



ALLIGATOR ENERGY LTD

ACN 140 575 604

Ph (07) 3852 4712

Fax (07) 3852 5684

PO Box 338, Spring Hill, Qld 4004

Suite 3, 36 Agnes Street, Fortitude Valley QLD 4006

ASX RELEASE – TUESDAY 29 JULY 2014

PLACEMENT AND NON-RENOUNCEABLE RIGHTS ISSUE

Alligator Energy Limited ACN 140 575 604 (**Alligator** or **the Company**) is pleased to announce that on 28 July 2014 it entered into a share subscription agreement involving a group of sophisticated investors. This agreement, co-ordinated through a lead manager, involves a commitment to take a \$1.23M share placement. This commitment forms part of an approximately \$4 million capital raising to drive the next phase of Alligator's uranium exploration strategy in the Alligator Rivers Uranium Province in the Northern Territory, Australia.

The capital raising will provide Alligator with a solid foundation to pursue its exploration strategy to drill test existing priority targets on the Tin Camp Creek project area and assess additional targets generated by recent geophysical surveys.

The capital raising involves:

- (a) a strategic share placement of approximately 15% shares currently on issue to sophisticated investors at \$0.04 per share to raise a total of \$1,230,000 (before costs) (**Placement**) (this represents a discount of 13% based on the VWAP for the 10 business days up to 24 July 2014); and
- (a) a non-renounceable rights issue, fully underwritten by Taylor Collison, to eligible shareholders on the basis of 1 new share for every 3.5 shares currently held at \$0.04 per share. This represents a discount of 13% based on the VWAP for the 10 business days up to 24 July 2014 and raises up to approximately \$2.7M (before costs) (**Rights Issue**). The Macallum Group Limited (**MGL**) will take up its full allocation of rights and directors have indicated varying levels of participation.

Placement

A group of sophisticated investors, coordinated through a lead manager, will accept an approximate 15% placement of 30,750,000 shares at \$0.04 per share to raise a total of \$1,230,000 before a placement fee of 5%. The issue price represents a discount of 13% on the Volume Weighted Average (**VWA**) share price for the 10 business days up to 24 July 2014 of \$0.046 per share. The Placement shares are expected to be issued on 1 August 2014 (prior to the Record Date) and the sophisticated investors will be entitled to participate in the Rights Issue on the basis of these shares. The Placement shares will rank equally in all respects with Alligator's existing shares.

Rights Issue

Assuming no existing options on issue in the Company are exercised, approximately 67,574,625 new Shares will be offered under the Rights Issue (**Entitlement Shares**). The Rights Issue will be available to all registered shareholders who hold shares at 7 pm AEST on or about 11 August 2014 (**Record Date**) with registered addresses in Australia and New Zealand (**Eligible Shareholders**). Shares issued pursuant to the Rights Issue will rank equally with all shares on issue.

Option holders need to exercise their options and be a registered holder of shares on the Record Date if they wish to participate in the Rights Issue.

In accordance with the ASX Listing Rules and the Corporations Act 2001 (Cth) (Corporations Act), Alligator has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand, the Company has formed the view that it is unreasonable to extend the Rights Issue to those shareholders.

Underwriting

The Entitlement Shares will be fully underwritten by Taylor Collison (**Underwriter**), accordingly, any Entitlement Shares not subscribed for by Eligible Shareholders under the Rights Issue will be dealt with by the Underwriter in accordance with the agreed underwriting arrangements. Taylor Collison will underwrite up to a maximum of 67,574,625 shares (\$2,702,985). MGL has indicated an interest in taking up a portion of any shortfall in subscriptions to increase its position.

A summary of the underwriting arrangements will be set out in the Offer Document that will be sent to shareholders on or about 14 August 2014.

The purpose of the Rights Issue is to raise up to approximately \$2,702,985, excluding the costs of the Rights Issue.

