



**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES**

ACN 140 575 604

**31 December 2022
HALF YEAR FINANCIAL REPORT**



CONTENTS	Page
Director's Report	1
Auditor's Independence Declaration	8
Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Consolidated Statement of Financial Position	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Notes to the Financial Statements	13
Directors' Declaration	21
Independent Auditor's Review Report to Members	22
Competent Person's Statement	24

CORPORATE OFFICE
Suite 2, 128 Bowen St
Spring Hill, QLD 4000
Tel: (07) 3839 3904

Postal Address
PO Box 338
Spring Hill, QLD 4004

The information in this report should be read in conjunction with the Annual Report for the year ended 30 June 2022 which is available from the Alligator Energy Limited website:
www.alligatorenergy.com.au

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

DIRECTORS' REPORT

The Directors of Alligator Energy Limited (the 'Company', 'Alligator', 'AGE') and its controlled entities (the 'Group') present their report, together with the financial statements of the Group, for the half-year ended 31 December 2022.

Directors

The following persons were Directors of Alligator Energy Limited ('Alligator') during the half-year and up to the date of this report, unless stated otherwise:

Paul Dickson	Non-Executive Chairman
Andrew Vigar	Non-Executive Director
Peter McIntyre	Non-Executive Director
Gregory Hall	Managing Director & CEO

Principal activities

The principal activities of the Group are uranium and other energy minerals exploration. There were no significant changes in the nature of the Group's activities during the half-year.

Dividends

There were no dividends paid to shareholders during the half-year.

Review of operations

(i) Exploration and Evaluation activities

Samphire Project, South Australia

Initial Mineral Resource Estimate Targeting In-Situ Recovery (ISR)

In August 2022, Alligator released a Mineral Resource Estimate (MRE) of 14.8Mlbs U₃O₈ (combined Indicated and Inferred) from 10Mt @ 666 ppm U₃O₈ at a 250ppm cut-off which was prepared by AMC Consultants (Perth) using historical UraniumSA Ltd (UraniumSA) drilling data, along with recent data acquired in the Company's rotary-mud and sonic drilling campaigns. The MRE (Table 1) has been reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and reports only that portion which has been assessed by Alligator as amenable to ISR within the Kanaka Beds of the Samphire Palaeochannel.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**DIRECTORS' REPORT
(continued)**

Review of operations (cont.)

Samphire Project, South Australia

Initial Mineral Resource Estimate Targeting In-Situ Recovery (ISR)

Table 1: Blackbush Mineral Resource reported above a 250ppm U₃O₈ cut-off.

JORC Category	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ Metal (KTonnes)	U ₃ O ₈ Metal (Mlbs)
Indicated	3.9	697	2.7	6.0
Inferred	6.1	647	4.0	8.8
Total	10.0	666	6.7	14.8
<p>The model is reported unconstrained and above a 250 ppm U₃O₈ lower cut-off grade for all zones in consideration of potential for recovery by In-Situ Recovery processes. U₃O₈ grades have been determined by a combination of assay, downhole prompt fission neutron (PFN) and gamma geophysical tool measurements. Estimation is by ordinary kriging for all mineralized zones. Density is assigned as 1.8 t/m³ based on limited testwork. The model assumes agglomeration of 12.5mE x 12.5mN x 2mRL panels for definition of wellfields for production. Classification is according to JORC Code Mineral Resource categories. Totals may vary due to rounded figures.</p>				

Comparison of the uranium metal content estimated at various cut-off grades in the MRE with UraniumSA's 2013 MRE for Blackbush within the ISR amenable Kanaka Beds showed a favourable 25% increase in metal content achieved by Alligator due to:

- Application of a higher cut-off grade (250ppm U₃O₈) for the MRE and additional drilling by AGE (50 holes);
- Changes in the interpretation of the geology and uranium mineralisation;
- Improved understanding of the disequilibrium within the deposit by additional drilling and modelling
- Eliminating uranium mineralisation in certain host lithologies from the MRE that at this stage, do not have reasonable prospects for eventual economic extraction or are considered not suitable for ISR.

Regional Exploration

Acquisition of high-resolution 50m-by-50m ground gravity data was completed over the Blackbush Deposit to upgrade the resolution of existing gravity data over the deposit which maps the host Samphire palaeochannel. Results from initial rudimentary processing undertaken by AGE show a marked improvement in the resolution of the palaeochannel architecture. Further advanced processing on this data and reconciliation with drilling is continuing.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**DIRECTORS' REPORT
(continued)**

Review of operations (cont.)

