



ALLIGATOR ENERGY LTD

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CHAIRMAN'S ADDRESS

17 NOVEMBER 2017 ANNUAL GENERAL MEETING

The 2017 financial year was challenging for all uranium exploration companies including Alligator Energy. Even though the Company has two first class uranium targets ready for drilling the Board elected not to drill test them. Low uranium prices set low share prices for uranium explorers making it too dilutive to shareholders to raise the funds. Those targets have been retained and will be tested in the future. But the company was active in 2017, carrying out field work and seeking advanced uranium projects and other commodity projects in which it could acquire equity.

Alligator Energy and Torch Energy formed Altor Energy Pty Ltd (Altor) with each holding a 50% interest in that company. Altor's board and management is one of the best ever assembled in the uranium industry with a collective track record of remarkable success and experience. Altor will be the entity attempting to acquire advanced uranium projects in Australia and to assess similar uranium projects elsewhere.

Alligator also reviewed other advanced energy commodity projects including coal, lithium and cobalt opportunities but none reviewed represented good value.

The Company carried out reconnaissance sandstone sampling in two areas of its Beatrice tenements seeking covered uranium deposits. From the 472 samples collected and analysed two anomalous uranium decay isotope responses are worthy of further assessment. Alligator currently holds a 55.31% interest in this group of mineral titles.

Re-logging and re-analysing drill core improved our 3D understanding of uranium pathfinder element distribution and upgraded three existing targets to high quality.

The Company passed on \$642,676 of tax credits to shareholders through the exploration development incentive scheme and it received a \$230,000 R&D offset grant from the Federal Government.

The nuclear energy industry saw two significant events in 2017. There is now more electrical power generated from uranium than at any the time since the Fukushima event. The two largest uranium producers reduced output; Kazatomprom by 5.2 million pounds of U308/year in January and Cameco by approximately 15 million pounds U308/year in November. That represents about 12% of the 169 million pounds of U308 estimated to be consumed in 2017. The World Nuclear Association (WNA) maintains that uranium consumption will increase as more of the planned nuclear reactors and more of the shuttered Japanese reactors come on line. Spot prices spiked after the two announcements of production curtailment and averaged about US\$22/pound during 2017. The price is anticipated to increase through 2018 and to be reflected in Alligator's share price as it continues in lock-step with the metal price.

Electrical energy supplies have become more unreliable and more expensive in many countries and developing countries continue to increase electricity supply to its citizens. The Board believes even more strongly that nuclear power has an essential role providing a competitive, secure and reliable energy supply. It also enables countries to meet carbon emission objectives. Nuclear power generators require uranium for fuel. That can only be produced by mining uranium deposits but first the deposits must be found by exploration companies like Alligator Energy.

On behalf of the Board I thank shareholders for continuing to support the company in 2017 and I ask that you continue that support through 2018.

I extend special thanks for the support and understanding of the Traditional Owners on whose lands we explore and to our small dedicated Exploration Team for the great work they do on your behalf.

JOHN MAIN, CHAIRMAN.