“Prodigy Gold” or the “Company”)** is pleased to advise that key tenements within the North Arunta Joint Venture (“JV”) have been returned to the Prodigy Gold portfolio following a recent tenement rationalisation by Gladiator Resources Limited (ASX: GLA).

Under the terms of the JV (see ASX release dated 15 February 2018 and 20 February 2018), Gladiator can earn a 70% interest in the North Arunta Project by sole funding \$6.5M of exploration expenditure over 4.5 years, completing a bankable feasibility study and achieving a positive decision to mine.

Following the rationalisation, Gladiator retains an 810km<sup>2</sup> landholding which remains subject to the original JV agreement. The remaining 2,378km<sup>2</sup>, which includes both highly prospective regional and large-scale targets, is now available for Prodigy Gold to advance on a 100% basis or through separate earn-in agreements.

### **Management Commentary**

Prodigy Gold Managing Director, Matt Briggs, said: “We are pleased to regain full control over a number of targets at North Arunta that we believe host considerable exploration potential. The Board is currently evaluating all options to advance exploration and our solid cash position gives us the flexibility to move forward on a 100% basis if we chose.”

“North Arunta is a belt-scale project that hosts several multi-kilometre structural targets and given the lack of deep drilling across the project we believe there is excellent potential for gold structures to be located under shallow cover. We look forward to updating shareholders on our plans to advance exploration in the near-term.”

Table 1 - Key Regional Targets now excluded from the JV

Prospect	Target Anomaly	Best Historic Results	Potential
Harrison	4.2km by 1km Au-in-soil	12m@1.03g/t Au from 36 incl 4m@2.27g/t Au from 36m 20m@0.7g/t Au from 28m incl 4m @ 2.67g/t Au from 40m	Mineralisation untested for 1200m west of 4m @ 2.27g/t result
Eleanor	6 by 4km Au-As-in-soil	untested by drilling	untested by drilling
Lennon	7km by 3km Au-Cu-Mo-in-soil	untested by drilling	untested by drilling
Waldrons	4km by 1.5km Au-As-Sb-Mo-Ag-Cu	historical workings with rock chips up to 15g/t Au, and historical drilling results of 1m @29.5g/t Au, 7m @ 1.5g/t Au, 2m @ 4.4g/t Au	Previous drilling too shallow to effectively test potential

(ASX: GLA 7<sup>th</sup> March 2018, 18 June 2018)

### North Arunta Project Overview

The Project covers ~3,190km<sup>2</sup> of exploration licences which are 100% owned by Prodigy Gold. There are several large soil gold and multi-element anomalies that warrant RAB/AC drilling. The Company is currently assessing whether to progress these on a 100% basis or to establish additional strategic JV agreements to fund the exploration.

The North Arunta Project consists of a 200km long gravity trend with associated metamorphosed sedimentary rocks, dolerite intrusions and large granite intrusions. The region has several known mineral occurrences including gold, copper, nickel, zinc, tin and tantalum.

