Prodigy Gold

2023 Environment Social Governance Report

This report summarises Prodigy Gold's sustainability initiatives and provides an overview of its ongoing commitment to sustainability. This annual report covers operations from 1 July 2022 to 30 June 2023.

The objective of this report is to voluntarily and transparently disclose data. In the preparation of this report, guidance has been taken from the GRI reporting standards. The report aims to simplify the language and provide information that is accessible to a broader part of the community that regulatory documentation typically prescribes.

For more information on this report, contact:

Jutta Zimmermann
Company Secretary

Prodigy Gold NL
Level 1 / 67 Smith Street
Darwin, NT, 0800
admin@prodigygold.com.au

Prodigy Gold NL is an Australian public company listed on the Australian Stock Exchange.

Reporting boundary and scope

This report covers Prodigy Gold's exploration and development activities on the Tanami, Tanami North and Lake Mackay Projects located in the central western part of the Northern Territory.

Terminology

In this report, the terms:

'Prodigy Gold', the 'company', 'our', 'us', and 'we' refer to Prodigy Gold NL.

ESG refers to environment, social and governance.

Material Topics

Material topics reflect an organisation's most significant economic, social and environmental impacts. The topics selected for reporting come from stakeholder engagement, and areas of focus for permitting and reporting. Our management, directors, and company commitments and management approach is outlined for each topic. The report should be considered along with the numerous policies, statements, and plans available in the corporate governance section of our website.

A. Health and Safety
B. Stakeholder Engagement
C. Indigenous Interests
D. Environmental Performance
E. Water
F. Diversity
G. Local Communities

About the Company

Prodigy Gold is a mineral exploration and development company focused on the discovery of significant gold deposits in the Tanami Region of the Northern Territory, which are potentially amenable to open-pit or underground mining. The gold from these deposits would likely be recovered through conventional crushing, grinding, gravity concentration and dissolution with cyanide before gold doré bars are produced for refining and ultimately gold for sale.

To accelerate the discovery of gold resources, the company has brought in other companies through joint ventures, including Newmont and IGO. These companies bring technical expertise and experience in exploring for gold, copper and nickel and other base metals. While our company and our joint venture partners may use different language to describe what we do and how we do it, our values are shared. Prodigy Gold is committed to responsible exploration, development, mining and closure. The company is focused on conducting its business in harmony with stakeholders' and the wider community's desire to conserve and protect the natural environment and community interests.

Our team is well experienced, and has been exposed to exploration and mining practices around the world. We understand our regulatory obligations and know the acceptable standards to operate by and strive to exceed these.

Prodigy Gold has also shown an ability to work closely with local stakeholders and community groups. The company endeavors to source supplies, equipment and repairs from local suppliers within the Northern Territory where we operate, when possible.

A Regulated Process

Prodigy Gold has been working in the Northern Territory for over 14 years. We are governed by many laws and regulations. As we are predominantly operating within Indigenous Protected Areas, and on Aboriginal Freehold Land, the Commonwealth Aboriginal Land Rights Act (NT) (ALRA) and Commonwealth Environment Protection and Biodiversity Conservation Act (EPBC) are set standards for land access and environmental approval processes. The Corporations Act, ASX Listing Rules and 4th Edition Corporate Governance Principles and Recommendations guide our company policies.

Additionally, key Northern Territory laws relating to our activities include the Mining Management Act (2001), Mineral Titles Act (2010), Environment Protection Act (2019) and Aboriginal Sacred Sites Act (1989). Exploration Agreements with Traditional Owners through the Central Land Council also outline consultation, meetings, work approvals and reporting as laid out in ALRA.

Rehabilitated drill pad encouraging re-growth

A. Health & Safety:

Our commitment to health & safety

Prodigy Gold is committed to achieving high standards of health and safety. Prodigy Gold supports a co-operative and open work environment that promotes excellence in health and safety. The company provides a safe and healthy work environment for all employees, contractors and visitors, ensuring that our operations and/or activities do not place them, or the wider community, at undue risk.

Board at Boco North Project

Performance & Future Planning

During the year in review, Prodigy Gold continued to update all emergency and crisis management plans including testing them against the programs and protocols in place across our peer operators. As reported in the previous year, a two-way satellite reporting system has been in use and has significantly reduced the risk of a significant incident occurring in a very remote part of Australia.

Also purchased during the reporting period were two stand-alone Starlink satellite communication modules with suitable plans, which staff use across our operations. These units have made communication to and from sites, including when the team is working remotely, much easier. Mobile phone calls are available when working close to the office/camp. Data speeds are high with no limitations on data and speed.

Our company is continuing to look for ways and solutions to drive improvements across our health and safety practices, and continues to educate staff and contractors on best safety practices to ensure they all return home safely after completing their workday.

Prodigy Gold is pleased to report that no reportable safety incidents occurred during FY2023, this included no Lost Time Injuries (LTI's), resulting in a frequency rate (LTIFR) of zero, which is a great achievement by all staff. This compares well to FY2022 that achieved a similar result.

