

2023

ANNUAL REPORT
Prodigy Gold NL



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Dear Shareholder,



Over the past year, Prodigy Gold has renewed its focus on gold exploration in the Northern Territory. This was highlighted by the relocation of our corporate headquarters to Darwin in August 2022. We are now based in the jurisdiction that we work and explore in. This has been a positive step for the company which was highlighted by the Minister for Mining and Industry, the Hon. Nicole Manison, announcing the results of the Round 16 Resourcing the Territory Grants from our Smith Street office in Darwin during May this year. It was at this announcement that Prodigy Gold was awarded two future grants, one for a diamond hole at Tregony and one for a regional ground-gravity survey around the Tanami North Project area.

The successful completion of a underwritten renounceable pro rata rights issue (“Rights Issue”) during October 2022, allowed the planning for and execution of exploration works on our strategically important prospects around the Tanami North, Lake Mackay and Buccaneer Project areas. The Company would like to thank its investors for their continued financial support and in particular APAC Resources for sub-underwriting the Rights Issue.

The completion of the Rights Issue provided funds to complete a diamond hole into the Phreaker Prospect at Lake Mackay, which allowed us to complete the sole funding requirements of the re-stated Joint Ventures with IGO. The results of this hole highlighted further base metal mineralisation down plunge of previously reported intercepts at this exciting project.

Prodigy Gold holds its Joint Ventures in very high regard, and continues to work closely with IGO at Lake Mackay, Newmont Corporation at the Monza and Tobruk Projects and Australasian Metals at the Barrow Creek Project. These Joint Ventures are important to Prodigy Gold as they allow us to continue exploring our high ranked exploration targets while maintaining our land position in the significantly prospective Tanami Region. This region hosts one of the world’s best performing gold mines – Newmont Australia’s Tanami Operations.

Recognising the Company’s very large tenement holding in the Tanami Region of the Northern Territory, Prodigy Gold decided to advance the agreement with Stockton Mining on the Old Pirate project and surrounding exploration tenements, which was shareholder approved at the Company’s last Annual General Meeting. This continues to be the right strategic move for the Company. Prodigy Gold is closely working with

Stockton Mining to complete the agreement towards the end of 2023.

Some of the highlights for the year include:

- Relocation of the head office to Darwin in August 2022;
- Completion of the Rights Issue raising gross proceeds of \$11.65 Million and repayment of a \$2.5 Million loan to Mount Sun Investments Limited;
- Successful diamond drilling into the Phreaker Prospect at Lake Mackay, intersecting a zone of copper, zinc, and silver mineralisation;
- Completion of sole funding requirements for the re-stated Joint Venture Agreement at Lake Mackay with IGO;
- Receipt of results of metallurgical testwork on the Buccaneer Deposit, highlighting the potential for CIL extraction;
- Completion of greenfields drilling at the Boco North Prospect in the Tanami North project area;
- Approval of co-funding for Tregony diamond drilling and a regional ground gravity geophysical survey by the NT Government; and
- Newmont completed drilling on our JV titles in close proximity to their Callie operation.

The Company is also pleased to announce that it has completed its Environment, Social and Governance (ESG) reporting for the year. This is an important guiding document for the Company moving into the future. The report has been released on the ASX and can be reviewed on our website. On the safety front, it was a great year with no Lost Time Injuries reported for the Company.

It has been a particularly challenging start to the exploration field season this year due to the extended Northern Australian wet season, so the Board would like to thank all our dedicated staff members, for their commitment and work ethic. The flexibility of our staff ensuring the completion of programs while restrictions limited access, was inspiring.

And lastly, and importantly, the Board would like to thank its dedicated shareholders and joint venture partners. With our renewed focus on the development of our highly ranked assets we look forward to reporting future results and continuing the journey of discovery.

GERARD McMAHON

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EXPLORATION

Review Summary

Prodigy Gold NL (“Prodigy Gold” or the “Company”) shifted exploration strategy during the last year directing its focus to the Tanami North, Lake Mackay and Buccaneer Projects. The Company continues to work closely with its Joint Venture partners, Newmont Exploration Pty Ltd, an indirect wholly owned subsidiary of Newmont Corporation (NYSE:NEM), IGO Limited (ASX:IGO) and Australasian Metals Limited (ASX:A8G). As part of this shift the Company has re-established the Tregony exploration camp as a base for works completed and to be completed in the Tanami North Project area.

The Company is actively looking at ways to reduce the current project holding costs through the sale of the Old Pirate Project to Stockton Mining as well as looking at ways to divest other non-core projects, including the North Arunta and Reynolds Range Projects, where possible. Prodigy Gold and its Joint Venture partners currently hold around 26,360km² (2022: 27,006km²) of land under tenure . The area held under granted tenure is 11,277km² with 15,084km² held under application.

The 2022-2023 financial year has seen Prodigy Gold focus on extending its current Mineral Resources at Hyperion and Buccaneer and releasing its maiden Tregony Mineral Resource. Prodigy Gold has also continued looking at ways to develop the Buccaneer Mineral Resource through the completion of further testwork, such as the detailed metallurgy testwork on the Buccaneer Deposit as announced in March 2023. Greenfields exploration has advanced on projects like Boco North and the Lake Mackay Gold Project in both, the Northern Territory and Western Australia.



Figure 1 - Sunrise over the Tregony Exploration Camp – June 2023

During the reporting period on-ground exploration continued at the Lake Mackay JV Projects with IGO Limited (ASX: IGO) (“IGO”). This year’s exploration focussed on assessing the results of drilling completed over the previous year on the various gold prospects and also on the diamond hole drilled at the Phreaker Prospect in the current and previous reporting period. While the gold assays showed some encouraging results on the Western Australian tenement the decision was made to relinquish the exploration licence E80/5001 during June 2023. The results for the FY2022 Phreaker diamond hole showed the continuation of the base metal mineralisation at the project and allowed for targeting of a new hole that was drilled in November 2022. The results received highlighted encouraging base metal mineralisation down plunge from previously reported drilling. Prodigy Gold was excited to complete the sole funding requirements of the

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restructured Joint Venture agreement with IGO through the completion of these two diamond holes into the Phreaker Prospect.

Other significant on-ground exploration activity completed during the reporting period entailed co-funded RC drilling of the Boco North prospect, located within the Tanami North Project area. The Boco North drilling was aimed at opening up an unexplored greenfields area along the significantly mineralised Suplejack Shear Zone (“SSZ”). Boco North had not been effectively drill tested and was seen as a geochemically blind target due to the presence of an overlying unmineralised cover. The drilling showed a much thicker than expected overlying cover resulting in no holes penetrating through to the underlying prospective Tanami Group rocks, this resulted in the program being curtailed which was supported by no significant results being returned from this program. On completion the rig was mobilised to the Tregony Deposit with drilling commencing in July 2023. Results are pending.

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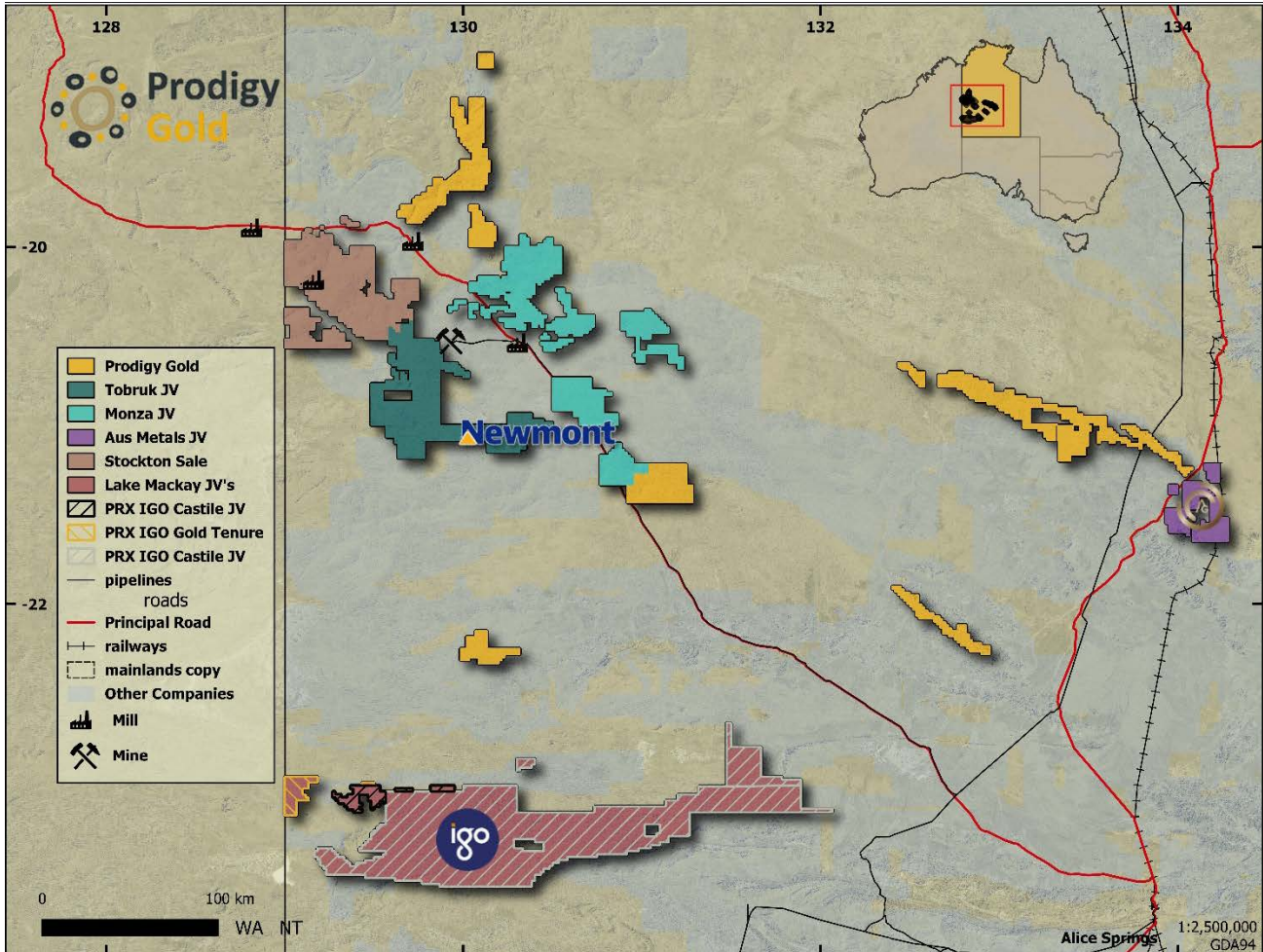


Figure 2 - Prodigy Gold Major Project Areas – June 2023

100% PRODIGY GOLD PROJECTS

Refined Near-Term Priority Targets – Work Completed FY23 & Future work for FY24

Tanami North Project Area

The Tanami North Project is underlain by sequences belonging to the favourable Tanami Group. It is poorly exposed, with the majority of the geology interpreted from regional magnetic surveys and limited drilling. Localised outcrop that occurs on the Tregony Prospect has been the focus of historic exploration. This Project area is a key strategic area for Prodigy Gold to develop over the coming years with a focus on growing the mineral resource inventory around the Tregony and Hyperion Deposits and to advance some greenfield targets around these Deposits.

Five existing Deposits are known along the Suplejack Shear Zone ("SSZ"), the major structural control of the Project:

- Groundrush Deposit - 7.7Mt @ 4.3g/t Au for 1.1Moz¹ (50% TAM : 50% NST) located 42km to the south of Tregony;
- Hyperion Deposit - 4.4Mt @ 2.2g/t Au for 314koz² (100% Prodigy Gold) located approximately 18km north of Groundrush;
- Crusade Deposit - 1.3Mt @ 2.3g/t Au for 94koz¹ (50% TAM : 50% NST) located 22km to the northeast of Tregony;
- Ripcord Deposit - 0.75Mt @ 2.1g/t Au for 51koz¹ (50% TAM : 50% NST) located adjacent to the Groundrush Deposit;
- Tregony Deposit - 1.1Mt @ 1.3g/t Au for 49koz³ (100% Prodigy Gold) located 11km to the east of the Suplejack Fault and forms part of the Tanami North Project.

Work planned at the Tanami North Project over the next 2 years includes further resource drilling at Tregony and Hyperion, greenfields exploration in and around these Deposits and also at the Boco North Prospect. A gravity geophysical survey is planned over an extensive portion of the project area in the coming 12 months.

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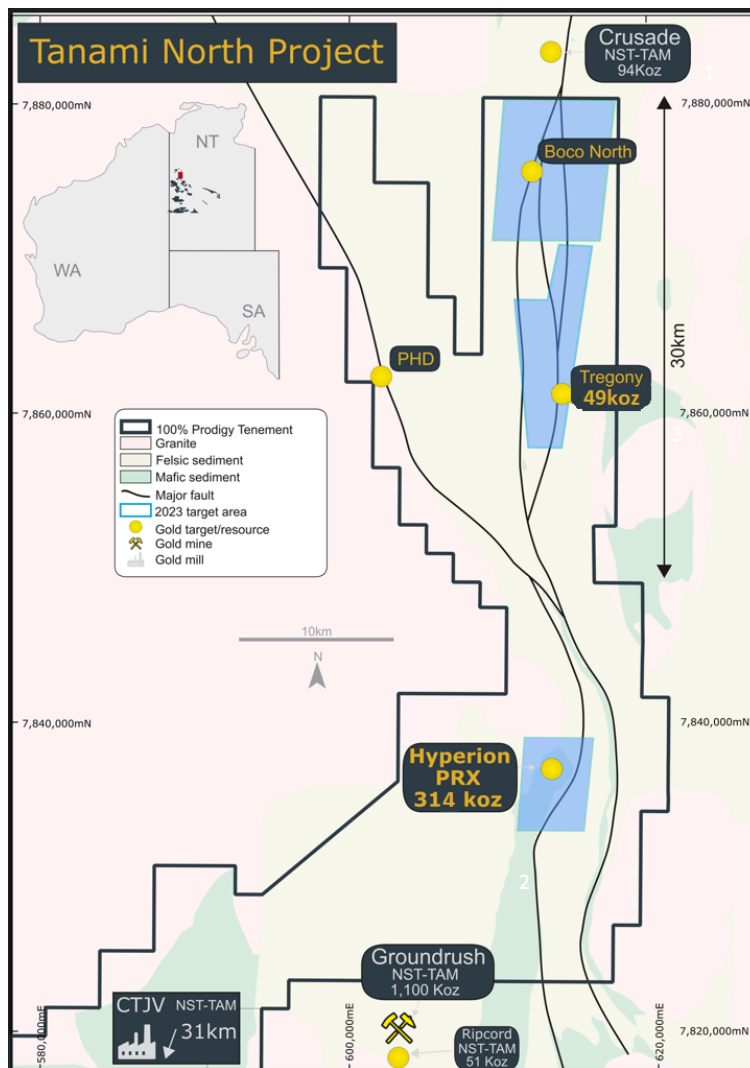


Figure 3 - Tanami North Project area

¹ ASX: TAM 24 November 2022

² ASX: 31 July 2018 Note: This estimate varies immaterially to the 31 July 2018 resource statement due to the use of a Wittle generated open pit shell to constrain the Mineral Resource and a change in lower cut-off grade from 0.8g/t to 0.7g/t Au.

³ ASX: 15 February 2023 Note: This estimate varies immaterially to the 15 February 2023 resource statement due to the use of a slightly higher lower cut-off grade compared to what was reported then.

Tregony Deposit

The Tregony Project is located on EL31331 in the Tanami North area and falls within the same structural trend that includes the Groundrush (1.1Moz Au), Hyperion (314koz Au), and Crusade (94koz Au) Deposits. Previous prefeasibility studies on a JORC 2004 gold resource have been completed on the project following diamond drilling in 2012. This information is now being used by Prodigy Gold to guide further exploration on the project moving forward. Prodigy Gold historically completed one hole into the Tregony Deposit in 2021, which was included in the recent maiden mineral resource for the project.

