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

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Lake Mackay JV: 63 AEM targets and Ni-Co prospect defined

HIGHLIGHTS

- **63 targets recognised in Lake Mackay JV airborne EM**
- **9,600m of RC drilling to start early Q2**
- **Second Nickel-Cobalt Prospect recognised**
  - 2.0% Co, 1.0% Ni and 11.2% Mn from rock chip sampling

Prodigy Gold NL ("Prodigy Gold" or the "Company") is pleased to provide an update on exploration activities on the Lake Mackay Joint Venture ("JV") managed by Independence Group NL ("IGO").

Prodigy Gold's Managing Director Matt Briggs said:

"The 14,951 line-km airborne EM survey at Lake Mackay was completed in January. Interpretation of this data has defined 63 conductors that require further investigation. An RC drilling program of 9,600m is planned to commence early Q2 2019. In previous drilling at the Grapple Prospect similar EM conductors have been associated with high grade gold and base metal mineralisation.

The airborne survey has taken over 6 months to be completed and I am excited to see the imminent commencement of drilling of these targets. The drilling will rapidly screen the conductors for the presence of large-scale gold and base metal mineralisation. Many of the conductors have already had soil sampling and ground moving loop electromagnetic surveys (MLEM) completed in preparation for drilling. Our intention is to drill targets confirmed by MLEM.

Additionally, lag sampling at the Swoop Prospect has defined a new Ni-Co target. A rock chip sample from outcropping duricrust at Swoop returned 2.0% Co, 1.0% Ni and 11.2% Mn. Swoop is similar to the Grimlock Prospect reported in July 2018."

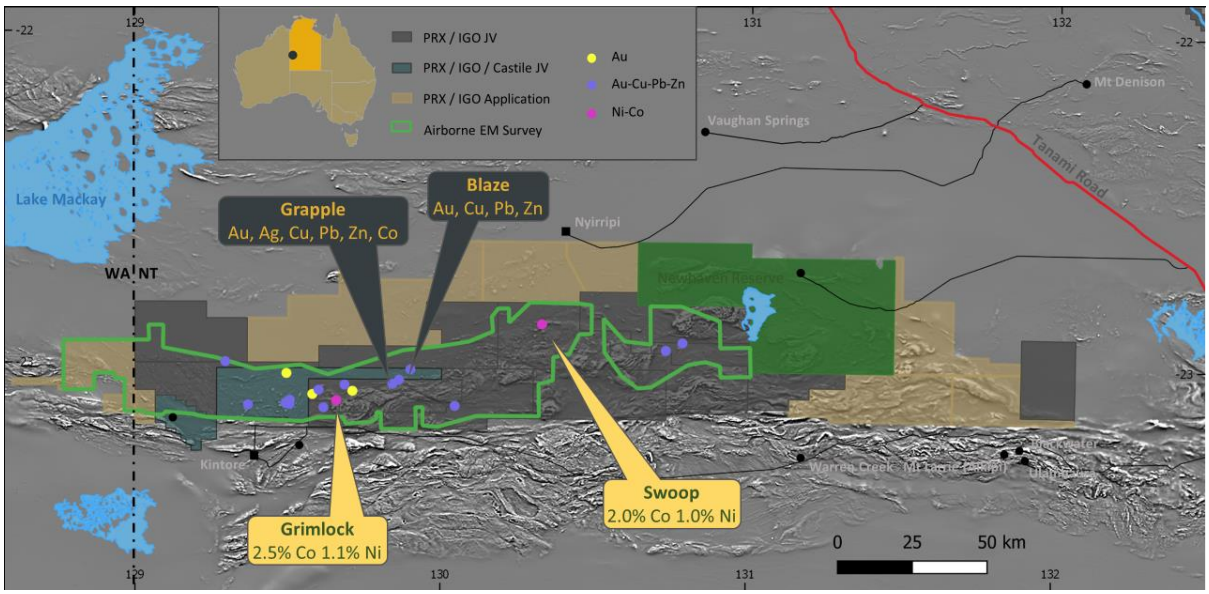

Figure 1 - Lake Mackay Project Location and Prospects over regional magnetic map

Exploration Update

Airborne EM Survey (AEM)

The Spectrem AEM survey was completed on 11th January 2019. 6,407 line-km were flown in the December quarter, with a total of 14,951 line-km flown for the entire survey (Figure 1). 63 targets have been recognised in the AEM survey consisting of 19 Priority 1 targets, 35 Priority 2 targets and 9 Priority 3 targets. Ground based screening is well underway with 11 AEM anomalies surveyed in the 2018 field season using MLEM. This tested 5 Priority 1 and 6 Priority 2 targets. 8 grids produced responses that could be associated with conductive massive sulphide mineralisation and this included all 5 Priority 1 targets. These 8 targets are now prioritised for drilling.

