

ASX ANNOUNCEMENT / MEDIA RELEASE

ASX: PRX

22<sup>nd</sup> October 2020

***Lake Mackay JV Update:  
Drilling program completed across multiple Co-Ni-Mn and Copper-  
Gold Targets***

**HIGHLIGHTS**

- **Lake Mackay Project is 400km northwest of Alice Springs, adjacent to the Western Australian border, and comprises approximately 15,630km<sup>2</sup> of exploration licences and applications**
- **Ground penetrating radar survey completed at Grimlock and Swoop**
- **65 drill holes for 1,944m across six targets – including Grimlock nickel-cobalt target and Goldbug gold target and first drilling also completed at the Swoop nickel-cobalt target**
- **Follow up work including diamond drilling and soil sampling is planned**

Prodigy Gold NL (ASX: PRX) (“Prodigy Gold” or the “Company”) is pleased to advise that a drilling program targeting several high priority targets has been completed at the Lake Mackay Project. The Lake Mackay Project is held in Joint Venture (“JV”) with IGO Limited (ASX: IGO), with IGO holding a 70% JV interest in the tenements and Prodigy Gold holding a 30% JV interest.

Recent work at Lake Mackay has been focused on drilling six high priority targets (65 aircore holes for 1,944m) which are prospective for cobalt-nickel-manganese, gold and copper mineralisation. Samples are now at the laboratory.

**Management Commentary**

Prodigy Gold’s Managing Director Matt Briggs said:

“I am pleased to be reporting the completion of this drilling program, as Prodigy has collaborated closely with IGO over recent weeks to ensure the JV has been able to advance exploration over a number of high priority targets, despite the restrictions on access due to COVID-19.

“Drilling was successfully completed on five targets which to-date have shown the potential to host cobalt-nickel-manganese, gold and/or copper mineralisation.

“The recent drilling forms part of a systematic assessment of targets generated through airborne EM and soil sampling across the Lake Mackay Project and the JV has been encouraged by what we have

seen to-date. Further diamond drilling is planned at Lake Mackay during FY2021 to test remaining priority EM conductors.”



Figure 1 - Drilling at the Grimlock Prospect on the Lake Mackay JV, October 2020

Table 1 - Summary of October 2020 Lake Mackay Project Drilling

Target	Holes Drilled	Metres	Target Commodity	JV Area
Grimlock	38	993	Co, Ni, Mn	1
Swoop	18	342	Co, Ni, Mn	1
Goldbug	3	278	Au	2
Grapple	4	235	Au, Cu	1
Cluster	1	84	Cu, Au, Ni, Co	1
Raw	1 (incomplete)	12	Cu, Au	1
<b>Total</b>	<b>65</b>	<b>1,944</b>		

<sup>1</sup>IGO/PRX <sup>2</sup>IGO/PRX/CST See Background section for project ownership split

### **Lake Mackay: Previous Exploration Summary**

IGO commenced activity on the current Lake Mackay JV area in 2014. 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, 0.5% Pb, 1.1% Zn & 0.1% Co in 17GRDD001 (ASX 18 September 2017). In 2018, further work identified Ni, Co and Mn-bearing laterites. During 2018, IGO completed the \$6M earn-in and the JV Project is now funded 70/30. Subsequent work at the Grimlock Prospect has identified cobalt of up to 2% and test work has demonstrated leach extraction rates of up to 97% (ASX 12 December 2019).

## Target Summary

**Grimlock Prospect** has shallow enrichment of cobalt and nickel developed over weathered ultramafic phases on the margins of an intrusion. Initial surface sampling identified cobalt of over 2% (ASX 12 December 2019). RC drilling confirmed the results of surface sampling with elevated cobalt defined over 4km. Leach test work undertaken in 2019 demonstrated over 97% of cobalt is extractable (ASX 12 December 2019). The recent program will further define the scale potential of the prospect with a grid of 38 holes on a 300-400m spacing across a 3.5km long area.

**Swoop Target** displays a similar cobalt-nickel-manganese enrichment in lag samples as Grimlock. 18 holes were completed at Swoop to test the extent of enriched laterite and for the presence of pyrolusite (Mn). The recent drilling comprised 18 holes for 342m across the 1km long magnetic high.

**Cluster Target** is a magnetic high that was drilled to confirm the source of the magnetic response.

**Grapple Prospect** – Au and Cu associated with sulphides had been defined at Grapple over a strike length of approximately 800m. The current program aims to define shallow mineralisation up plunge of previous drilling. The 4 holes completed were drilled along 300m of strike for a total of 235m drilled.

