1 February 2018

Corporate Update

Alligator broadens its exploration strategy and acquires Cobalt – Nickel project interests

Highlights

- Alligator Energy Ltd (AGE) expands its exploration and development strategy to include ***cobalt-nickel*** projects through investment or acquisition in two projects.

- AGE has signed a binding Heads of Agreement with Chris Reindler and Partners (CRP) to earn up to 70% interest in the Piedmont sulphide *cobalt – nickel* project in Northern Italy.

- AGE has agreed to invest $200,000 to acquire shares in the seed capital being raised by Cobold Metals Limited who are acquiring Eastern Prospector P/L. Eastern Prospector P/L are acquiring 100% of the Young lateritic *cobalt - nickel* project in NSW. Cobold Metals Limited intends to list on the ASX through an IPO during 2018.

- AGE continues to assess other *cobalt - nickel* projects in Australia and overseas for potential investment opportunities through its New Opportunities Team.

- AGE will hold and manage these *cobalt – nickel* assets in a wholly owned subsidiary, with work supported by the substantial experience in nickel held by the AGE Board members.

- AGE will continue to maintain its uranium projects in the Alligator Rivers Uranium Province in good standing in 2018 and retains two drill ready defined targets at TCC4 and BC12 for future exploitation.

- AGE believes the uranium market has bottomed with global nuclear generation now back above its level at the time of the 2011 Japanese tsunami, combined with recent major production cutbacks from the world's two largest producers, boding well for its longer term strategy in the metal.

Alligator Energy Ltd

ABN 79140575604

Suite 3
36 Agnes Street
Fortitude Valley,
QLD 4006

Ph: (07) 3852 4712
Fax: (07) 3852 5684

ASX Code: AGE

Introduction:

With reduced investor interest in pure uranium exploration projects, AGE set up a New Opportunities Team at the end of 2016 to search for other advanced uranium projects and energy related minerals. This search primarily focussed on minerals used for the generation, storage and transmission of electrical energy. AGE also considered the experience and expertise available within its existing Board and management to assist this.

It has selected *cobalt – nickel* projects for investment; particularly those with high cobalt to nickel contents; as it believes the rapidly increasing demand for cobalt is unlikely to be matched by increased supply in the near and medium term. Due to increasing demand and limited production, the cobalt price has increased from US$16.67 per lb (US$36,750 per tonne) in January 2017 to a high of US$36.40 per lb ($80,247 per tonne) in January 2018. The increased demand for cobalt has arisen from its use in batteries, particularly in electric vehicles, for storage of renewable energy at peak generation times, and for other high use batteries in everyday products.

The upside of this strategy is that the nickel price has also increased from a low of US$3.95 per lb (US$8,708 per tonne) in July 2017 to a high of US$6.24 per lb (US$13,756 per tonne) in January 2018. While nickel grades tend to be higher and can dominate value in some deposits, at the above current prices, 0.17% cobalt has the same in ground value as 1% nickel.

Piedmont Cobalt-Nickel Sulphide Project Italy:

Chris Reindler and Partners hold four exploration titles in the Piedmont area of Northern Italy. These titles cover areas containing ultramafic-hosted *cobalt-nickel* sulphide deposits that were mined between the 1860's and the end of World War II. Sulphides in pipe-like intrusive bodies and massive sulphide accumulations at the base of large, layered ultramafic intrusions were mined. The cobalt to nickel ratio was high in these deposits.

Until recently, no significant exploration has been done in this province since production ceased in the 1940's. A previous company undertook some limited grab sampling during 2015 to confirm the presence of nickel, cobalt and copper, the results of which are shown in Table 1. Additionally CRP have acquired new airborne electromagnetic and magnetic data over these mineral titles. These airborne surveys defined a number of conductors potentially indicative of massive sulphides as well as a number of magnetic features which may represent the responses from intrusive bodies hosting disseminated sulphides. These represent very attractive targets in an area with clear *cobalt-nickel* pedigree untouched by modern exploration techniques.

