

21 November 2014

ASX Announcement

Chairman's Address

ADDRESS TO THE ALLIGATOR ENERGY ANNUAL GENERAL MEETING- 21 NOVEMBER 2014

Thank you for attending the Alligator Energy Ltd (ASX: AGE) AGM.

In 2014 the company changed its strategy from trying to increase the resource at Caramal to exploring all of our mineral title for new Tier 1 deposits containing no less than 100 million pounds of uranium.

We developed and applied two new approaches to our search. Both are potential game-changers and both give us an advantage over our competitors. The first allows us to identify alteration zones associated with uranium mineralisation beneath the covering sandstone. The second allows us to determine if there is significant uranium associated with those alteration zones. They provide a good platform for us to define and select “A” grade targets for drill testing.

We committed to drill five targets and we did. We hit good uranium mineralisation at one of these and highly anomalous uranium at another. We have shown that we can find new mineralisation buried beneath younger cover rocks with a good success rate.

We expanded our mineral title holdings. Mamadawere East was granted to Alligator and we farmed into the Beatrice tenements of Cameco where we can earn 51% interest by spending \$250,000 before July 2016.

Our exploration efficiency, community relations, health and safety performance and environmental management remain excellent.

Macallum Group Ltd became a strategic investor in 2013, and now holds more than 19% of the issued shares of the company. It has two nominees on the board and brings significant experience in uranium exploration and project evaluation.

Approximately \$1.8m was raised in September 2013 and \$3.9m in August, 2014 through essentially simultaneous private placements and rights issues. Currently the company's market capitalisation is about \$9.5m and there is more than \$3m in treasury.

The U3O8 spot-price at about \$44/lb has recovered remarkably from its mid-May low of \$28/lb and is well above the \$35/lb level of 12 months ago. But even at the current price few producers are profitable and no new mine developments can be justified economically. Japanese nuclear power plants are now restarting and construction of 70 new nuclear power plants progresses. A further 163 are permitted or planned. The World Nuclear Association foresees a 33% increase in annual uranium demand within ten years to fuel the currently operating and the 70 new power plants. While uranium inventories are opaque the fact is that more than 200 million pounds of new uranium will be required to be mined each year by 2025. This compares with the approximately 135 million pounds mined and 20 million pounds derived from highly enriched material in 2013. That requires a profound 50% increase in mine production in 10 years. That will need and should drive a profound increase in the uranium price.

Alligator Energy remains clearly focussed on uranium, in one of the top four uranium provinces in the world. It has an expanding tenement portfolio, an attractive pipeline of targets, some clear competitive advantages and a team that is innovative and successful. It remains the most active junior uranium explorer in the country.

On behalf of the Board I would like to thank Rob and his team for their good work this year and to thank you our shareholders for your support in 2014. We look forward to rewarding your ongoing support in 2015.

FOR FURTHER INFORMATION, PLEASE CONTACT

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