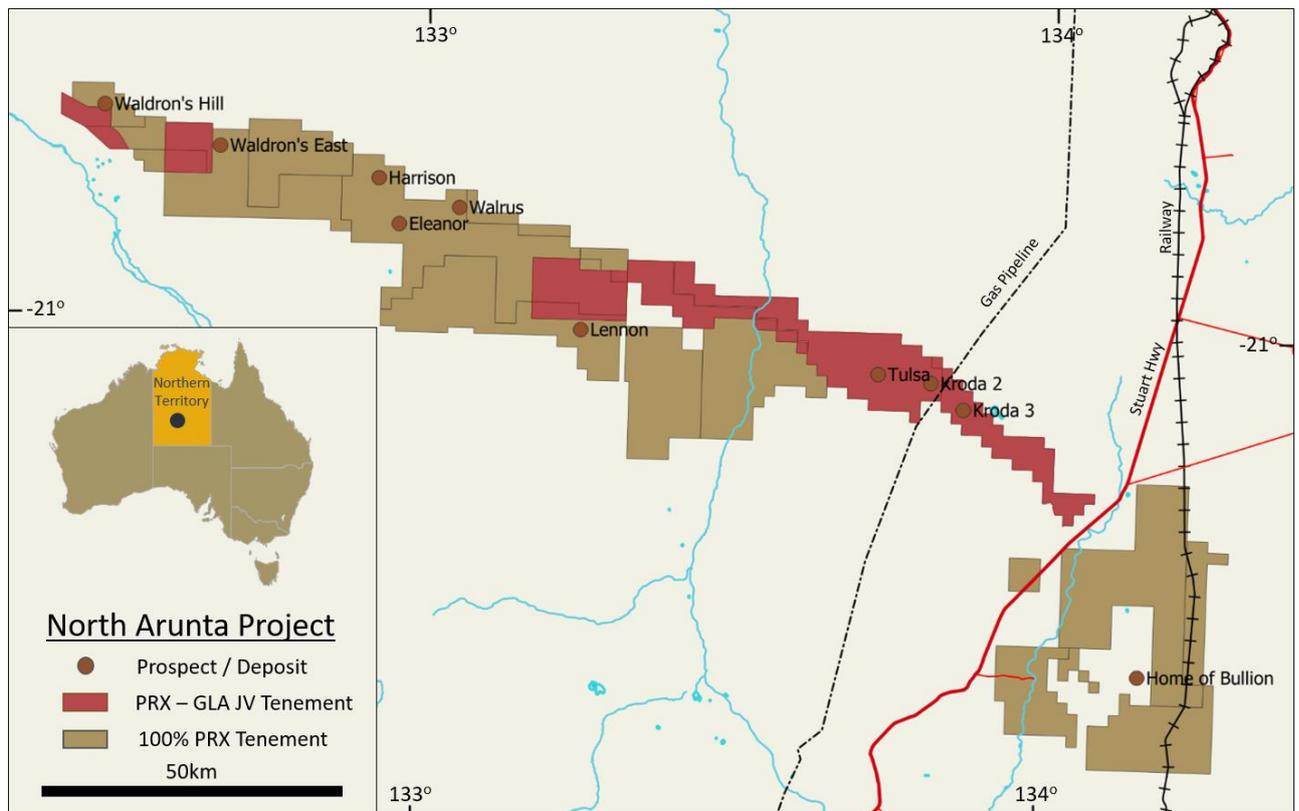


Figure 1 - North Arunta Project Exploration Licences, JV and non-JV



*Figure 2 - North Arunta Project*

### **North Arunta Previous Exploration**

Exploration by the previous project owners, Newmont Asia Pacific Pty Ltd, commenced in 1988 with more substantial work undertaken from 1992-1994 leading to the discovery of the Kroda Prospect. Land access issues after 1994 meant that field work was sporadic with a small vacuum drilling campaign in 1996 and a reconnaissance RAB drilling campaign in 2003. The Lander River tenements were granted in 2006, there was reconnaissance and prospect scale exploration until May 2009 with the discovery of the Harrison and Lennon Prospects plus the investigation of the Waldron's Hill Prospect. Improved land access allowed further fieldwork to be undertaken at Kroda in 2009.

Home of Bullion, located on a tenement surrounded by the North Arunta Project, was one of Australia's highest grade copper mines with 7,988 tonnes of ore mined at an average grade of 19.7% Cu. Kidman Resources declared a maiden resource of 2.5 Mt @ 1.8% Cu, 2% Zn, 36g/t Ag, 1.2% Pb, 0.14g/t Au at 0.5% CuEq cut off (2.8% CuEq) at the Home of Bullion before being acquired by Wesfamers in September 2019.

The project area is believed to be prospective for lithium-bearing pegmatites based on the existence of mineralised pegmatites elsewhere in the region and the presence of large granitoids at depth intersected by significant fault structures which may act as conduits for metal-rich fluid flow. Core lithium has reported rock chip results of up to 0.6% Li from a tenement adjacent to Prodigy Gold tenements. Other historic mining, including from Prodigy Gold's tenements include 1,633 lb tantalum oxide and 3.25t tin.

