

15 November 2019

Big Lake Uranium Farm-in and Corporate Update

Highlights

- On 16 October 2019, Alligator Energy Ltd (**AGE or Alligator**) announced the expansion of its uranium exploration portfolio with the signing of a Heads of Agreement (**HoA**) for a farm-in on the Big Lake Uranium Project (**BLU**) in the Cooper Basin;
- AGE and the Big Lake Uranium vendors have agreed to reduce the expiry date for the Contingent Consideration Shares contemplated under the HoA from 8 years to 5 years after consultation with the ASX;
- On this basis, the ASX has confirmed that the terms of the Acquisition Shares and Contingent Consideration Shares proposed in the HoA are appropriate and equitable under Listing Rule 6.1, subject to the conditions set out in this announcement;
- Shareholder approval for the proposed transaction will be tabled at the AGM to be held on 26 November 2019 on the basis of the revised term referred to above;
- AGE has scheduled an exploration and technical workshop for Saturday 16 November with the BLU team to refine the proposed work program, initiate exploration preparation work and complete due diligence;
- AGE has commenced engagement with the South Australian Department of Energy and Mining, with a detailed meeting to be held on Friday 15 November in Adelaide; and
- The placement to raise funds through Taylor Collison (ASX Announcement: 16 October 2019) has proceeded, with an initial tranche of 124 million shares issued raising \$310,000 before issue costs. The remaining tranche is subject to approval at the upcoming AGM.

Greg Hall, Alligator CEO said: *"We are making great progress in finalising our agreement with the BLU vendors and preparing for activation of the work program. This will commence with the upcoming exploration and geology workshop and advance into initial work identifying potential paleochannels using existing seismic and other data, followed by planning for an EM survey."*

Alligator Energy Ltd

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ASX Code: AGE

Number of Shares:
1,147.7 M Ordinary
Shares
310.4 M Listed
Options
22.2 M Unlisted
Options

Board of Directors:

Mr Paul Dickson
(Non Exec.
Chairman)

Mr Peter McIntyre
(Non Exec. Director)

Mr Andrew Vigar
(Non Exec. Director)

Mr Greg Hall
(CEO & Exec.
Director)

Introduction

Alligator announced the agreement of farm-in terms to acquire 100% interest in the BLU opportunity in South Australia exploring for ISR uranium targets.

This opportunity represents AGE's first venture away from the Alligator Rivers for uranium exploration. The BLU project compliments Alligator's existing strategy in the exploration for economically viable uranium deposits in favourable jurisdictions for uranium mining. Both represent opportunities for uranium projects that can be profitable through low uranium price cycles.

The project has a definitive exploration pathway with a low-cost strategy to test the uranium mineralisation model, with exploration work to commence immediately and first pass drilling expected for Q2 2020.

The BLU project is targeting sandstone hosted uranium in the Moomba Gas Fields (Cooper Basin), South Australia. Alligator have the opportunity to farm-in to the Big Lake Project with the right once the farm-in expenditure has been met to acquire all of the issued share capital in BLU from the current Shareholders for the consideration set out under the Heads of Agreement (refer below).

The Big Lake Project targets uranium mineralisation within paleochannels of the Lake Eyre formation. The model is for uranium to be sourced from distal uranium rich basement rocks and transported as oxidised fluids through paleochannels. The area is located on the margins of deep-seated dome structures associated with known gas reservoirs within the Moomba Gas Fields of South Australia.

The principal exploration targets are palaeochannels adjacent to dome margins where uranium may precipitate onto hydrocarbons that have leaked to surface. This setting is similar in nature to world-class uranium districts such as Kazakhstan and South Texas and is potentially attractive due to its propensity to form multiple deposits along district scale trends.

Farm-in Agreement

AGE signed a non-binding HoA with BLU on (ASX Announcement: 16 October 2019) that allows it to earn a 100% interest in the Big Lake Project mineral title.

The principal terms of the HoA as set out in the announcement, included the following proposed consideration in the form of fully paid ordinary shares to be issued on achievement of future milestones (**Performance Shares**):

- On expending at least \$220,000 on exploration and evaluation during the farm-in period, AGE has the right to acquire a 100% interest in Big Lake Uranium Pty Ltd (a single purpose entity set up to acquire EL 6367) through the issue of 30 million fully paid ordinary shares in AGE (Acquisition Shares);
- If AGE discovers and defines a JORC compliant Inferred Resource of 25 million lbs U3O8 at 1,000ppm uranium or greater on the Project within eight (8) years, then

Alligator agrees to issue a further 30 million fully paid ordinary shares in AGE to the BLU Shareholders or their nominees (Contingent Consideration Shares).

The HoA is conditional on completing a binding agreement consistent on the agreed terms, AGE applying for and receiving an ASX 'in-principle' determination that the transactions contemplated under the HoA complying with the ASX Listing Rules, Shareholder approval of the proposed transaction and finalization of legal and technical due diligence.