The MLEM will recommence in March and is planned to test all remaining Priority 1 targets and a selection of Priority 2 and 3 targets to assess a range of conductors that will be further ranked based on prospective structural and geological settings or favorable surface geochemistry results.

Soil Sampling

Results have been compiled for 443 soil and lag samples collected at Lake Mackay in the December quarter. The largest multi-element anomaly has a strike length of 1.2km and is anomalous in Ag, Au, Bi, Co, Cu, Pb and Zn. This assemblage of metals is similar to the response of the Grapple mineralisation in soil sampling.

Lag sampling at the Swoop Prospect has identified anomalism in Ni, Co and Mn (Figures 2 & 3). This is in a similar geological setting to the Grimlock Prospect with a duricrust developed over an interpreted ultramafic phase of the Andrew Young Igneous Complex. Rock samples collected during the lag sampling program provided additional support delivering the following elevated results:

- LM06799: 2.0% Co, 1.0% Ni and 11.2% Mn
- LM06802: 0.1% Co, 0.2% Ni and 4.6% Mn

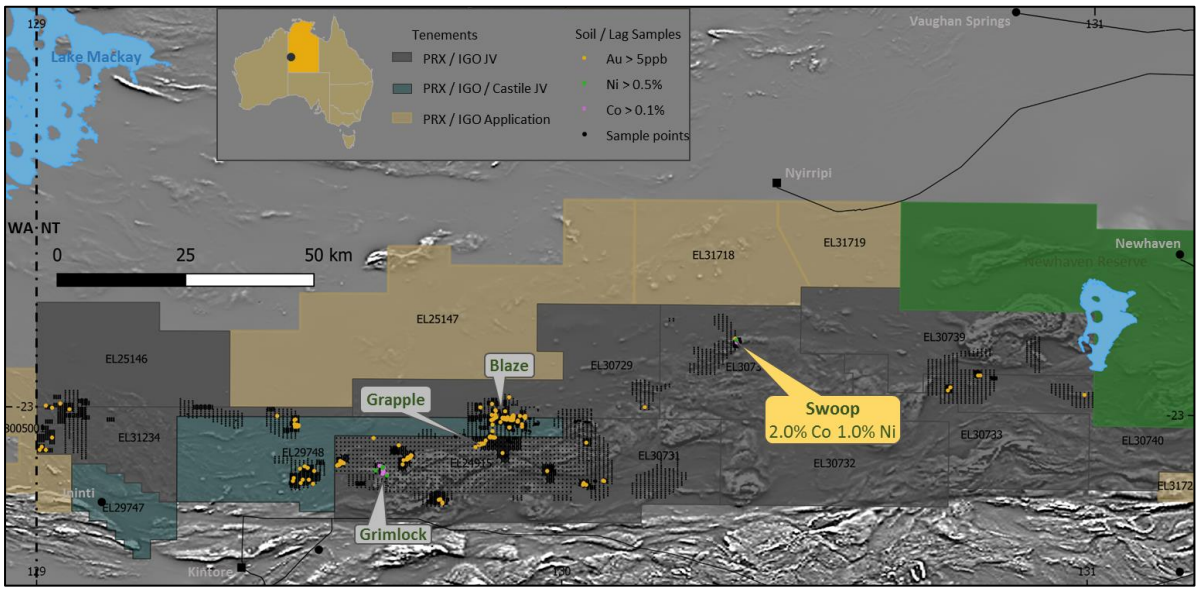

Figure 2 - Reconnaissance soil sampling and tenement status over regional magnetic map

Table 1 - Swoop Prospect Rock Chip Assay Results

Sample	Grid	East	North	Sample type	Co %	Ni %	Mn %
LM06799	MGA94_52	636199	7469443	Rock chip	2.0	1.0	11.2
LM06802	MGA94_52	636305	7468994	Rock chip	0.1	0.2	4.6

