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ASX ANNOUNCEMENT / MEDIA RELEASE **ASX: PRX**

30th May 2019

Lake Mackay JV Update: High grade Cobalt intersected at Grimlock

HIGHLIGHTS

- **Highlights from first three drill holes completed at Grimlock Co-Ni Prospect include:**
  - **4m @ 0.6% Co and 0.49% Ni from 2m**
  - **1m @ 1.86% Co and 0.84% Ni from 8m and 4m @ 0.22% Co and 0.64% Ni from 20m**
- **A further seven RC holes have been drilled at Grimlock with assays pending**
- **Additional drilling set to commence at the Blaze Prospect this week targeting a cluster of EM conductors in an area of widespread soil gold anomalism**
- **Managing JV partner IGO is currently undertaking a 9,600m RC drilling campaign to test targets highly prospective for Au, Cu, Pb, Zn, Co, Ni and Mn mineralisation**

Prodigy Gold NL (ASX: PRX) ("Prodigy Gold" or the "Company") is pleased to advise that it has received results from the first three reverse circulation drill holes ("RC") completed at the Grimlock Co-Ni Prospect, located within the broader Lake Mackay Project in the Northern Territory. The Lake Mackay Project is held in Joint Venture ("JV") with Independence Group NL (ASX: IGO) (IGO 70%; PRX 30%).

Management Commentary

Prodigy Gold's Managing Director Matt Briggs said:

"Results from the first three holes drilled at the Grimlock Prospect are highly encouraging and further validate the high-grade sampling results reported last year which returned values greater than 1.5% Co and 0.5% Ni (see ASX release dated 26 July 2018)."

"Importantly, this drilling confirms that Co-Ni mineralisation continues under shallow cover with results of up to 1.86% Co and 0.84% Ni intersected so far. We have since completed a further seven RC holes at Grimlock (Figure 1), to assess the lateral extent of the shallow mineralisation and expect to receive these results shortly."

"The duricrust containing the Co-Ni mineralisation has been identified in several locations around the perimeter of a gabbro-norite intrusion which is part of the Andrew Young Igneous Complex. The shallow, potentially extensive, high grade cobalt mineralisation is of particular interest with the growing demand for cobalt used in batteries."

"Grimlock is one of the prospects being drilled by IGO across a set of highly prospective targets that we believe have the potential to host several base metal discoveries. Drilling at the Blaze Prospect will get underway this week targeting a cluster of EM conductors in an area of widespread soil gold and base metal anomalism."

"Through this combination of RC drilling and downhole EM, there will be a multitude of targets tested at a rapid rate over the next 2-3 months and we look forward to providing regular updates as this program advances."