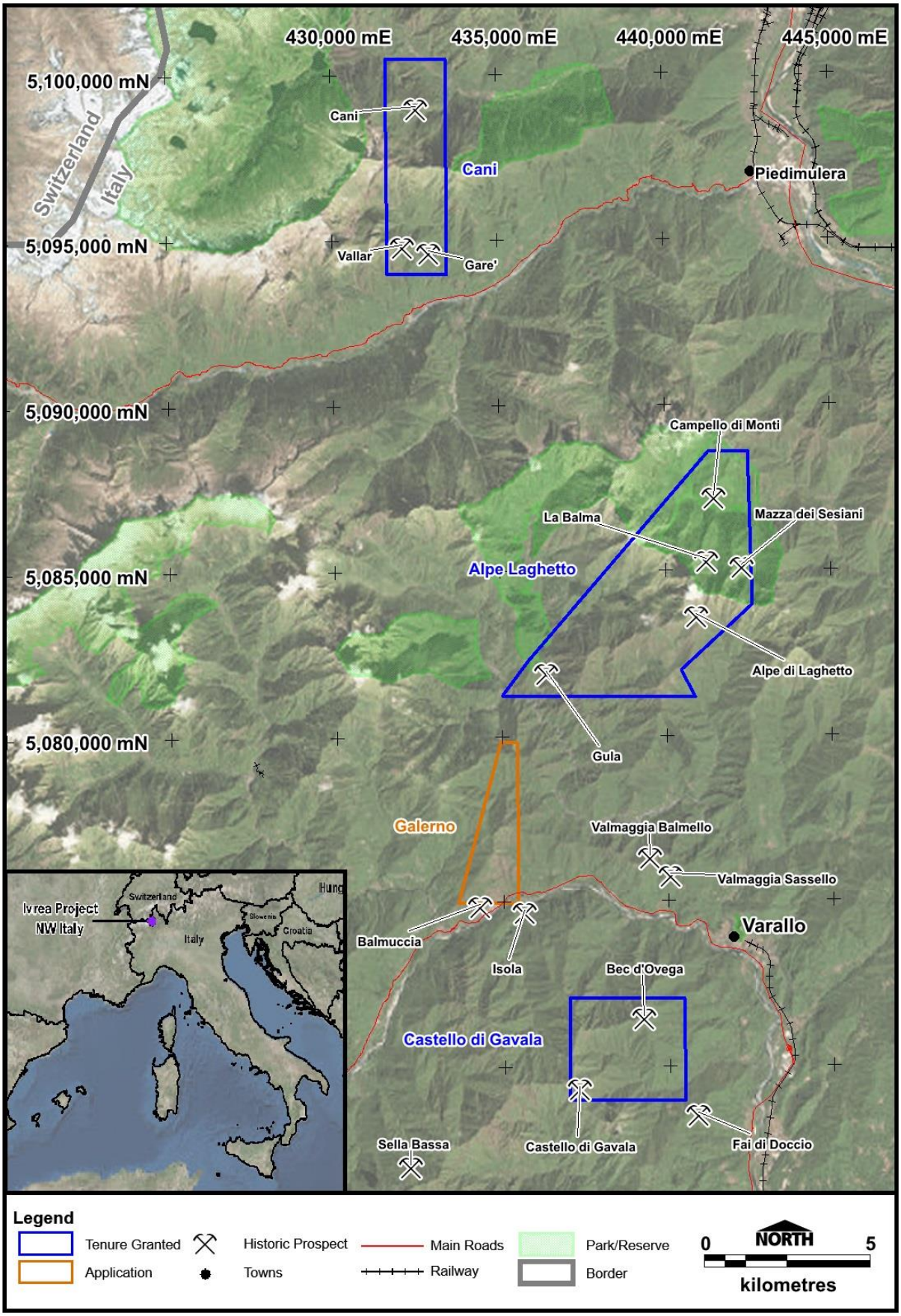


Figure 1 – Piedmont Project location map

Prospect	Sample	Ni	Cu	Zn	Co	Cr	S
		%	%	ppm	ppm	ppm	%
Alpe di Laghetto	LAG-01	1.48	0.11	50	600	750	9.59
Alpe di Laghetto	LAG-02	1.55	0.21	50	1160	400	21.4
Alpe di Laghetto	LAG-03	0.38	0.04	156	280	810	4.56
Alpe di Laghetto	LAG-04	0.05	0.01	54	100	770	0.56
Campello Monti	CDM-01	0.32	0.03	250	145	25900	1.25
Campello Monti	CDM-02	1.31	0.06	68	305	1200	5.54
Campello Monti	CDM-03	2.89	0.22	100	940	3600	21.1
Campello Monti	CDM-04	0.06	0.01	78	75	1320	0.45
Gula	GUL-01	0.08	0.05	100	100	1500	2.44
Gula	GUL-02	0.13	0.04	68	260	810	4.93
Gula	GUL-03	0.06	0.08	50	260	200	0.00
Gula	GUL-04	0.07	0.09	100	260	150	0.00
Gula	GUL-05	0.01	0.01	136	40	190	0.35
Gula	GUL-06	0.01	0.01	134	35	100	0.54
Gula	GUL-07	0.01	0.00	60	60	350	0.10
Gula	GUL-08	0.03	0.01	82	70	440	0.13
Gula	GUL-09	0.07	0.02	28	265	120	6.64
Castello di Gavala	CDG-01	0.34	0.91	50	80	400	2.79
Castello di Gavala	CDG-02	0.57	3.00	-50	160	200	8.26
Castello di Gavala	CDG-03	0.61	3.79	-50	200	350	7.81
Castello di Gavala	CDG-04	0.47	1.90	36	205	90	7.15
Bec d'Ovaga	BE-01	0.00	0.01	80	20	20	0.07

Table 1 – 2015 geochemical grab sample results

AGE has signed a binding Heads of Agreement with CRP on 31 January 2018 that allows it to earn up to a 70% interest in these mineral titles. The principal terms of the agreement are:

- AGE paid CRP $45,000 worth of AGE shares to be held in escrow for at least six months (50%) and twelve months (50%) upon signing the agreement;
- AGE commits to solely fund and manage a minimum of $250,000 of exploration within six months of gaining on-ground access to the area covered by the titles. This work will include:
    a. ground EM and magnetic surveys to locate/confirm the features identified in the airborne geophysical surveys and to confirm/define drill targets on them