AGE engaged with the ASX to seek 'in principle' determination that the proposed terms of the Performance Shares were in accordance with Listing Rule 6.1 and Guidance Note 15: Performance Shares. During these discussions the ASX raised a concern regarding the expiry date for the Contingent Consideration Shares indicating that the maximum period should be limited to five (5) years. After further discussions with the ASX and the BLU vendors it was mutually agreed to reduce the expiry date for reaching the discovery milestone from eight (8) to five (5) years.

Alligator has subsequently been advised by the ASX that the terms of the Performance Shares are appropriate and equitable pursuant to Listing Rule 6.1 based on the following conditions:

- The Company obtains Shareholder approval for the issue of the Performance Shares and the Notice of Meeting includes sufficient information about the terms and conditions of the Performance Shares;
- The Performance Shares are not quoted, transferrable, do not confer a right to vote or participate in new capital issues and do not carry an entitlement to a dividend or return of capital or surplus profit or assets upon winding up the Company;
- The Performance Shares converting to one fully paid ordinary share on achievement of the milestones set out in the HoA with the exception of the expiry date of the Contingent Consideration Shares being based on five (5) years;
- If the milestones for the Performance Shares are not achieved by the relevant expiry dates, then each Performance Share will be consolidated into one fully paid ordinary share only;
- Announcement upon satisfaction of any milestone and upon conversion application to the ASX for quotation within the requisite time period; and
- Disclosure in each annual report, annual audited accounts, half-yearly report and quarterly cashflow report and Appendix 3B details of the Performance Shares that remain on issue.

Alligator will table the Performance Shares for approval at the AGM to be held on 26 November 2019 on the basis outlined above.

Technical Preparations for BLU Project

In finalising technical due diligence and refining the proposed work program (ahead of completing the BLU farm-in), Alligator and the BLU vendors are holding an exploration and geology technical workshop. This is scheduled for Saturday 16 November, and is aimed at refining the proposed work program, initiating immediate exploration preparation work and completing due diligence. The program will quickly advance into defining paleochannels using existing seismic and other data, followed by planning for an Airborne Electromagnetic (AEM) or other geophysical survey.

Our aim is to be ready for initial drill testing early in Q2 next year.

Along with the above, AGE has commenced engagement with the South Australian Department of Energy and Mining. This is to ensure correct approach on the Government exploration approvals, communication and liaison with existing leaseholders, and early engagement with local pastoralists and indigenous community.

Greg Hall

CEO & Director

Alligator Energy Limited

FOR FURTHER INFORMATION, PLEASE CONTACT

Mr Greg Hall CEO & Director Alligator Energy Ltd Email: gh@alligatorenergy.com.au	Mr Mike Meintjes Company Secretary Alligator Energy Ltd Email: mm@alligatorenergy.com.au
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Competent Person's Statement

Information in this report is based on current and historic Exploration Results compiled by Mr Andrew Peter Moorhouse who is a Fellow of the Australasian Institute of Mining and Metallurgy and Australasian Institute of Geoscientists. Mr Moorhouse is the Exploration Manager and a 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 Moorhouse 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 is primarily exploring for uranium in West Arnhem, utilising modern exploration techniques, combined with the best geological knowledge acquired by Alligator and consultant geologists, in search for uranium deposits of similar mineralisation style and tenure to that of the world class Alligator Rivers Uranium deposits of Jabiluka and Ranger, concealed beneath the covering sandstone. The company's Tin Camp Creek and Beatrice tenements form the exploration focus but the Company also assesses other opportunities as they arise.

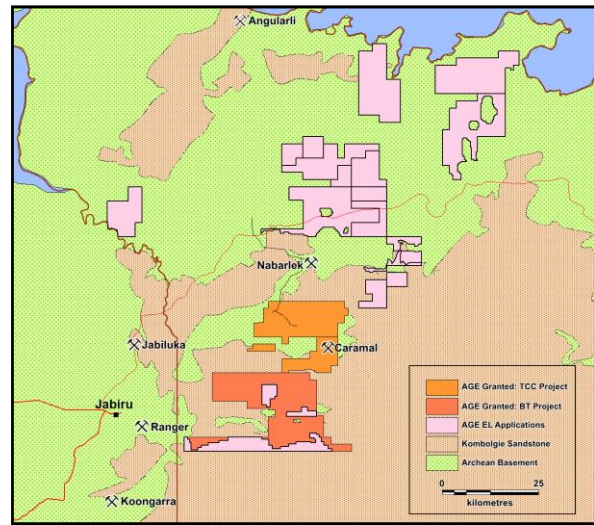
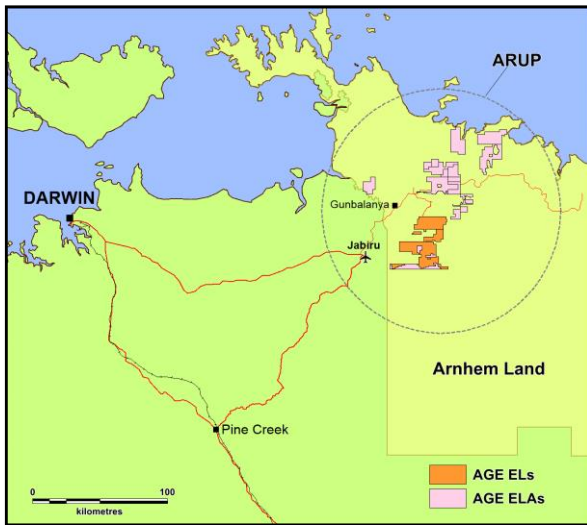
The Company also has in excess of 1000km² of Exploration Licence applications awaiting grant within the Alligator Rivers Uranium Province.

