

QUARTERLY ACTIVITIES REPORT

FOR QUARTER ENDED 31 March 2018

Highlights

Uranium

- Commenced 2018 obligations for the Alligator Rivers Projects with a post wet season site visit. Work Program Meetings have now been scheduled for TCC and Beatrice
- After the end of the quarter Alligator acquired the remaining 41.65% interest in the Beatrice Project tenements taking AGE ownership to 100%
- Tenement applications continue for the most prospective Alligator River's titles - targeting 2H of 2018

Energy Minerals

- Alligator Energy expanded its exploration and development strategy to include **cobalt-nickel** projects
- A binding Heads of Agreement was executed with Chris Reindler and Partners to earn up to a 70% interest in the Piedmont sulphide **cobalt – nickel** project in Northern Italy
- Planning well advanced for the commencement of exploration at the Piedmont Project with on-ground activities scheduled for early May 2018 in the historic mining district

Corporate

- Greg Hall, an experienced mining executive with a deep understanding of the international uranium and nuclear sector and with commodity markets in general was appointed as Acting CEO
- A successful share placement was completed in March raising \$693,000 (before issue costs)
- The Company continues to evaluate further opportunities aligned with the expanded corporate strategy

Alligator Energy

ABN 79140575604

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Fortitude Valley, QLD
4006

Ph: (07) 3852 4712

Fax: (07) 3852 5684

ASX Code: AGE

Number of Shares:

573M Ordinary Shares

83M Listed Options

6.2M Unlisted Options

Board of Directors:

Mr John Main
(Chairman)

Mr Paul Dickson
(Non Exec. Director)

Mr Peter McIntyre
(Non Exec. Director)

Mr Andrew Vigar
(Non Exec. Director)

Mr Greg Hall
(Acting CEO & Exec.
Director)

Exploration

Alligator River Uranium Province (ARUP)

The months of January through to April comprise the wet season in Northern Australia. This period has been used for planning and preparation for the forthcoming exploration season on the Tin Camp Creek and Beatrice project areas, along with progressing the company's new applications including the Nabarlek North project. Alligator is targeting 2H of 2018 for completion of the process.

An initial field program in conjunction with local ranger groups and traditional owners is planned for April 2018 to conduct regulatory commitments, along with a small re-sampling program of drill material from the TCC4 prospect. Exploration field work is expected to re-commence in July 2018 and will initially involve the re-establishment of access tracks and re-opening of Myra camp.

Alligator continues to advance its pipeline of targets, of which TCC4 remains the most advanced at "drill ready status". Alligator is actively assessing the opportunities for funding or investment into TCC4 to drill test this outstanding uranium target. Stakeholder consultation has been scheduled for Q2 and regulatory compliance documentation prepared allowing rapid ground access should funding be received for this drilling program.