    b. geochemical sampling of soils from ridges, spurs and areas of EM/magnetic anomalism and from streams to locate other mineralised areas
    c. assessing all old workings and prospecting around them to ascertain their style of mineralisation and potential;

- At the completion of this work program AGE can elect to withdraw with no interest retained or to earn a 51% interest in the titles by paying CRP $45,000 cash and solely funding and managing a further $400,000 program of work which will include drill testing of the best targets. AGE can withdraw from this work program at any time, and while the work is targeted for completion within 12 months, this can be extended by mutual agreement. If AGE does not complete this work it will have earned no interest and will have no further rights in the mineral titles;
- Upon AGE earning a 51% interest in the titles a Joint Venture (JV) will be formed but AGE has the right to earn a further 19% interest (70% total) by solely funding, managing and completing a further $1.25M program of work;
- Upon AGE ceasing sole funding the partners to the JV will contribute in proportion to their interest in the JV or dilute. If a partner's interest falls below 10% it will be converted to a 1% NSR;
- The partner with the largest interest will be the manager of the JV with voting in proportion to interest in the JV; and
- If a partner wishes to divest part or all of its interest in the JV it must first offer that interest to the remaining partners.

The agreement is conditional on AGE having access to sufficient funding to cover its planned expenditure.

CRP has also agreed to offer AGE with a first right of refusal to participate in any other copper, nickel or cobalt projects it identifies or agrees to acquire in Italy.

AGE intends to commence work on the Northern Italian *cobalt-nickel* projects as soon as practicable with the initial program planned to take six months to complete.

