

## Prodigy Gold NL (ASX:PRX)

Research Note – 13 March 2026

### COMPANY OVERVIEW

Prodigy Gold (ASX:PRX) is an Australian exploration company incorporated in 1985 and listed on the ASX in August 1986. Headquartered in Darwin, the company is primarily focused on the exploration and development of gold assets in Northern Australia. Its operations are primarily focused on the Tanami Region, containing the Tanami North and West projects, which together host an estimated 1.05 million ounces of gold under JORC-compliant resource classification.

### PROJECTS

#### Overview

PRX's flagship assets - the Tanami North and Tanami West projects – are located in the Northern Territory near Alice Springs. These projects host four key resource areas – The Tanami North Project host the Hyperion and Tregony deposits whilst Tanami West hosts the Buccaneer and Old Pirate deposit. In addition to these core assets, PRX also holds interests in two joint ventures - the Monza JV with Newmont, established in 2021, and the Tobruk JV.

#### Tanami North

**Project Overview and Background.** The Tanami North Project is 100% owned by PRX and hosts the Hyperion & Tregony deposits located within the Tanami region. This region importantly hosts Newmont's Oberon project, one of the largest new undeveloped gold discoveries in Australia. The project is located approximately 350 km northwest of Alice Springs in the Northern Territory, near the border with Western Australia.

**JORC.** The Tanami North Project hosts 2 JORC resources for Hyperion and Tregony, prepared in 2026 and 2025, respectively. The combined Tanami JORC resource adopts a cut-off grade of 0.5 g/t and comprises 11.9 Mt of resource for 534 koz of gold. Applying Canary adjustments, the Tanami North Project contains 282 koz.

Cut-off Grade: 0.5g/t	Tonnes (Mt)	Grade (g/t)	Contained Au (oz)
Inferred	7.2	1.3	292
Indicated	4.6	1.6	242
<b>Total1</b>	<b>11.9</b>	<b>1.4</b>	<b>534</b>
Adjusted Ounces	11.9	1.48	282

**Exploration Activities.** On 27 January 2026, Prodigy Gold reported assay results from metallurgical testwork undertaken on sample material from the Tethys and Suess lodes of the Hyperion Gold Deposit. Samples from drillholes HYRC25001 and HYRC25002 were submitted to IMP for metallurgical testwork. Drillholes HYRC25001 and HYRC25002 are located on the east side of the Hyperion Lode.

Hole ID	From (m)	To (m)	Interval (m)	Grade (g/t)	Gram-Metres
HYDD25001	60	102.5	42.5	1.2	51
HRYCD25002	233	242	9	4.3	38.7
HRYCD25001	172	180	8	1.4	11.2
HYDD25001	50	54	4	2.7	10.8

**Planned Exploration Activities.** Prodigy Gold will prioritise further drilling to systematically improve geological confidence and refine mineralisation controls, generating technical inputs required to support future mining studies. The planned drilling campaign will focus on infill drilling with key portions of the existing Mineral Resource envelope to improve confidence in geological grade.

### Twin Bonanza Project

**Project Overview and Background.** Twin Bonanza is 100% owned by PRX and contains the Buccaneer Mineral Resource. The Buccaneer Deposit was originally discovered in the late 1990s, with Newmont Asia Pacific LTC acquiring the tenement package in 2006. Newmont drilled a total of 830 holes totaling 51 km<sup>2</sup>. The Twin Bonanza Project also contains the Old Pirate Mineral Resource, which has not been mined since 2016. The Old Pirate Project contains existing infrastructure such as Wilsons Camp, a dedicated accommodation facility, an airstrip, access roads and some modular plant equipment. However, some of this equipment will need to be refurbished if the mine is to restart production. Prodigy Gold is currently assessing the Old Pirate project for future mining development, with a review of required approvals currently underway.

**JORC.** The Buccaneer Project hosts a JORC estimate prepared in 2023. The resource adopts a cutoff grade of 0.6 g/t and comprises 12 Mt of resource for 515 koz of gold. Applying Canary adjustments, The Buccaneer Project contains 260.3 koz.