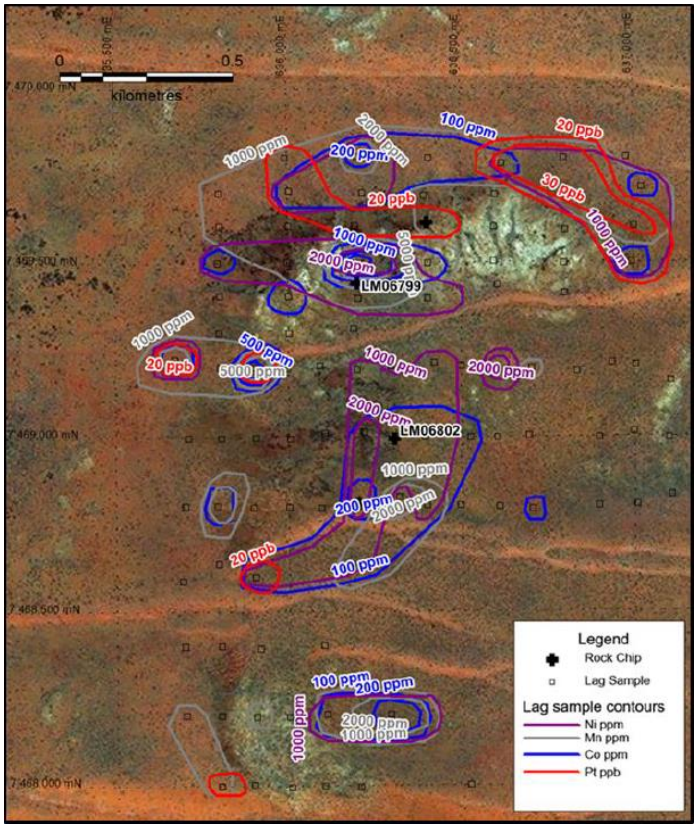

Figure 3 - Swoop Prospect lag sampling

Planned Work Program – Remainder of FY 2019

The Lake Mackay JV committed $4.6M in the FY2019 to fund additional reconnaissance surface exploration, completion of the Spectrem airborne EM survey and RC drill testing of the highest priority geochemical and EM targets. The budgeted drilling represents the biggest drilling commitment to date for the Lake Mackay Project. The remaining work comprises:

- Soil and lag sampling to rank and prioritise RC drilling
- Ground Geophysics – ground moving-loop EM, to prioritise targets generated from the airborne EM survey; and
- RC Drilling – 9,600m planned to test Moving Loop EM conductors and soil geochemical anomalies.

Lake Mackay JV Background

The Lake Mackay Project is 400km northwest of Alice Springs and comprises approximately 13,000km^2 of exploration licences and applications (12,100km^2 IGO 70%/Prodigy Gold 30% JV, 900km^2 IGO 35.7%/Prodigy Gold 15.3%/Castile 49% JV) (Figure 1). 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

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

15 October 2018	Lake Mackay JV - IGO meet 70% Earn-in Expenditure
26 July 2018	Lake Mackay JV - Exploration Update
15 November 2017	Lake Mackay JV - 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: JORC Tables

Section 1: Sampling Techniques and Data

Criteria	Explanation
Sampling techniques	**Soil Samples** - The project is reconnaissance soil sampled on nominal 800mE × 400mN grid spacing. The sample is uniformly collected from the surface to 20cm depth. - The samples are sieved through 0.4mm on site to reduce the sample size. - The sample positions were located using a handheld GPS, which also records the sample number at the time of sample collection. - Sample holes are backfilled upon completion of the sample. - Follow up sampling is conducted on more detailed grid spacing using the same sampling technique. **Rock Chip Samples** - Rock chip samples were collected during the geological mapping program.
Drilling techniques	- No drilling results are reported in this release.
Drill sample recovery	- No drilling results are reported in this release.
Logging	- A sample description is recorded to specify if it is taken from an area with soil, lag or outcrop in close vicinity to the sample site.