(Note: Macallum Group, substantial shareholder in AGE, holds a minor interest in two of these titles through a 10% interest in Ivrea one of the companies holding the titles)

Young Laterite Cobalt-Nickel Project, NSW:

Eastern Prospector P/L has an agreement to acquire the mineral titles covering the northern part of the Young lateritic *cobalt - nickel* project (Young Project) in NSW. The Young Project is adjacent to the Nico-Young *cobalt - nickel* deposit owned by Jervois Mining Limited (ASX: JRV). JRV has a market capitalisation of approximately $100M at the date of this release and stated JORC compliant resources of 42.5M tonnes at 0.80%Ni and 0.09% Co. Cobold Metals Limited (CBL) is acquiring 100% of the issued shares of Eastern Prospector P/L.

The funds raised by CBL will be used to purchase the project, acquire Eastern Prospector P/L, and undertake other work including confirming existing geological and drilling results identified on their tenements, to identify those parts of the tenements with higher cobalt content, to undertake metallurgical testing and assess development options.

AGE has agreed to take part in the seed capital raising by CBL through an investment of $200,000, conditional on AGE having access to required funds. If the entitlement is taken up, AGE would hold 2.67 million (3.4%) of shares issued by CBL in the seed funding, and prior to IPO. AGE would also have the opportunity to participate in the planned IPO.

Investing in the Young *cobalt-nickel* project through CBL provides AGE with exposure to the lateritic style of deposits to complement its interest in sulphide style deposits in Northern Italy.

(Note: Paul Dickson, independent Director of AGE, holds a minority interest in, and is a Director of, Eastern Prospector P/L and Cobold Metals Limited)

ARUP Uranium Projects and Uranium Market:

AGE strongly believes that there will be increased demand for uranium and an increase in the uranium price in the near to mid-term. This will be driven by a combination of demand and supply factors, namely:

- In its September 2017 Supply / Demand report, the World Nuclear Association announced that the amount of nuclear power being generated around the world had now increased again to a level above that at the time of the 2011 Japanese tsunami. This has been mainly through new nuclear plant construction in China, India, Russia, the Middle East, and a range of other countries;
- As existing higher priced long term contracts expire, a number of utilities will need to negotiate new contracts. If these are to maintain security of supply over the longer term, then longer term prices will need to be negotiated. UxC reports the current long term price at US$30.76 per lb compared to the current spot price of US$23.15 per lb. Higher prices will be needed to incentivise new production;
- The two largest global producers of uranium, Kazatomprom in Kazakhstan and Cameco Corporation in Canada, announced significant production cutbacks. Along with this the only US based uranium conversion plant announced a closure onto care and maintenance due to low conversion prices. These announcements have already resulted in modest increases in the spot uranium price.

AGE will retain its uranium mineral titles in the ARUP in good standing and will maintain the first-class TCC4 and BC12 targets ready to drill within a few months of the first opportunity to do so.

It unequivocally pledges to “stay in the uranium exploration business”

Summary:

AGE is expanding its exploration and potential development strategy to include *cobalt-nickel* exploration whilst maintaining its uranium exploration assets and opportunities.

The two cobalt – nickel opportunities identified give it exposure to lateritic and sulphide style deposits in two stable jurisdictions. It will be able to earn a majority interest in and manage the Northern Italian (Piedmont) project while adopting a passive investment role

in the Young project in NSW. It will continue its search for other cobalt-nickel project participation opportunities.

AGE believes the demand for cobalt and nickel in the electrical energy storage will be large and sustained - resulting in higher, less-cyclical price variation. This will provide a long-term, stable environment in which to explore and evaluate other cobalt-nickel opportunities.

Four of AGE's Directors have experience in nickel exploration, development and operations, including on both laterites and sulphide projects.

AGE is excited at the opportunity it has to explore and evaluate the cobalt-nickel projects it has identified, and is pleased it has secured these opportunities for its shareholders.