The Tregony Deposit consists of what appears to be shallow dipping quartz vein arrays within the Killi Killi Formation with some exceptionally high historic gold grades, including 3m @ 106.3g/t Au, 6m @ 28.7g/t Au, and 10m @ 16.2g/t Au⁴.

Early systematic exploration recorded over the tenement was completed by AngloGold Ashanti (AGA) and Acacia Resources between 1995 – 2000, following up on work (soils, rock chip and limited post hole campaigns) completed by Messenger and Dominion Mining in the early 1990's. AGA's strategy involved a first phase of regional soils and/or shallow VAC holes, with anomalous areas quickly followed up with a second phase of shallow RAB drilling combined with several regional stratigraphic traverses. With this strategy they discovered the Tregony Deposit and identified several other prospects.

During FY21, the Company completed an in-house data review, updated the mineralisation model at Tregony and drill tested the Deposit with one diamond hole to confirm the stacked vein model. This geological information, reinforced by updated historical results and the visual gold observed in the diamond hole, demonstrates the potential of the system to extend under shallow sandstone cover, and beneath the shallow RAB drilling.

Using this data review and the drill hole from 2021, a maiden resource estimation was completed by Prodigy Gold and released in February 2023. This resource has highlighted areas requiring further drilling to advance the project, which is planned to be completed in early FY24.

The reported maiden mineral resource for Tregony was in the inferred category and totals⁵:

- 1.44Mt @ 1.16g/t Au for 54.0koz @ 0.6g/t Au lower cut-off
- 0.61Mt @ 1.71g/t Au for 33.7koz @ 1.0g/t Au lower cut-off

A review of the Tregony mineral resource resulted in a change in the lower cut-off for reporting to match the cut-off used on other deposits. The latest annual mineral resource statement uses a lower cut-off grade of 0.7g/t Au with reported resources for Tregony now at:

- 1.1Mt @ 1.3g/t Au for 49Koz

On completion of the Boco North program the drill rig mobilised to the Tregony Deposit to drill test the mineralisation, aiming to grow the resource base and add confidence in the recently reported mineral resources.

Boco North Prospect

The Boco North drilling was aimed at opening up an unexplored greenfields area along the significantly mineralised SSZ. Boco North had not been effectively drill tested and was seen as a geochemically blind target due to the presence of an overlying unmineralised cover. The Company completed 9 RC holes for a total of 1,647m on the program, which was co-funded under the NT Government's Round 15 Resourcing the Territory Grants. The drilling at the Boco North Prospect returned a much thicker than expected overlying cover resulting in no holes penetrating through to the underlying prospective Tanami Group rocks. The program was terminated before drilling all holes originally planned. Results of the Boco North drilling program were released in July with no significant results returned for any of the drilled holes⁶.

The Company will continue to explore in this area of interest on the Boco prospect as well as the Tregony Deposit.

⁴ ASX: 15 November 2021

⁵ ASX: 15 February 2023

⁶ ASX: 6 July 2023

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Figure 4 - Prodigy Gold's board of directors observing drilling at the Boco Prospect

Hyperion Prospect

The Hyperion Project area contains the Hyperion Mineral Resource, which is stated as 4.4Mt @ 2.2g/t Au for 314Koz above a 0.7g/t Au lower cut-off grade⁷. The resource cut-off grade is based on processing at a mill the scale of the historic Central Tanami Processing Plant that is located on the neighboring tenements held by Northern Star and Tanami Gold. The Hyperion Mineral Resource was previously called Suplejack, the name has since been changed at the request of the local community.

The mineralisation at the Hyperion Mineral Resource is associated with a structural break between regional north-south trending thrust faults. At the Hyperion Deposit, this is a shear zone hosted in differentiated dolerite, typically intruded by granitic dykes. The shear zone generally trends at approximately 106 degrees and dips towards the south at 60-80 degrees. The structure is typically between 4m and 13m thick, with an average true width of approximately 6m.

⁷ ASX: 31 July 2018 Note: This estimate varies immaterially to the 31 July 2018 resource statement due to the use of a Wittle generated open pit shell to constrain the Mineral Resource and a change in lower cut-off grade from 0.8g/t to 0.7g/t Au.



It is planned to complete further RC drilling at the Hyperion Project in the FY24 period with samples used to add confidence in the current mineral resource estimate as well as to provide material for metallurgical testwork on the mineralisation at the Deposit. This will be critical information when looking at the potential for further development of the project moving forward. Some drilling will be used to test areas outside the current mineral resource to attempt to grow the overall endowment of the Deposit.

Buccaneer Resource Project

In August 2023, an updated mineral resource was completed on the Buccaneer Deposit. While not a large amount of new data has been added to the project since the previous model in 2017 this new model has used updated resource domaining, which is supported by the geological understanding of the Deposit. The update also included results of some new diamond holes drilled in 2021.

The updated mineral resource for Buccaneer⁸ is in the indicated and inferred categories and totals:

- At a 0.7g/t Au lower cut off:
 - 3.9Mt @ 1.2g/t Au for 157koz Indicated
 - 5.3Mt @ 1.2g/t Au for 201koz Inferred

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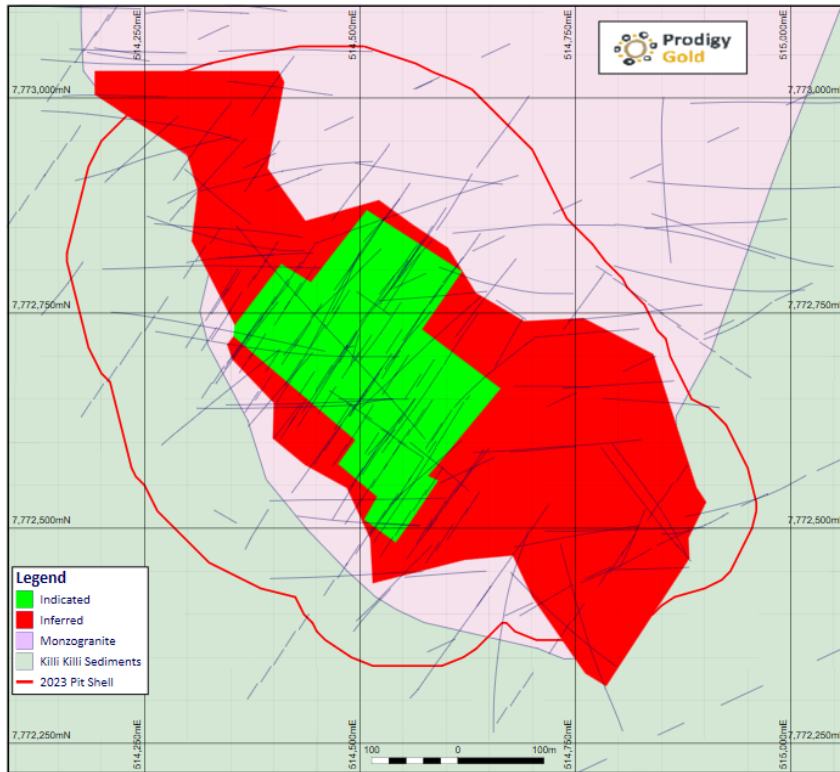


Figure 5 Mineral Resource Classification for Buccaneer – Plan view for Domain 1

In March 2023, Prodigy Gold released detailed results of the Buccaneer Project metallurgical testwork program completed by Independent Metallurgical Operations (“IMO”)⁹. A summary of the results includes:

- Comminution testwork showed that the three composites analysed (oxide, transition and fresh material) are amenable to conventional crushing and grinding processes
- Gravity gold and cyanide leach testwork returned recoveries of 95.1%, 96.7% and 84.6% for the three composites, respectively with gravity gold recoveries averaging 18.6%
 - fastest kinetics achieved for the oxide and transition composites
 - low cyanide and lime consumption for each of the oxide, transition and fresh composites
- Low overall gold recoveries in the column leach testwork showed that heap leaching is not a viable processing option.

⁸ ASX: 11 August 2023

⁹ ASX: 10 March 2023

The study to evaluate processing and mining scenarios for the Buccaneer Mineral Resource continues, including the assessment of IMO's recommendations outlined in their technical report. This information will be used in the development of a mining study to determine the most appropriate methodology to advance the project using the latest mineral resource just completed. This will also highlight areas for future drilling and any other testwork required to advance the understanding of the Buccaneer Project.

Aircore drilling is being planned on the project to look at potentially extending the mineral resource as recently defined, with this drilling likely to be completed in late FY24 or early FY25.

Receipt of Exploration Grants – Tanami North Project

The Hon. Nicole Manison – Minister for Mining and Industry, announced the results of the grants program under the Round 16 of the Geophysics and Drilling Collaborations (GDC) program funded by the Resourcing the Territory initiative at Prodigy Gold's office in Darwin¹⁰.

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Figure 6 Photo of Minister Manison at Prodigy Gold's Darwin office

Prodigy Gold was the successful recipient of two exploration grants for the Tanami North project area with the NT Government co-contributing a total of \$158,148. The first successful application was the Tanami North Regional Scale Gravity Survey covering a large portion of EL9250 that hosts the Hyperion gold deposit and EL31331 that hosts the Tregony gold deposit. The second approved application was for a single diamond core hole into the Tregony gold deposit to provide structural and stratigraphic context to the recently released maiden mineral resource¹¹. It is planned to commence these programs in the second half of 2023 depending on the availability of contractors.

¹⁰ ASX: 31 May 2023

¹¹ ASX: 15 February 2023



JOINT VENTURE PROJECTS

Joint Venture Portfolio Overview

Project	JV Partner	JV Terms	Current Status
Lake Mackay (Cu-Au, Ni-Co and Orogenic Au potential)	IGO (IGO: ASX)	Base Metal JV IGO 70% / PRX 30%	Prodigy Gold completed its sole funding commitment of \$850,000 under the Agreement, by completing Diamond drilling at the Phreaker Prospect.
		Gold JV PRX 70% / IGO 30%	Prodigy Gold completed its sole funding commitment of \$500,000 under the Agreement, by completing a 25 hole RC program for these tenements.
	IGO (IGO: ASX) Castile Resources (CST: ASX)	Gold JV PRX 60% / IGO 26% / Castile 14%	
Monza Gold Project	Newmont Exploration Pty Ltd, an indirect, wholly owned subsidiary of Newmont	Newmont to spend \$6M to earn up to 51% / additional 29% on a decision to mine	Agreement signed in November 2021. Surface geochemical survey and Horizontal to Vertical component Spectral Ratio (“HVSr”) passive seismic survey undertaken.
Tobruk Gold Project	Corporation (NEM. NYSE)	\$12M in-ground earn-in to 70% / \$2.5M cash + financing option	Results of 8-hole RC drilling program received and district Magnetotellurics survey completed.
Barrow Creek Project	Australasian Metals Limited (ASX: A8G)	Cash consideration of \$150,000 for 90%. PRX free carried until completion of a PFS	A8G undertaking early stage exploration including soil and rock chip sampling on the Barrow Creek Lithium Project.
Old Pirate Gold Project and surrounding exploration ground	Stockton Mining Limited (Public company)	Various staged payments & + 2.5% NSR	Several variations signed to original agreement executed in April 2022. Completion is subject to the satisfaction of various conditions precedent some of which are still outstanding but are progressing.

Lake Mackay JV Project

Project Background

The Lake Mackay Project is located 400km northwest of Alice Springs, adjacent to the Western Australian border, and has consolidated tenure over the favourable Proterozoic margin between the Aileron and Warumpi Provinces. This area is characterised by a continent-scale geophysical gravity ridge and the Central Australian Suture. The JV partners have demonstrated the emerging potential of the province to host multiple styles of precious and base metal mineralisation.

IGO Limited (“IGO”) commenced activity on the Lake Mackay JV area in 2013. Systematic exploration led 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,

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0.5% Pb, 1.1% Zn & 0.1% Co in 17GRDD001¹².

During 2018, IGO completed the \$6M earn-in and the JV Project was thereafter funded 70:30. Subsequent drilling has discovered high-grade base metal mineralisation at the Phreaker Prospect (see intercepts quoted later in this report), and bedrock gold mineralisation in RC drilling, including at the Arcee Prospect - 12m @ 3.5g/t Au¹³, and Goldbug Prospect - 16m @ 1.15g/t Au and 4m @ 1.54g/t Au¹⁴.

Lake Mackay JV (IGO and IGO/Castile) – Agreement Status

During May 2022 IGO and Prodigy Gold executed a deed of excision, transfer and amendment (“Deed”) in relation to the Lake Mackay Agreement. There are now three unincorporated exploration joint venture (“JV”) agreements covering the Lake Mackay Project¹⁵:

Lake Mackay Gold JV Agreement – covering most of the Gold Tenements

- transfers tenements EL25146, EL31234, ELA31913 and EL80/5001 (“Gold Tenements”) from the original Lake Mackay Agreement into a new unincorporated exploration JV
- Following the completion of sole funding obligations of \$500,000 of expenditure, Prodigy Gold now owns 70% of this project.
- Following a prospectivity assessment, WA tenement EL80/5001 has been surrendered.

Castile JV Agreement – covering Gold Tenement EL31794

- transfers tenement EL31794 (“Gold Tenement”) into a new unincorporated exploration JV between Castile Resources Limited (“Castile”), IGO and Prodigy Gold
- Prodigy Gold holds a 60% interest, IGO a 26% interest and Castile a 14% interest in the tenement.

Lake Mackay JV Agreement – covering the Base Metal Tenements

- amends and restates the terms of the original Lake Mackay Agreement and no longer covers the Gold Tenements
- Prodigy Gold sole funded \$850,000 of JV expenditure under this agreement and owns 30% of this project.

Whilst formal notification is pending, IGO advised that it is likely to dilute rather than contribute to exploration programs on all three projects, which will minimally change ownership percentages.

Lake Mackay JV's – Rehabilitation Status

Rehabilitation work was completed at Lake Mackay with the exception of one hole, which was left open as a future water source.

Lake Mackay Exploration Progress

Phreaker Prospect Diamond Drilling – Base Metal Tenement

The Phreaker Prospect is located within the Lake Mackay JV on EL30731, 42km east of Kintore and 400km west of Alice Springs. The polymetallic (copper-gold-silver) mineralisation at the Phreaker Prospect was initially discovered by IGO using airborne electromagnetic (EM) surveying and follow-up ground EM surveys in 2018 and 2019. Follow-up RC drilling completed at the prospect by IGO in August 2019 confirmed that the mineralised system extends for over 750 metres of strike.

IGO drilled three diamond drill holes at the prospect in 2021. All three holes successfully intercepted high-grade copper (gold-silver) sulphide mineralisation 75m to 430m below previous RC drilling. The best two recorded intersections were in drill hole 21PHDD002¹⁶:

- 4.5m @ 3.03% Cu, 1.78g/t Au and 14g/t Ag from 562m; and

¹² ASX: 18 September 2017

¹³ ASX: 16 October 2019

¹⁴ ASX: 18 January 2021

¹⁵ ASX: 18 May 2022

¹⁶ ASX: 26 May 2021

- 17.47m @ 2.13% Cu, 0.21g/t Au and 9g/t Ag from 575.23m.

The Company completed a diamond drilling program at Phreaker during June 2022 with results received during the reporting period. The drilling program aimed to intersect the modelled EM plate down-plunge of the high-grade mineralisation reported in 21PHDD002. Drill hole PRDD2202 was completed to 639.9m, with the hole intersecting the EM plate up-dip and along strike of the high-grade zone, and contained encouraging results including¹⁷:

- 5.6m @ 0.23% Cu, 0.35% Zn, 1.2g/t Ag and 0.18g/t Au from 545m;
 - including 0.45m @ 1.15% Cu, 1.08% Zn, 6.0g/t Ag and 0.2g/t Au from 547.25m;
- 0.4m @ 2.59g/t Au from 368.5m;
- 1.0m @ 0.54g/t Au from 391m; and
- 5.7m @ 0.35g/t Au from 396.9m.