Criteria	Explanation
Sub-sampling techniques and sample preparation	**Soil Samples** - The samples are dried and sieved to recover a representative 30g of >50µm material at a sample preparation laboratory. - Additional material is available for check assaying of either BLEG or Aqua Regia analysis. - Field duplicate samples were collected every 50 samples, with the material collected from the same sample site. - The fine fraction material is collected to reduce the diluting effect of the transported sand cover at surface. This is not industry standard but is being applied to test surface geochemistry in areas that were previously considered unsuitable for soil sampling. **Rock Chip Samples** - Samples were dried, crushed and pulverised to >75µm and split to produce a nominal 200g sub sample. **Lag Samples** - Samples are sieved in the field to collect the <3.13mm material. - Samples were dried, crushed and pulverised to >75µm and split to produce a nominal 200g sub sample in a sample preparation laboratory.
Quality of assay data and laboratory tests	**Soil Sampling** - A 10g sub-sample is used for analysis by BLEG with an MS finish for Au and Ag. A 0.5g sub-sample is used for analysis by Aqua Regia with ICP-MS finish for Al, As, B, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, Ga, Ge, Hf, Hg, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Pd, Pt, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn and Zr. - Both BLEG and Aqua Regia are partial digestion techniques. - BLEG is suitable for reconnaissance Au exploration at a lower detection limit than Aqua Regia. - Aqua Regia is suitable for base metal exploration and for Au pathfinder elements. **Rock Chip Samples and Lag Samples** - Four-acid digest and fire assay methods are used for rock chip and lag samples. - Laboratory QAQC involves the use of internal lab standards and blanks using certified reference materials. - IGO also provides reference samples that are inserted every 50 samples.
Verification of sampling and assaying	- The sample coordinates are recorded on the GPS and recorded on the sample sheet. This is entered into excel and reviewed by the project manager prior to being submitted to the acQuire database. - No adjustments or calibrations have been made to the assay data used in this report.
Location of data points	- Sample points were recorded using Garmin handheld GPS. Expected accuracy is ±5m for easting and northing. - The grid system is MGA_GDA94 (Zone 52), local easting and northing are in MGA. - Handheld GPS is adequate for soil sampling.
Data spacing and distribution	- Sample space is on a nominal 800mE × 400mN spacing with infill to 200mE and subsequently 50mN along lines in areas of interest.
Orientation of data in relation to geological structure	- The soil sampling is only intended to provide a surface soil sample. - The initial grid sampling should not have any sample bias. - Infill sampling is generally done on a 200mN × 400mE, followed by 50mN × 200mE grids. This creates a sample bias in the soil sampling.
Sample security	- The soil samples are transported from the field to the sample preparation laboratory in Alice Springs by IGO personnel or contractors. Once the samples are sieved they are transported to Perth using the laboratories standard chain of custody procedure.
Audits or reviews	- A review of initial BLEG results concluded that Au and Ag were the only elements appropriate for BLEG analysis in the Lake Mackay environment. Subsequently Aqua Regia was done for base metals and pathfinder elements.

Section 2: Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	- The area of the Lake Mackay Project reference in this release includes granted tenements EL24915, EL25146, EL30729, EL30730, EL30731, EL30732, EL30733, EL30739, EL30740, EL31234, EL29747, EL31794, EL31723 and E80/5001. - These tenements are in good standing and no known impediments exist. - Prodigy Gold and Independence Group NL ("IGO") entered into a multi-phase agreement covering the Lake Mackay Project on 21 August 2013. - In May 2016 IGO triggered Phase 2 of the agreement to earn a 70% interest in the project. This involved subscribing for A$1.5M Prodigy Gold shares in placement with a six-month escrow period and spending A$6M on exploration on the project over 4 years. - The earn-in was reached and an unincorporated JV was formed in October 2018.
Exploration done by other parties	- EL24915 was previously explored by BHP in the South Tanami JV. BHP flew a Geotem survey in 1999 and completed ground EM and drilling in 2004 targeting nickel sulphides.
Geology	- The project area is considered highly prospective for orogenic shear hosted gold deposits based on similarities that exist between the West Arunta and the Granites- Tanami Block with respect to gold deposition timing and structural settings. - The region is also considered by IGO and Prodigy Gold to have potential for the discovery of deposits having several mineralisation styles including: • Iron-ore-copper-gold (IOCG) deposits • Volcanogenic hosted massive sulphide deposits (VHMS) • Mafic or ultramafic intrusion related Ni-Cu-PGE
Drill hole Information	- No drill hole information is included in this release.
Data aggregation methods	- No drill hole information is included in this release only point sampling results are reported.
Relationship between mineralisation widths and intercept lengths	- No drill hole information is included in this release.
Diagrams	- Maps of soil sample results are included in the main part of this release.
Balanced reporting	- Both anomalous and background values are plotted on the soil sampling maps - Rock chip results include a range of results indicative of the sampling program.
Other substantive exploration data	- N/A.
Further work	- RC Drilling is planned to test targets generated from airborne EM, soil sampling and MLEM.