Resource Drilling

Following the release of the Mineral Resource Estimate targeting in-situ recovery during August 2022, a further rotary mud/downhole logging program commenced in early October 2022.

Thirty five (35) rotary mud drillholes (Phase 1) only were completed as rain impacted the completion of the targeted 50 or so holes prior to Christmas. Drilling in the western channel extension of Blackbush West intersected some of the highest uranium grades recorded to date, with multiple interpreted roll fronts extending some 200 metres from the existing Indicated resource envelope. Key intersections of grade and grade thicknesses include:

- 1.04 metres at 2.02% (20,200ppm) pU₃O₈ from 70.4 metres (GT 21,010)
 - *Including 0.5 metres @ 3.54% pU₃O₈ from 70.6 metres (GT 17,700)*
- 2.12 metres at 0.64% (6,400ppm) pU₃O₈ from 60.0 metres (GT 13,570)
- 1.94 metres at 0.85% (8,500ppm) pU₃O₈ from 59.8 metres (GT 16,490)
- 1.72 metres at 0.89% (8,900ppm) pU₃O₈ from 59.2 metres (GT 16,490)
- 1.42 metres at 0.71% (7,145ppm) pU₃O₈ from 66.4 metres (GT 10,150)

Drilling has recommenced in late February 2023 to complete the program above with the consultant resource geologist updating the Blackbush MRE incorporating the most recent drilling results.

Uranium Recovery Testwork, Blackbush Scoping Study & In-Situ Recovery – Field Recovery Trial (ISR-FRT)

Bench scale uranium leach and ion-exchange extraction tests were concluded by Australian Nuclear Science and Technology Organisation (ANSTO). In particular, the column leach tests over 33 days simulating saline groundwater ISR in-ground conditions at Blackbush show a high level of uranium extraction (92 to 96% range) commensurate with low acid consumption. With the anticipated permeabilities within the Kanaka bed sands from hydrogeological work, this level of leaching dynamics supports an anticipated 70 to 75% overall project uranium recovery factor, which is very typical of ISR projects.

Subsequent ion-exchange tests loading uranium from solution onto a salt tolerant resin at various groundwater salinities showed that uranium resin loading occurred in all scenarios, but as anticipated loading efficiency of uranium was impacted by high groundwater salinity. AGE is proposing that wellfield groundwater pre-conditioning be utilised to lower chloride (Cl) levels from ~30g/L Cl to ~10 g/L Cl using reverse osmosis (RO) prior to ISR, with this to be tested in the ISR-FRT planned for late 2023. This pre-conditioning is a similar technique which is permitted at the Honeymoon mine to reduce calcium in groundwater prior to ISR mining.

Alligator's primary consultants Wallbridge Gilbert Aztec (WGA) are using these results to complete the Scoping Study for the Blackbush deposit in parallel with the process and engineering design and planning for the ISR-FRT, pilot plant and associated infrastructure.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**DIRECTORS' REPORT
(continued)**

Review of operations (cont.)

Uranium Recovery Testwork, Blackbush Scoping Study & In-Situ Recovery – Field Recovery Trial (ISR-FRT)

Alligator's Team continued to progress work on State and Federal Government approvals for the ISR-FRT pilot tests, with submission of approval documents planned for the coming quarter. The Federal Department of Climate Change, Energy, the Water and Environment advised that, provided Alligator's ISR-FRT proposal is similar to the previously reviewed plan submitted by the previous proponent (UraniumSA Ltd), then a Federal referral (approval) under the EPBC Act is not required.

The Company has continued and enhanced its community and regional engagement with public presentations and drop-in sessions held in Whyalla (both within half year and post half year in January 2023), along with ongoing discussions with local pastoralists and key community groups, regarding in particular our drilling and planned pilot field recovery trial. We very much appreciate and thank all parties for the feedback, questions and comments we have been receiving around our project and are incorporating these into our future planning. Our engagement will be ongoing.

Post quarter end the Company announced an increased ISR amenable Mineral Resource Estimate for the Blackbush Deposit and confirmed that it was on track to complete the Scoping Study for the Project before quarter end Q1.

Alligator Rivers Province (ARUP) – TCC, Beatrice and Nabarlek North Projects

A Falcon Plus airborne gravity survey was conducted in late June 2022 over a large portion of the Nabarlek North package of tenements targeting key structural and geological controls. The results of this survey have been interpreted and are being correlated with the geochemical sampling program referred to below.