The Company subsequently followed up on the drill results of PRDD2202 by drilling one additional diamond core drill hole into the Phreaker prospect. This hole also formed part of the sole funding arrangement of the restructured Joint Venture agreements with IGO.

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Figure 7 – Diamond Drilling at Phreaker in November 2022

The results of diamond hole PRDD2203 were returned highlighting further encouraging results of¹⁸;

- 2.3m @ 1.14% Cu, 0.97% Zn, 9.1g/t Ag and 0.11g/t Au from 739.8m;
 - including 0.3m @ 5.65% Cu, 3.64% Zn, 45.0g/t Ag and 0.70g/t Au from 741.5m;
- 3.3m @ 0.42% Cu, 0.57% Zn, 3.7g/t Ag, and 0.26 g/t Au from 697m; and
- 3.5m @ 0.57% Cu, 0.34% Zn and 3.8g/t Ag from 718.5m.

PRDD2203 completed the sole funding requirement under the restructured Joint Venture Agreements with IGO, resulting in Prodigy Gold consolidating its interest in the Lake Mackay Gold Joint Venture at 70%.

¹⁷ ASX: 8 August 2022

¹⁸ ASX: 6 February 2023

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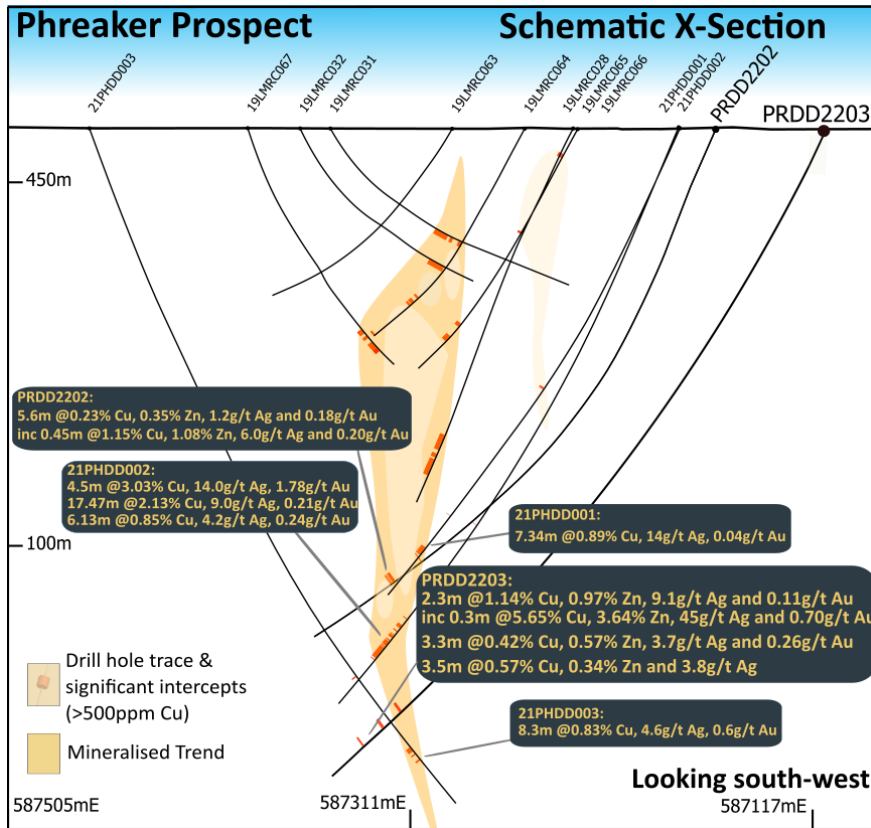


Figure 8 - Phreaker Schematic Cross Section looking south-west highlighting significant intercepts from diamond drilling¹⁹

RC Drilling - Gold Tenements

Prodigy Gold completed 25 holes for 3,412m comprising 13 holes within Western Australia and 12 holes within the Northern Territory during the 2022FY with results reported during the reporting period.

The drilling program was supported by co-funding under both the Western Australian Government’s Exploration Incentive Scheme (EIS) and the Northern Territory Government’s Geophysics and Drilling Collaborations (GDC) Program.



Figure 9 - Lake Mackay RC drilling

¹⁹ Historical results first presented: 1: ASX 26/05/2021 & 2: ASX 8/8/2022

Drilling was designed to test at depth, beneath coherent gold-in-soil anomalies generated from previous soil sampling by IGO. The drill targets had similar gold-in-soil anomalies to those that led to the discovery of the nearby Arcee and Goldbug prospects within the project area.

Drill holes located on EL80/5001 intersected intervals of low-grade gold mineralisation with best intervals reported as²⁰:

- 16m @ 0.39g/t Au, 0.13% Cu and 1.0g/t Ag from 84m in SGRC2007;
 - including 4m @ 0.54g/t Au, 0.39% Cu and 2.8g/t Ag from 84m;
- 4m @ 0.47g/t Au from 84m in SGRC2208; and
- 4m @ 0.74g/t Au from surface in RCRC2201.

While Prodigy Gold was encouraged by these initial results representing the first drilling undertaken on these gold targets, the decision was made to relinquish WA exploration licence E80/5001 in June 2023, due to better gold results elsewhere on the project.

Future Work

Any future works on the JV projects will require a new Mine Management Plan to be submitted and approved by the NT Department of Industry, Tourism and Trade (“DITT”) and clearances from the Traditional Owners via the Central Land Council will need to be received.

It is unlikely that any on-ground work will commence on this project prior to the end of the 2023/2024 wet season, however further assessments will be undertaken and programs designed.

Tobruk JV and Monza JV (Newmont)

Tobruk Exploration

Newmont met its minimum expenditure commitment of \$2,500,000 within the specified four-year timeframe during the reporting period.

- The RC drilling program completed on the Niffler project during Q2 2022, comprised eight drillholes (NFR001 – NFR008), along one northwest trending traverse for a total of 848m.
 - 1m samples were collected off the RC rig, with these made into 4m composite samples at ALS and analysed for gold by fire assay. Every fifth 1m sample was assayed for multi-element analysis (ME-MS61).
 - The assay results were received during the reporting period and the evaluation of results is on-going. No significant results were returned.
- A district Magnetotellurics (“MT”) survey was completed during the reporting period.
 - The MT survey comprised one generally northeast trending line through the centre of the Tobruk Project area.
 - MT readings were collected at 1,000m station spacing, for a total of 34-line kilometres within the Tobruk Project area.
 - The 3D modelling results of the Magnetotelluric (MT) survey data remain subject to evaluation.

Monza Exploration

- A surface geochemical survey utilising Newmont’s proprietary Deep Sensing Geochemistry (“DSG”) technique was undertaken to gain coverage across the Project area and target a number of geophysical anomalies.
 - The survey had been designed at various spacing including 1km x 1km to provide broad coverage across the Project area, with a more detailed survey completed at a nominal spacing of 500m x 500m at selected locations.
 - A total of 1,513 survey points were collected during the year.
 - Results from the 877 samples collected in the first half of the financial year have highlighted a number of localised anomalous responses.
 - Results for the remaining 636 samples collected in the second half of the reporting period are pending.

²⁰ ASX: 8 August 2022

- A Horizontal to Vertical component Spectral Ratio (“HVSr”) passive seismic survey was carried out coincidentally with the surface geochemical survey during the reporting period. Results are pending.

Future Work

Target generation is continuing on the Tobruk and Monza Projects.

A ground gravity survey at Newmont’s Officer Hill project is scheduled in the September quarter 2023; a small portion of this survey extends onto the Tobruk JV.

Barrow Creek JV (Australasian Metals) - 10% Prodigy Gold

As announced in January 2022, Prodigy Gold finalised the sale of 90% of the Barrow Creek Project to Australasian Metals (A8G)²¹. During the reporting period A8G identified high-grade tantalum plus tin mineralisation at the Barrow Creek Lithium Project in the prospective Northern Arunta pegmatite province, Northern Territory²². Highlights of this work are:

- Strong Lithium-Cesium-Tantalum (“LCT”) pegmatite signatures have been confirmed through geochemical assays
- 1018ppm and 554ppm tantalum returned from ongoing rock chip sampling at EL28515
- Several rock chips on EL29724 with elevated lithium up to 0.26% of lithium oxide, highlight the lithium mineralisation potential of this tenement
- Follow up soil sampling has been completed with no significant results reported

Future Work

A8G is working towards updating their land access agreement with the new local station owners for a planned RAB drilling program.

Old Pirate Project and Tanami Exploration Project

During the reporting period the Company continued to work with public company Stockton Mining Limited (“Stockton”) on the divestment of the Company’s Old Pirate Gold Project and 23 surrounding exploration tenements located in the Tanami Region of the Northern Territory²³.

During the first half of the reporting period two variations were announced, the first²⁴ replacing the Contingent Consideration on two Exploration Lease Applications (EL30944 and EL30814) with a net smelter royalty of 2.5% payable on any minerals recovered from these titles. Additionally, adjustments were made to holding costs allocations moving forward due to the extension of the agreement to the end of 2022.

The second variation extended the agreement²⁵ to 30 June 2023, requiring Stockton to pay the ‘Pre-IPO payment’ (under escrow) of \$750,000 to Prodigy Gold within 5 business days of Prodigy Gold obtaining shareholder approval for the transaction in accordance with ASX Listing Rule 11.4. This variation also considered how the holding costs would be shared between the Company and Stockton during this extension particularly in relation to the Mining Leases. Prodigy Gold received shareholder approval for the transaction at the Company’s AGM held in November 2022.

During the final quarter of the reporting period a further variation to the agreement²⁶ was announced where the Company and Stockton agreed to extend the end date of the transaction, as well as the payment conditions for holding costs, from 30 June 2023 to 30 November 2023. It is noted that the ‘Pre-IPO payment’ of \$750,000 was received by the Company on 1 May 2023.

²¹ ASX: 12 January 2022

²² ASX A8G: 1 July 2022

²³ ASX: 29 April 2022

²⁴ ASX: 5 September 2022

²⁵ ASX: 23 December 2022

²⁶ ASX: 13 June 2023

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The Company and Stockton are currently progressing the completion of several conditions precedent including the assignment of agreements. The splitting of Mineral Lease ML29822, as required under the sale agreement and approved by DITT, has occurred with ML29822 now covering the Buccaneer deposit and the new Mineral Lease, ML33459, covering the Old Pirate deposit and associated mining infrastructure. The required surveying work to peg these new leases has been completed.

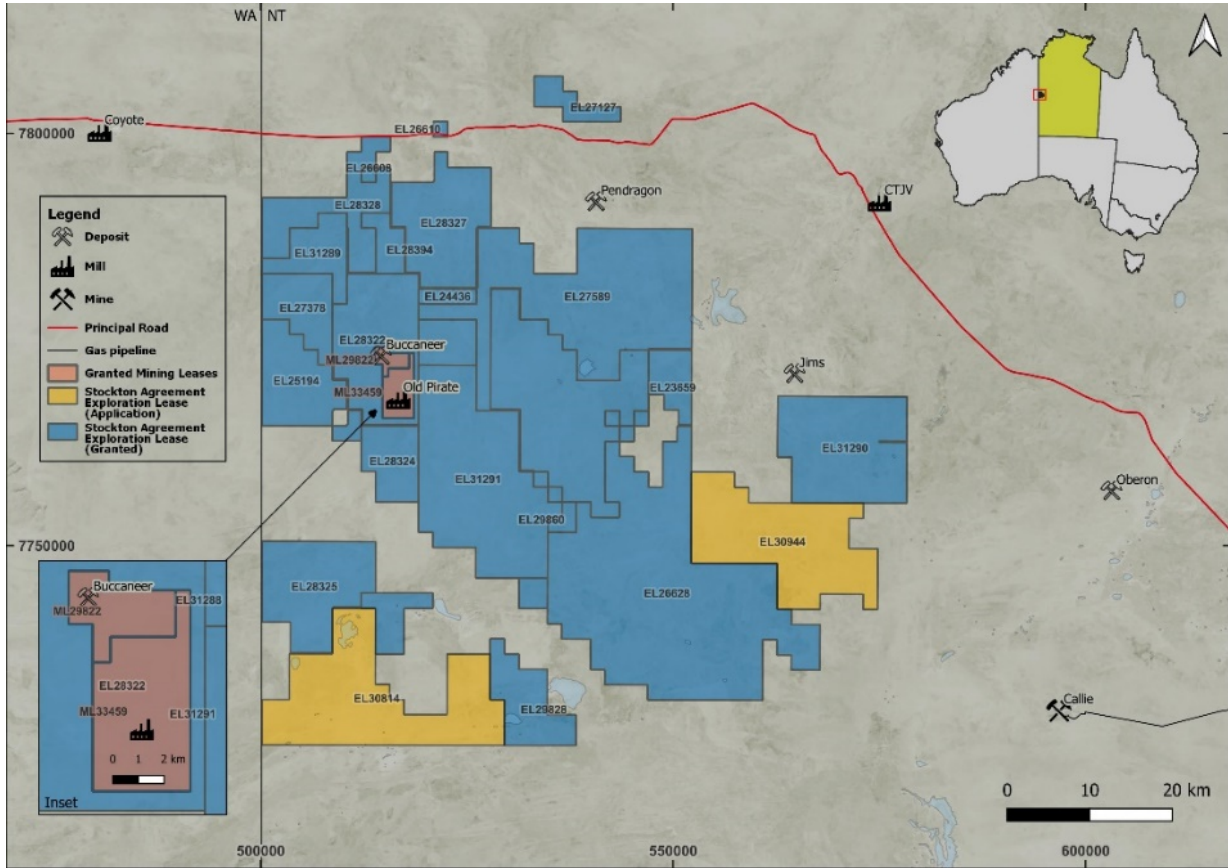


Figure 10 - Stockton Sales tenements

MINERAL RESOURCES

Prodigy Gold’s Mineral Resources for 15 August 2023 are summarised below. See the 2023 Annual Mineral Resource Statement²⁷ and the individual announcements referenced below for additional information.

Prodigy Gold's Mineral Resource governance includes systems and procedures that ensure:

- The Company’s Mineral Resource estimates are reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “2012 JORC Code”) and are based on documentation compiled by a Competent Person as defined by the 2012 JORC Code.
- Competent Persons prepare and provide Prodigy Gold with the supporting documentation for each estimate, and before being reported to the Board, estimates are either reviewed by Prodigy Gold senior technical staff or by a suitably qualified external reviewer.
- Any material changes or updates to estimates are reviewed and approved by the Prodigy Gold's Board before being promptly announced to the market.

²⁷ ASX: 15 August 2023.

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Consolidated Resource Summary

Table 1 Prodigy Gold Mineral Resource Summary as at 15 August 2023.