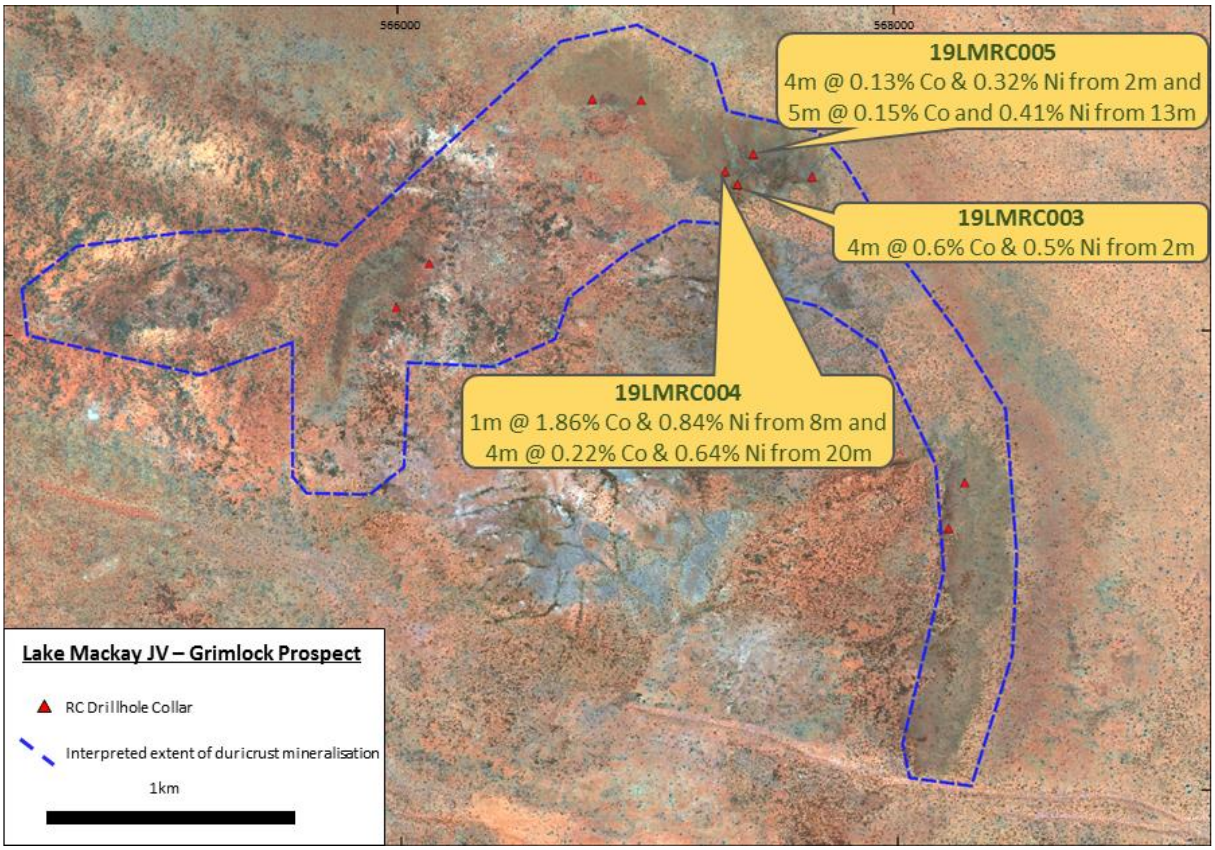

Figure 1 - RC drill results for the three holes returned from the Grimlock Prospect

Exploration Program Overview

IGO is currently completing 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 includes the Grimlock Co-Ni Prospect and several conductors in the Blaze Au-Cu-Pb-Zn Prospect area. Each conductor is being tested with 1-2 RC holes, to determine the cause of the conductors and any metals present.

IGO is aiming to complete 9,600m of RC drilling this financial year, however due to the large number of conductors and other anomalies being targeted for initial drill-testing, the drilling program is expected to continue into FY2020.

Three holes totaling 366m were completed at Grimlock adjacent to encouraging rockchip samples containing 1.5% Co and 0.5% Ni collected in 2018 (ASX 26 July 2018). Two holes have been extended to over 150m in length to allow the collection of fresh samples for petrological work and determining the presence of nickel sulphide.

All three holes reported intersected dark manganese rich horizon and handheld XRF indicated anomalous nickel results. Subsequent laboratory assaying produced results:

- 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 7 holes (262m) have now been drilled to confirm the presence of the shallow Co-Ni mineralisation in other areas of duricrust mapped at Grimlock. Duricrust similar to that recently drilled is mapped over an area 6km long (Figure 1).