Alligator completed its inaugural drilling program at the Nabarlek North Project in October/November 2022 comprising regional auger and rotary air blast (RAB) drilling up to 30m depth. Drilling covered a substantial part of the southern portion of the project, adjacent to the U40 Prospect owned by DevEx Resources Ltd (ASX:DEV).

The key aims of the program were to quantify the depth of surficial weathering/cover, sample the underlying basement geology and to provide a better understanding of cover type and thickness, and bedrock geology. A portion of the drilling provided geological context for the Falcon Plus airborne gravity data and historic airborne magnetics and electromagnetics. Over 1,000 samples for uranium (+/- base metal, REE) are currently at the laboratory for analysis.

Work programs for the TCC and Beatrice Projects are focused principally on desktop reviews to ensure that the titles are maintained in good standing.

Big Lake Uranium (BLU), South Australia

Alligator's Big Lake team continued to build its geological understanding and identification of areas targeted for its inaugural 2023 exploration program. In particular, the radiogenic source potential of the 'granite-wash' within the Patchawarra Formation/Tirrawarra Sandstone intersected in a historical petroleum well (Moomba 236) was inspected at the Tonsley Drill Core Reference Library in Adelaide.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**DIRECTORS' REPORT
(continued)**

Review of operations (cont.)

Additional Big Lake exploration licence applications

Alligator conducted a desktop prospectivity study on its 11 exploration licence applications (ELA's) with respect to:

- Availability of existing data (seismic, petroleum drillholes etc);
- A robust network of pathways (faults) where hydrocarbons can migrate into the upper parts of the Cooper basin enabling the chemical reduction of uranium from the oxidised fluids circulating above;
- Presence of shallow (overlying) sedimentary sand units, primarily of the Eyre and Namba formations;
- Radiogenic (U-rich) source rock granites at depth; and
- Presence of alluvial fans emanating from granite hinterlands during the Permian (Patchawarra Formation) i.e., "granite wash".

Alligator subsequently withdrew 5 of these applications and retained the remaining 6. All of these ELA's have now been granted.

Land Access

Native Title Holder consultation continued during the period to secure land access for 2023 work programs, culminating in agreement of the key terms and conditions of a Native Title Agreement for Mineral Exploration with the Yandruwandha Yawarrawarrka Traditional Landowners Aboriginal Corporation (YYTLOAC) Board. Execution of the Agreement is anticipated in the first half of calendar year 2023, with planning and engagement to commence on initial drill program clearance work.

Piedmont Project, northern Italy

During the period a ground-based EM survey was undertaken on the Alpe Laghetto area of Alligator's exploration holdings in northern Italy with the primary objective to determine the presence of deeper conductors proximal to historic mines and the extensive outcropping mineralisation occurrences for follow up drill testing if warranted. Alligator's geophysical consultant is currently interpreting this work as a precursor for AGE to plan its 2023 exploration program.

(ii) Financial

The loss for the consolidated group for the half-year was \$1,255,203 (Half-year to 31 December 2021: \$1,068,974 loss). The loss for the period includes expensing of exploration and evaluation expenditure holding costs (due to limited exploration activity) at the Tin Camp Creek and Beatrice Projects of \$54,975 (Half-year to 31 December 2021: \$79,192).

Since the acquisition of the Samphire Project in October 2020 and the improved sentiment and outlook for the uranium sector, the Company's overhead cost base has grown significantly, particularly in the areas of full-time and part-time employees which now number 15 (Half year to 31 December 2021: 4) use of consultants, fees and charges related to the increased volume of trading on the ASX and market capitalisation, appointment of external investor relations and community consultation advisors and increased business development activities (including the Traxys marketing fee).

During the current half-year the overhead base increase also related to establishing an office in Adelaide and renting warehouse space in Whyalla and Darwin together with incurring IT related costs associated with annual licencing for a number of technical IT software applications and investing in our data management

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

DIRECTORS' REPORT
(continued)

Review of operations (cont.)

strategy. The increase in travel and accommodation costs related in part to attendance at nuclear industry conferences in both the US and Europe.

The Company continues its business development activities with the help of an external corporate advisor with the objective of pursuing further aligned uranium and energy mineral opportunities and projects in target regions.

The Company did not undertake any fundraising activities during the period and remains well funded for its proposed 2023 development and exploration work programs.

(iii) Environment, Social and Governance (ESG)

Alligator is committed to sound ESG practices across all facets of its business and is in the process of establishing a framework and goals to support sustainable operating activities across its portfolio of development and exploration projects.