Cobalt- Nickel

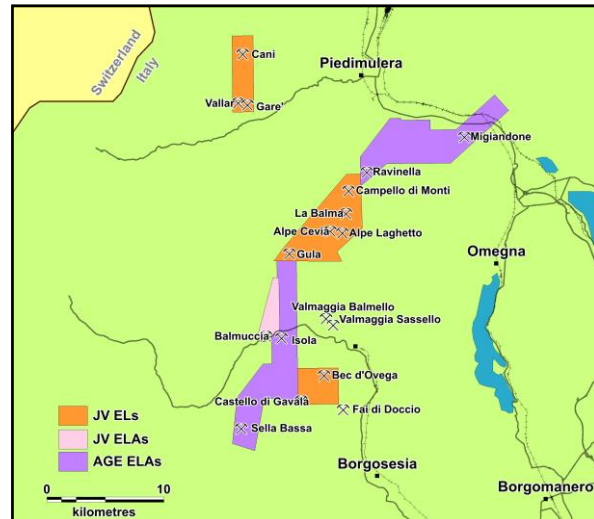
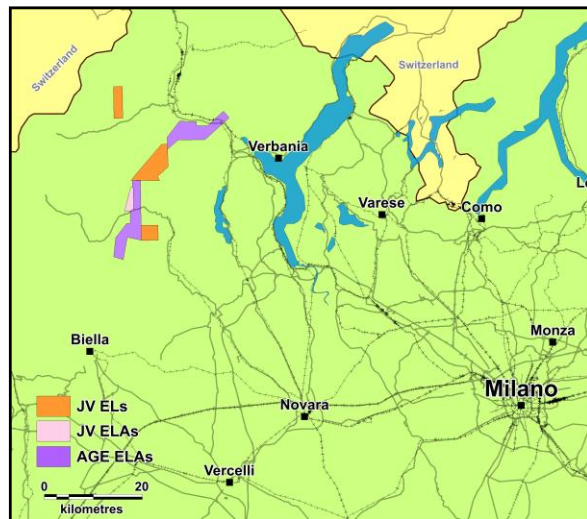
Alligator signed a binding Heads of Agreement with Chris Reindler and Partners (CRP) in January 2018 to earn up to 70% interest in the Piedmont sulphide cobalt – nickel project in Northern Italy.

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.

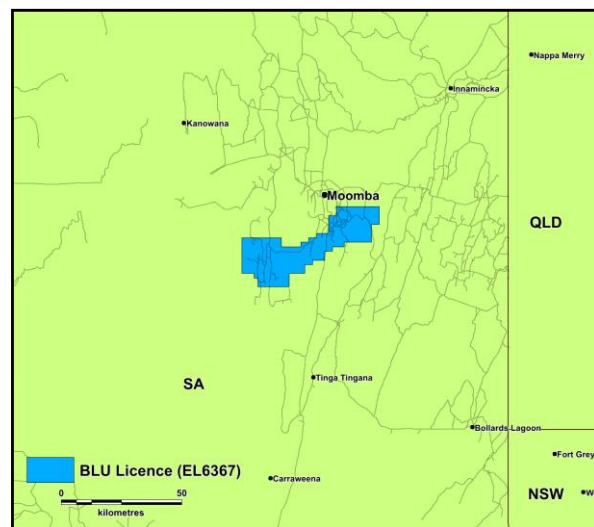
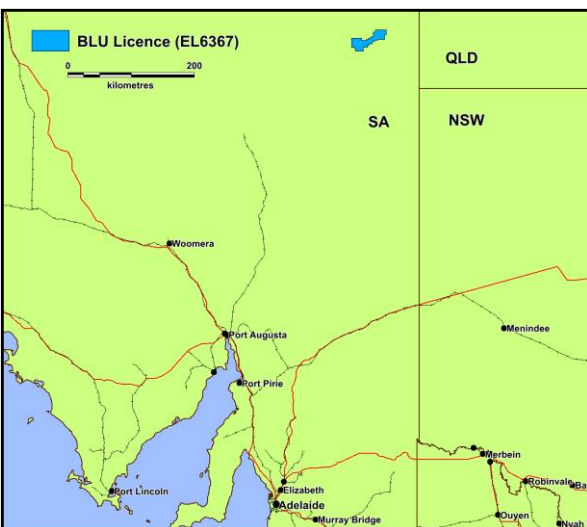
NT Australia – ARUP U:



Northwest Italy – Piedmont Ni-Co:



SA Australia – Big Lake U:



Project Location Diagrams