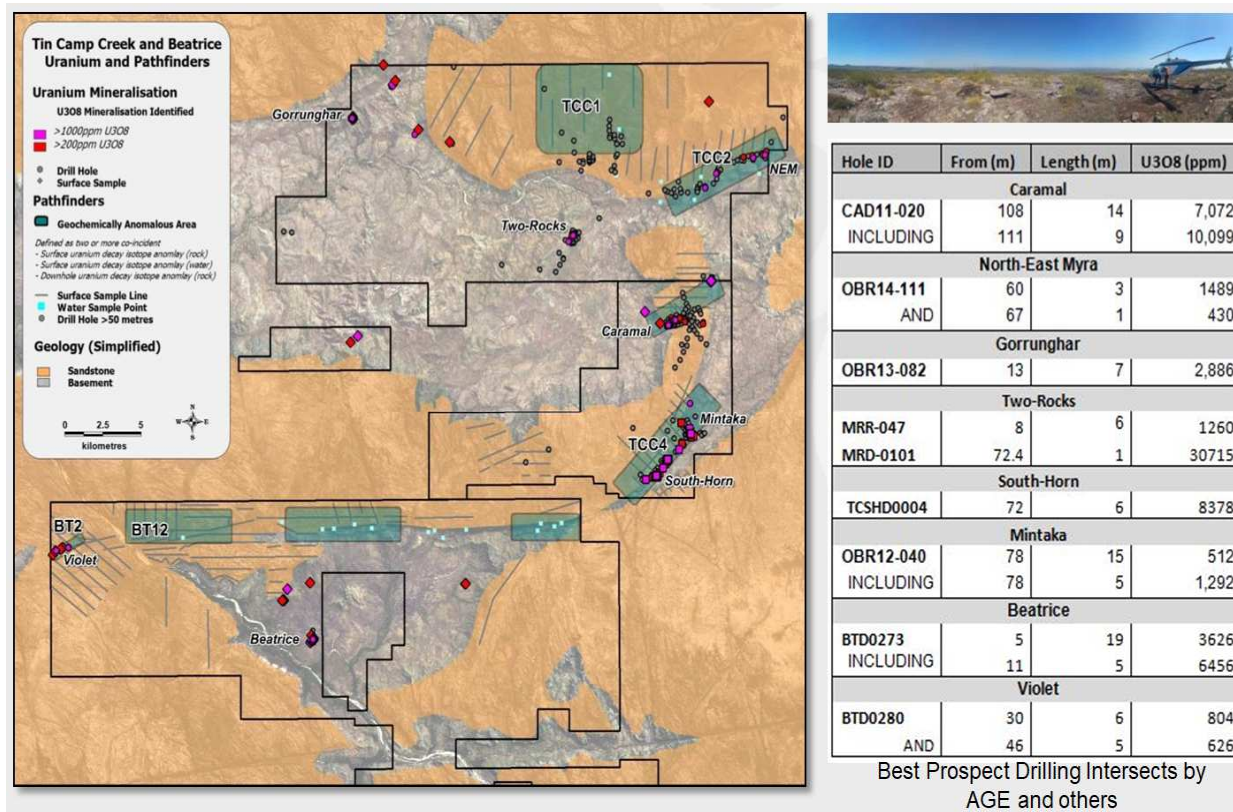


Figure 1: AGE 2018 BTJV and TCC tenement overview.

Piedmont

The opportunity

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. The cobalt to nickel ratio was high in these deposits.

Until recently, no significant modern 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 and a focussed electromagnetic and magnetic data part of the mineral titles. These airborne surveys defined a number of anomalies proximal to the historic mines which remain completely untested. These represent very attractive targets in an area with clear cobalt-nickel pedigree untouched by modern exploration techniques.

Planning and field preparations

The compilation and digitization of currently available historic data was completed during the quarter, along with the detailed re-processing of the 2015 flown EM and Magnetic survey. This has identified in particular a **significant and totally untested EM anomaly located between two historic mines**, and formed the foundation for the phase 1 work program allowing a focussed concise effort to establish the potential for high quality economic mineralisation. Logistics were finalised and field teams engaged allowing ground work to commence in early May 2018.

The deal

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 be targeted to produce drill targets and will entail:

- assessing all old workings and prospecting around them to ascertain their style of mineralisation and potential;
- Geological mapping and geochemical sampling from ridges, spurs and areas of EM/magnetic anomalism and from streams to locate other mineralised areas
- ground geophysics to locate/confirm the features identified in the airborne geophysical surveys and to refine drill targets if required

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.