A total of 13 incidents were reported for the year at a rate of just over 1 per month. The type and severity of the incidents are noted as:

- Zero LTI's, medically treated incident (MTI's) and serious personal injury (SPI's) reported
- 2 x Health and Safety Incidents
- 11 x Property Damage Incidents
- 3 incidents with a high actual rating
- 6 incidents with a moderate actual rating
- 4 incidents with a low actual rating

Prodigy Gold saw several new staff members join the company over the past 12 months. This has meant the health and safety focus for the reporting year has been around training and ensuring all staff hold or acquire the correct tickets and providing training for work in the field.

B. Stakeholder Engagement:

Prodigy Gold understands that its exploration for gold and other metals occurs on land owned by Traditional Owners (TOs) and that access to this land is guided through processes with the Central Land Council (CLC). Prodigy Gold is committed to a close working relationship with the CLC, the TO's and local communities. The company utilises local suppliers in Lajamanu when drilling in the Tanami North area and Kintore when drilling in the Lake Mackay region. This includes buying supplies from the local shop, fuel purchases, emergency supplies like vehicle batteries and also utilising the services of the local health clinic.

2023 Actions

An on-country meeting had been planned to occur between the company and the Tjamu Tjamu peoples, however due to some last minute changes, the annual meeting between Prodigy Gold, the CLC and TOs was not held during this period at Kiwirrkurra.

An on-country meeting has been planned with the CLC and TO's to further progress one of our Exploration Lease Applications during the next calendar year.

Community Participation

Between 1 October through to 4 October 2022, Prodigy Gold assisted Swimming NT Inc. during their Country Swimming Championships in Darwin, hosting swimming clubs from regional centres around Australia. We provided the use of our office space for training of technical officials, and volunteered on the pool deck. The 4-day event was a success, where both swimmers, their parents and staff enjoyed the event with over 350 swimmers taking part.

Swimming NT Technical Officials Meet in the Prodigy Office

Stakeholder Groups	People Involved	Prodigy Gold's Engagement
Our entire workforce	Direct employees, contractors, part-time workers, consultants	In-person meetings, inductions, contracts, policies and procedures
Local communities	Traditional Owners, Central Land Council, pastoralists	In-person meetings, mine liaison meetings, community events, work area program approvals
Government	Northern Territory and Federal departments	In person meetings, community events, government consultation, mine management plans
Local businesses	Including shop owners, drilling contractors and mechanics	In-person meetings, community events
Investors	Shareholders	In-person meetings, ASX reporting, AGM's, Presentations

C. Indigenous Peoples:

Working alongside Indigenous Peoples

The company has a long history of working with the Traditional Owners to protect and get value for, and from, their land. We aim to create value for all stakeholders. We recognise this is an important decision for the Traditional Owners to let us come onto their country, and also to make the decision as to whether the risks and impacts are worth the benefit to them, and future generations.

Prodigy Gold is proud of its relationships and partnerships with the indigenous peoples of the Northern Territory. Our interaction and engagement with these groups is of utmost importance.

Prodigy Gold has a vested interest in protecting and respecting the values, traditions and sacred sites cherished by local indigenous groups. As such, we have in place a clear framework to ensure our operational objectives are constantly in line with the expectations of the Traditional Owners.

A key component of our engagement with Indigenous peoples are 'on country' meetings and sacred site surveys. These are funded by the company and provide assistance for the Traditional Owners to access their country, be informed about the activities completed and planned, and likely impacts and remediation conducted by the company.

In addition to NT Government approved permits and plans, the company is required to submit Work Area Programs for approval from the Central Land Council on behalf of the Tradition Owners.

These programs further mitigate the risk to culturally significant sites, and give the opportunity for Traditional Owner input into our work.

2023 Actions

Prodigy Gold looked to hold regular consultations during the year with members of the Central Land Council to provide an open forum for discussion and planning.

Engagement with local communities is prescribed in Exploration Agreements required under the Aboriginal Land Rights Act (1976). These agreements are administered by the Central Land Council.

These consultations have historically provided the company with valuable insight and knowledge.

On-country meetings will be completed again when work plans are finalised and they can be coordinated with the CLC and TOs. Meetings will be held on ground with Traditional Owners and other stakeholders.

The company can report that numerous clearance certificates were provided during the year to protect heritage sites and ensure Traditional Owners are aware of where Prodigy Gold is operating. Prodigy Gold enjoys a close working relationship with the CLC.

Reviewing map information in the field.

Solar Pannels at Darwin Office

D. Environmental Performance:

The company continues to strive to reduce its carbon footprint, where possible. During the FY2023, solar panels were installed on the office building in Darwin, reducing the amount of hydro-carbon produced electricity the company uses at its head office.

On site, the company has set up recycling bags for soft drink cans and water bottles. These are taken into Alice Springs at the end of the drill season for recycling.

