

## Alligator Projects and Team Update

**Highlights:** Alligator Energy Limited **ASX: AGE** (Alligator or the Company) is pleased to provide the following update for its Projects and Team:

### Samphire Uranium Project:

- Meetings held with landowner to discuss and agree preparations for drilling
- Exploration PEPR submitted to the Department for Energy and Mining for review and approval
- Work area heritage survey carried out with indigenous group
- Drilling contractor and downhole logging specialist quotes received and being firmed for signing
- Drilling program targeting a mid-October start, subject to receipt of regulatory approvals

### Alligator Rivers Uranium Province – Nabarlek North Project:

- Traditional owner / NLC work program meeting held for IP survey and drilling
- Sourcing contractor for IP survey over the high-grade U40 Prospect extension
- Potential drilling companies identified – to be agreed once IP survey timing confirmed
- Preparations being made to enable the IP survey and drilling to continue during the early wet season (contingent on any Covid restrictions)

### Big Lake Uranium:

- Analysis of airborne electromagnetic survey data being completed – decision on drilling pending
- SA Government Accelerated Discovery Incentive Report lodged and co-funding support of \$130,000 claimed

### Corporate:

- Greg Hall commits to a full-time role as CEO and Managing Director to lead the Company's exciting uranium focused exploration program
- Experienced geologist and business development executive Geoff Chapman appointed Samphire Project Manager for the drilling, sampling, extraction testwork, mineral resource estimate update and Scoping Study

- Uranium spot price increased 60% over three weeks due primarily to Sprott Physical Fund buying – see further market commentary below
- Performance review grants for employees for the transformative 2020/21 period approved by the Board, and KPIs set for the forthcoming financial year

**Alligator's Chairman Paul Dickson said,** *"The Board is delighted to have secured the full-time services of Greg Hall as your CEO at a time that we are well funded for a highly anticipated work program at our key uranium projects over the next 18 to 24 months"*

**Alligator's CEO Greg Hall said,** *"Alligator Energy is building a team for its important Samphire project on-ground work and study. We are pleased to secure Mr Geoff Chapman, an experienced and well credentialed geologist and mineral economist with substantial multi-commodity experience, including uranium, to manage the project. The additional geology, environmental, hydrogeology and testwork team to progress the studies is also being established with the first phase of drilling scheduled to commence in mid-October, subject to receipt of the required regulatory approvals."*

*At Nabarlek North the exploration team is focussed on establishing and advancing the on-ground program, with arrangements being put in place to allow the work to continue into the early part of the wet season."*

## CEO Contract Renewal

The Board is pleased to confirm that it has agreed with the CEO and Managing Director, Greg Hall, a full-time employment contract effective 1 September 2021. Details of Greg's employment contract are set out in Appendix 1.

## Uranium Market comment

There has been a great deal of market excitement in recent weeks as the uranium spot price climbed sharply from under US\$31 a month ago to US\$48.55 on Thursday 16<sup>th</sup> September, for a ~57% gain over a single month. While this has been a significant move, set in the context of a longer time-frame and the pricing requirements for new mine start ups, the jump may seem less dramatic.

A key driver behind the move has been the Sprott Physical Uranium Trust (SPUT), which has been aggressively buying spot uranium on the market. The onset of these purchases had an immediate impact on the price. Starting with an initial C\$0.3 billion buying capacity, SPUT's capacity expanded to C\$1.3 billion due to investor demand. This could take approximately until the end of 2021 to deploy (based on the current prices and pace of buying). While it is the most vocal and active buyer, SPUT is not the only player, with new entrants to the market including New Horizons ETF who also see an opportunity here.

While these purchases are removing 'loose inventory' from the market, it is only catalysing the inevitable, which is for long-term market fundamentals to reassert themselves, with the price of uranium set to rise back well above the cost of uranium produced. With the incentive price for most new production around \$60/lb for long term delivery, there is still a way to go.

Uranium has endured one of the longest bear markets of all commodities. Yet the future of uranium demand is not just secure but set to grow. A recent report from the International Energy Agency (IEA) projects that the amount of energy supplied by nuclear power globally will increase by 40% by 2030, and 100% by 2050. The IEA anticipate that to achieve this pace, the global fleet will increase by as much as 30 Gigawatts per year in the early 2030s. With the average large plant producing around 1 Gigawatt, this represents 30 new power stations per year.

Morgan Stanley released a research note recently, stating that "Uranium is our most preferred commodity in our 3Q21 price deck". Morgan Stanley highlighted their forecast mine supply of 128

Mlbs U3O8 for 2021, while it is expected nuclear power plants will consume 182 Mlbs, therefore 54 Mlbs will have to be drawn from inventories and secondary sources.

With the rapid change in the uranium market, and strong evidence that nuclear utility fuel buyers are re-entering into off market discussions with producers for long term contracts, we believe it is the right time to review and enhance the substantial opportunity that the Samphire Project represents to Alligator Energy and our shareholders.

### **Employee and Contractor Performance Incentives**

After an exceptional and somewhat testing year with COVID restrictions in 2020 / 21, the Board has agreed and approved performance review grants for employees and key contractors for the transformative 2020/21 period and have agreed new KPIs for the forthcoming financial year.