**Raw Prospect** is a polymetallic (predominantly Au and Bi) soil and rock chip anomaly. Drilling was commenced as a part of the recent campaign but was abandoned due to a mechanical failure of the rig. An adjacent EM conductor was defined in 2018 and a diamond drill test is planned for FY2021.

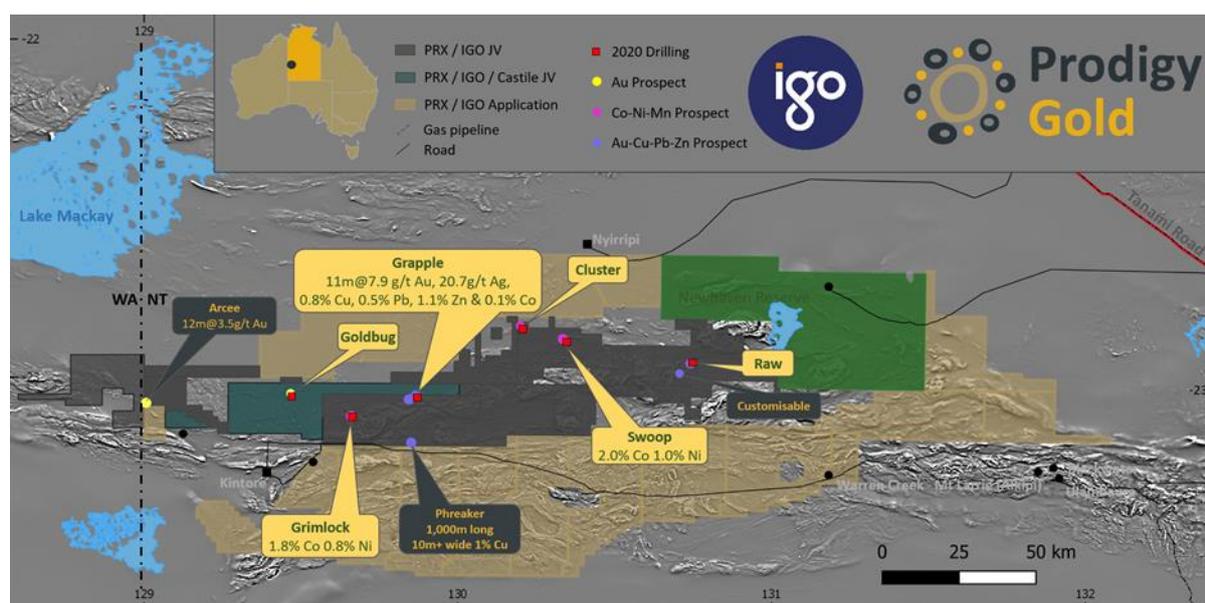


Figure 2 – Lake Mackay Project Map with Active Prospects and recent drilling

## Future Work

- Follow-up diamond drilling is planned for the Raw and Phreaker Prospects.
- Once additional soil sampling is completed in WA, the Arcee Prospect area will be re-interpreted and anomalous areas will be selected for infill sampling. Any anomalies generated will likely be tested by drilling along with the strike extent of the Arcee Prospect.

## Lake Mackay JV Background

The Lake Mackay Project is 400km northwest of Alice Springs and comprises approximately 15,630 km<sup>2</sup> of exploration licences and applications (14,886km<sup>2</sup> IGO 70%/Prodigy Gold 30% JV, 744km<sup>2</sup> IGO 53.8%/Prodigy Gold 23.1%/Castile JV 23.1%)(Figure 2). The Project has consolidated tenure over the favourable Proterozoic margin between the Aileron and Warumpi Provinces and is characterised by a continent-scale geophysical gravity ridge and the Central Australian Suture. The JV partners consider that exploration has the potential to unlock a new metallogenic province hosting multiple styles of precious and base metals mineralisation.

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

**For further information contact:**

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**Competent Person's Statement**

*The information in this announcement relating to exploration targets is based on information reviewed and checked by Mr Doug Winzar who is a Member of The Australasian Institute of Geoscientists. Mr Winzar is a full time employee of IGO Limited 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 Winzar consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.*

*Past Exploration results reported in this announcement have been previously prepared and disclosed by Prodigy Gold NL in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to [www.prodigygold.com.au](http://www.prodigygold.com.au) for details on past exploration results.*