Alligator is proud to have been awarded a Commendation at the SA Premier's Awards in Energy and Mining in late 2022. The award recognised our work in improving land biodiversity through innovative land rehabilitation methods during exploration.

(iv) Matters subsequent to the end of the half-year

In late February 2023 the Company advised that it had recommenced extensional, resource upgrade and groundwater monitoring well drilling at the Blackbush Deposit, Samphire Uranium Project south of Whyalla, South Australia.

In early March 2023 the Company confirmed an upgrade to the Mineral Resource Estimate (MRE) for the Blackbush Deposit within the Samphire Project in South Australia. The upgrade constituted a 23% increase in uranium metal content (combined Indicated and Inferred JORC Code category) to 18.1Mlbs at a cut-off grade of 250ppm U₃O₈ from 11.4Mt @ 720ppm. This MRE upgrade also constitutes an 8% increase in average grade (666ppm U₃O₈ to 720ppm U₃O₈) and a 78% increase in Indicated Resource.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect:

- a) The Group's operations in future financial years, or
- b) The results of those operations in future financial years, or
- c) The Group's state of affairs in future financial years.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

DIRECTORS' REPORT
(continued)

Auditor's Independence Declaration

The lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

This report is made in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the *Corporations Act 2001*.



Paul Dickson
Chairman
Brisbane, 13 March 2023

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
ALLIGATOR ENERGY LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Alligator Energy Limited and the entities it controlled during the half year.

PKF BRISBANE AUDIT



TIM FOLLETT
PARTNER

13 MARCH 2023
BRISBANE

PKF Brisbane Audit ABN 33 873 151 348

Level 6, 10 Eagle Street, Brisbane, QLD 4000 | GPO Box 1568, Brisbane, QLD 4001 | T: +61 7 3839 9733
Brisbane | Rockhampton www.pkf.com.au

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**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Note	31 December 2022 \$	31 December 2021 \$
Revenue			
Other income - interest		62,983	4,489
Insurance claim proceeds		30,000	-
Expenses			
Accounting and audit fees		(24,653)	(15,058)
Consultants and professional fees		(5,575)	(70,264)
Directors' fees		(96,687)	(87,342)
Employee benefits expense		(365,882)	(218,674)
Share-based payments		(75,321)	(106,480)
Depreciation		(6,758)	(3,017)
Occupancy expenses		(73,386)	(22,731)
Stock exchange and share registry fees		(114,594)	(172,850)
Travel and accommodation expenses		(79,998)	(3,608)
Insurance		(46,646)	(38,005)
Investor relations		(51,801)	(60,241)
Business development		(151,251)	(151,767)
Exploration costs expensed	5	(54,975)	(79,192)
Foreign exchange (loss)/gain		-	(951)
IT costs incl licences		(74,152)	(20,142)
Other expenses		(126,508)	(23,143)
		<hr/>	<hr/>
Loss before income tax		(1,255,203)	(1,068,974)
Income tax		-	-
Loss for the period		<hr/> (1,255,203)	<hr/> (1,068,974)
Other comprehensive income		-	-
Total comprehensive loss for the period		<hr/> (1,255,203)	<hr/> (1,068,974)
Loss attributable to members of the parent entity		<hr/> (1,255,203)	<hr/> (1,068,974)
Total comprehensive loss attributable to members of the parent entity		<hr/> (1,255,203)	<hr/> (1,068,974)
Loss per share:		Cents	Cents
Basic earnings/(loss) per share		(0.04)	(0.04)
Diluted earnings/(loss) per share		(0.04)	(0.04)

The accompanying notes form part of these financial statements.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Note	31 December 2022 \$	30 June 2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents		22,668,901	27,127,889
Trade and other receivables		379,829	298,344
Total Current Assets		23,048,730	27,426,233
Non-Current Assets			
Other assets		435,538	340,902
Property, plant and equipment		232,457	70,740
Exploration expenditure	5	20,416,453	16,753,899
Total Non-Current Assets		21,084,448	17,165,540
Total Assets		44,133,178	44,591,772
LIABILITIES			
Current Liabilities			
Trade and other payables		920,032	312,304
Total Current Liabilities		920,032	312,304
Non-Current Liabilities			
Provisions		391,966	278,406
Total Non-Current Liabilities		391,966	278,406
Total Liabilities		1,311,998	590,712
Net Assets		42,821,180	44,001,061
EQUITY			
Contributed equity	6	72,430,950	72,303,961
Reserves		80,620	141,294
Accumulated losses		(29,690,390)	(28,444,193)
Total Equity		42,821,180	44,001,061