Project	Date	Cut-Off Grade (g/t)	Indicated			Inferred			Total			Resource Author
			Tonnes (Mt)	Grade (g/t Gold)	Metal (Koz)	Tonnes (Mt)	Grade (g/t Gold)	Metal (Koz)	Tonnes (Mt)	Grade (g/t Gold)	Metal (Koz)	
Buccaneer	Aug-23	0.7	3.9	1.2	157	5.3	1.2	201	9.2	1.2	359	1
Tregony	Feb-23	0.7				1.1	1.3	49	1.1	1.3	49	1
Hyperion	July-18	0.7	0.89	2.3	66	3.6	2.2	248	4.4	2.2	314	2
Old Pirate	Aug-16	1.0	0.04	4.6	7	0.72	4.7	109	0.76	4.7	115	3
Total			4.9	1.5	230	10.7	1.8	607	15.6	1.7	837	

Notes:

- All Mineral Resources are reported in accordance with the 2012 JORC Code
- Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The quantities contained in the above table have been rounded to two significant figures to reflect the relative uncertainty of the estimate for tonnes and grade. Rounding may cause values in the table to appear to have errors.
- Authors are noted as 1 – Prodigy Gold (Mark Edwards); 2 – Optiro Pty Ltd; 3 – CSA Global
- Tonnes are reported as dry metric tonnes
- The are no Ore Reserves reported for any of Prodigy Gold’s projects
- All projects are owned 100% by Prodigy Gold
 - The Old Pirate project is currently part of a sales agreement with public company Stockton Mining Limited. As this sale is still subject to several conditions precedent the Old Pirate Mineral Resources are still reported as part of Prodigy Gold’s inventory.
- Buccaneer, Tregony and Hyperion Mineral Resources are determined using an optimised pit shell with these parameters;
 - Gold price of A\$2,960/oz which represents a 120% factoring of the 3-year forecast of gold price based on data from the Energy & Metals Consensus Forecast at US\$1,832/oz and exchange rate of \$0.74 dated June 2023.
 - Mining, processing and G&A costs of around \$56/ore tonne mined
 - Recoveries have been used specific for each project of;
 - Buccaneer** – 95.1% for oxide, 96.7% transitional and 84.6% for fresh based on metallurgical testwork completed by metallurgical consultants IMO Pty Ltd in 2023²⁸
 - Tregony**- 95% for oxide and 90% for transitional and fresh based on historic metallurgical testwork performed by Metcom Laboratories for Acacia Resources
 - Hyperion**- 95% for oxide and 90% for transitional and fresh based on historic metallurgical testwork performed at Tregony, while no specific studies have been completed at Hyperion the Tregony Deposit is in close proximity to Hyperion so it is deemed appropriate to use these results.
 - Pit wall angles of 45° in oxide and 39° in fresh and transitional are based on reported work completed by Tanami Gold²⁹ and is seen as being appropriate for use at Tregony and Hyperion due to the proximity of the deposits. Wall angles at Buccaneer 45° in oxide and 39° in fresh and transitional are based on geotechnical work completed on the 2021 diamond drilling.

Buccaneer Mineral Resource

Table 2 – Buccaneer Mineral Resource Estimate

Buccaneer Gold Deposit – Mineral Resource Estimate August 2023									
Material Type	Indicated			Inferred			Total		
	Tonnes (Mt)	Grade Au (g/t)	Metal (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal (koz)
Oxidised	0.28	1.4	12	0.46	1.3	20	0.74	1.3	32
Transitional	1.7	1.2	66	1.3	1.1	45	3.0	1.1	111
Fresh	1.9	1.3	79	3.5	1.2	136	5.4	1.2	215
Total	3.9	1.2	157	5.3	1.2	201	9.2	1.2	359

Note: Reported above 0.7g/t Au cut-off and above Whittle generated shell. Totals may vary due to rounding. The above Mineral Resource Estimate was first announced in 2023 (ASX: 11 August 2023³⁰)

²⁸ ASX: 10 March 2023

²⁹ ASX: TAM 24 November 2022

³⁰ ASX: 11 August 2023

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Tregony Mineral Resource

Table 3 – Tregony Mineral Resource Estimate

Tregony Gold Deposit – Mineral Resource Estimate February 2023									
Material Type	Indicated			Inferred			Total		
	Tonnes (Mt)	Grade Au (g/t)	Metal (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal (koz)
Oxidised	0	0	0	0.61	1.3	25	0.61	1.3	25
Transitional	0	0	0	0.27	1.3	11	0.27	1.3	11
Fresh	0	0	0	0.26	1.5	12	0.26	1.5	12
Total	0	0	0	1.1	1.3	49	1.1	1.3	49

Note: Note: Reported above 0.7g/t Au cut-off and above Whittle generated shell. Totals may vary due to rounding. The above Mineral Resource Estimate was first announced in 2023 (ASX: 15 February 2023³¹) This estimates varies immaterially to previous statements due to the use of a slightly higher lower cut-off grade compared to what was reported on 15 February 2023.

Hyperion Mineral Resource

Table 4 – Hyperion Mineral Resource Estimate

Hyperion Project - Mineral Resource Estimate July 2018									
Material Type	Tonnes (Mt)	Grade (Au g/t)	Metal (Koz)	Tonnes (Mt)	Grade (Au g/t)	Metal (Koz)	Tonnes (Mt)	Grade (Au g/t)	Metal (Koz)
	Indicated			Inferred			Total		
Oxide	0.04	1.4	2	0.37	2.2	26	0.41	2.1	28
Transitional	0.27	1.8	16	1.2	2.1	80	1.5	2.0	96
Fresh	0.58	2.6	49	2.0	2.2	142	2.6	2.3	191
Total	0.89	2.3	66	3.6	2.2	248	4.4	2.2	314

Note: Reported above 0.7g/t Au cut-off and above Whittle generated shell (previously constrained to 230mRL). Resources may not sum to equal totals due to rounding. The Mineral Resource estimate was first reported in 2018 (ASX: 31 July 2018³²). This estimates varies immaterially to previous resource statements due to the use of a whittle generated open pit shell to constrain the Mineral Resource and a change in lower cut-off grade from 0.8g/t to 0.7g/t Au.

The Hyperion Project was formerly known as the Suplejack Project however it was renamed at the request of the local community.

³¹ ASX: 15 February 2023

³² ASX: 31 July 2018

Old Pirate Mineral Resource

Table 5 – Old Pirate Mineral Resource Estimate

Old Pirate Gold Deposit – Mineral Resource Estimate August 2016				
Domain	Classification	Tonnes (Mt)	Grade (g/t)	Metal (Koz)
Western Limb	Indicated	0.01	7.5	3
	Inferred	0.28	5.5	50
Central	Indicated	0.02	3.1	2
	Inferred	0.42	4.2	56
East	Indicated	0.005	7.6	1
	Inferred	0.01	4.9	2
Golden Hind	Indicated	0.005	3.5	1
	Inferred	0.005	4.1	1
Sub-Total	Indicated	0.04	4.6	7
	Inferred	0.72	4.7	109
Total	Indicated + Inferred	0.76	4.7	115

Note: Totals may vary due to rounding. The above Mineral Resource Estimate was first reported in 2016³³

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³³ ASX: 19 August 2016

Competent Persons Statement for the Mineral Resources

The information in this announcement relating to Mineral Resources from Buccaneer, Tregony, Hyperion and Old Pirate is based on information reviewed and checked by Mr. Mark Edwards. Mr. Edwards is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM – Membership number 220787) and Member of the Australian Institute of Geoscientists (AIG – Membership number 3655) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “2012 JORC Code”). Mr. Edwards is a full-time employee of the Company in the position of Managing Director and consents to the inclusion of the Mineral Resources in the form and context in which they appear. Mr. Edwards also visited each project site during July-2023.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources as reported on the 11 August 2023, 15 February 2023, 31 July 2018 and 19 August 2016, and the assumptions and technical parameters underpinning the estimates in the 11 August 2023, 15 February 2023, 31 July 2018 and 19 August 2016 releases continue to apply and have not materially changed.

The information in this statement that relates to the Mineral Resource for Buccaneer was previously released to the ASX on the 11 August 2023 – Buccaneer Mineral Resource Update. This document can be found at www.asx.com.au (Stock Code: PRX) and at www.prodigygold.com.au. It fairly represents information compiled by Mr. Shaun Searle who is a member of the Australasian Institute of Geoscientists and reviewed by Mr. Mark Edwards who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Edwards is the Mineral Resource Competent Person for this estimate and consents to the release of this information in the form and context in which it appears. At this time of publication Mr. Edwards was a full-time employee of Prodigy Gold NL and Mr. Searle is a full-time employee of Ashmore Advisory Pty Ltd. Mr. Edwards had previously provided written consent for the 11 August 2023 release.

The information in this statement that relates to the Mineral Resource for Tregony was previously released to the ASX on the 15 February 2023 – Maiden Mineral Resource for Tregony Deposit. This document can be found at www.asx.com.au (Stock Code: PRX) and at www.prodigygold.com.au. It fairly represents information compiled by Mr. Mark Edwards who is a Fellow of the Australasian Institute of Mining and Metallurgy. At the time of the 15 February 2023 release Mr. Edwards was a full-time employee of Prodigy Gold NL. Mr. Edwards had previously provided written consent for the 15 February 2023 release.

The information in this report that relates to the Mineral Resource for Hyperion (previously called Suplejack) was previously released to the ASX on the 31 July 2018 – Suplejack Resource Update. This document can be found at www.asx.com.au (Stock Code: PRX) and at www.prodigygold.com.au. The 31 July 2018 release fairly represents data and geological modelling reviewed by Mr. Matt Briggs who is a member of the Australasian Institute of Mining and Metallurgy and grade estimation and Mineral Resource estimates reviewed by Mr. Ian Glacken who is a Fellow of the Australian Institute of Geoscientists. At the time of the 31 July 2018 release Mr. Briggs was a full-time employee of Prodigy Gold NL and Mr. Glacken was a full-time employee of Optiro Pty Ltd. Mr. Briggs and Mr. Glacken had previously provided written consent for the 31 July 2018 release.

The information in this statement that relates to the Mineral Resource for Old Pirate was previously released to the ASX on the 19 August 2016 – Old Pirate Updated Mineral Resource Estimate. This document can be found at www.asx.com.au (Stock Code: PRX) and at www.prodigygold.com.au. The 19 August 2016 release fairly represents information reviewed by Mr. David Williams, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. At the time of the 19 August 2016 release Mr. Williams was a full-time employee of CSA Global Pty Ltd. Mr. Williams had previously provided written consent for the 19 August 2016 release.

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Competent Persons Statement for the Exploration Results

The information in this report relating to exploration targets and exploration results is based on information reviewed and checked by Mr. Mark Edwards, FAusIMM, MAIG. Mr. Edwards is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australasian Institute of Geoscientists (AIG). Mr. Edwards 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. Edwards consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Refer to previous Company ASX announcements for full resource estimation details, drill hole details, and intercept calculations. Prodigy Gold NL confirms that it is not aware of any new information or data that materially affects the information included in the market announcement and that all material assumptions and technical parameters underpinning the estimates included in referenced previous market announcements continue to apply and have not materially changed.

The information in this report that relates to previous ASX announcements relating to ASX Exploration Result and Exploration Targets. The relevant announcements are noted below:

Announcement Date	Announcement Title	Competent Person	At the time of release full-time employee of	Membership	Membership status
24.11.2022 ASX:TAM	Mineral Resource updates completed for five gold deposits on the Central Tanami Project Joint Venture Yields 1.5M ounces	Mr Graeme Thompson	MoJoe Mining Pty Ltd	AusIMM	Member
15.11.2021	Historic High Grades Confirm Upside Potential of Tregony System	Mr Adriaan van Herk	Prodigy Gold	AIG	Member
06.07.2023	Drilling Update for Tanami North Project	Mr Mark Edwards	Prodigy Gold NL	AusIMM AIG	Fellow Member
10.03.2023	Buccaneer Gold Project – Metallurgical Update	Mr Mark Edwards	Prodigy Gold NL	AusIMM AIG	Fellow Member
31.05.2023	Prodigy Gold Successfully Receives Two Exploration Grants under the Resourcing the Territory Initiative	Mr Mark Edwards	Prodigy Gold NL	AusIMM AIG	Fellow Member
18.09.2017	Lake Mackay JV – Grapple Prospect Drilling Update	Mr Doug Winzar	IGO Limited	AIG	Member
16.10.2019	Lake Mackay JV Update: New Gold Prospect Identified	Mr Doug Winzar	IGO Limited	AIG	Member
18.01.2021	Lake Mackay JV: First bedrock gold intersected at Goldbug Prospect	Mr Doug Winzar	IGO Limited	AIG	Member
18.05.2022	Lake Mackay JV – Agreement and Exploration Update	Mr Edward Keys	Prodigy Gold NL	AIG	Member
26.05.2021	Exceptional high grade copper intersections at the Phreaker Prospect within Lake Mackay JV	Mr Doug Winzar	IGO Limited	AIG	Member
08.08.2022	Lake Mackay Drilling Results	Mr Edward Keys	Prodigy Gold NL	AIG	Member
06.02.2023	Lake Mackay Drilling Results Prodigy Gold’s sole funding requirements now complete	Mr Edward Keys	Prodigy Gold NL	AIG	Member
12.01.2022	A8G to acquire a 90% interest in a substantial lithium exploration package within the Northern Arunta LCT pegmatite province	Dr Qingtao Zeng	Australasian Metals Limited	AusIMM	Member
01.07.2022	High grade tantalum mineralisation and lithium signatures identified at Barrow Creek lithium Project, NT	Mr Graeme Fraser	Australasian Metals Limited	AusIMM	Member
29.04.2022	Prodigy Gold Signs Agreement over Old Pirate Project and Tanami Exploration Tenements	Mr Edward Keys	Prodigy Gold NL	AIG	Member
15.08.2023	Annual Mineral Resource Statement	Mr Mark Edwards	Prodigy Gold NL	AusIMM AIG	Fellow Member

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Tenement Management

The total area of 26,360km² (2022: 27,006km²) held under tenure by Prodigy Gold and its joint venture partners has decreased during the financial year. The area held under tenure is 11,277km² with 15,084km² held under application.

To address the costs associated with maintaining such a large land holding and to better focus exploration activities, the Company continues to actively seek to reduce its tenure costs through joint venture and divestment.

A map showing the location of the Company's current tenement holding is presented in Figure 2 of the review of operations report and a complete list of tenements follows this report.

CORPORATE

Change of Registered Office and Principal Place of Business

During August 2022, Prodigy Gold moved its Registered Office and Principal Place of Business to Level 1, 67 Smith Street Darwin NT 0800³⁴.

Capital Structure

During the year, the Company completed an underwritten two for one renounceable pro rate rights issue at a price of \$0.01 raising gross proceeds of approximately \$11.65 million (before costs and expenses)³⁵. The Company issued a total of 1,165,255,212 shares on completion of the raising.

Following shareholder approval at the Company's AGM held on 29 November 2022, the Company issued 2 Million unlisted options at an exercise price of \$0.038 with an expiry date of 1 May 2026 to managing director Mark Edwards.

A total of 3,225,000 unlisted options with a zero exercise price were exercised by employees during the financial year. All outstanding unvested options, following the satisfaction of retention and change of control vesting conditions, vested during the financial year.

As at 30 June 2023, Prodigy Gold had a total of 1,751,107,818 shares and 5,500,000 unlisted options on issue.

Substantial Shareholders

Following the completion of the rights issue, IGO Limited and Jayleaf Holdings ceased to be substantial holders due to dilution.

APAC Resources Limited ("APAC") and Allied Properties Investments (1) Company Limited increased their holding in Prodigy Gold to 871,681,907 shares, which at 30 June 2023 amounts to a voting power of 49.78% (2022: 19.83%). APAC now considers Prodigy Gold a controlled entity of APAC and consolidates Prodigy Gold's results for their reporting purposes.

Jetosea Pty Ltd, lodged for the first time substantial holder notices during the year and held a voting power of 6.26% as at 30 June 2023.

Loan Facility

Prodigy Gold entered initially into a six-month A\$2.5 Million unsecured loan facility agreement with Mount Sun Investments Limited, which was subsequently extended for an additional three months. The funds have been fully repaid following the completion of the Rights Issue³⁶.