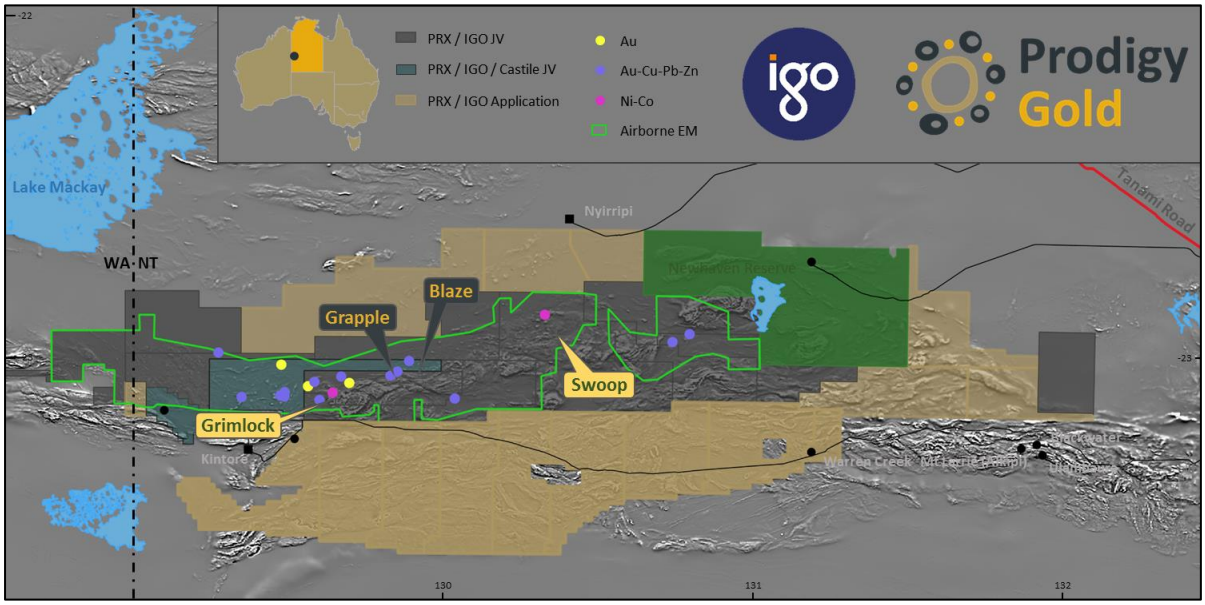

Figure 2 - Lake Mackay JV Project Location

EM Conductor Targets

Moving loop EM and RC drilling is continuing over the 63 targets defined by airborne EM. Drilling into the first four of the 63 targets conductors confirmed the modelled EM plates with stringer sulphide. Assay results have not yielded significant base or precious metals. Drilling is continuing, with the holes at the Blaze Au-Cu-Pb-Zn Prospect expected to be drilled this week.

Lake Mackay JV Background

The Lake Mackay Project is 400km northwest of Alice Springs and comprises approximately 19,200km^2 of exploration licences and applications (18,300km^2 IGO 70%/Prodigy Gold 30% JV, 900km^2 IGO 35.7%/Prodigy Gold 15.3%/Castile JV 49%)(Figure 2). The Project has consolidated tenure over the favourable Proterozoic margin between the Aileron and Warumpi Provinces and is characterised by a continent-scale geophysical gravity ridge and the Central Australian Suture. The JV partners consider that exploration has the potential to unlock a new metallogenic province hosting multiple styles of precious and base metal mineralisation.

Matt Briggs – Managing Director

Figure 3 - Pyrolusite outcrop at the Grimlock Prospect which commonly contains elevated Co and Ni

Figure 4 - RC drilling at the Lake Mackay Project, May 2019

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

Relevant Announcements

11 April 2019	9,600m drilling program underway & project area increased by 50%
20 February 2019	63 AEM targets and Ni-Co prospect defined
25 October 2018	IGO meet 70% Earn-in Expenditure
26 July 2018	Lake Mackay JV - Exploration Update
15 November 2017	Final Grapple Diamond Drilling Results
20 December 2016	Exploration Update Grapple Prospect Drill Intersections

JORC Code (2012) Competent Persons' Statements

The information in this announcement relating to exploration results is based on information reviewed and checked by Mr. Doug Winzar who is a Member of The Australian Institute of Geoscientists. Mr. Winzar is a full-time employee and security holder of IGO. Mr. Winzar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC 2012). Mr. Winzar consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

Appendix 1 – Lake Mackay JV Project 2019 Reported RC Drillhole Collar Locations

Hole ID	Total Depth (m)	East[1]	North[1]	RL[2]	Dip	Azimuth
19LMRC003	160	567368	7444645	482	-60	140
19LMRC004	52	567317	7444702	480	-60	140
19LMRC005	154	567431	7444776	479	-60	140

[1]MGA 94 Grid Zone 52

[2]Estimated from DEM

Appendix 2 – Progress significant intercepts from the Lake Mackay JV 2019 RC Drilling Program

Hole ID	From (m)	To (m)	Interval Width (m)	Co %	Ni %
19LMRC003	2	6	4	0.6	0.49
19LMRC004	8	9	1	1.86	0.84
and	20	24	4	0.22	0.64
19LMRC005	2	6	4	0.13	0.32
and	13	18	5	0.15	0.41