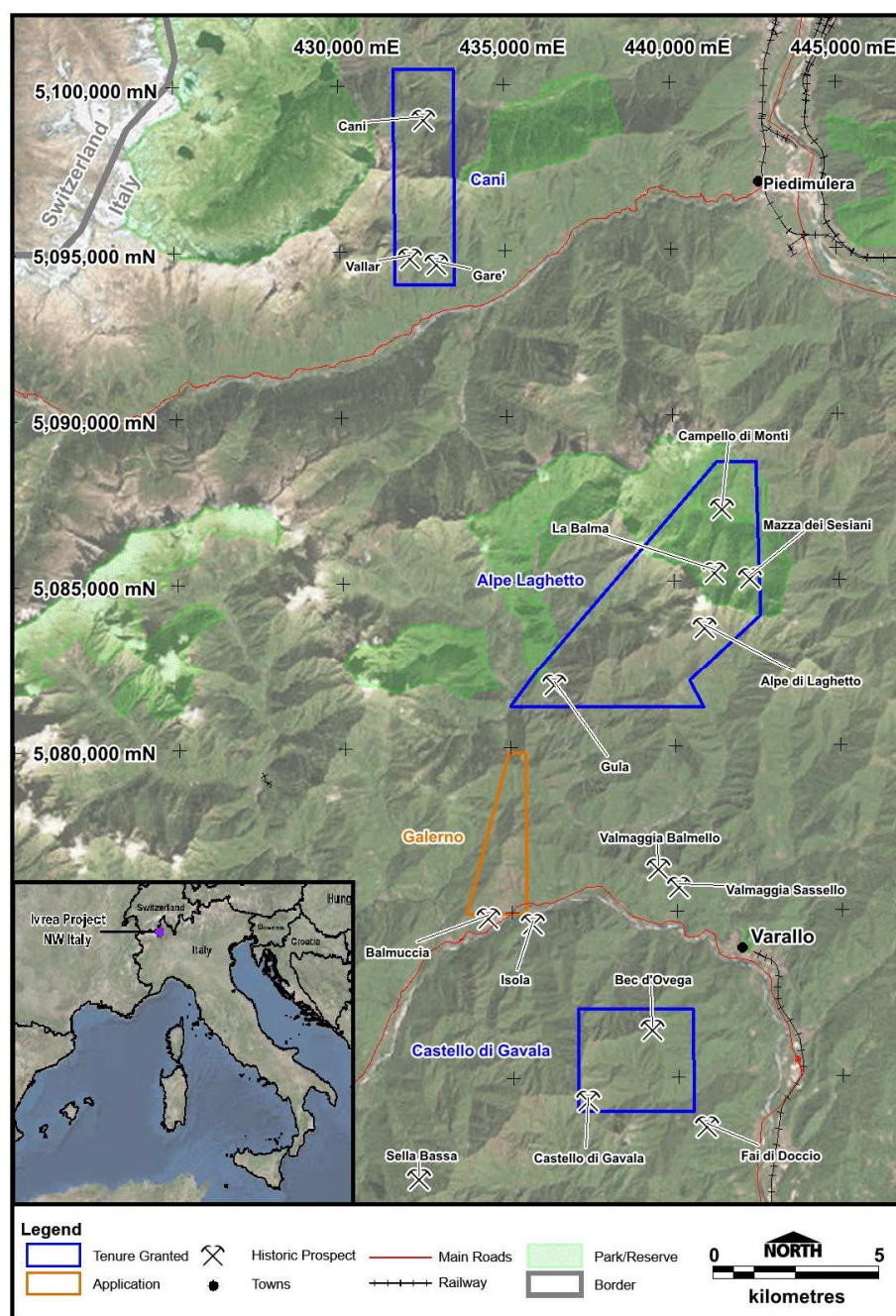


Figure 2: AGE 2018 Piedmont tenement overview.

Corporate

Expanded Corporate Strategy

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 initiative.

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 US\$40.26 per lb (US\$88,750 per tonne) in April 2018 (source: LME). 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 US\$6.34 per lb (US\$13,980 per tonne) in April 2018 (source: LME). While nickel grades tend to be higher and can dominate value in some deposits, at the above current prices, 0.16% cobalt has the same in ground value as 1% nickel.

New Opportunities

During the quarter the Company continued to evaluate further investment opportunities which were aligned with the expanded strategy comprising both uranium and other energy minerals.

The Company will keep the market informed in accordance with its continuous disclosure obligations.

Acting CEO Appointment

Greg Hall was appointed Acting Chief Executive Officer (CEO) effective 1 April 2018. Greg is currently a non-executive director of the Company and has agreed to assume the role as CEO on a part-time basis.

Greg has held a number of previous executive roles specifically in sectors aligned with Alligator's focus. With original qualifications as a Mining Engineer, Greg has 35 years' experience in the resources sector, holding operational management or CEO roles in projects in uranium (Olympic Dam, Ranger, Toro Energy), nickel (Leinster and Kambalda Nickel Operations) and copper (Olympic Dam, Hillgrove Resources).

He has a deep understanding of the international uranium and nuclear sector and is acquainted with commodity markets having been a Marketing Manager for Rio Tinto Uranium and Director Sales (Bauxite & Alumina) at Rio Tinto Aluminium.

Capital Raising

In early March 2018, the Company completed a share placement to sophisticated investors and AFSL holders raising a total of \$693,000 before issue costs.

The funds raised are planned to be used by Alligator for the purposes of:

- ensuring its highly prospective uranium targets and tenements in the Alligator Rivers region are maintained and ready for future drill testing, as well as continuing to advance applications and acquire further land opportunities;
- ground testing of its Nickel Cobalt Piedmont project in northern Italy with a view to early drilling; and
- working capital

The placement comprised of 77,000,000 fully paid ordinary shares at \$0.009 per share together with a free attaching 2.1 cent option on a 1:2 basis (38,500,000 options). This placement comprised of the remainder of the Company's ASX Listing Rule 7.1 capacity (15%) together with the Listing Rule 7.1A additional 10% capacity approved by shareholders on 17 November 2017.