³⁴ ASX: 18 August 2022

³⁵ ASX: 7 September 2022; 24 October 2022

³⁶ ASX: 17 October 2022

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SUMMARY OF MINING TENEMENTS AND AREAS OF INTEREST

Summary of Mining Tenements as at 30 June 2023

Area of Interest	Tenement	Group's Interest	Tenement Status	Status Changes During the Year
<i>NORTHERN TERRITORY</i>				
<i>TANAMI</i>				
<i>Birrindudu</i>	EL31332	100	ceased	Expired
<i>Bluebush⁽¹⁾</i>	EL23659	100	granted	
	EL24436	100	granted	
	EL26610	100	granted	
	EL27127	100	granted	
	EL27589	100	granted	
	EL28327	100	granted	
	EL29860	100	granted	
	EL31288	100	granted	
	EL31290	100	granted	
	EL31291	100	granted	
	EL30944	100	application	
<i>Bonanza⁽¹⁾</i>	EL25194	100	granted	
	EL26608	100	granted	
	EL27378	100	granted	
	EL28322	100	granted	
	EL28324	100	granted	
	EL28325	100	granted	
	EL28328	100	granted	
	EL28394	100	granted	
	EL31289	100	granted	
		ML33459	100	granted
	EL30814	100	application	
<i>Bonanza (Buccaneer)</i>	ML29822	100	granted	Tenement split into ML29822 and ML33459
<i>Hyperion</i>	EL09250	100	granted	
	EL27125	100	granted	
	EL27979	100	granted	
	EL31331	100	granted	
	EL31530	100	granted	
	EL32055	100	granted	
	EL26623	100	application	
	EL29833	100	application	
	EL32056	100	application	
	EL33487	100	application	New application
<i>Abroholos</i>	EL25156	100	granted	
<i>Tobruk⁽²⁾</i>	EL25191	100	granted	
	EL25192	100	granted	
	EL28785	100	granted	
	EL29832	100	granted	
	EL29859	100	granted	
	EL30270	100	application	
	EL30274	100	application	
	EL32057	100	application	

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SUMMARY OF MINING TENEMENTS AND AREAS OF INTEREST

Area of Interest	Tenement	Group's Interest	Tenement Status	Status Changes During the Year
<i>Monza JV</i> ⁽³⁾	EL25845	100	granted	
	EL26590	100	granted	
	EL26591	100	granted	
	EL26592	100	granted	
	EL26593	100	granted	
	EL26613	100	granted	
	EL26615	100	granted	
	EL26618	100	granted	
	EL26620	100	granted	
	EL26621	100	granted	
	EL26622	100	granted	
	EL26673	100	granted	
	EL27604	100	granted	
	EL29834	100	application	
	EL30271	100	application	
EL30272	100	application		
EL30273	100	application		
EL30283	100	application		
<i>Tanami Ngungaju JV</i> ⁽⁴⁾	EL26628	90	granted	
	EL29828	90	granted	
	EL26627	90	application	
LAKE MACKAY				
<i>Tekapo</i>	EL28682	100	application	
<i>Lake Mackay Gold JV</i> ⁽⁵⁾	EL25146	70	granted	
	EL31234	70	granted	IGO Limited
	E80/5001	70	ceased	Surrendered
	EL31913	70	application	IGO Limited
<i>Castile JV</i> ⁽⁶⁾	EL31974	60	granted	Castile Resources Pty Ltd
<i>Warumpi</i> ⁽⁷⁾	EL24915	30	granted	
	EL30730	30	granted	
	EL30731	30	granted	
	EL30739	30	ceased	Surrendered
	EL31720	30	application	IGO Limited
	EL31721	30	application	IGO Limited
	EL31722	30	application	IGO Limited
	EL32095	30	application	IGO Limited
	EL32096	30	application	IGO Limited
	EL32097	30	application	IGO Limited
	EL32098	30	application	IGO Limited
	EL32099	30	application	IGO Limited
	EL32100	30	application	IGO Limited
	EL32101	30	application	IGO Limited
EL32102	30	application	IGO Limited	
EL32103	30	application	IGO Limited	

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SUMMARY OF MINING TENEMENTS AND AREAS OF INTEREST

Area of Interest	Tenement	Group's Interest	Tenement Status	Status Changes During the Year
NORTH ARUNTA				
<i>Barrow Creek</i>	EL8766	100	granted	
	EL23880	100	granted	
	EL23883	100	granted	
	EL23884	100	granted	
	EL23885	100	granted	
	EL23886	100	granted	
	EL26825	100	granted	
	EL29723	100	granted	
	EL29896	100	granted	
EL30637	100	granted		
<i>Australasian Gold JV ⁽⁸⁾</i>	EL28515	10	granted	
	EL29724	10	granted	
	EL29725	10	granted	
	EL30470	10	granted	
	EL30507	10	granted	
<i>Reynolds Range</i>	EL23655 ⁽¹⁾	80 ⁽⁹⁾	granted	
	EL23888 ⁽¹⁾	100	granted	
	EL28083	100	granted	

¹⁾ Tenements subject to a conditional sales agreement with Stockton Mining signed in April 2022

²⁾ Farm-in and Joint Venture Agreement with Newmont Exploration Pty Ltd earning up to a 70% interest in the tenements

³⁾ Farm-in and Joint Venture Agreement with Newmont Exploration Pty Ltd earning up to an 80% interest in the tenements

⁴⁾ Joint Venture with Ngungaju Lithium Operations Pty Ltd 10% / Prodigy Gold 90%

⁵⁾ Joint Venture with Prodigy Gold 70% / IGO Limited 30%

⁶⁾ Joint Venture between Castile Resources Pty Ltd (14%), IGO Limited (26%) and Prodigy Gold (60%)

⁷⁾ Joint Venture with IGO Limited 70% / Prodigy Gold 30%

⁸⁾ Joint Venture with Australasian Metals Limited 90% / Prodigy Gold 10%

⁹⁾ Joint Venture with Select Resources Pty Ltd / Prodigy Gold holds an 80% beneficial interest with 60% interest currently registered on title

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DIRECTORS' REPORT

The Directors of Prodigy Gold NL present their report on the consolidated entity (Group), consisting of Prodigy Gold NL and the entities it controlled at the end of, and during, the financial year ended 30 June 2023.

Director	Role
Mr Gerard McMahon	Non-Executive Chairman
Mr Mark Edwards	Managing Director
Mr Brett Smith	Non-Executive Director
Mr Neale Edwards	Non-Executive Director

Directors have been in office since the start of the financial year to the date of this report.

Principal Activities

The principal activities of the Company during the year consisted of exploration and evaluation of mineral resources. There was no significant change in the nature of the Company's activities during the year.

Dividends

There were no dividends paid or declared during the year (2022: NIL).

Operating Results

The consolidated loss for the Group after providing for income tax amounted to \$5,218,298 (2022: loss of \$7,620,360).

Financial Position

The net assets of the Group have increased by \$5,773,513 from 30 June 2022 to \$14,563,230 in 2023. The increase is due to the Group completing an underwritten two for one renounceable pro rata rights issue during the reporting period.

Significant Changes in the State of Affairs

The Group has undertaken a significant underwritten rights issue during the year, with APAC Resources Limited ("APAC") now considering the Group a controlled entity of APAC and consolidating the results of the Group for their reporting purposes. Exploration continued during the year, however was disrupted by weather events shortening the field season significantly.

Matters Subsequent to the End of the Financial Year

The Company released a resource update for its Buccaneer resource³⁷. No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely Developments

- Continued regional exploration on the Tanami North Project areas;
- Further rationalisation of tenement holdings in the Northern Territory through divestment or joint venture; and
- Systematic evaluation of resources including Tregony, Hyperion and Buccaneer.

Environmental Regulation

The Group's operations are subject to standard environmental regulation under the laws of the Commonwealth of Australia and the Northern Territory. The Group monitors its compliance with environmental regulations on an ongoing basis. The Directors are not aware of any significant breaches during the period covered by this report.

³⁷ ASX: 11 August 2023

DIRECTORS' REPORT

INFORMATION ON DIRECTORS

Mr Gerard McMahon

Status: Independent

Position: Non-Executive Chairman

Qualifications and Experience:

Over the past 30 years, Mr McMahon has been a Director of many other listed companies in the Asia Pacific region which are involved in the banking, manufacturing, retailing, information technology, medical, telecoms & mining industries. Mr McMahon's past experience includes extensive involvement in Hong Kong's Securities and Futures Commission as Chief Counsel, Member and Executive Director and has specialised in Hong Kong company law, securities and banking law and takeovers and mergers regulations.

Mr McMahon was a Non-Executive Director of Tanami Gold NL (to 2021) (ASX:TAM), having formerly been Chairman from 2013 to 2018 and he is Non-Executive Director and Chairman of the Audit Committee of Hong Kong listed GDH Guangnan (Holdings) Limited (since 2000).

Mr Mark Edwards

BSc Hons (Geology), MBA, GAICD, MAIG, FAusIMM

Status: Not independent

Position: Executive Director

Qualifications and Experience:

Mr Edwards is an accredited and experienced geologist with over 25 years' of experience working primarily as a manager/mine geologist responsible for the definition and replacement of resources and reserves on gold projects throughout the Northern Territory, Western Australia and Botswana. Amongst other companies, he worked for Otter Gold Mines, Sons of Gwalia, IAM Gold, Troy Resources and, most recently as Project Director for Agnico Eagle Mines (formerly Kirkland Lake Gold), working at the Tanami Gold Mine and Pine Creek projects in the Northern Territory (NT). Mr Edwards has strong community, business and government ties in the Northern Territory as well as being a NT committee member for the Minerals Council of Australia, which will benefit the Company greatly.

Mr Edwards commenced his role as Managing Director of Prodigy Gold NL in May 2022.

Mr Brett Smith

BEng Hons (Chem), MBA, MA

Status: Not independent

Position: Non-Executive Director

Qualifications and Experience:

Mr Smith has participated in the development and delivery of a number of mining and mineral processing projects including coal, iron ore, base and precious metals. He has also managed engineering and construction companies in Australia and internationally. Mr Smith has served on boards of both private and public mining and exploration companies. He is currently executive director of Hong Kong listed Dragon Mining Limited (since February 2014), deputy executive Chairman of Hong Kong listed APAC Resources Limited (since May 2016), executive director of Metals X Limited (board member since December 2019), non-executive director of Tanami Gold NL (since November 2018) and was non-executive director of Elementos Limited (January 2020 to May 2023). Overall, Mr Smith has over 30 years' international experience in the engineering, project development and organisational change management.

DIRECTORS' REPORT

Mr Neale Edwards

BAppSc AppGeo, BSc Hons, Fellow AIG

Status: Not Independent

Position: Non-Executive Director

Qualifications and Experience:

Mr Neale Edwards has over 30 years' experience in the mineral exploration and mining industry. Mr Edwards holds a Bachelor of Applied Science in Applied Geology and Bachelor of Science with Honours and is a Fellow of the Australian Institute of Geoscientists. Mr Edwards' experience covers projects ranging from grassroots level through to mine development and mining in major geological provinces in Australia, the Pacific Rim, northern Africa and northern Europe. Mr Edwards was responsible for the discovery of significant gold resources in the Southern Cross Province of Western Australia for Samantha Gold and the identification of project opportunities that resulted in Dragon Mining becoming an established gold producer in the Nordic Region. Mr Edwards is currently Chief Geologist for HKEX listed Dragon Mining Limited and Non-Executive Director for Tanami Gold NL (ASX: TAM).

Ms Jutta Zimmermann

Dip AQF, Dip IT, GradDipACG, FGIA, FCIS

Position: Company Secretary

Qualifications and Experience:

Ms Zimmermann is an accountant (Australian AQF diploma level) with over 30 years' of Australian and international industry experience encompassing accounting, company secretarial, government and community liaison, business development and corporate administration management. She holds a diploma in information technology (Australian bachelor degree level) and a graduate diploma in applied corporate governance. Ms Zimmermann holds the position of Chief Financial Officer and Company Secretary with the Company. She is a fellow of the Governance Institute of Australia and is a Director of two of Prodigy Gold's subsidiaries.

Directors' Meetings

The Company had no Board committees during the financial year. The number of meetings of the Group's Board of Directors held during the year ended 30 June 2023, and the number of meetings attended by each Director were:

Directors	Board Meetings	
	Eligible to Attend	Attended
Mr Gerard McMahon	5	5
Mr Mark Edwards	5	5
Mr Brett Smith	5	5
Mr Neale Edwards	5	5

Interests in Shares and Share Rights of the Company

At the date of this report, the interests of the Directors in the shares and share rights of the Group were as follows:

Directors	Fully Paid Ordinary Shares	Unlisted Options
Mr G McMahon	-	-
Mr M Edwards	-	2,000,000
Mr B Smith	1,982,142	1,500,000
Mr N Edwards	-	-

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DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This Remuneration Report outlines the Director's and the Group's key management personnel remuneration arrangements in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report, key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

Voting at the Company's 2022 Annual General Meeting

The Company received 0.52% (2021: 49.15%) of votes against its remuneration report for the 2022 financial year at the 2022 AGM. The resolution was passed (2021: not passed), as more than 75% of the votes were cast in favor of the resolution.

Remuneration Principles

Remuneration levels are set with the objective of attracting and retaining appropriately qualified and experienced staff. Remuneration packages are structured to recognise, encourage and reward improved performance and business growth, balanced between short-term and long-term goals. Benchmarking is undertaken where considered appropriate to ensure remuneration packages are competitively positioned in the market.

Non-Executive Director Remuneration

Non-Executive Directors' fees are set by the Board within the maximum aggregate amount of fees approved by shareholders at a general meeting. Non-Executive Directors are not entitled to retirement benefits other than statutory superannuation or other statutory required benefits. The remuneration of Non-Executive Directors is fixed for each individual Director taking into account market rates for comparable companies for time, commitment, responsibilities and accountability.

The available Non-Executive Directors' fees pool is currently \$400,000. As at 30 June 2023 the Company utilised \$141,117 (2022: \$120,000) of the pool.

Performance evaluations of the Board are usually undertaken annually with a view to comparing the performance of the Board and Directors against their relevant Charters and their interactions with and performance of management. A internal self-assessment of the Board's performance for the year was finalised during June 2023.

Key Management Personnel Remuneration including the Managing Director

The key management personnel remuneration framework has three components and the combination of these comprise the key management personnel's total remuneration:

- Base salary and benefits
- Short-term incentives at the Board's discretion
- Long-term incentives at the Board's discretion

Base Salary and Benefits

Executive Directors, key management personnel and employees are offered a fixed base salary and benefits. Base salary and benefits are usually reviewed every year to ensure the employee's remuneration is competitive with the market. Employment contracts do not guarantee increases in base salary and benefits. The Executive Directors, key management personnel and employees receive the superannuation guarantee contribution required by the government, which was 10.5% during the reporting period, and do not receive any other retirement benefits. Other benefits include personal accident (working directors) insurance and other fringe benefits.

Use of Remuneration Consultants

Due to the size of the Company's operations, the Company has not engaged remuneration consultants to review and measure its remuneration policy and strategy. However, the Board reviews remuneration strategy periodically and, if required, will engage remuneration consultants in the future to assist with this process.

DIRECTORS' REPORT

Short-Term Incentives

The objective of short-term incentives is to align the interests of Executive Directors, key management personnel and employees with those of the shareholders through the payment of short-term incentives linked to pre-agreed targets. The targets include, where appropriate meeting budget forecasts, occupational health and safety measures, relationship management, exploration success, staff retention, compliance and formulating company strategies. Short-term incentives are designed to incentivise and reward individual contribution to achieving overall performance. No discretionary short-term incentive cash bonuses have been granted during the year, or the preceding six years.

Long-Term Incentives

All long-term and equity incentives must be linked to predetermined performance and/or continuity criteria. Long-term incentives are designed to align Executive Directors, key management personnel and employee's interest with the Company's longer term objectives of growth in market capitalisation, earnings per share, share performance compared to peer companies, exploration and strategic success. The Board may exercise its discretion in relation to approving incentives, including equity participation. The policy is designed to attract high calibre key management personnel and reward them for performance. Key management personnel are also entitled to participate in employee share or option arrangements. No discretionary long-term incentive cash bonuses have been granted during the year. Executive management received options during the financial year, with details provided in Note 17, and prior year options all vested during the financial year due to a change of control.

Performance Evaluation

There was no performance based cash remuneration paid during the year but the Company may in future grant, as part of each Executive Director and key management personnel's remuneration package, a performance-based component, consisting of cash bonuses and/or incentives, including equity participation (refer to Note 17), linked to the achievement of key performance indicators (KPIs) and taking into account experience, qualifications and length of service. No performance based cash remuneration has been granted during the year, or the preceding six years.

Company Performance

The following table shows the gross revenue and interest, losses and dividends for the last five years for the listed entity, as well as the share price at the end of the respective financial years.