John Main

Executive Chairman

Alligator Energy Limited

FOR FURTHER INFORMATION, PLEASE CONTACT

Mr John Main Executive Chairman Alligator Energy Ltd Email: info@alligatorenergy.com.au	Mr Mike Meintjes Company Secretary Alligator Energy Ltd Email: mm@alligatorenergy.com.au

Competent Person's Statement

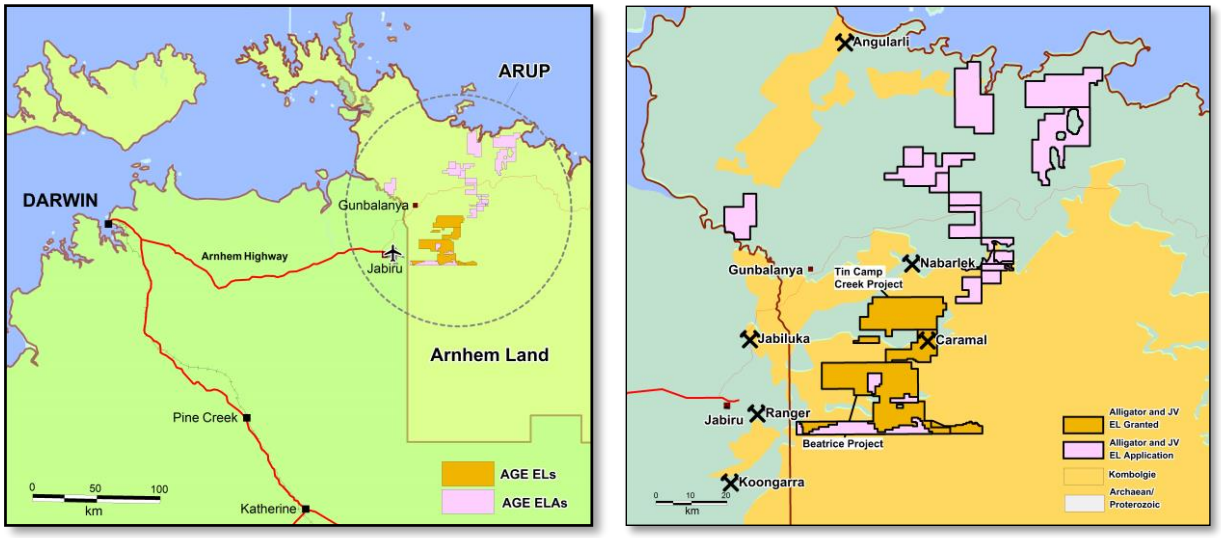
Information in this report is based on current and historic Exploration Results compiled by Mr A Vigar who is a Fellow of the Australasian Institute of Mining and Metallurgy and Australasian Institute of Geoscientists. Mr Vigar is a non-executive Director and Shareholder of Alligator Energy Ltd, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Vigar consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

About Alligator Energy

Alligator Energy Ltd is an Australian, ASX-listed, exploration company with uranium exploration tenements in the world class Alligator Rivers Uranium Province in Arnhem Land, Northern Territory. The Alligator Rivers Uranium Province contains nearly 1 billion pounds of high grade uranium resources, including past production from the Ranger Mine and the undeveloped Jabiluka deposit. The company's Tin Camp Creek and Beatrice tenements form the focus of its exploration but the company also assesses other opportunities as they arise. The exploration target is a deposit containing no less than 100 million pounds of uranium preserved beneath covering sandstone.

The company is researching and developing novel uranium decay isotope geochemical techniques and has modified and is applying airborne geophysical techniques with the objective of detecting such concealed targets. From its 2016 field work the company has identified new targets which are being analysed ahead of a decision to drill test. The previously drilled Caramal (6.5Mlb U3O8 at 3100ppm U3O8) and Beatrice deposits represent eroded remnants of once much larger deposits.

The Company has in excess of 1000km2 of Exploration Licence applications awaiting grant within the Alligator Rivers Uranium Province.



Project Location Diagrams

JORC Code, 2012 Edition – Table 1

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Section 1 Sampling Techniques and Data

NOTE:

Analyses reported in Table 1 are for chip samples and grab samples collected by Nyota Minerals Limited (ASX/AIM NYO) and detailed in a press release dated 10 February 2015. Information to complete this Table 1 has been extracted from the February 2015 Nyota press release.