The accompanying notes form part of these financial statements.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Contributed equity \$	Options Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2021	39,534,274	8,247	(26,196,686)	13,345,835
Total comprehensive loss for the period	-	-	(1,068,974)	(1,068,974)
Transactions with owners in their capacity as owners:				
Share options – value of expense	-	34,817	-	34,817
Options lapsed	-	-	-	-
Issue of ordinary shares	26,409,072	-	-	26,409,072
Capital raising costs	(1,496,837)	-	-	(1,496,837)
Balance at 31 December 2021	64,446,509	43,064	(27,265,660)	37,223,913
Balance at 1 July 2022	72,303,961	141,294	(28,444,193)	44,001,062
Total comprehensive loss for the period	-	-	(1,255,203)	(1,255,203)
Transactions with owners in their capacity as owners:				
Share options – value of expense	-	75,321	-	75,321
Options lapsed	-	(9,006)	9,006	-
Issue of ordinary shares	126,989	(126,989)	-	-
Capital raising costs	-	-	-	-
Balance at 31 December 2022	72,430,950	80,620	(29,690,390)	42,821,180

The accompanying notes form part of these financial statements.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	31 December 2022 \$	31 December 2021 \$
Cash flows from operating activities		
Interest received	62,732	4,489
Payments to suppliers and employees	(1,139,949)	(844,435)
Net cash outflow from operating activities	(1,077,217)	(839,946)
Cash flows from investing activities		
Payments for exploration expenditure	(3,101,066)	(618,992)
Payments for security deposits	(94,636)	(100,000)
Payments for purchase of fixed assets	(186,069)	(18,019)
Receipt of Accelerated Discovery Initiative (ADI) funding	-	129,537
Net cash (outflow) from investing activities	(3,381,771)	(607,474)
Cash flows from financing activities		
Proceeds on issue of shares	-	21,690,007
Proceeds on exercise of options	-	2,100,970
Payment of capital raising costs	-	(1,496,735)
Net cash inflow from financing activities	-	22,294,242
Net (decrease)/increase in cash held	(4,458,988)	20,846,822
Cash and cash equivalents at the beginning of the financial period	27,127,889	1,631,105
Cash and cash equivalents at the end of financial period	22,668,901	22,477,927

The accompanying notes form part of these financial statements.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 1 General information and summary of significant accounting policies

Basis of preparation of half-year financial statements

These consolidated interim financial statements and notes represent those of Alligator Energy Limited (the Company) and Controlled Entities (the Group or Consolidated Entity). Alligator Energy Limited is a publicly listed company incorporated and domiciled in Australia.

These general purpose interim financial statements for the half-year reporting period ended 31 December 2022 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements are presented in Australian dollars.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such, it does not contain information, or all the notes of the type normally included in the annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

These interim financial statements have been approved and authorised for issue by the Directors on the 13 March 2023. The interim financial report have been prepared on the basis of historical cost, except for the statement of cashflows. Cost is based on the fair values of consideration in exchange for assets.

Significant accounting policies

The same accounting policies and methods of computation have been followed in this half-year financial report as were applied in the most recent annual financial statements, except in relation to the matter discussed below.

New and revised accounting requirements applicable to the current half-year reporting period

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. None of the new standards or amendments to standards that are mandatory for the first time materially affected any of the amounts recognised in the current period or any prior period.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 1 General information and summary of significant accounting policies (continued)

Going Concern

The financial statements have been prepared on a going concern basis that presumes the realisation of assets and the discharge of liabilities in the normal course of operations for the foreseeable future.

During the six months ended 31 December 2022, the Group made an operating loss before tax of \$1,255,203 (2021: \$1,068,974). Cash outflows from operating and exploration-related investing activities during the same period were \$4,178,283 (2021: \$1,458,938). The Group's ability to continue on a going concern basis is therefore dependent upon its ability to manage its current cash resources, raise additional capital through farm-out arrangements with strategic partners or share issues to existing shareholders or new investors. The Directors are confident of being able to manage the current cash resources and if necessary secure additional funding arrangements and believe the Group is a going concern and will be able to pay its debts as and when they fall due and payable.