Cut-off Grade: 0.6 g/t	Tonnes (Mt)	Grade (g/t)	Contained Au (oz)
Inferred	7.2	1.5	334
Indicated	4.8	1.2	181
<b>Total</b>	<b>12</b>	<b>1.3</b>	<b>515</b>
Adjusted Ounces	12	1.4	260.3

**Exploration Activities.** The updated Buccaneer Mineral Resource estimate was based on drilling comprising 25 air core holes and nine diamond core holes. The assay results from these drill holes are provided below in this table. Besides this metallurgical testwork, no other drilling was completed on the deposit during the year.

Hole ID	From (m)	To (m)	Interval (m)	Grade (g/t)	Gram-Metres
MTCAC027	60	62	2	0.49	0.98
MTCAC045	38	40	2	0.45	0.90
MTCAC063	58	60	2	0.33	0.66
MTCAC045	58	60	2	0.22	0.44
MTCAC045	60	62	2	0.13	0.26

**Planned Exploration Activities.** Work planned for FY26 includes the review and inclusion of all recent testwork into a mining study in order to determine the most efficient method to extract the Buccaneer Mineral Resource. This will include the development of an open-pit mining plant, which includes several processing options. Prodigy Gold also intends to reevaluate the viability of a potential mine restart at the Old Pirate Project through assessing partnerships in joint ventures.

## FINANCIALS

### Cash Position and Debt Owed

In the most recent quarter, Q2 FY26, PRX reported a cash balance of \$5.24m. According to its FY26 Half Yearly report, PRX holds no debt.

### Cash Burn and Runway

In the most recent quarter, Q2 FY26, PRX had cash burn of \$1.21m, with the four-quarter average being \$0.94m. PRX have no cash receipt generating operations due to their exploration focus. With an estimated cash balance of \$5.24m, PRX is estimated to have 5 quarters of operational runway left before having raise additional capital.

### Exploration Expenditure

PRX recorded expenditure of \$1.21m in the latest quarter, down from \$1.22m in Q1 FY26. Exploration and evaluation spending has increased significantly in the first quarter of FY26 as work intensified on the Tanami North project. The higher spend reflects the funding for 21 RC drill holes (2,495m) at the Hyperion Deposit. Given the geotechnical and metallurgical studies scheduled for later in FY26, this level of expenditure is expected to remain at similar levels going forward.

In '000s of AUD	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25
Exploration and Evaluation Expenditure	1,214	1,223	587	728

### Capital Structure

PRX currently has 337.1 million shares outstanding and 48.2 million options and performance rights outstanding. On 21 October 2025, PRX completed a significant share consolidation, implementing a 20:1 ratio that reduced the share count from approximately 7 billion to around 337 million. This has resulted in a more streamlined and sustainable capital structure.

Share Price	\$0.062
Ordinary Shares Outstanding	337,093,373
Market Capitalisation	\$20.90m
Debt	-
Cash	\$5.2m
Enterprise Value	\$15.6m
Options and Performance Rights Outstanding	48,231,000
Diluted Shares Outstanding	385,324,373

### Capital Raise

On 14 July 2025, PRX raised \$4.45m before costs through an entitlement offer to existing shareholders. This was completed through the issuance of 3.18 million shares (of which would have been consolidated 20:1 on 21 October 2025) raised at \$0.002 per share.

### Shareholder Analysis

The top 5 shareholders in PRX account for around 75% of ownership. Plutus Prospecting, a private company controlled by former Tian An Australia (ASX: TIA) CEO Liang Zhen Lin, acted as a strategic partner and partial underwriter for the July 2025 capital raise absorbing ~950 million shortfall shares. This effectively backstopped the raise and led to their high inside ownership.

	Percentage Ownership
HSBC Custody Nominees (Australia) Limited	30.69%
Plutus Prospecting Pty Ltd Acn 682 005 769	19.90%
Jetosea Pty Ltd	17.07%
P Morgan Nominees Australia Pty Limited	5.53%
BNP Paribas Noms Pty Ltd	2.52%
<b>Total</b>	<b>75.71%</b>

### Insider Ownership

Insider holdings in PRX are minimal at 0.41%, trailing peer benchmarks significantly. This ownership profile reflects a highly institutionalised shareholder base rather than management led-equity concentration.