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *Samples were taken by Nyota Minerals Ltd (Nyota) and documented in ASX / AIM press release dated February 2015* • *Samples were taken to validate the presence of copper, nickel and other metals as reported in historic data.* • *Rock chip samples were completed as "Grab" samples, and non-systematic in nature* • *The samples were in no way intended to represent the whole body of mineralisation* • *Alligator has obtained copies of the laboratory files*
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Not applicable. No known drilling has been completed in the project area

Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *Not applicable. No known drilling has been completed in the project area*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *No sample logging data is available*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *Nyota stated that the samples were hand sorted prior to shipment to reduce the weight of each sample to an acceptable level (roughly 3 –5kg each), and that although an attempt was made to reduce each piece of the sample rather than to dispose of one or two pieces entirely; they concluded that sampling bias may have occurred* • *Sample Preparation: Nyota recorded that the samples were sorted and dried. Primary preparation was by crushing the whole sample. The whole sample w as then pulverised in a vibrating disc pulveriser*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks,*	• *Nyota's samples were prepared and analysed by Bureau Veritas Australia Pty Ltd, Western Australia* • *Two analytical methods were selected by Noyta to test for key elements* ***AU, Pt & Pd*** *The samples were analysed by fire assay. This process involves firing a 40 gm (approximate) portion of the sample. Lower sample weights may be employed for samples with very high sulphide and metal contents. This is the classical fire assay*

	duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	*process and results in total separation of gold, platinum and palladium in the sample. Metal contents are determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry* ***All other elements*** *The samples were fused with Sodium Peroxide and subsequently the melt was dissolved in dilute Hydrochloric acid for analysis. Because of the high furnace temperatures volatile elements are lost. This procedure is particularly efficient for determination of major element composition (including Silica) in the samples or for the determination of refractory mineral species. Analysis is by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry or Mass Spectrometry depending on the element*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *Bureau Veritas lab standards were used in the assay set* • *Sample duplicates were completed after sample preparation* • *Alligator has obtained lab files of these results*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Only prospect locations of samples were recorded by Nyota* • *No GPS co-ordinates were recorded* • *Prospect locations referenced are shown in the figure provided.*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *The samples were no way intended to represent the whole body of mineralization, average grades or continuity* • *Samples were taken by Nyota to validate the presence of copper, nickel and other metals as reported in historic data.*
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have*	• *Only non-directional grab samples were completed* • *Nyota stated that non claim was made as to the samples being at any specific orientation (favorable or unfavorable) to mineralisation*

	introduced a sampling bias, this should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• *Samples were transported by Nyota staff in checked commercial airline luggage to Perth, WA then hand delivered to the analytical laboratory.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *No audits have been completed by Alligator or by Nyota for this phase of work.*

Section 2 Reporting of Exploration Results

Criteria	***JORC Code explanation***	***Commentary***
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *AGE has the option to earn up to 70% of the 3 granted and one applied for licenses within the project area* • *Licenses are valid for one year from issue, automatically extending to a second year upon payment of annual rents* • *A royalty based on 3% NSR applies from February 2017. An option exists to buy-back the royalty stream in February 2019 for Euro 200k or in February 2021 for Euro 400k* • *Permits are in place to commence surface geochemistry and geophysical surveys on the granted licenses* • *The northern quarter of P38V "Alpe Laghetto" is covered by the Val Mastallone and Alta Valsesia natural park. Exploration and mining is not forbidden by these parks*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Sample results in this document were completed by Nyota*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *The nature of the project area and mineralization is described in the announcement*

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in*
		• *Not applicable. No known drilling has been completed in the project area*

	metres) of the drill hole collar ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *Not applicable*
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• *Not applicable*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *Figure 1 of the announcement shows the location of the licenses, main infrastructure and historic mine locations where samples were collected*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *All available data has been reported*

Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *No substantive exploration has been completed by Alligator*
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *Historic academic and exploration data assimilation has commenced* • *Once weather conditions allow, an initial mapping, geochemical and geophysical program will occur over the main areas of interest.*