At the Darwin office, the company utilises the services of the Down Syndrome Association of the NT by donating all recyclable cans and bottles to their Cash for Containers (C4C) initiative. This initiative creates employment opportunities for young individuals with disabilities, who collect cans and bottles from our office and then recycle these items.

Rehabilitation of drill sites during and after the drill season is an integral part of operations in the Northern Territory for the company. At Twin Bonanza Prodigy Gold undertakes its operations under an approved annual Mine Management Plan (MMP), an approved Care and Maintenance Plan and a Mine Closure Plan. The latter two plans have received Northern Territory Environmental Protection Agency (NTEPA) approval and outline mitigation and control measures to be used to prevent and minimise environmental impacts. The plans are revised on an annual basis and reflect the change in project status of the Old Pirate Project to care and maintenance, the completion of rehabilitation of the minesite and landforms and take into account risk input from government agencies and stakeholders that were consulted during the period.

Summary of our rehabilitation work this year

Rehabilitation of recently drilled drill holes was completed, and continues to be undertaken, at the Tanami North Project area. Monitoring of rehabilitated sites continued for the Tanami, Hyperion and Lake Mackay project areas. The Department (DITT) has commenced conducting site inspections, which will allow rehabilitation reports to be completed. Prodigy will continue to work closely with the department where possible.

No significant environmental incidents were reported during the year, some minor oil spills did occur around drilling areas but were well contained and rehabilitated quickly to limit any environmental damage.

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2023 Emissions

The company follows the GRI Standards and reporting :

- Scope 1 Emissions reported is 146t CO_2-e
- Scope 2 Emissions reported is 2t CO_2-e
- The total fuel consumed during the FY is ~53,000l, which was used for vehicles, drilling and power generation
  - total vehicle emissions was approximately 5,400gm SOx 1,800gm NOx
  - Based on ~60,000km of travel for LV's and trucks
- Total energy used was 2,104GJ
- Total power consumption was 103,611kWh – purchased off grid or generated on site (excluding solar)

Prodigy Gold plans to investigate the use of solar power generation on site to reduce the use of diesel – benefits to be assessed.

E. Water:

Prodigy Gold's commitment to protecting water quality continues to be at the forefront of our environmental planning efforts.

Two water bores have been decommissioned to stage 1. Water usage through the year remained well below the 15L/s that requires licensing of an active bore.

Water is managed under an Environment Management Plan for the mining project and Mine Management Plans for exploration projects. The company has a Water Management Plan based on hydrogeological modelling of groundwater aquifers, water accounting, level monitoring and annual water quality monitoring.

Previous water monitoring is in line with the company's care and maintenance closure plan. No breaches to the water management plan occurred during the 2023 financial year.

F. Diversity:

Prodigy Gold actively seeks to attract a diverse range of skills and cultures to the business, with a specific commitment to employ staff from the lands on which we operate. Three staff are employed from Darwin over the past year, with others encouraged to base themselves in the Northern Territory. Where possible, priority will be given to hire field staff from local communities to support the current team.

The company's diversity policy is available on the company website. Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the company employs the appropriate person for each job and that each person strives for a high level of performance. There have been no exceptions to the policy this financial year. No executive staff or director positions were added or replaced during the year.

During the year, Prodigy Gold has started to work with the CLC to provide opportunities for employment from the local communities in which we operate. This is a relatively new process with no applicants to date, but Prodigy Gold will continue to work with the CLC to build capacity for future field staff from the local areas.

Organisational Level (as at 30 June 2023)	Female %
The Whole Organisation	25%
Technical Staff	17%
Administration Staff	100%
Senior Executives	50%
Field Staff	0%
Board Members	0%

The chairman monitors the adequateness of the diversity policy. The Board is responsible for developing the measurable objectives and strategies to meet the objectives of the Diversity Policy. The company is responsible for implementing, monitoring and reporting on the measurable objectives. These measurable objectives include the achievement of:

These measurable objectives include the achievement of:

- a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- equal employment and career development opportunities;
- a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and
- awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

G. Local Communities:

A commitment to give back to the local communities

The local communities in the Tanami Region and Kintore regions of the Northern Territory are at the forefront of our planning and decision making and the input we receive from these local groups provides our team with immense value and knowledge.

Prodigy Gold is mindful of supporting employment and businesses in local communities it operates in as much as possible. This is achieved through a number of ways such as sourcing local suppliers for essential supplies, contracting local workers and providing opportunities for community members to engage with the company and provide feedback on how we can give back to the local people.

CLC engagement

The company has been engaging with the CLC mining officers to promote employment and business opportunities for local residents. The company applies a bias towards local contractors in its supplier processes.

2023 Actions

Prodigy Gold has continued to actively source employees from local Northern Territory locations, with three employees now based in Darwin.

The company has created a simplified pathway to employment for the local community via making contact with the company by phone, email, or letter, without needing to follow the standard application process.

Access agreements outlining a code of conduct for exploration are in place with two pastoral stations. Pastoral stations provided earthwork services on the Tanami North and North Arunta Projects. Prodigy Gold is also working with these stations to share resources where possible.