	2019	2020	2021	2022	2023
Revenue and interest	168,037	205,300	82,419	17,535	240,297
Net loss	5,004,727	5,620,204	4,807,264	7,620,360	5,218,298
Share price at year-end	0.089	0.045	0.04	0.013	0.008
Dividend paid	-	-	-	-	-
Loss per share (cents)	(1.09)	(1.00)	(0.83)	(1.31)	(0.37)

Key Management Personnel

The following persons were key management personnel of the Group during the financial year:

Key Management Personnel	Position	Commencement of Position
Mr G McMahon	Non-Executive Chairman	29 November 2021
Mr M Edwards	Managing Director	1 May 2022
Mr B Smith	Executive Director	9 May 2016
Mr N Edwards	Non-Executive Director	29 November 2021
Ms J Zimmermann	CFO / Company Secretary	1 June 2005

DIRECTORS' REPORT

Details of Remuneration

Details of compensation for key management personnel ("KMP") and Directors of the Group are set out below:

2023	Short-Term Employee Benefits			Post-Employment Super-annuation	Long-Term Benefits Long Service Leave ²⁾	Share-based Payments Options ³⁾	Termination Benefits	Total	Proportion of Remuneration that is at Risk
	Cash Salary and Fees	Cash Bonus	Annual Leave ¹⁾						
Directors									
Mr G McMahon	57,625	-	-	6,050	-	-	-	63,675	0%
Mr M Edwards	325,000	-	15,000	27,500	5,200	6,658 ⁵⁾	-	379,358	0%
Mr B Smith ⁴⁾	38,416	-	-	4,034	-	3,154	-	45,604	6.9%
Mr N Edwards	28,812	-	-	3,026	-	-	-	31,838	0%
Total Directors	449,853	-	15,000	40,610	5,200	9,812	-	520,475	
Other KMP									
Jutta Zimmermann	220,000	-	16,711	23,100	3,520	29,422	-	292,753	10%
Total Other	220,000	-	16,711	23,100	3,520	29,422	-	292,753	
Total	669,853	-	31,711	63,710	8,720	39,234	-	813,228	

¹⁾ Annual leave relates to movements in annual leave provisions during the year.

²⁾ Long service leave relates to movements in long service leave provisions during the year.

³⁾ These amounts are accounting accruals required under accounting standards and have not actually been paid during the year, nor do they reflect the benefit (if any) that KMP may ultimately receive. The share-based payments are options expensed based on vesting conditions (refer to Note 17 in the consolidated financial statements).

⁴⁾ Mr Smith held the role of executive director to 29 November 2022. His role reverted to the position of non-executive director on that date.

⁵⁾ M Edwards received executive options which are not classified as remuneration at risk.

2022	Short-Term Employee Benefits			Post-Employment Super-annuation	Long-Term Benefits Long Service Leave ²⁾	Share-based Payments Options	Termination Benefits	Total	Proportion of Remuneration that is at Risk
	Cash Salary and Fees	Cash Bonus	Annual Leave ¹⁾						
Directors									
Mr G McMahon	31,818	-	-	3,182	-	-	-	35,000	0%
Mr M Edwards	54,167	-	-	5,416	-	-	-	59,583	0%
Mr B Smith	36,363	-	-	3,637	-	9,759	-	49,759	19.6%
Mr N Edwards	15,909	-	-	1,591	-	-	-	17,500	0%
Mr T McKeith	13,636	-	-	1,364	-	-	-	15,000	0%
Mr M Briggs	164,663	-	2,484	14,591	2,656	-	57,542	241,936	0%
Mr M Stirzaker	11,363	-	-	1,137	-	-	-	12,500	0%
Total Directors	327,919	-	2,484	30,918	2,656	9,759	57,542	431,278	
Other KMP									
Jutta Zimmermann	220,000	-	2,555	27,119	3,520	54,854	-	308,048	17.8%
Total Other	220,000	-	2,555	27,119	3,520	54,854	-	308,048	
Total	547,919	-	5,039	58,037	6,176	64,613	57,542	739,326	

¹⁾ Annual leave relates to movements in annual leave provisions during the year.

²⁾ Long service leave relates to movements in long service leave provisions during the year.

DIRECTORS' REPORT

Options and Shares Issued as Part of Remuneration

Options valued at \$39,234 (2022: \$64,613) were issued to KMP during the year ended 30 June 2023 and all remaining prior year options vested during the financial year. For further detail refer to Note 17.

Employment Contracts of Directors and Other Key Management Personnel

Remuneration and other terms of engagement for Non-Executive Directors are formalised in service agreements. The agreement summarises the Board policies and terms, including compensation relevant to the office of Director.

The employment contracts of Executive Directors and Other KMP stipulate a range of one to six month resignation notification periods. The Company may terminate an employment contract without cause by providing a range of one to three-month written notice or making payment in lieu of notice based on the individual's annual salary component. In the instance of serious misconduct the Company can terminate employment at any time. Other material provisions of the agreements relating to remuneration are set out below.

Non-Executive Directors

The base fees for the Non-Executive Chairman is \$60,000 per year. The base fee for non-executive Directors is \$30,000 per year. The base fee for a temporary executive role by Brett Smith is \$40,000 per year. This role reverted back to a non-executive director role on 29 November 2022. Mr Smith will receive a \$30,000 base fee commencing 1 July 2023.

Base fees for directors (other than the managing director) were including superannuation until 30 November 2022 and, commencing 1 December 2022, superannuation was added to the base fee.

Mr M Edwards, Managing Director

- Term of agreement – 4 year contract commencing 1 May 2022;
- Base salary, exclusive of superannuation (capped at concessional contribution cap), \$325,000 per year;
- 2 Million options equal to 145% of the 5 day VWAP prior to 8 February 2022 – these executive options were shareholder approved at the 2022 AGM;
- Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equals 3 month salary, or for termination without reason 6 months salary;
- Notice period varies between no notice if mutually agreed and six month notice by the Company or the executive without reason.

Ms J Zimmermann, CFO and Company Secretary

- Term of agreement – 2 year contract commencing 1 July 2012, contract extended automatically;
- Base salary, exclusive of superannuation, \$220,000 per year;
- Options may be issued at the discretion of the Directors (see Note 17);
- Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equals 6 month salary and, in the event of a takeover, equals 9 month salary;
- Notice period varies between no notice if mutually agreed and three month notice by the Company and 4 month notice by the executive without reason.

Additional Disclosure Relating to Key Management Personnel

Share-Based Payments

Fair values at grant date are independently determined using a Black-Scholes option pricing model for non-market conditions that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Refer to Note 17 of the financial statements for more information on options provided as part of remuneration to the Directors and key management personnel.

DIRECTORS' REPORT

Options issue to KMP's during the Reporting Period

The Group agreed to issue 2 million option equal to 145% of the 5 day VWAP prior to 8 February 2022 to a KMP, which were subsequently approved by shareholders at the 2022 AGM.

During the reporting period, the Group issued 2,000,000 Options to the managing director following shareholder approval at the AGM held on 29 November 2022. The exercise price of the Options was to be calculated at a premium of 145% to the 5 day VWAP of Prodigy Gold's share price immediately prior to 8 March 2022. The Options vested on the grant date.

Employee Options	Tranche 1
Number of Options to be granted	2,000,000
Number of Options vested	2,000,000
Fair Value at grant date	\$0.003
Exercise price	\$0.038
Price at agreement date	\$0.026
Issue date	29 November 2022
Expiry date	1 May 2026
Vesting date (subject to Option issue)	29 November 2022
Expected price volatility of Options	82.4%
Risk free interest rate	3.24%

During the period \$6,658 of expense was recorded relating to these key management personnel options.

Shareholding

No shares were issued by the Company to KMP as remuneration during the financial year. Details of shares held directly, indirectly or beneficially by Directors and KMP and their related parties are as follows:

Name	Balance at the Start of the Year	Received as Part of Remuneration	Additions	Exercise of Options	Balance at the End of the Year
Mr G McMahon	-	-	-	-	-
Mr M Edwards	100,000	-	-	-	100,000
Mr B Smith ¹⁾	660,714	-	1,321,428	-	1,982,142
Mr N Edwards	-	-	-	-	-
Ms J Zimmermann	2,001,145	-	600,000	2,350,000	4,951,145
	2,761,859	-	1,921,428	2,350,000	7,033,287

¹⁾ Mr Smith is a nominee of APAC Resources Limited who are a substantial shareholder of Prodigy Gold.

Option Holding

Directors and other KMP of the Group, including their personally related parties, hold options over ordinary shares in the Company.

Name	Balance at the Start of the Year	Received as Part of Remuneration	Additions	Disposals / Exercise of Options	Balance at the End of the Year	Vested at the End of the Year
Mr G McMahon	-	-	-	-	-	-
Mr M Edwards	-	2,000,000	-	-	2,000,000	2,000,000
Mr B Smith	1,500,000	-	-	-	1,500,000	1,500,000
Mr N Edwards	-	-	-	-	-	-
Ms J Zimmermann	2,350,000	-	-	(2,350,000)	-	-
	3,850,000	2,000,000	-	(2,350,000)	3,500,000	3,500,000

DIRECTORS' REPORT

Loans to Directors and Other Key Management Personnel

No loans to Directors and other key management personnel of the Group were provided in 2023 (2022: NIL).

Other Transactions with Directors and Other Key Management Personnel

The terms and conditions of transactions with Directors, other key management personnel and their related parties and entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions with non-Director related parties and entities on an arm's length basis.

This concludes the Remuneration Report, which has been audited.

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DIRECTORS' REPORT

Insurance of Officers and Indemnities

During the financial year, the Company paid an insurance premium in respect of a contract insuring the Directors and executive officers of the Company and its related entities against a liability incurred as such a Director or executive officer to the extent permitted by the Corporations Law. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify an officer of the Company or any of its related entities against a liability incurred by such an officer.

Proceeding on Behalf of the Company

No person has applied to the Court under Section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the *Corporations Act 2001*.

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on behalf of the auditor), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. Payments for non-audit services were \$21,365 (2022: \$18,536) and are detailed in Note 15.

The Directors are satisfied that the provision of non-audit services by the auditor, as set out above, did not compromise the auditor independence requirements of *the Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 39.

Auditor

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 and the *Corporation Act 2001*.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors



MARK EDWARDS
Managing Director

Dated this 15th day of August 2023
Perth, Western Australia

CORPORATE GOVERNANCE STATEMENT

In February 2019, the ASX Corporate Governance Council released a fourth edition of the ASX Corporate Governance Council's Principles and Recommendations (ASX Principles) which took effect for an entity's first full financial year commencing on or after 1 January 2021. The Company has undergone a full review of its corporate governance policies during the financial year ended 30 June 2021 and amended its disclosures in compliance with the new ASX Principles effective 1 July 2021. An annual review has been undertaken during June 2023.

The Group's Corporate Governance Statement for the year ended 30 June 2023 (which reports against these ASX Principles) may be accessed from the Company's website at www.prodigygold.com.au/about-prodigy-gold/corporate-governance.

The Group's ESG (Environmental Social Governance) Statement for the year ended 30 June 2023 may also be accessed from the Company's website at www.prodigygold.com.au/about-prodigy-gold/corporate-governance.

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DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF PRODIGY GOLD NL

As lead auditor of Prodigy Gold NL for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Prodigy Gold NL and the entities it controlled during the period.



Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth

15 August 2023

ANNUAL FINANCIAL REPORT

The financial statements of Prodigy Gold NL for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors on 15 August 2023 and cover the consolidated entity consisting of Prodigy Gold NL and its subsidiaries as required by the *Corporations Act 2001*. Limited financial information for Prodigy Gold NL as an individual entity is included in Note 22.

The financial statements are presented in Australian currency.

Prodigy Gold NL is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The address of the registered office and principal place of business is:

Prodigy Gold NL
Level 1, 67 Smith Street
DARWIN NT 0800

A description of the nature of the Group's operations and its principal activities is included in the review of operations and activities on pages 5 to 24 and in the Directors' Report on pages 28 to 37, both of which are not part of this financial statement.

Through the use of the internet, we have ensured that our corporate reporting is timely and complete. All press releases, financial reports and other information are available on our website: www.prodigygold.com.au

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ANNUAL FINANCIAL REPORT

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Consolidated	
		2023 \$	2022 \$
Interest		240,297	17,535
Other income	2	71,242	343,726
Administrative expenses			
Employee and Directors benefits expenses	3	(602,760)	(475,207)
Share-based payments	3	(44,200)	(68,368)
Depreciation	3	(13,538)	(10,575)
Other expenses		(607,130)	(658,982)
Exploration expenses	3	(3,705,717)	(5,103,292)
Impairment of capitalised exploration and evaluation expenditure	8	(556,492)	(1,665,197)
Loss before income tax expense		(5,218,298)	(7,620,360)
Income tax expense	4(a)	-	-
Loss for the year		(5,218,298)	(7,620,360)
Loss attributable to members of Prodigy Gold NL		(5,218,298)	(7,620,360)
Other comprehensive income		-	-
Total other comprehensive income for the year		-	-
Total comprehensive loss for the year		(5,218,298)	(7,620,360)
Total comprehensive loss for the year attributable to members of Prodigy Gold NL		(5,218,298)	(7,620,360)
Basic and diluted loss per share attributable to the ordinary equity holders of the Company			
Basic and diluted loss per share (cents per share)	21	(0.37)	(1.31)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	Consolidated	
		2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	6,052,764	2,395,333
Other receivables	6	500,003	629,845
Inventories		21,306	4,306
Available for Sale Assets	7	5,623,950	5,623,950
Other current assets		167,791	131,954
TOTAL CURRENT ASSETS		12,365,814	8,785,388
NON-CURRENT ASSETS			
Term deposits	6	2,481,051	2,509,484
Property, plant and equipment		420,090	108,702
Exploration and evaluation expenditure	8	1,735,493	2,291,985
TOTAL NON-CURRENT ASSETS		4,636,634	4,910,171
TOTAL ASSETS		17,002,448	13,695,559
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	686,267	666,261
Borrowings	9	-	2,500,000
Employee benefits		229,028	175,921
TOTAL CURRENT LIABILITIES		915,295	3,342,182
NON-CURRENT LIABILITIES			
Provisions	11	1,523,923	1,563,660
TOTAL NON-CURRENT LIABILITIES		1,523,923	1,563,660
TOTAL LIABILITIES		2,439,218	4,905,842
NET ASSETS		14,563,230	8,789,717
EQUITY			
Contributed equity	12	198,197,192	187,260,818
Reserves	13(a)	1,893,413	1,955,984
Accumulated losses		(185,527,375)	(180,427,085)
TOTAL EQUITY		14,563,230	8,789,717

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Consolidated	
		2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Expense re-imbursments from JV Partners		751,980	90,909
Payments to suppliers and employees		(1,070,734)	(1,106,305)
Interest received		199,623	16,477
Government Grants		163,992	45,632
Payments for exploration		(3,659,767)	(4,957,385)
Payments for JV Projects		(763,519)	(509,734)
Net cash (outflow) from operating activities	20	(4,378,425)	(6,420,406)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(364,236)	(36,198)
Proceeds from sale of property, plant and equipment		682	-
Proceeds from sale of exploration and evaluation assets		-	200,000
Net cash inflow / (outflow) from investing activities		(363,554)	163,802
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from / (Repayment of) borrowings		(2,500,000)	2,500,000
Refund of security deposits (cash-back)		28,433	-
Borrowing cost		(65,397)	(104,697)
Proceeds from issue of shares		11,652,552	-
Share issue costs		(716,178)	(1,250)
Net cash inflow from financing activities		8,399,410	2,394,053
Net increase/(decrease) in cash and cash equivalents		3,657,431	(3,862,551)
Cash and cash equivalents at beginning of year		2,395,333	6,257,884
Cash and cash equivalents at end of year	5	6,052,764	2,395,333

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Contributed Equity \$	Share-based Payment Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2021		187,262,068	2,412,399	(173,380,583)	16,293,884
Comprehensive income for the year					
Loss for the year		-	-	(7,620,360)	(7,620,360)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(7,620,360)	(7,620,360)
Transaction with owners in their capacity as owners:					
Shares Issued	12(a)	-	-	-	-
Transaction costs	12(a)	(1,250)	-	-	(1,250)
Share-based payments transfer	13(a)	-	(573,858)	573,858	-
Share-based payments	13(a)	-	117,443	-	117,443
Total transactions with owners		(1,250)	(456,415)	573,858	116,193
Balance at 30 June 2022		187,260,818	1,955,984	(180,427,085)	8,789,717
Comprehensive income for the year					
Loss for the year		-	-	(5,218,298)	(5,218,298)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(5,218,298)	(5,218,298)
Transaction with owners in their capacity as owners:					
Shares issued	12(a)	11,652,552	-	-	11,652,552
Transaction costs	12(a)	(716,178)	-	-	(716,178)
Share-based payments transfer	13(a)	-	(118,008)	118,008	-
Share-based payments	13(a)	-	55,437	-	55,437
Total transactions with owners		10,936,374	(62,571)	118,008	10,991,811
Balance at 30 June 2023		198,197,192	1,893,413	(185,527,375)	14,563,230

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SEGMENT INFORMATION

The full Board of Directors, who are the chief operating decision makers, identified one operating segment reportable as exploration for the Group.

