

ASX ANNOUNCEMENT / MEDIA RELEASE

ASX: PRX

2 November 2020

Chairman's Address
Annual General Meeting

Dear Shareholder,

I would like to start by acknowledging the widespread impacts of the COVID-19 pandemic being felt across the globe – in particular the associated economic and travel restrictions that have been challenging for us all. I do hope that you have been able to find a way through this ongoing crisis and remain healthy and safe.

For Prodigy Gold, 2020 has been a year of enormous challenges and more importantly significant resilience and ingenuity in dealing with them. We started the year with a record level of exploration activity across our 100% owned and joint venture projects and well-funded after our successful A\$12 million capital raising in the second half of 2019. This activity was stopped suddenly in March 2020 by restrictions imposed by the Northern Territory Government and the Central Land Council to limit the spread of the COVID-19 virus. The team immediately and safely demobilised and sought to reduce costs and secure all available government grants. Excellent work by Jutta Zimmerman our CFO and her team has meant that we were able to limit our cash outflow and preserve the majority of funds for when we re-established field work. Matt Briggs our Managing Director and the geological team used the time to re-examine our exploration strategy and to generate and refine our exploration targets. As soon as COVID-19 restrictions allowed, we immediately re-established exploration activities and completed the first aircore drilling programmes in September 2020. This came with significant personal sacrifice from a number of our team members who were required to quarantine in various locations and spend long periods at site. I would like to thank the whole team on behalf of the board and shareholders for their extraordinary efforts during this difficult year.

Notwithstanding this effort we have had less news flow from the reduced field activity and our share price has halved from 9cps this time last year to about 4.5cps today. This is obviously very disappointing in the current strong gold price environment. While the company holds a strategic 15.7Mt at 2.0g/t for 1.01 Moz gold resource base within Hyperion, Old Pirate and the Buccaneer projects it is important to understand that the majority of exploration activity across our tenements is still early-stage and grassroots. This means that most of the work is aircore drilling designed to detect geochemical anomalism beneath shallow cover. This is normally wide-spaced and will require infill before bedrock drill testing will occur. Often anomalism can be very subtle and needs to be compared to other areas before understanding relevance and materiality. Within this context we will work hard to secure value for our resource base and inform shareholders of all material information immediately.

Through perseverance and our robust relationships with key local stakeholders Prodigy Gold has become a leading exploration company in the Tanami.

Operating a gold exploration company in the Tanami district is challenged by:

- the remoteness of the project areas and the lack of infrastructure;
- more than 95% of the prospective areas under cover;
- a shortened field season; and,
- a slow, cumbersome and costly approvals processes.

Notwithstanding, the company has assembled and controls a large and prospective exploration tenement portfolio. Together with our quality joint venture partners IGO Limited, Newcrest Mining Limited, and Newmont Corporation we now operate one of the largest greenfields exploration drilling programs in the country. This was achieved in the challenging, costly and time consuming environment described – an exceptional feat. Re-examination of our strategy has made it clear that Prodigy Gold needs to make some changes to realise the potential of its landholding and its importantly top-class exploration team.

We will expand our strategy of securing and supporting joint venture partners for our Tanami tenements. This way we will maintain and possibly increase exploration activity while retaining significant exposure to discovery success on our prospective holdings. We will accelerate exploration at our 100% owned North Arunta and Reynolds Range projects which are less remote and located on pastoral leases making it easier and cheaper to explore.

We will seek drill-ready opportunities in Western Australia where we can leverage our exploration team's top-class abilities to deliver shareholder value.

Lastly we will explore ways to bring forward the value of our 1Moz resource base in this strong gold market.

Prodigy Gold and our partners are committed to environmentally responsible exploration and rehabilitates disturbances on an ongoing basis. Our team has worked to increase the transparency of our environmental, social and governance reporting and remains committed to our values.

On behalf of the Board I would like to thank the team and my fellow directors for their energy, ingenuity and dedication during what has turned out to be a challenging year. I look forward to supporting them in delivering our revised strategic direction and unlocking the value of our company.

And lastly, as always, I would like to thank you our valued shareholders for your support and on behalf of the Board I am pleased to welcome you to the company's 2020 Annual General Meeting. We expect 2021 to be a very exciting year where will renew the company's strategic focus and deliver significant shareholder value.

Authorised for release by Prodigy Gold's Chairman, Tommy McKeith.

For further information contact:

Matt Briggs
Managing Director
+61 8 9423 9777