Use of Funds

The capital raised from the Placement and the Rights Issue will be used to fund the current 2014 drilling program and underpin ongoing exploration activities at the Company's Tin Camp Creek Project including:

- a) Undertaking the drilling of five priority targets at Tin Camp Creek in the second half of 2014;
- b) Assess new targets identified by recent geophysical surveys at the Tin Camp Creek Project;
- c) Investigate and advance business development opportunities for the Company; and
- d) Provide working capital to the Company generally and fund the costs of the Placement and Rights Issue.

For full details of the proposed use of funds raised, see the Offer Booklet to be dated on or about 4 August 2014.

Current Drilling Program

Alligator announced the completion of the aerial geophysics program over the Tin Camp Creek tenement and commencement of its 2014 drilling program on five high priority targets on 25 July 2014.

Timetable

A proposed timetable for the Rights Issue is set out in the table below:

Event	Proposed date
Announce Placement and Rights Issue to ASX	Tuesday 29 July 2014
Issue Placement shares	Friday 1 August 2014
Lodge Offer document with the ASX	Monday 4 August 2014
Shares commence trading ex-rights	Thursday 7 August 2014
Record date for Rights Issue	Monday 11 August 2014 7pm Brisbane time
Despatch offer document and entitlement and acceptance form to eligible shareholders and announce that dispatch has been completed	Thursday 14 August 2014
Rights issue opens	Thursday 14 August 2014 9am Brisbane time
Rights issue closes	Thursday 28 August 2014 5pm Brisbane time
Notify ASX of under subscriptions	Tuesday 2 September 2014
Allotment of entitlement shares	Thursday 4 September 2014
Despatch of shareholder statements for shares issued under rights issue	Friday 5 September 2014
Normal trading of rights issue shares on ASX commences	
Issue of Underwritten Shares	Thursday 9 September 2014

This timetable is indicative only and may be subject to change arising from the requirements of the Corporations Act and the ASX Listing Rules.

The Rights Issue is being made without a disclosure document, in accordance with section 708AA of the Corporations Act. Alligator will prepare and send an Offer Booklet to all Eligible Shareholders on or about 14 August 2014, as set out in the timetable above.

If all shareholders take up their entitlement under the Rights Issue, the Rights Issue will have no effect on the control of Alligator. However, the proportional shareholdings of shareholders who are not residents in Australia and New Zealand, may be diluted as those shareholders are not entitled to participate in the Rights Issue. Additionally, if an Eligible Shareholder does not take up their entitlement in full there may be a dilutionary effect on that shareholder's proportionate shareholding.

Following the Placement, a further 30,750,000 Shares will be on issue as at the Record Date, representing approximately 13% interest in the Company prior to the Rights Issue. This will result in a further 8,785,714 New Shares being offered under the Rights Issue.

Further information

The Company anticipates that approximately 67,574,625 Entitlement Shares will be issued (this number may have to be increased by a further 4,342,857 Entitlement Shares if existing option holders exercise their options and are registered shareholders by the Record Date). The Entitlement Shares will be issued for \$0.04 each.

Upon completion of the Rights Issue, and assuming it is fully subscribed and that existing options are not exercised, the issued capital of Alligator will comprise approximately 304,085,787 shares and 15,200,000 unlisted options exercisable (for those that have vested) at between \$0.15 and \$0.25 each.

The Entitlement Shares will rank equally in all respects with Alligator's existing shares. If an Eligible Shareholder's entitlement results in a fraction of an Entitlement Share, the entitlement will be rounded up to the nearest whole number.

Trading in the Entitlement Shares is expected to commence on or about 5 September 2014.

Participating in the Rights Issue

The Board recommends the Rights Issue to shareholders. However, before making a decision whether to apply for Rights Issue Shares, Eligible Shareholders should read the Offer Document carefully and in its entirety when they receive it. For further information on your Entitlement, please contact your professional advisor or the Company's share registry, Security Transfer Registrars Pty Ltd.

Yours faithfully

Alligator Energy Limited

John Main

Chairman