	Position Held	Percentage Ownership
Mr M Edwards	Managing Director	0.2%
Mr B Smith	Non-Executive Director	0.2%
Mr N Edwards	Non-Executive Director	0.01%
<b>Total</b>		<b>0.41%</b>

### Relative Valuation

Given its adjusted ounces of 915,000 and a gold price of \$7,200/oz, we estimate the market value of PRX's gold resource at ~\$6.6 billion. On an EV/Ounce basis, the market is currently valuing PRX's resources at \$15.15 per ounce. This is significantly below the peer average of approximately \$308.

	Metric
Adjusted Ounces	915,000
Adjusted Grade (g/t)	1.25
Market Value of Adjusted Ounces (at \$5,200/oz)	\$6.588m
EV/Ounce (\$)	\$15.15
Peer Median EV/Ounce (\$)	308

## MANAGEMENT

### Management Biographies

**Mark Edwards – Managing Director (since 2022).** Mr Edwards is an accredited and experienced geologist with over 25 years of experience working primarily as a manager and mine geologist responsible for the definition and replacement of resources and reserves on gold projects throughout the Northern Territory, Western Australia and Botswana. Mr Edwards has served at multiple companies within Australia, building a strong community, business and government ties in the Northern Territory as well as being an NT committee member for the Minerals Council of Australia, which could serve to benefit the company.

**Jutta Zimmerman – Company Secretary & Chief Financial Officer (since 2014).** Ms Zimmermann is an accountant 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 and a Graduate Diploma in Applied Corporate Governance. She is a fellow of the Governance Institute of Australia and is Director of Prodigy Gold Services Pty Ltd which is a subsidiary of Prodigy Gold.

**Gary Ferris – Project Manager (since 2019).** Gary Ferris has an extensive career in the resource sector, encompassing executive and senior leadership roles spanning exploration, project evaluation, acquisition and resource development. He is a geologist with over 25 years of experience and holds a Master’s degree in Exploration Geoscience from the University of Tasmania and a Bachelor of Science Honours from the University of Adelaide. Mr Ferris also spent 14 years with the South Australian Geological Survey, many of which were focused on the geology and mineral potential of the Gawler Craton.

### Management Compensation

In AUD	Salary and Fees	Superannuation	Cash Bonus	Share-Based Compensation	Total Compensation
FY25	641,000	66,340	-	-	718,864
FY24	657,000	64,020	-	18,132	758,000
FY23	669,853	63,710	-	39,234	813,228

## INVESTMENT ANALYSIS

### Investment Thesis

**Significant Undervaluation.** PRX is currently being valued at an EV/Ounce of \$15.15, a \$276 discount to the peer average of \$308 per ounce. This price disparity is particularly notable given its Mineral Resource Estimate of 1.03 million ounces. As the company advances in 2026 and refines development pathways, this deep value gap presents a high potential for market re-rating.

**Scale of Resource.** With a consolidated JORC resource of 1.03 million ounces of gold, PRX possesses a diversified asset base across the Tanami and Twin Bonanza Projects. The scale of their resource is significant, which positions them as a legitimate mid-tier development candidate rather than a speculative junior explorer. PRX’s resource is estimated to be worth a significant ~\$6.6 billion.

**Presence of Near-Term Catalysts.** PRX is actively transitioning from pure exploration toward production by advancing Mineral Lease applications for the Hyperion deposit. Coupled with a strategic re-evaluation of the Old Pirate deposit, which features existing infrastructure, offering to potentially fast-track a mine restart through a joint venture or profit-sharing partnership.

#### **Investment Risks**

**Ownership Structure.** Direct board and management hold less than 1% of PRX stocks. Low equity alignment risks a perceived disconnect regarding long-term value creation, combined with a tight registry that constrains daily trading liquidity.

### **INVESTMENT RECOMMENDATION**

Prodigy Gold presents a strategic deep value opportunity underpinned by a severe market mispricing of its significant resource. Coupled with a strategic pivot towards production within the Old Pirate and Hyperion Project, Prodigy Gold position themselves as a mid-tier development candidate. Therefore, we issue a **buy** recommendation.

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