Prodigy Gold

2022 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 2021 to 30 June 2022.

The objective of this report is to voluntarily and transparently disclose data. In the preparation of this report guidance has been taken from the Global Reporting Initiative (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:

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

Reporting boundary and scope

This report covers Prodigy Gold's exploration and development activities on the Tanami, Hyperion, Reynolds Range and Lake Mackay Projects located in 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 gold deposits in the Tanami Region of the Northern Territory. The gold bearing ore could potentially be mined via open pit and/or underground methods and the gold liberated from the ore through a process including crushing, grinding, gravity concentration and cyanide leaching before gold doré bars are ultimately produced for refining and 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, operations and closure and 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 know the acceptable standards to operate by and understand our regulatory obligations and always strive to exceed these.

Prodigy Gold has also shown an ability to work closely with local stakeholders and community groups. Where possible to company sources supplies, equipment and repair services from local suppliers within the Northern Territory where we operate.

A Regulated Process

Prodigy Gold has been working in the Northern Territory for over 13 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 approvals 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, Mineral Titles Act , Environment Protection Act and Aboriginal Sacred Sites Act. 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 and 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.

Navigating the COVID-19 Pandemic

FY2022, witnessed the easing of Covid-19 restrictions and the opening up of areas to exploration, after being previously closed or restricted.

While the effects of the Covid-19 pandemic started to reduce over the past year, the limitation on movement has made access to a suitable workforce a continued challenge over the past year.

Prodigy Gold continued to engage with both the Northern Territory Government and the Central Land Council to ensure we used the correct and most appropriate safety measures that protect not only our workforce, but the broader Australian community.

Three staff members contracted Covid-19 after attending conferences, resulting in isolation while recovering. All three made full recoveries and returned to work.

Performance & Future Planning

Management completed an update of the Exploration and Corporate Risk Management Plan as required by the NT WorkSafe Team. This update ensures that incidents, hazards and near misses are considered and appropriate mitigations put in place.

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

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

Prodigy Gold can report that no reportable safety incidents occurred during FY2022, this included no Lost Time

Geologist recording drillhole information

Injuries (LTI's), resulting in a frequency rate (LTIFR) of zero which is a great achievement by all staff. This compares to 2 LTI's in the previous year.

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

B. Stakeholder Engagement:

Prodigy Gold acknowledges that it conducts mineral exploration and mining on land owned by Traditional Owners (TOs) and that Prodigy Gold's 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 communities and the TOs and is committed to offer employment opportunities to people in local communities and the promotion of knowledge, understanding and respect for Indigenous Australians traditions and culture.

Prodigy Gold is committed to responsible exploration, development, operations and closure and 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.

Due to the COVID-19 pandemic some of our planned stakeholder engagement meetings were postponed, however the company attended one meeting during August 2021. The company continues to engage through alternative communication channels whilst interactions are limited.

Our agreements with TOs through the CLC ensure the TOs understand the potential ultimate impact of our activities to allow them to give informed consent before we start any exploration.

Prodigy Gold's stakeholders defined

Prodigy defines stakeholders as groups/individuals that have either a direct or indirect interest in our operations.

2022 Actions

The annual mining liaison committee meeting, held on the mining lease, between Prodigy Gold, CLC and TOs was not held this year . This will be a priority for the coming year as it is an important way for the company to inform the TOs of the upcoming exploration and mining activities.

All programs completed during the year had CLC approval. These clearances typically involve anthropologists and key representatives from the communities responsible for land checking the areas we propose for work. These approvals identify culturally significant sites. The company has systems to ensure staff are aware of the need to protect these sites and the areas to avoid to ensure these sites remain undisturbed.

Mine management plans have been submitted with the NT government for all 2022 activities. Some projects are operating on previously approved management plans due to delays in assessment.

During the year several stakeholder meetings took place including a meeting to update the Department of Industry Tourism and Trade (DITT) team on Prodigy Gold activities in May-22 and a meeting between key staff and the owners of the Suplejack Station during June-22.

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 the Indigenous Peoples

We fully support the rights of the Traditional Owners to protect and get value for, and from, their land. We want 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, and 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 and 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 Indigenous peoples engagement are 'on country' meetings and sacred site surveys which 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.

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

2022 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. Interaction has been limited over the past year with Covid-19 restriction and then a slow down in activities by the company. 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.

One on-country meeting has been completed during the year with additional meetings planned for the FY2023 once work plans are finalised. 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.

The company has put in place a plan to undertake cultural awareness training held by our Traditional Owners in their community for our staff during FY2023.

Geologists overlooking pit at Old Pirate

D. Environmental Performance:

The company conducts it activities under an approved annual Mine Management Plan for exploration, and an approved Care and Maintenance and Mine Closure Plan for mining. 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, to 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.

Within and subsequent to the plan approvals are:

- Biodiversity Management Plan;
- Water Management Plan;
- Mine Closure Plan;
- Care and Maintenance Plan;
- Erosion and Sediment Control Plan;
- Hazardous Substances Management Plan;
- Vehicle Management Plan;
- Social Impact Management Plan;
- Cultural Heritage Risk Management Plan;
- Fire Management Plan;
- Ground Disturbance Management Plan;
- Noise Management Plan;
- Biting Insects Management Plan;
- Air Quality Management Plan;
- Emergency Response Management Plan; and
- Waste Rock Dump Management Plan

Improving our focus on project rehabilitation

During FY2022, Prodigy Gold continued to deploy additional resources across our projects to bring rehabilitation of drilling sites up to date. Where possible the company rehabilitates while drilling and on completion of a program.

We have continued to use a tablet based system with QField software to streamline the capture of field photos, tracks cleared, and rehabilitation status.

Summary of our rehabilitation work this year

Rehabilitation of previous drill holes was completed at Hyperion (PHD), Buccaneer, Bonanza and Lake Mackay to allow regrowth over the summer wet season.

The DITT have now recommenced conducting site inspections, which will allow the rehabilitation reports to be completed, Prodigy will continue to work closely with the department where possible.

Staff surveyed several sites such as around the Hyperion project, to undertake rehabilitation work programs that had been overlooked by previous owners.

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

Red Bud Mallee

E. Water:

Prodigy Gold's commitment to protecting water quality continues to be at the forefront of our environmental planning efforts. Pleasingly, during FY2020, Prodigy Gold demonstrated that water drawn down by the company has a lesser impact than the seasonal variation of the climate in the Northern Territory. This provides our team with tremendous confidence and validates our water protection and management plans.

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 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 FY2022.

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, including the new managing director, were 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. A complete board renewal process took place during the year with only one historical director retaining his position.

Organisational Level	Female %
The Whole Organisation	26%
Technical Staff	20%
Administration Staff	100%
Senior Executives	33%
Field Staff	20%
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:

- 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 operates 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.

Prodigy Gold's expenditure during the 2022 financial year was approximately ~$6 million. ~80% is spent for exploration of our Northern Territory tenements.

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 tender process.

2022 Actions

Prodigy Gold has continued to actively source employees from local Northern Territory locations, with three new employees now based in Darwin. While it is the preference to source employees from locations like Alice Springs, this has continued to be a challenge.

The company has created 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.

Now that Covid-19 restrictions have lifted, Prodigy Gold will revisit employment from local communities, such as Balgo, to support future drilling programs in the area.

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

Tony at Territory Hirex supplies our field consumables

Andrew and Natasha at Alice Hosetech supply our equipment parts