NOTE 2: OTHER INCOME

	Consolidated	
	2023	2022
	\$	\$
Expense re-imbursements from JV Partners	364	29,353
Sale of Exploration Interests	-	150,000
Sale of Fixed Assets	682	-
Government Grants	70,196	164,373
	<u>71,242</u>	<u>343,726</u>

Accounting Policy: Other income revenue is recognised when it is received or when the right to receive payment is established.

NOTE 3: EXPENSES

	Consolidated	
	2023	2022
	\$	\$
Employee and Directors' benefits expense	1,899,627	1,571,765
Less: Amounts included in exploration expenses	(1,296,867)	(1,096,558)
	<u>602,760</u>	<u>475,207</u>
Share-based payment expense	55,437	117,443
Less: Amounts included in exploration expenses	(11,237)	(49,075)
	<u>44,200</u>	<u>68,368</u>
Depreciation expense	52,848	36,859
Less: Amounts included in exploration expenses	(39,310)	(26,284)
	<u>13,538</u>	<u>10,575</u>
Allowance for expected credit loss	-	467,928
Less: Amounts included in exploration expenses	-	(467,928)
	<u>-</u>	<u>-</u>
Exploration expenses:		
Employee benefit expense	1,296,867	1,096,558
Share-based payment expense	11,237	49,075
Depreciation expense	39,310	26,284
Allowance for expected credit loss	-	467,928
Other exploration expenses	2,358,303	3,463,447
	<u>3,705,717</u>	<u>5,103,292</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 4: INCOME TAX EXPENSE

	Consolidated	
	2023 \$	2022 \$
a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>
b) Reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	(5,218,298)	(7,620,360)
Tax at the Australian tax rate of 25% (2022: 25%)	(1,304,574)	(1,905,090)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-assessable income	-	-
Share-based payments	11,050	29,361
Other permanent differences	694	749
Adjustment in respect of prior year	7,248	-
	<u>(1,285,582)</u>	<u>(1,874,980)</u>
Deferred tax assets not brought to account	1,285,582	1,874,980
Income tax expense	<u>-</u>	<u>-</u>
The applicable weighted average effective tax rates	0%	0%
The Group made an election to form a tax-consolidated group from 1 July 2003. As a consequence, the transactions between the member entities will be ignored.		
c) Deferred tax liability		
Exploration and evaluation expenditure	405,167	637,638
Temporary difference	47,275	31,747
	<u>452,442</u>	<u>669,385</u>
Off-set of deferred tax assets	(452,442)	(669,385)
Net deferred tax liability recognised	<u>-</u>	<u>-</u>
d) Unrecognised deferred tax assets arising on timing		
Tax losses	40,341,888	38,982,886
Temporary differences	446,783	551,744
Expenses taken into equity	181,706	80,207
	<u>40,970,377</u>	<u>39,614,837</u>
Off-set of deferred tax liabilities	(452,442)	(669,385)
Net deferred tax assets not brought to account	<u>40,517,935</u>	<u>38,945,452</u>

No deferred tax assets have been recognised as it is not probable that future tax profits will be available to offset these balances.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 4: INCOME TAX EXPENSE cont'd

Accounting Policy

Income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are not brought to account unless realisation of the asset is probable. Deferred tax assets in relation to tax losses are not brought to account unless it is probable that the benefit will be utilised.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Tax consolidation legislation

Prodigy Gold NL and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. The Parent Entity, Prodigy Gold NL, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

Accounting estimates and judgements

Income taxes

The Group is subject to income taxes in Australia. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

NOTE 5: CASH AND CASH EQUIVALENTS

	Consolidated	
	2023	2022
	\$	\$
Cash at bank and in hand	6,052,764	2,395,333
	<u>6,052,764</u>	<u>2,395,333</u>

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 6: TERM DEPOSITS AND OTHER RECEIVABLES

	Consolidated	
	2023	2022
	\$	\$
CURRENT		
Other receivables (Note 6(a))	500,003	629,845
	<u>500,003</u>	<u>629,845</u>
NON-CURRENT		
Bond term deposit and DITT Cash Bonds	2,481,051	2,509,484
	<u>2,481,051</u>	<u>2,509,484</u>

(a) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group and are predominantly receivables from joint venture partners for expense re-imburements and transactions relating to available for sale assets.

Accounting estimates and judgements

The Group's other receivables and financial assets were subject an assessment under AASB 9 as at 30 June 2023. The assessment took into account the likelihood of an impairment event occurring in the future for Prodigy Gold's debtors and other debtor. This assumption includes the assessment of the ability of other debtors to pay.

NOTE 7: AVAILABLE FOR SALE ASSETS

	Consolidated	
	2023	2022
	\$	\$
CURRENT		
Fixed assets held for sale	5,349	5,349
Exploration, evaluation and development assets held for sale	5,618,601	5,618,601
	<u>5,623,950</u>	<u>5,623,950</u>

Fixed assets and exploration, evaluation and development assets

A multitude of tenements for the Bonanza area of interest are subject to a sales agreement with Stockton Mining signed in April 2022. As part of the agreement various fixed assets will be transferred to Stockton Mining. Until such time as the agreement is completed and all conditions precedent have been fulfilled, the written down value of these assets has been classified to current assets held for sale in accordance with AASB 5.

On completion of the transaction with Stockton Mining the environmental liabilities of the Group are due to reduce by \$1,410,995 and a total amount of \$1,726,952 of restricted cash held in term deposits is due to become unrestricted cash.

Accounting Policy

Current and non-current classification assets and liabilities are presented in the statement of financial position based on current and non-current classification.

The Company classifies an asset as current available for sale assets when it is either expected to be realised or intended to be sold and is expected to be realised within 12 months after the reporting period.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 8: EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	Consolidated	
	2023	2022
	\$	\$
Carrying amount at the beginning of reporting period	2,291,985	9,575,783
Less: Impairment expense	(556,492)	(1,665,197)
Less: Re-classification to available for sale asset	-	(5,618,601)
Carrying amount at the end of reporting period	1,735,493	2,291,985

Accounting Policy

Acquired exploration and evaluation assets are carried at acquisition value less any subsequent impairment. All exploration and evaluation expenditure, subsequent to initial acquisition, is expensed until the Directors conclude that the technical feasibility and commercial viability of extracting a Mineral Resource are demonstrable and that future economic benefits are probable. In making this determination, the Directors consider the extent of exploration, the proximity to existing mine or development properties as well as the degree of confidence in the mineral resource.

No amortisation is charged during the exploration and evaluation phase. Amortisation is charged upon commencement of commercial production. Exploration and evaluation assets are tested for impairment triggers annually and if there is an indicator of impairment under AASB 6 *Exploration for and Evaluation of Mineral Resources*, the area of interest is tested for impairment under AASB 136 *Impairment of Assets*. Upon establishment of commercially viable mineral resources, exploration and evaluation assets are tested for impairment.

Accounting estimates and judgements

The Group undertook an assessment for impairment triggers of its exploration assets. Some non-core tenements were impaired in accordance with AASB 6 due to the Group not intending to undertake further exploration on the tenements and divestment efforts to date not resulting in any serious offers.

The balances of the exploration assets as at 30 June 2023 are considered to be recoverable on the basis that the Group holds rights to tenure and has undertaken, and will continue to undertake, significant exploration on the remaining exploration assets. Following this assessment, the Group recognised an impairment charge to exploration and evaluation expenditure totaling \$556,492 (2022: \$1,086,232) and for the Stockton Mining transaction totaling NIL (2022: \$578,965).

NOTE 9: BORROWINGS

	Consolidated	
	2023	2022
	\$	\$
CURRENT LIABILITIES (Unsecured)		
Borrowings	-	2,500,000
	-	2,500,000

The initial repayment term of the unsecured loan facility with Mount Sun Investments Limited was 6 months, which was subsequently extended by an additional 3-month period. The interest rate equals the BBSY (Bid) of Australia plus 1% p.a. The loan was fully repaid during October 2022. Information about the Group's exposure to liquidity risk is provided in Note 14.

Accounting Policy

Loans and borrowings are initially recognised at the fair value of the consideration received. They are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated	
	2023	2022
	\$	\$
CURRENT LIABILITIES (Unsecured)		
Trade payables	506,750	248,027
Sundry payables and accrued expenses	179,517	418,234
	<u>686,267</u>	<u>666,261</u>

Information about the Group's exposure to liquidity risk is provided in Note 14.

Accounting Policy

These amounts represent unpaid liabilities for goods and services provided to the Group prior to the end of financial year and liabilities to government departments offset by government grants. Trade and other payables are recognised initially at fair value and subsequently at amortised cost.

NOTE 11: PROVISIONS

	Consolidated	
	2023	2022
	\$	\$
NON-CURRENT		
Exploration and mine restoration	1,523,923	1,563,660
	<u>1,523,923</u>	<u>1,563,660</u>

Movement in rehabilitation provisions

Movement in rehabilitation provisions during the current financial year are set out below:

	Consolidated	
	2023	2022
	\$	\$
Opening balance	1,563,660	1,694,521
Additional provisions	7,163	12,966
Less amounts reversed	(46,900)	(143,827)
Closing balance	<u>1,523,923</u>	<u>1,563,660</u>

Accounting Policy

Long-term environmental obligations are based on the Group's environmental management plans, in compliance with current environmental and regulatory requirements. Full provision is made based on the value of the estimated cost of restoring the environmental disturbance that has occurred up to the reporting date. The restoration provision relates to exploration, evaluation and development expenditure and rehabilitation relating to the mining lease.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11: PROVISIONS cont'd

Accounting estimates and judgements

Rehabilitation obligation

The Group estimates the future rehabilitation costs of the site and exploration locations taking into consideration facts and circumstances available at statement of financial position date. A provision has been recognised for the cost to be incurred for the restoration of mine and exploration sites based on the estimated cost. The estimated cost is determined to be the equivalent to the bonds provided to the relevant government departments, reduced by restoration work completed and then increased by a correction factor. The bonds provided are calculated by the government by allocating rehabilitation cost to activities proposed in a mine management plan submitted to the department. Restoration work is completed on an ongoing basis.

NOTE 12: CONTRIBUTED EQUITY

(a) Ordinary Shares

Details	Date	Number of Shares	Issue Price \$	Value \$
Opening balance	1 July 2021	580,627,606		187,262,068
Share placement ¹⁾	28 September 2021	2,000,000		-
Transaction costs relating to share issues		-		(1,250)
Closing balance	30 June 2022	582,627,606		187,260,818
Share placement	3 October 2022	447,707,987	0.01	4,477,080
Share placement	17 October 2022	626,347,225	0.01	6,263,472
Share placement	24 October 2022	91,200,000	0.01	912,000
Share placement ¹⁾	4 May 2023	2,725,000		-
Share placement ¹⁾	15 May 2023	500,000		-
Transaction costs relating to share issues		-		(716,178)
Closing balance	30 June 2023	1,751,107,818		198,197,192

¹⁾ Conversion of employee share options to shares on exercise at a zero exercise price

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(b) Options

The number of unlisted options of the Company as at 30 June 2023 is 5,500,000 (2022: 6,725,000). For further details refer to Note 17.

Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity re-acquires its own equity instruments, for example as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 13: RESERVES

(a) Reserves

	Consolidated	
	2023 \$	2022 \$
Share-based payment reserve	1,893,413	1,955,984
	<u>1,893,413</u>	<u>1,955,984</u>

Movements in reserves

	Share-based payment reserve \$
Balance at 1 July 2021	2,412,399
Share-based payments expired and transferred to accumulated losses	(573,858)
Share-based payments expense (refer to Note 17)	117,443
Balance at 30 June 2022	<u>1,955,984</u>
Share-based payments transferred to accumulated losses on exercise ¹⁾	(118,008)
Share-based payments expense (refer to Note 17) ²⁾	55,437
Balance at 30 June 2023	<u>1,893,413</u>

- 1) During the financial year, 3,225,000 options were exercised and a previously recognised amount of \$118,008 was transferred to accumulated losses
- 2) During the financial year, 2,000,000 options were issued and all remaining outstanding options vested on a change of control following the share placements in October 2022

(b) Nature and purpose of share-based payment reserve

The share-based payment reserve is used to recognise the fair value of options issued as consideration for services provided. These amounts are accounting accruals required under accounting standards and have not actually been paid during the year, nor do they reflect the benefit (if any) that may ultimately be received.

Refer to Note 17 to the financial statements for more information on options provided as part of remuneration to the Directors, key management personnel and employees.

NOTE 14: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management is addressed within an evaluative process at Board meetings.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 14: FINANCIAL RISK MANAGEMENT cont'd

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

The Group is subject to certain financing arrangement covenants, and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Market Risk - Interest rate risk

Interest rate risk for the Group is considered to be minimal. The Group had no material interest attracting debts, other than the borrowings, at 30 June 2022 which were repaid during October 2022. Assets are managed with a mixture of short term and at call investments. All other receivables are non-interest bearing.

The Group's exposure to interest rate risk relates primarily to the Group's cash and cash equivalents as detailed in the table below. A sensitivity analysis has been determined based on the exposure to interest rates at reporting date with the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturing			Non-Interest Bearing \$	Total \$
			< 1 year \$	1 - 5 year \$	> 5 years \$		
30 June 2023							
Financial Assets:							
Cash and bonds	3.01%	6,052,764	-	-	-	-	6,052,764
Receivables		-	-	-	-	500,003	500,003
Total financial assets		6,052,764	-	-	-	500,003	6,552,767
Financial Liabilities:							
Payables		-	-	-	-	686,267	686,267
Total financial liabilities		-	-	-	-	686,267	686,267
30 June 2022							
Financial Assets:							
Cash and bonds	0.14%	2,395,333	-	-	-	-	2,395,333
Receivables		-	-	-	-	629,845	629,845
Total financial assets		2,395,333	-	-	-	629,845	3,025,178
Financial Liabilities:							
Borrowings	0.31%	-	2,500,000	-	-	-	2,500,000
Payables		-	-	-	-	666,261	666,261
Total financial liabilities		-	2,500,000	-	-	666,261	3,166,261

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 14: FINANCIAL RISK MANAGEMENT cont'd

Based on the financial instruments held at 30 June 2023, should the interest rate weaken/strengthen by 100 basis points against the effective interest rate with all other variables held constant, post-tax loss for the year would have been \$60,528 higher/\$60,528 lower (2022: \$23,953 higher/\$23,953 lower).

Credit Risk

Credit risk is managed on a Group basis. Credit risk is a risk of financial loss if the Group's counterparties are failing to discharge their obligation in respect to the Group's financial instruments held in those counterparties. Credit risk mainly arises from cash, cash equivalents, deposits with banks and receivables. The Group deposits its fund only with prudent banks with the minimum rating of "A", and the management believes they are fully recoverable from the banks when due. The Group has provided for a total of NIL (2022: NIL) for past due receivables.