**Matt Briggs**  
**Managing Director**



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## About Prodigy Gold

Prodigy Gold has a unique greenfields and brownfields exploration portfolio in the proven multi-million-ounce Tanami Gold district. An aggressive program for 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.*

Table 2 - North Arunta Project Tenements

Sub Project	Title Number	Status	Area (km2)
Lander River	EL25031	North Arunta JV with GLA	26
Lander River	EL25033	North Arunta JV with GLA	28
Lander River	EL25034	North Arunta JV with GLA	15
Lander River	EL25035	North Arunta JV with GLA	39
Lander River	EL25041	North Arunta JV with GLA	5
Lander River	EL25042	North Arunta JV with GLA	112
Lander River	EL25044	North Arunta JV with GLA	29
Barrow Creek	EL26825	North Arunta JV with GLA	407
Barrow Creek	EL29896	North Arunta JV with GLA	149
<b>North Arunta JV TOTAL</b>			<b>810</b>
Lander River	EL8766	100% Prodigy Gold	130
Lander River	EL23880	100% Prodigy Gold	16
Lander River	EL23883	100% Prodigy Gold	48
Lander River	EL23884	100% Prodigy Gold	200
Lander River	EL23885	100% Prodigy Gold	372
Lander River	EL23886	100% Prodigy Gold	162
Barrow Creek	EL29723	100% Prodigy Gold	266
Barrow Creek	EL29724	100% Prodigy Gold	166
Barrow Creek	EL29725	100% Prodigy Gold	268
Barrow Creek	EL28515	100% Prodigy Gold	42
Barrow Creek	EL30507	100% Prodigy Gold	13
Barrow Creek	EL30637	100% Prodigy Gold	244
Barrow Creek	EL30470	100% Prodigy Gold	452
<b>North Arunta non-JV</b>			<b>2,378</b>

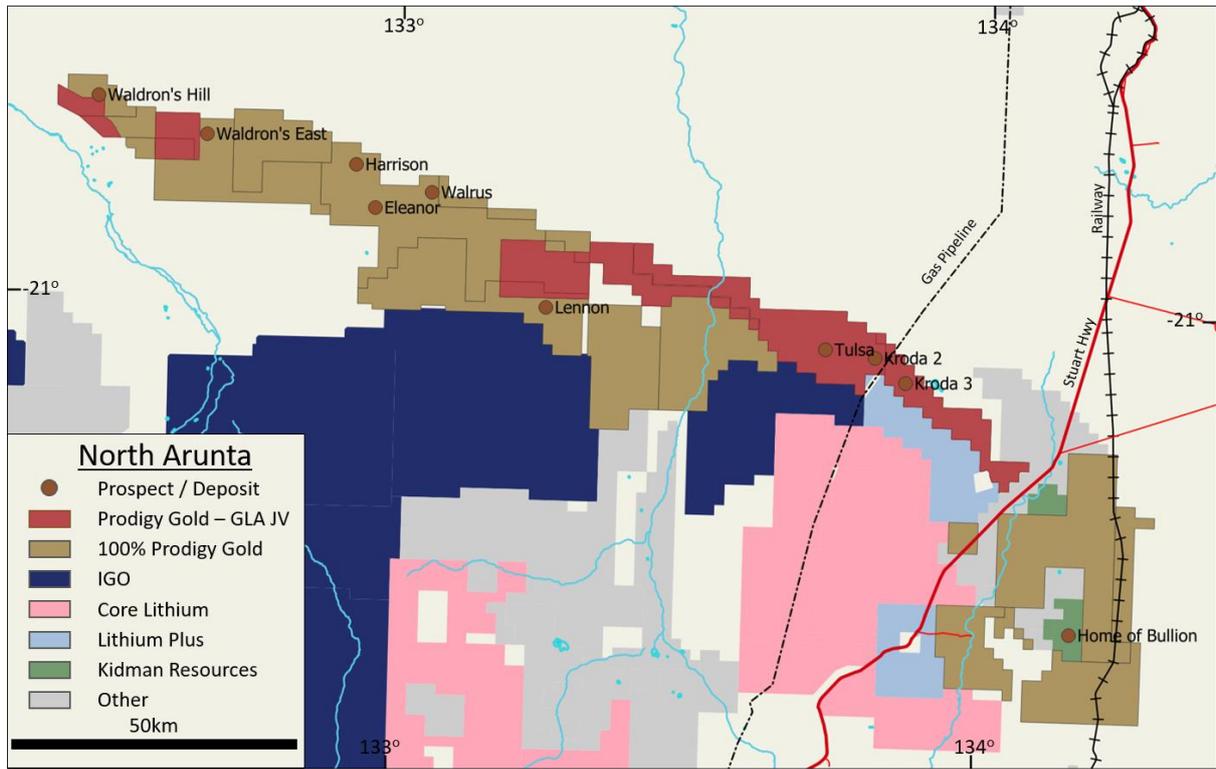


Figure 3 - North Arunta Exploration Licences