The shares will rank equally in all respects with Alligator's existing ordinary fully-paid shares.

The options to be issued under the placement have the same terms as the Company's listed options which trade under the ASX code AGE0, being a 2.1 cent exercise price and an expiry date of 27 December 2019. On allotment the Company will apply to the ASX for listing of both the shares and options issued under the placement.

Director Fee Plan

After quarter end the Company issued 1,041,250 fully paid ordinary shares to Directors (or their nominees) under the terms of the Director Fee Plan approved by shareholders on 17 November 2017. This issue related to non-executive director fees for the March 2018 Quarter. Director Fee Plan elections for the quarter represented approximately 75% of the fees payable.

The Directors believe that the benefit of the Director Fee Plan to Shareholders is the conservation of cash for use towards exploration activities, as well as aligning their interest with those of the Company and the Shareholders.

Consolidation of the Beatrice Project Interest

After Quarter end the Company advised that it has entered into a binding Sale and Purchase agreement to acquire Cameco's remaining 41.65% interest in the Beatrice Project tenements being EL 24291 and 26796 and exploration licence numbers 26793, 26794 and 26795 applied for under the Mining Act (Tenements).

The purchase consideration has been structured with zero up front cost, and the granting of a 15 year option to Cameco (Cameco Option) which enables the buy-back into the Project on discovery and definition by AGE of a JORC compliant resource (inferred, indicated and measured) of 100m pounds or more of U3O8.

The Cameco Option involves the right, to be exercised within a six month period of receiving a formal notice, to acquire a 40% interest in a JORC compliant resource with the buyback consideration being dependent on the size of the discovery and referenced to the spot price at the time. The spot price used in the formula is capped at what is assessed as a reasonable long-term sustainable uranium price. Upon the option being exercised by Cameco a mining joint venture would be formed.

The Cameco Option arises upon each separate discovery of a JORC compliant resource of

100 million pounds of U3O8 or greater discovered and defined by Alligator on the Tenements at any time up to 15 years from the date of executing a sale agreement.

AGE will assume Cameco's share of the royalty obligations associated with the Tenements being acquired.

The Sale and Purchase Agreement is subject to the customary conditions associated with acquiring exploration title in the Northern Territory, including regulatory and third party approvals.

AGE retains the exploration title surrounding the discovery of a JORC compliant resource of 100m pounds or more of U3O8 that Cameco elects to acquire through exercise their buy-back option.

Exploration Development Incentive

On 6 December 2017, Alligator advised that the Australian Taxation Office (ATO) had accepted its application to participate in the third and final year of the Exploration Development Incentive scheme (Scheme). One hundred percent of the Company's 2017 exploration expenditure was deemed eligible to participate in the Scheme.

Exploration credits will be distributed to shareholders with equity interests in the Company based on the number of shares they held as a proportion of the total equity interest of the company at the Record Date. The exploration credits will be issued 30 days after the approved Record Date.

Eligible Exploration Development Incentive expenditure incurred during the 2017 income tax year is being finalised with the tax return lodgement and is expected to amount to approximately \$750,000. The Board at its May 2018 meeting will approve a Record Date towards the end of May 2018 for the purposes of determining entitlements to the distribution of the credits.

Australian resident shareholders that are issued with exploration credits will generally be entitled to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies). Non-residents receiving credits will not be able to use them.

Uranium Market

In its most recent Uranium Supply / Demand report, the World Nuclear Association announced that nuclear power generation globally had increased 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 (see Figure 1 below). For the last two years 10GW nuclear capacity has been added each year.

On 26 March 2018, the United Arab Emirates (UAE) celebrated the completion of construction of the first nuclear power plant to be built in the UAE, with completion of Unit 1 at the Barakah nuclear station. All four units at Barakah are scheduled for completion by 2020. The four APR1400 nuclear reactors will supply up to 25% of the UAE's electricity needs and save up to 21 million tonnes of carbon dioxide emissions every year.

This ongoing and growing demand for uranium, combined with recent production cuts at Cameco's McArthur River Mine in Canada and Kazatomprom's operations in Kazakhstan is likely to result in anticipated reduction in uranium stocks through 2018. Along with this there are a number of significant global nuclear utilities who will need to replace expiring long-term uranium supply contracts in the next 1-2 years.

Alligator remains optimistic in the short to medium term for a fundamental shift in uranium price, and remains committed to low cost, effective and progressive exploration of its uranium assets to capitalise on this anticipated improvement in the uranium market.