Note 2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical judgements in applying the entity's accounting policies

The Group has capitalised exploration expenditure of \$20,416,453 (30 June 2022: 16,753,899). This amount includes costs directly associated with exploration and the purchase of interests in exploration titles. These costs are capitalised as an intangible asset until assessment and/or drilling of the permit is complete and the results have been evaluated. These direct costs include employee remuneration, materials, rentals, camp costs and payments to contractors for services such as drilling and geotech surveys. The expenditure is carried forward until such a time as the area moves into the development phase, is abandoned or sold. Given exploration activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of recoverable resources and the difficulty in forecasting cash flows to assess the fair value of exploration expenditure, there is uncertainty as to the carrying value of exploration expenditure. The ultimate recovery of the carrying value of exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the interest in the tenements. The Directors are of the opinion that the exploration expenditure is recoverable for the amount stated in the financial report.

Provision for site restoration

The Group estimates the cost of rehabilitating disturbances as a result of exploration activity. These estimates are based on the requirements of current legislation, comprise an estimate of the external costs to rehabilitate and are consistent with the amounts reported to the Department of Tourism, Industry and Trade in the Northern Territory and the Department of Energy and Minerals in South Australia.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 3 Segment information

Operating segments are identified, and segment information disclosed, on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, the Board of Directors confirms that the Group continues to operate in one operating segment, being mining and exploration.

The geographical segments (for potential revenue on successful development) have been assessed as being Australia and Italy.

The geographical location of assets is disclosed below:

	31 December 2022 \$	30 June 2022 \$
<i>Australia</i>		
Current assets	23,018,725	27,402,533
Property, plant & equipment	232,457	70,740
Other non-current assets	435,538	340,901
Capitalised exploration expenditure	19,480,573	16,042,441
	<u>43,167,293</u>	<u>43,856,514</u>
<i>Italy</i>		
Current assets	30,005	23,800
Capitalised exploration expenditure	935,880	711,458
	<u>965,885</u>	<u>735,258</u>
	31 December 2022 \$	30 June 2022 \$
<i>Total</i>		
Current assets	23,048,730	27,426,333
Property, plant & equipment	232,457	70,740
Other non-current assets	435,538	340,901
Capitalised exploration expenditure	20,416,453	16,753,899
	<u>44,133,178</u>	<u>44,591,772</u>

The basis of accounting adopted by both geographic segments is consistent with Group policies.

The only revenue during the period related to interest and other income and was generated solely by the Australian segment.

The interest free intercompany loan between Australia and Italy totalling \$978,088 (30 June 2022: \$745,260 which is denominated in AUD has been eliminated in the above disclosure.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 3 Segment information (continued)

At 31 December 2022 the liabilities of the Italian entity excluding the intercompany loan totalled \$7,109 (30 June 2022: \$5,016).

There were no employees in the Italian segment during or at the end of the financial period.

Note 4 Dividends

No dividend has been paid during the half-year ended 31 December 2022 and none is proposed.

Note 5 Exploration expenditure

	31 December 2022	30 June 2022
	\$	\$
Exploration phase		
Geological, geophysical, drilling and other expenditure – at cost	20,416,453	16,753,899
<i>The capitalised exploration expenditure carried forward has been determined as follows:</i>		
Opening balance	16,753,899	11,845,947
Expenditure incurred or tenements acquired during the period	3,717,529	2,936,210
Acquisition of the Samphire Project (*)	-	646,579
Acquisition of the Big Lake Project (**)	-	1,560,000
ADI Grant Receipt	-	(129,537)
Exploration and Evaluation Costs expensed	(54,975)	(180,300)
CRP interest acquisition option fee	-	75,000
	<u>20,416,453</u>	<u>16,753,899</u>

(*) – On 22 September 2021, Alligator issued 7,105,263 fully paid ordinary shares to acquire EL 6350 which lies adjacent to EL 5926 and now forms part of the overall Project.

(**) - On 21 December 2021, Alligator exercised the right to acquire 100% of the Big Lake Uranium Project under a farm-in and sale agreement with the shareholders of Big Lake Uranium Pty Ltd

The Group assesses whether there are indicators that assets, or group of assets, may be impaired at each reporting date.

At 31 December 2022 an assessment of the carrying value of the capitalised exploration and evaluation expenditure for the ARUP, Piedmont, Cooper Basin and Samphire areas of interest was conducted. All areas continue to be regarded as being highly prospective for the discovery of commercially viable mineral resources and no impairment triggers under the requirements of AASB 6 were identified.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 5 Exploration expenditure (continued)

Exploration commitments

So as to maintain current rights to tenure of the exploration and mining tenement holdings, the Group is required to outlay amounts in respect of tenement rent to the relevant governing authorities and to meet certain annual exploration expenditure commitments. The committed outlays for a minimum level of exploration expenditure (covenant) and annual tenement rentals are as follows:

	31 December 2022 \$	30 June 2022 \$
Exploration expenditure commitments payable:		
- within one year	1,005,762	513,643
- later than one year but not later than five years	366,240	49,856
- later than five years	-	-
	<hr/> 1,372,002	<hr/> 563,499
Estimated royalties payable within one year	<hr/> 67,900	<hr/> 97,900

Minimum expenditure covenants under the Department of Primary Industries and Resources Guidelines (Northern territory) must be based on realistic and practical work programs and proposed expenditure levels. These covenants may be varied from time to time, subject to approval of the relevant government departments, and may be relieved if a tenement is relinquished or on agreement with the Department including certain relaxation due to ability to access exploration ground due to the COVID 19 pandemic. The exploration expenditure commitments set out above include expenditure covenants for the 2022 financial year totalling \$50,000 (2021: \$50,000).

Cash security bonds totalling \$372,809 (30 June 2022: \$282,764) were held by the relevant governing authorities at 31 December 2022 to ensure compliance with granted tenement conditions. The Group has lodged a cash backed bank guarantee of \$40,000 (as a security bond) (30 June 2021: \$40,000) with the Northern Land Council in relation to its interest in the Beatrice Project.

Piedmont Project - CRP Farm-in and Joint Venture

On 28 November 2018, the Company signed a Farm-in Agreement with Chris Reindler and Partners (CRP) to earn up to a 70% interest in four mineral titles in northern Italy. After completing Phase 1 under the Agreement in November 2018 the Company is now required to solely fund and manage a further \$400,000 program of work (Phase 2) which will include a geophysics program. At 31 December 2022 the minimum expenditure commitment for the Phase 2 program was met and subject to completing the analysis of the results of this work program and presenting these to Chris Reindler and Partners the Company's farm-in obligations will have been met. Alligator will then have earned a 51% interest in the titles and a joint venture will be formed. Alligator has the right to earn a further 19% interest (70% total) by solely funding, managing and completing a further \$1.25M program of work.

Separately, in May 2021 Alligator formalised a twelve-month option, which can be exercised at any time during a 12-month period, to acquire 100% interest in the three Exploration Licences that form part of the Piedmont Farm-in and JV. On approval by Piedmont regulatory authorities an agreed purchase consideration of \$350,000 (in a mix of cash and shares) becomes payable and a 1% Net Smelter Royalty (NSR) is granted based on future production from the Alpe Laghetto Exploration Licence area.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 5 Exploration expenditure (continued)

Big Lake Uranium Project – Performance Shares

Alligator finalised a farm-in and share sale agreement for the Big Lake Uranium (BLU) project in the Cooper Basin region of South Australia in late 2019. After completing the farm-in expenditure during 2021 the Company elected in December 2021 to acquire Big Lake Uranium Pty Ltd, the tenement holder, by converting 30,000,000 Acquisition Performance Shares into fully paid ordinary shares on a one for one basis.

The Company has also issued 30,000,000 Contingent Consideration/Discovery Performance Shares which convert to fully paid ordinary shares on discovery and definition of a JORC compliant Inferred Resource of 25 million lbs U3O8 at 1,000ppm uranium or greater on the Big Lake Uranium Project within five (5) years.

See further detail in Note 6 (b).

Note 6 Equity Securities Issued

(a) Ordinary Shares

Issues of ordinary share capital during the half year:

Date	Details	Number of shares	Issue Price \$	\$
1 July 2022	Balance	3,300,096,444		72,303,961
12 July 2022	NED Zero Priced Options	1,254,545	0.028	35,127
30 Aug 2022	STI Option Vesting	1,362,396	0.039	53,133
4 Oct 2022	STI Option Vesting	553,267	0.07	38,729
31 Dec 2022	Balance	3,303,266,652		72,430,950

Notes:

1. NED Zero Priced Options - At an EGM held on 29 June 2021, Shareholders approved the issue of 1,254,545 zero strike priced options to Non-Executive Directors in lieu of fee related sacrifices between 1 October 2019 and 31 March 2021 together with an increased workload from mid-2020 associated with the Samphire Project and other corporate initiatives. The ZSPOs all vested and were converted to fully paid ordinary shares in July 2022.
2. STI Vesting – relates to short-term incentive options issued to executives and employees in relation to the 2021/22 performance year. The short-term incentives are linked to 4-5 key performance indicators agreed with each individual and only vest on assessment for performance which occurred during the period. STI Options that did not vest as a result of performance hurdles not being met have expired.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 6 Equity Securities Issued (continued)

(b) Performance Shares

On 10 December 2019, following approval by Shareholders at the AGM, the Company allotted 60,000,000 unlisted Performance Shares (30,000,000 Acquisition and 30,000,000 Contingent Consideration Shares) linked to milestones under the Big Lake Uranium Farm-in Agreement.