Mineralised geological intercepts containing samples >0.1% Co and >0.25% Ni

Appendix 3: JORC Code, 2012 Edition – Table 1- Lake Mackay Drilling 2019

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Reverse Circulation (RC) drilling commenced in April 2019. • RC Sampling ▪ One metre RC samples were collected with a scoop and composited to four metres to produce a 3kg sample. ▪ Individual metre samples were also sampled where geological logging identified mineralisation. ▪ Samples were dried, pulverised to -75µm and split to produce a nominal 200 gram sub sample. ▪ 1 metre samples were analysed for gold, platinum and palladium using a 25 gram Lead collection fire assay with analysis by Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES) ▪ Multi-element analysis was completed using a four acid digest on a 0.2g prepared sample with analysis of 33 elements with ICP-OES.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• An RC drilling rig, owned and operated by Strike Drilling was used. • The RC drilling was conducted with a 127mm face sampling hammer bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• The sample recovery was estimated by the relative size of the piles of drill spoil that were placed on the ground. • Sample quality was recorded during logging (wet\dry samples) and qualitative recovery codes (C=contaminated, G=good, M=moderate, O=oversize, P=poor, U=undersize) were assigned to the samples.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• The RC chips were logged on 1 metre intervals using the IGO coding system. Lithology, weathering, colour, alteration, veining and mineralisation are logged (Qualitative). Magnetic susceptibility was measured for each 4 metre composite sample (Quantitative). A representative chip sample was collected for each metre.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• For RC, One-metre drill samples were laid out on to the ground in 30m rows, and four-metre composite samples of approximately 4kg were collected from an orbital, into pre-numbered calico bags. The majority of samples (>99%) were dry. • The same method was used for one-metre samples as well. • Samples were prepared at the Intertek Laboratory in Alice Springs. Samples were dried, and the whole sample was crushed and pulverised to 85% passing 75µm, and a sub-sample of approx. 200g retained. • A duplicate field sample was taken at a rate of 1 in 50. • Field duplicate assay results are reviewed to confirm that the sample results are representative. • For exploration drilling the sample size is considered appropriate to give an indication of mineralisation given that the sample is crushed to -75µm.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• For 4 metre composites and 1 metre intervals were both analysed using 25g fire assay for A, Pt and Pd and four-acid digest for Ag base metals and pathfinders. The fire assay is a total digest and the four-acid is considered a "near total" digest. • No geophysical or XRF results are used in exploration results reported. • Laboratory QAQC involves the use of internal lab standards and blanks using certified reference materials. Lab duplicates are also monitored to ensure the sample results are representative. • IGO also provides reference samples and blanks that are inserted every 50 samples.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections were identified in the field by an IGO geologist and were selected for 1 metre sampling. • No twinned holes were completed. • Primary data was collected in Field Marshall files. Data are imported directly to the database with importers that have built in validation rules. Assay data are imported directly from digital assay files and are merged in the database with sample information. Data are uploaded to a master SQL database stored in Perth, which is backed up daily. Data is reviewed and manually validated upon completion of drilling. • From time to time assays will be repeated if they fail the company QAQC protocols, however no adjustments are made to assay data once accepted into the database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Hole collars were recorded using Garmin handheld GPS and averaging for 90 seconds. Expected accuracy is + or – 3m for easting and northing. The azimuth of the drill collars were measured with a compass using magnetic north and recorded in the database. A clinometer was used to check the dip of the hole at the collar. • Downhole surveying was conducted with the Reflex Ez-trac system. Measurements were collected every 30m during the drilling of the hole. • The grid system is MGA_GDA94 (zone 52)
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• This drilling is not used for resource estimation, it was intended to attempt to identify bedrock sources of multi-element soil and rockchip geochemical anomalies associated with gold mineralised systems and to test a conductor that was identified from a moving loop electromagnetic survey. • RC samples were composited over 4 metres.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The drill lines were designed to be perpendicular to the soil anomalies and the EM conductor. • No sampling bias is considered to have been introduced.
Sample security	• *The measures taken to ensure sample security.*	• The RC drill samples were collected in pre-numbered calico bags and then placed in poly-weave bags. They were transported from the field to the sample preparation laboratory in Alice Springs by XM Logistics and IGO personnel. • Once the sample preparation is completed in Alice Springs the samples are

Criteria	JORC Code explanation	Commentary
		transported to Perth for analysis using the laboratories standard chain of custody procedure.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No specific audits or reviews have been undertaken at this stage in the programme.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Lake Mackay Project currently consists of multiple tenements with the results reported from EL24915: • This tenement is in good standing and no known impediments exist. • Prodigy Gold NL and IGO entered into a multi-phase agreement covering the Lake Mackay Project on 21 August 2013. • In October 2018 completed phase 2 of the agreement to earn a 70% interest in the project. This involved subscribing for $1.5M ABM shares in placement with a 6 month escrow period and spending $6M on exploration on the project over 4 years.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• EL24915 was previously explored by BHP in the South Tanami JV. BHP flew a Geotem survey in 1999 and did ground EM and drilling in 2004 targeting Ni sulphides.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Grimlock is a residual Ni-Co prospect developed from the weathering of mafic/ultramafic phases of the Andrew Young Igneous Complex.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Included in Table A1 and Table A2

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Results reported are based on cut-off of 0.25% Ni ad 0.1% Co • The results did not incorporate shorter lengths of high grade the cut-off of 1g/t Au or 1% Cu was used. • Metal equivalent grades were not reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Downhole widths are provided as this is the first drilling program at this prospect and mineralisation geometry is poorly understood at this stage.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any*	• A plan view is provided in Figure 1

Criteria	JORC Code explanation	
	significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Results reported are based on cut-off of 0.25% Ni and 0.1% Co
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• An interpreted outline of the possible extent of the residual mineralisation is displayed in Figure 1.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• An addition 7 RC holes have been drilled to test for lateral extensions of the mineralisation at Grimlock with results pending. Possible extensions are displayed in Figure 1.