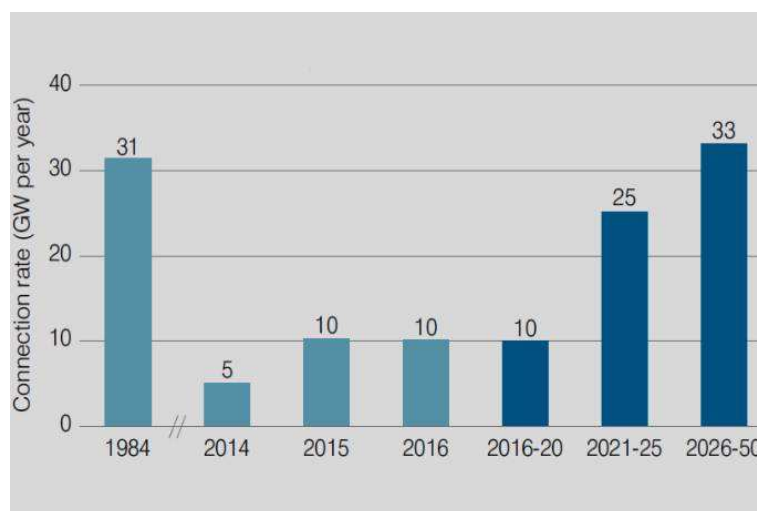


Figure 1 – Connection rate of new nuclear power capacity globally, with future World Nuclear Association predictions.

Other

AGE announced during the quarter that it had agreed to take part in the seed capital raising by Cobold Metals Limited through an investment of \$200,000, conditional on AGE having access to required funds. Due to the reduced level of cash raised during the recent placement the Company was unable to progress this opportunity.

Competent Person's Statement - Uranium

Information in this report is based on current and historic Exploration Results compiled by Mr Andrew Peter Moorhouse who is a Member of the Australasian Institute of Geoscientists. Mr Moorhouse is an employee of Alligator Energy Limited, 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 Moorhouse consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Nickel Cobalt

Information in this report is based on current and historic Exploration Results compiled by Mr Andrew Vigar who is a Fellow of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Vigar is a non-executive director of Alligator Energy Limited, 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 (Alligator or the Company) is an Australian, ASX-listed, exploration company focused on uranium and energy related minerals, principally cobalt-nickel.

Alligator's Directors have significant experience in the exploration, development and operations of both uranium and nickel projects (both laterites and sulphides)

Uranium

The Company's uranium exploration projects are 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. The Company's high priority drill target is TCC4 on the Tin Camp Project. The previously drilled Caramal (6.5Mlb U₃O₈ at 3100ppm U₃O₈) and Beatrice deposits represent eroded remnants of once much larger deposits.

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

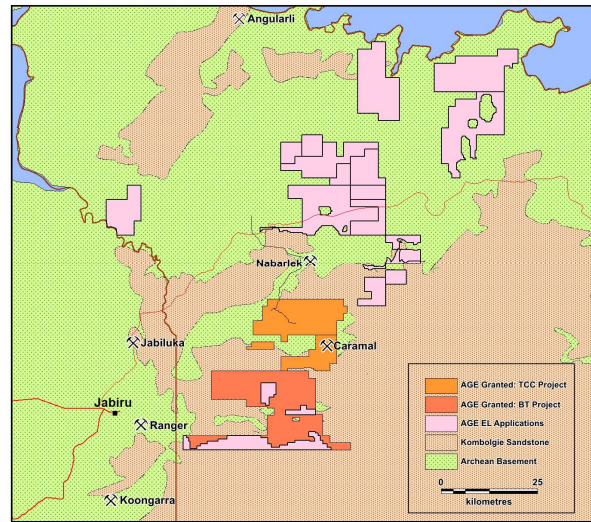
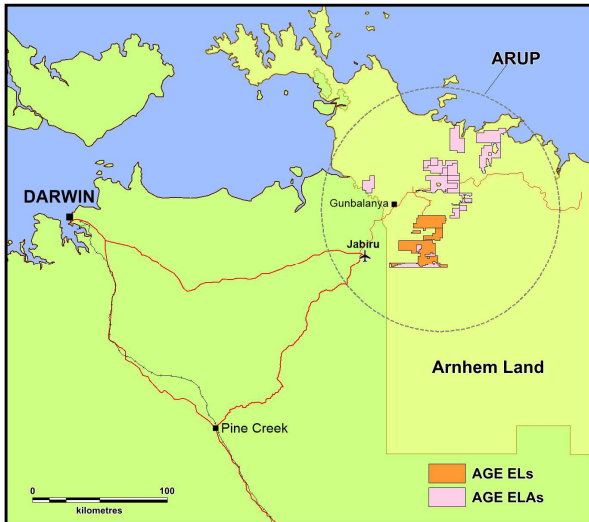
Cobalt- Nickel

Alligator signed a binding Heads of Agreement with Chris Reindler and Partners (CRP) in January 2018 to earn up to 70% interest in the Piedmont sulphide cobalt – nickel project in Northern Italy.