Credit risk further arises in relation to financial guarantees given to certain parties (see Note 16 for details). The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised in the table below.

	Consolidated	
	2023 \$	2022 \$
Cash at bank	6,052,764	2,395,333
Bonds term deposit and bonds	2,481,051	2,509,484
Receivables	500,003	629,845

Liquidity Risk

The Group has prudent liquidity risk management which includes maintaining sufficient funds to meet operational and exploration expenditure when they are due for payment, and the availability of funding through an adequate amount of committed fund sources. The Group and Parent Entity manage liquidity risk by continuously monitoring forecasts and actual cash flows.

The Directors of the Group place high importance on capital raising strategies and investor relations. Strategies pursued include road shows, company presentation to fund managers and sophisticated investors and consideration of strategic partnerships.

Maturities of financial liabilities

	< 6 months \$	6 - 12 months \$	1 - 2 years \$	2 - 5 years \$	> 5 years \$	Total	Carrying
						Contractual Cash Flows \$	Amount \$
30 June 2023							
Non-derivatives							
Non-interest bearing	686,267	-	-	-	-	686,267	686,267
Interest bearing	-	-	-	-	-	-	-
Total non-derivatives	686,267	-	-	-	-	686,267	686,267
30 June 2022							
Non-derivatives							
Non-interest bearing	666,261	-	-	-	-	666,261	666,261
Interest bearing	2,500,000	-	-	-	-	2,500,000	2,500,000
Total non-derivatives	3,166,261	-	-	-	-	3,166,261	3,166,261

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 14: FINANCIAL RISK MANAGEMENT cont'd

The table above analyses the Group's and the Parent Entity's financial liabilities into relevant maturity periods based on the remaining period at balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

NOTE 15: AUDITOR'S REMUNERATION

	Consolidated	
	2023	2022
	\$	\$
a) Audit services		
BDO	47,811	42,567
Total remuneration of audit services	47,811	42,567
b) Non-audit services		
BDO – Tax compliance services	21,365	18,536
Total remuneration of non-audit services	21,365	18,536

NOTE 16: CONTINGENCIES

Environmental

The Group provides for all known environmental liabilities. While the Directors believe that, based upon current information, its current provisions for the environmental rehabilitation are adequate, there can be no assurance that material new provisions will not be required as a result of new information or regulatory requirements with respect to known sites or identification of new remedial obligations at other sites.

Bank guarantees totaling \$2,275,504 (2022: \$2,275,504) have been provided. Term deposits of \$2,275,504 (2022: \$2,275,504) and a cash deposit of \$93,111 (2022: \$128,894) with the Department of Industry, Tourism and Trade – Northern Territory secure these guarantees. Per Note 11 a restoration provision of \$1,523,923 (2022: \$1,563,660) has been recognised for all known required restoration costs.

NOTE 17: SHARE-BASED PAYMENTS

The fair value of all Zepos and Options subject to non-market conditions at grant date were determined using a Black-Scholes option pricing model that takes into account the exercise price, the anticipated vesting period, the impact of dilution, the share price at grant date and expected price volatility of the underlying Zepos and Options, the expected dividend yield and the risk-free interest rate for the term of the Zepos and Options.

ASX LR10.15.11 Statement

The Group has provided details of all securities issued under the Employee Share Option Plan in this annual report relating to the period in which they were issued. Shareholder approval for the issue of securities to Directors, associates and their related parties was obtained under Listing Rules 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Employee Share Option Plan after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under Listing Rule 10.14.

Options Exercisable at 145% of 5-day VWAP's ("Option")

During the reporting period, the Group issued 2,000,000 Options to the managing director following shareholder approval at the AGM held on 29 November 2022. The exercise price of the Options is to be calculated at a premium of 145% to the 5 day VWAP of Prodigy Gold's share price immediately prior to 8 March 2022. The Options vested on the grant date.

During the period \$6,658 of expense was recorded relating to these key management personnel options.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 17: SHARE-BASED PAYMENTS cont'd

Employee Options	Tranche 1
Number of Options to be granted	2,000,000
Number of Options vested	2,000,000
Fair Value at grant date	\$0.003
Exercise price	\$0.038
Price at agreement date	\$0.026
Issue date	29 November 2022
Expiry date	1 May 2026
Vesting date (subject to Option issue)	29 November 2022
Expected price volatility of Options	82.4%
Risk free interest rate	3.24%

During the period an additional \$48,779 (2022: \$117,443) of expense was recorded relating to historical employee options and an amount of \$118,008 (2022: \$573,858) was recycled through retained earnings following the exercise of options.

Accounting estimates and judgements

Share-based payments subject to non-market conditions are determined using a Black-Scholes option pricing model. The model takes into account the exercise price, the anticipated vesting period of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying option, the expected dividend yield and the risk-free interest rate for the term of the option.

When estimating the fair value of the options at measurement date, the Group adjusts the number of equity instruments included in the measurement of the transaction amount so that ultimately the amount recognised is based on the number of equity instruments that eventually vest. The Group uses the best available estimate of the number of equity instruments expected to vest at the end of each reporting period.

Share-based payments expense reconciliation

	Consolidated	
	2023	2022
	\$	\$
Share-based payments expense (refer to Note 3):		
Options issued during the period 30 June 2019	-	152
Options issued during the period to 30 June 2021	11,152	17,747
Options issued during the period 30 June 2022	37,627	99,544
Options issued during the period 30 June 2023	6,658	-
	<u>55,437</u>	<u>117,443</u>

NOTE 18: RELATED PARTY TRANSACTIONS

Transactions between related parties occur on normal commercial terms and conditions and are no more favourable than those available to other parties unless otherwise stated. The details of transactions with related parties of key management personnel are set out on page 36 (Other Transactions with Directors and Other Key Management Personnel) of the Remuneration Report and in Note 17.

During the year transactions occurred by the Parent Entity for exploration expenditure of its wholly owned subsidiaries. Any expenditure incurred by the Parent Entity on behalf of its wholly owned subsidiaries is written off and eliminated on consolidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 19: SUBSEQUENT EVENTS

The Company released a resource update for its Buccaneer resource. No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

NOTE 20: CASH FLOW INFORMATION

	Consolidated	
	2023	2022
	\$	\$
(a) Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Loss after income tax	(5,218,298)	(7,620,360)
Non cash investing and financing activities		
Depreciation	52,848	36,859
(Gain)/loss on disposal of exploration and evaluation assets (net)	-	(200,000)
(Gain)/loss on disposal of fixed assets (net)	(682)	
Impairment of capitalised exploration expenditures	556,492	1,665,197
Share-based payments	55,437	117,443
Borrowing costs	65,397	104,697
Re-allocation of assets to available for sale assets	-	5,623,950
Environmental bonding JV Partners	-	-
Changes in assets and liabilities		
(Increase)/decrease in term deposits and other receivables	129,842	(371,361)
(increase)/decrease in inventories	(17,000)	11,182
(increase)/decrease in other assets	(35,837)	(5,649,492)
(Decrease)/increase in trade and other payables and accruals	20,006	96,548
(Decrease)/increase in employee entitlements	53,107	(104,208)
(Decrease)/increase in provisions	(39,737)	(130,861)
Cash flow/(outflow) from operations	(4,378,425)	(6,420,406)

(b) Non-cash investing and financing activities

There were no non-cash investing and financing activities.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 21: LOSS PER SHARE

	Consolidated	
	2023 \$	2022 \$
a) Basic loss per share		
Basic loss per share attributable to the ordinary equity holders of the Company	(0.37)	(1.31)
b) Reconciliation of loss used in calculated loss per share		
Loss attributable to owners of Prodigy Gold NL used to calculate basic loss per share – Loss from continuing operations	(5,218,298)	(7,620,360)
	(5,218,298)	(7,620,360)
c) Weighted average number of shares used as denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	1,415,814,376	582,134,455

The Group made a loss, therefore the diluted EPS is not shown as it is not dilutive.

Accounting Policy

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

NOTE 22: PARENT ENTITY INFORMATION

The following information relates to the Parent Entity Prodigy Gold NL. The information presented has been prepared using accounting policies that are consistent with those presented in Note 25 and throughout.

	Parent Entity	
	2023 \$	2022 \$
Current assets	12,365,813	8,785,387
Non-current assets	4,636,635	4,910,172
Total assets	17,002,448	13,695,559
Current liabilities	915,295	3,342,182
Non-current liabilities	1,523,923	1,563,660
Total liabilities	2,439,218	4,905,842
Net assets	14,563,230	8,789,717
Contributed equity	198,197,192	187,260,818
Reserves	1,893,413	1,955,984
Accumulated losses	(185,527,375)	(180,427,085)
Total equity	14,563,230	8,789,717

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 22: PARENT ENTITY INFORMATION cont'd

	Parent Entity	
	2023	2022
	\$	\$
Loss for the year	(5,218,298)	(7,620,360)
Other comprehensive income/(loss) for the year	-	-
Total comprehensive (loss)	(5,218,298)	(7,620,360)

NOTE 23: SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with Prodigy Gold's accounting policies:

			Equity Holding	
			2023	2022
			%	%
Parent Entity				
Prodigy Gold NL	Australia	Ordinary	-	-
Controlled entities				
Rare Resources NL	Australia	Ordinary	100	100
Australian Tenement Holdings Pty Ltd	Australia	Ordinary	100	100

NOTE 24: COMPANY DETAILS

The registered office of the Group and principal place of business is:

Prodigy Gold NL
Level 1, 67 Smith Street
DARWIN NT 0800

NOTE 25: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - not reported elsewhere

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*. Prodigy Gold NL is a for-profit entity domiciled in Australia for the purpose of preparing the financial statements. The principal accounting policies not reported elsewhere and adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Compliance with AASB

The financial statement of Prodigy Gold NL also complies with Australian Accounting Standards (AASB) as issued by the Australian Accounting Standards Board (AASB).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 25: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - not reported elsewhere cont'd

Historical cost convention

These financial statements have been prepared under the historical cost convention. The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Critical accounting estimates

The preparation of financial statements in conformity with International Financial Reporting Standards as adopted in Australia requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the economic entity's accounting policies. Refer to Note 4 (Income Tax Expense), Note 8 (Exploration and Evaluation Expenditure) and Note 11 (Provisions).

Financial statement presentation

In accordance to the *Corporations Act 2001*, there are no separate financial statements for Prodigy Gold NL as an individual entity presented. However, limited financial information for Prodigy Gold NL as an individual entity is included in Note 22.

Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Company incurred a loss after tax of \$5,218,298 (2022: \$7,620,360) and experienced net cash outflows from operating activities of \$4,378,425 (2022: \$6,420,406).

The ability of the group to continue as a going concern is dependent on the Group being able to raise additional funds as required to meet ongoing and budgeted exploration commitments and for working capital. The Directors believe that they will be able to raise additional capital as required. The Directors believe that the Group will continue as a going concern.

(b) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of Prodigy Gold NL as at 30 June 2023 and the results of all controlled entities for the year then ended.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) New accounting standards and interpretations

The Group has adopted all of the new or amended Accounting Standards and Interpretations issues by the Accounting Standards Board (AASB) that are mandatory for the current reporting period.

The Group has not elected to early adopt any new standards or amendments during the current financial year.

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DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. the consolidated financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, and accompanying notes, as set out on pages 42 to 62 are in accordance with the *Corporations Act 2001*, and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Group;
2. the Managing Director and the Chief Financial Officer of the Group have each declared as required by Section 295A that:
 - (a) the financial records of the Group for the financial year have been properly maintained in accordance with Section 286 of the *Corporations Act 2001*;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. in the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
4. The Group has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors.

Dated this 15th day of August 2023



MARK EDWARDS
Managing Director

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INDEPENDENT AUDITOR'S REPORT

To the members of Prodigy Gold NL

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Prodigy Gold NL (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Exploration and Evaluation Expenditure

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 8 of the financial report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Group.</p> <p>Refer to Note 8 of the financial report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ("AASB 6"), the recoverability of exploration and evaluation expenditure requires significant judgement by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Assessing the ability to finance any planned future exploration and evaluation activity; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether any areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Evaluating management's support and calculations for the impairment expense of \$556,492 by checking: <ul style="list-style-type: none"> • The allocation of the expenditure across the relevant tenements • The mathematical accuracy of the amount written down; and • Assessing the adequacy of the related disclosures in Note 8 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 31 to 36 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Prodigy Gold NL, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd



Glyn O'Brien

Director

Perth,

15 August 2023

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ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is set out below. The information was prepared based on share registry information processed up to 10 August 2023.

1. Shareholdings

(a) Distribution of shareholders

Size of holding category (number of shares held)	Number of Holders Ordinary Shares
1 – 1,000	662
1,001 – 5,000	906
5,001 – 10,000	495
10,001 – 100,000	1,279
100,001 and over	497
	<hr/>
	3,839

(b) The number of shareholders holding less than a marketable parcel

The number of shareholders holding less than a marketable parcel is nil.

(c) The names of the substantial shareholders

The name of the substantial shareholders listed in the holding Company's register are:

Shareholders	Number of Ordinary Shares	% Held of Issued Ordinary Capital
APAC Resources Limited & Allied Properties Investments (1) Company Limited	871,681,907	49.78
Jetosea Pty Ltd	111,631,439	6.37

(d) Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

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ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

1. Shareholdings cont'd

(e) 20 largest shareholders – Ordinary shares

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1. BNP PARIBAS NOMS PTY LTD <DRP>	882,899,831	50.42
2. J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	119,640,182	6.83
3. *JETOSEA PTY LTD	111,631,439	6.37
4. BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	85,000,010	4.85
5. *JEMAYA PTY LTD	65,500,000	3.74
6. ZERO NOMINEES PTY LTD	49,254,285	2.81
7. JAYLEAF HOLDINGS PTY LTD <THE POLLOCK INVESTMENT A/C>	30,000,000	1.71
8. SUPER SEED PTY LTD <THE WERSMAN SUPER FUND A/C>	20,000,000	1.14
9. PULSE MARKETS PTY LTD	13,800,000	0.79
10. MR GORDON CHAN	13,018,512	0.74
11. DELPHI UNTERNEHMENSBERATUNG AKTIENGESELLSCHAFT	11,394,000	0.65
12. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	9,833,334	0.56
13. CITICORP NOMINEES PTY LIMITED	9,652,948	0.55
14. MR STEPHEN ROBERT WYLIE	8,802,000	0.50
15. GECKO RESOURCES PTY LTD	8,000,000	0.46
16. PULSE MARKETS PTY LTD	6,200,000	0.35
17. BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	5,563,293	0.32
18. MR PAOLO VALCINI & MRS SWEE FONG VALCINI	5,250,000	0.30
19. MR VINCENT ANDREW MAIOLO	5,000,000	0.29
20. *JUTTA Z PTY LTD	4,906,145	0.28
	1,465,345,979	83.68

* Denotes merged holders

2. Company Secretary

The name of the Company Secretary is Ms Jutta Zimmermann.

3. Registered and Principal Place of Business

Prodigy Gold NL
 Level 1, 67 Smith Street
 DARWIN NT 0800
 Phone: +61 8 9423 9777
 Fax: +61 8 9423 9733

4. Register of Securities

Registers of securities are held at the following address:

Automic Group
 Level 5, 191 St Georges Terrace
 PERTH WA 6000

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

5. Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited.

6. Unquoted Securities

As at 10 August 2023, the Company has 5,500,000 unlisted options, which were issued to a total of 4 holders under the terms and conditions of the Company's Employee Share Option Plan.

Option Holders > 5% of options on issue	Number of Unlisted Options	% Held of Unlisted Options
Mark Edwards	2,000,000	36.37%
Brett Smith	1,500,000	27.27%
Gary Ferris	1,000,000	18.18%
Edward Keys	1,000,000	18.18%

7. On-Market Buy Back

The Company does not have a current on-market buy back.

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