This announcement has been authorised for release by the Alligator Energy CEO and Chairman.

## **Contacts**

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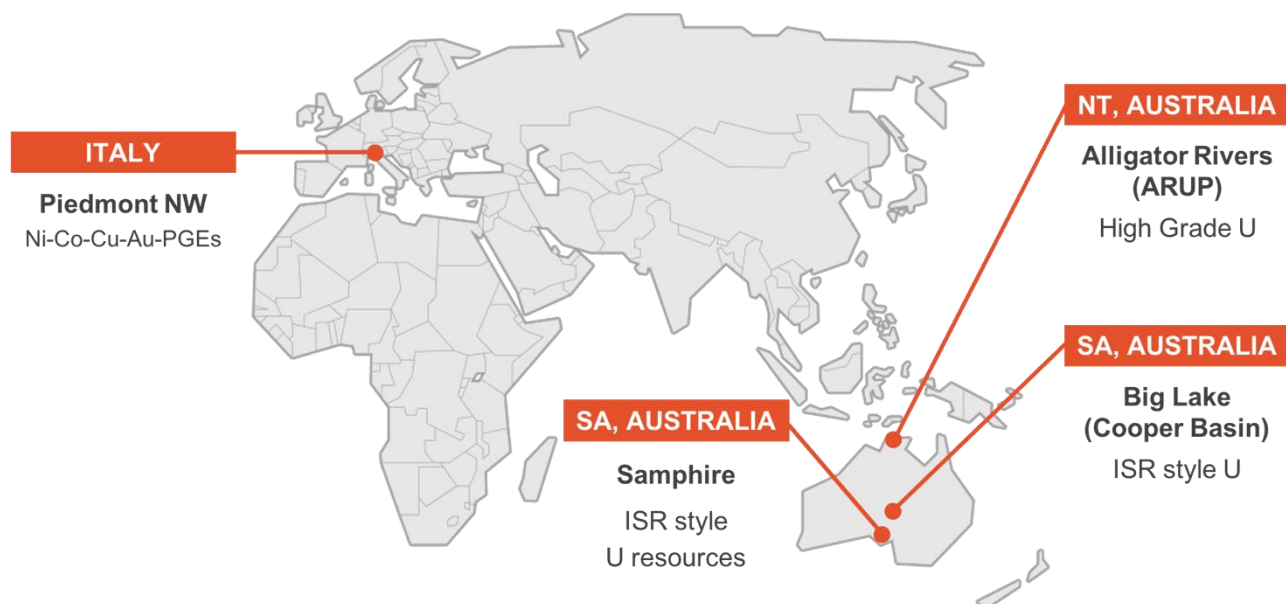
## Forward Looking Statement

This announcement contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change

## About Alligator Energy

Alligator Energy Ltd 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).

### Projects



## Appendix 1

In accordance with ASX Listing Rule 3.1, the Company provides the following disclosures in respect of the full-time employment agreement with the Chief Executive Officer, Mr Greg Hall:

- An executive employment arrangement as Managing Director and CEO on a full-time basis from 1 September 2021;
- While the employment contract is set for an initial two year period, it will automatically continue on an ongoing basis thereafter;
- The Base Pay has been agreed as \$205,000 per annum plus the Superannuation Guarantee Levy contributions;
- The Base Pay includes services as an executive director and consequently there is no additional director compensation;
- The inclusion of a Short-term Performance Incentive, based on a maximum of 25% of the 12 month Base Pay. The Short-term Performance Incentive is linked to KPIs set for the CEO role over the forthcoming 12 month period which include:
  - i) completion of the approved 2021 Operational Plan whilst ensuring the environmental, social and governance aspects of the business are maintained and enhanced, and managing ongoing impacts of COVID 19;
  - ii) progressing the company strategy incorporated in a Two Year Strategic Business Plan;
  - iii) Company promotion and investor engagement initiatives;
  - iv) Continued focus on new business development through sourcing and assessing opportunities aligned to the corporate strategy that involve partnering, farm-ins, joint ventures, mergers and acquisitions related to uranium and other energy minerals; and
  - v) Leadership in a manner that promotes teamwork, innovation and appropriate levels of risk management.
- The inclusion of a Long-term Performance Incentive based on 50% of the 12 month Base Pay which has a three year life and is dependent on a trigger set around the discovery of a prescribed size uranium or nickel resource, successful completion of a Samphire Project Feasibility Study (incl environmental approvals) or a change of control.
- The Short and Long-term Performance Incentives are based on granting Zero Strike Priced Options which are subject to Shareholder approval under the ASX Listing Rules and Corporations Act;
- The Agreement may be terminated by the Company giving 3 months written notice or at the Company's option (in lieu of notice) payment of an amount calculated in proportion to the Base Pay and Benefits for any period of short notice;
- Mr Hall may terminate the Agreement by giving 3 months written notice or such period as may be mutually agreed in writing. The Agreement is otherwise terminable by the Company in the event of serious misconduct by Mr Hall; and
- The Agreement contains the standard provisions of employment for an executive including restraints and confidentiality.