In December 2021 the Company satisfied the first milestone and elected to convert the Acquisition Performance Shares to fully paid ordinary shares as consideration for acquiring 100% in Big Lake Uranium Pty Ltd the holder of EL6367.

The Contingent Consideration Performance Shares have the following conversion rights: on discovery and definition of a JORC compliant Inferred Resource of 25 million lbs U₃O₈ at 1,000ppm uranium or greater on the Big Lake Uranium Project within eight years of 10 December 2019.

The Performance Shares are not quoted, are not transferrable and do not convey any right to vote, except as otherwise required by law.

- The Company will issue the holder with a new Share certificate for the Shares as soon as practicable following the conversion of a Performance Share into a Share.
- The remaining Milestone must be achieved before the date presented in each Milestone (Expiry Date).
- For a class of Performance Shares if a Milestone is not achieved before the Expiry Date, then all of the Holders' Performance Shares of that class will automatically consolidate into one Share only (Automatic Conversion).
- Notwithstanding anything else in these terms, the conversion of a Performance Share is subject to compliance at all times with the Corporations Act and the ASX Listing Rules.
- The Shares into which Performance Shares will convert will rank *pari passu* in all respects with existing Shares and will confer rights identical with all other Shares then on issue.

The remaining Milestone may only be amended with approval of Shareholders in General Meeting and a voting exclusion statement applies in relation to any holder of Performance Shares.

The allottees of the Performance Shares were the previous Big Lake Uranium Pty Ltd shareholders.

The value of the Performance Shares allotted will be measured when milestones have been met and conversion to Fully Paid Ordinary Shares has occurred.

(c) Unlisted Options

11,869,428 unlisted zero priced employee and contractor performance options were on issue as at 31 December 2022. These options will only vest if the short term and long term performance conditions are met and expire over periods through to March 2025.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

Note 7 Contingent liabilities

There have been no changes in contingent liabilities since the end of the previous annual reporting period, 30 June 2022.

Note 8 Events occurring after the end of the interim period

In late February 2023 the Company advised that it had recommenced extensional, resource upgrade and groundwater monitoring well drilling at the Blackbush Deposit, Samphire Uranium Project south of Whyalla, South Australia.

In early March 2023 the Company confirmed an upgrade to the Mineral Resource Estimate (MRE) for the Blackbush Deposit within the Samphire Project in South Australia. The upgrade constituted a 23% increase in uranium metal content (combined Indicated and Inferred JORC Code category) to 18.1Mlbs at a cut-off grade of 250ppm U₃O₈ from 11.4Mt @ 720ppm. This MRE upgrade also constitutes an 8% increase in average grade (666ppm U₃O₈ to 720ppm U₃O₈) and a 78% increase in Indicated Resource.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect:

- a) The Group's operations in future financial years, or
- b) The results of those operations in future financial years, or
- c) The Group's state of affairs in future financial years.

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

DIRECTORS' DECLARATION

The Directors declare that:

1. The consolidated financial statements and notes, as set out on pages 8 to 20 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to S303(5) of the *Corporations Act 2001*.



**Paul Dickson
Chairman**

Brisbane, 13 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ALLIGATOR ENERGY LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Alligator Energy Limited ("the company"), which comprises the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the half-year's end or from time to time during the financial half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Alligator Energy Limited is not in accordance with the *Corporations Act 2001* including:-

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Independence

In conducting our review, we have complied with the auditor independence requirements of the *Corporations Act 2001*. In accordance with the *Corporations Act 2001*, we have given the directors of the company a written Auditor's Independence Declaration.

Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Regulations 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

PKF Brisbane Audit ABN 33 873 151 348

Level 6, 10 Eagle Street, Brisbane, QLD 4000 | GPO Box 1568, Brisbane, QLD 4001 | T: +61 7 3839 9733

Brisbane | Rockhampton www.pkf.com.au

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Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PKF BRISBANE AUDIT



TIM FOLLETT
PARTNER

13 MARCH 2023
BRISBANE

**ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604**

COMPETENT PERSON'S STATEMENT

The information included in the Directors' Report in relation to exploration activities during the half year ended 31 December 2022 is extracted from the Quarterly Activities Reports for the quarters ended 30 September 31 December 2022 and any post period end ASX announcements and are available to view on the Company's website- www.alligatorenergy.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.