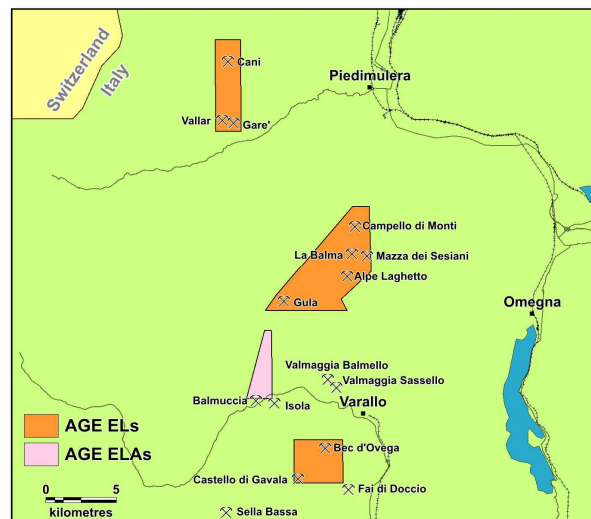
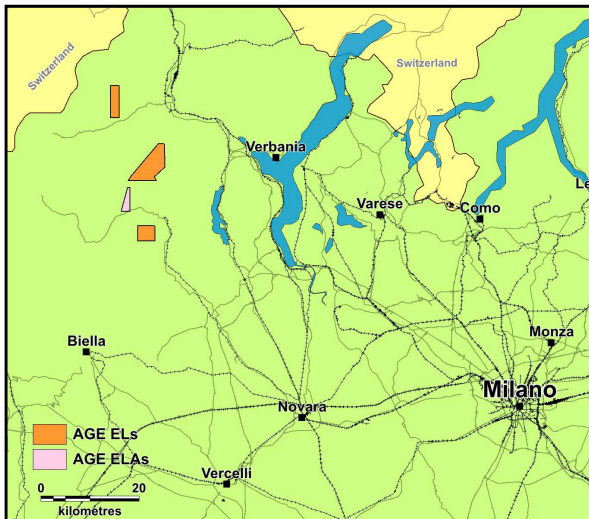
The project covers four titles containing ultramafic-hosted cobalt-nickel sulphide deposits that were mined between the 1860's and the end of World War II. Sulphides in pipe-like intrusive bodies and massive sulphide accumulations at the base of large, layered ultramafic intrusions were mined. The cobalt to nickel ratio was high in these deposits.

Airborne surveys obtained by CRP have 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.

Northern Territory, Australia – Alligator Rivers Uranium Province (ARUP):



Northwest Italy – Piedmont Ni-Co:



FOR FURTHER INFORMATION, PLEASE CONTACT

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Acting Chief Executive
Alligator Energy Ltd
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Mr Mike Meintjes
Company Secretary
Alligator Energy Ltd
Email: mm@alligatorenergy.com.au

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Alligator Energy Limited

ABN

79 140 575 604

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(54)	(352)
(b) development	-	-
(c) production	-	-
(d) staff costs	(48)	(126)
(e) administration and corporate costs	(133)	(318)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds (net)	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(234)	(792)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (tenement security (bonds)/refunds)	-	20
2.6	Net cash from / (used in) investing activities	-	20

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	693	993
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(49)	(71)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	644	922

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	295	555
4.2	Net cash from / (used in) operating activities (item 1.9 above)	410	(792)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	20
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	922
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	705	705

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	634	114
5.2 Call deposits	71	181
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	705	295

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

12

-

6.1 explanation - Director fee payments in cash and superannuation contributions
Note: Director Fee Plan Shares issued during the quarter treated as a non-cash item totalled \$13k

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

N/A

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(400)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(44)
9.5 Administration and corporate costs	(91)
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	(535)

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	P29V, P370,P39V and P38V- Piedmont district, Italy	Farm-in interest (total of \$650k) to acquire a 51% interest	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



(Company Secretary)

Date: 30 April 2018

Print name: M C Meintjes

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.