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Alligator Energy

ASX Announcement

4 October 2021

Successful $11m Placement to Accelerate Key Projects plus Loyalty Option Offer to Shareholders

Alligator Energy Limited **ASX: AGE** (**Alligator** or the **Company**) is pleased to advise that it has received firm commitments for a placement of **A$11 M** to a small number of significant and supportive institutional investors (Placement). Bell Potter Securities Limited and Taylor Collison Limited acted as Joint Lead Managers for the Placement. In addition, the Company plans to undertake a bonus offer of unlisted loyalty options ("**Loyalty Options**") to all eligible Shareholders on the record date advised below. Key highlights of the capital raise include:

- Placement to raise A$11 M via the issue of 176 M new ordinary shares at $0.0625 per share (with three attaching premium priced options per four shares) is priced at an 8% discount to last closing price, 9.3% discount to 30 trading day VWAP and being a level 2.3 times the previous raising price.

- A one for ten Loyalty Option to be offered to all eligible AGE shareholders on the Record Date on or around 25 October 2021, priced at $0.045 and expiring 1 February 2022.

The funds raised will enable Alligator to accelerate, add to and extend the following work programs:

- **Samphire Uranium Project:**
    - **Increase the quantum and proportion of sonic core resource drilling at Samphire, and continue this into next year, to ensure best quality information for resource enhancement and hydrogeology;**
    - **With initial drilling, undertake hydrogeology study, groundwater monitoring, initiate social impact plan, other baseline monitoring, and project approvals scoping;**
    - **Add an IX pilot program for uranium extraction to the field leach trial planned post the Scoping Study, required for feasibility study;**
- **Enlarge the Nabarlek North IP and drilling program in the ARUP next year, along with advancing other exploration projects;**
- **Assist in the evaluation and funding of potential future uranium project opportunities; and**
- **Strategic partner opportunities with Traxys and working capital requirements.**

Alligator's CEO Greg Hall said, "*We understand Shareholders may be surprised we have raised further funds this year, however the significant change in the uranium spot price has focussed attention onto future long-term uranium contracts by nuclear utility buyers, with Alligator also being approached in this regard. We believe the resultant increased investor interest creates the opportunity to accelerate work on a number of valuable project activities, including the studies and approvals process needed for Samphire, increasing and enhancing the quality of resource and exploration drilling work, and the IX trial plant needed for setting of feasibility parameters.*

ASX: AGE

The additional funds will also assist our continued evaluation of future uranium project opportunities, plus work with Traxys on future potential business development options.

At Samphire this year, we have now obtained indigenous work area clearance for the initial drilling, firmed up a drilling crew, have added to our geology field team, and await only Departmental approval of the drilling program, which we believe is imminent. We will advise the market when we commence drilling.

The additional funds raised will also enable increased IP survey work and drilling at our prospective Nabarlek North project next year. We are still hopeful of completing the initial U40 extension IP survey prior to wet season access restrictions, however availability of geophysics crews and Covid border closures are still an issue.

I thank our new significant institutions for their support in this raising, and our ongoing shareholders. We are pleased to be able to offer the Loyalty Options to all our eligible shareholders. We will work with our legal team during preparation of the Prospectus to ensure the Loyalty Options are available to as many Shareholders as possible and practical, based on jurisdictional requirements."

Refer below for more detail on upcoming work activities.

Placement Details

The capital raising of $11 M comprises the Placement of 176 million fully paid ordinary shares ("**New Shares**") at an issue price of $0.0625 along with three (3) attaching premium priced unlisted options for every four (4) New Shares ("**Attaching Options**") exercisable at $0.081 at any time on or before four (4) years from the date of issue. The Placement of the New Shares will be conducted using the Company's capacity under ASX Listing Rule 7.1A (Additional 10% Capacity). The issue of the unlisted Attaching Options will be subject to and conditional on shareholder approval at the AGM which is currently proposed to be held on 23 November 2021.

The Placement is conditional upon the Australian Securities Exchange Limited (ASX) granting approval for quotation of the new Placement Shares in accordance with the Timetable (see separate Appendix 3B issued for this purpose).

The Placement was made at an 8% discount to the closing price on 30 September 2021 and a 9.3% discount to the 30 trading day VWAP.

Loyalty Option Issue

In recognition of the continuing support received from our shareholder base, Alligator wishes to advise that it intends to also undertake a Loyalty Option issue to all Shareholders with a registered address for their shareholding in Australia or New Zealand (Eligible Shareholders) at 5:00 pm (Sydney time) on the Record Date which is anticipated to be on or around 25 October 2021. Alligator will also work with our legal and advisory teams to ensure this Loyalty Option offer is available to as many shareholders as possible and practical based on jurisdictional requirements outside of Australia and New Zealand.

For every ten (10) shares held at 5:00 pm (Sydney time) on the Record Date, Eligible Shareholders will be issued with one (1) free Loyalty Option.

The Loyalty Options will have an exercise price of $0.045 each but no option premium will be charged. They will expire on 1 February 2022 and, if exercised, each will result in the allotment and issue of one (1) fully paid ordinary share in Alligator.

Alligator will not seek listing of the Loyalty Options on the ASX.

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Participants in the Placement will be eligible for the offer of Loyalty Options and holders of the Company's listed AGEOB 1.5 cent options ("**Existing Options**") will be advised of the timetable for exercise of their securities in order to participate if they so wish. Holders of Existing Options will not be entitled to participate in the Loyalty Option issue in respect of the Existing Options that they hold, unless those Existing Options have been validly exercised (and resulting Shares are allotted and issued) before the Record Date.

As the dates set out below are indicative only, the Company reserves the right to amend them subject to the requirements of the Corporations Act and the ASX Listing Rules. The Loyalty Options will be issued under a Prospectus which will be available for download from the Company's website www.alligatorenergy.com.au as from the date of lodgement of the Prospectus with ASIC. A further announcement, including the timetable for the entitlement to and issue of the Loyalty Options will be provided by the Company on lodgement of the Prospectus.

Eligible Shareholders are not obliged to take any action in relation to the issue of the Loyalty Options. Eligible Shareholders using a nominee should liaise with them in relation to their entitlement.

Other important matters:

(a) Shareholder approval

The Company will not need Shareholder approval for the Placement as it has sufficient capacity under ASX Listing Rule 7.1A.

Shareholder approval will be required for the issue of the unlisted Attaching Options.

(b) Proposed Placement and Loyalty Option Timetable

Market announcement, Trading Halt lifted and trading to recommence	Monday, 4 October 2021
Settlement	Friday, 8 October 2021
Allotment	Monday, 11 October 2021
Expected Quotation Placement Shares on the ASX	Tuesday, 12 October 2021
Record Date for Loyalty Options (on or about)	Monday, 25 October 2021
Approval sought for the issue of the Attaching Options	Tuesday, 23 November 2021

The Company reserves the right to vary these dates without notice**.**

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Use of Funds

The funds raised will enable the Company to accelerate progress and expand its work programs on its key uranium focused projects and enable evaluation of business development opportunities in conjunction with our Traxys strategic partnership.

Activity	Approx ($m)
Increased sonic core drilling, increased rotary mud exploration drilling, hydrogeology and other studies, IX trial pilot program with the planned field leach trial for Samphire Project	$5.0
ARUP – enlarge and expand Nabarlek North Project drilling and work on other exploration projects	$2.9
Additional business development opportunities, and other opportunities to further the Traxys relationship	$1.5
Raising fees and Working capital	$1.6
Total	**$11.0**

All amounts are in Australian dollars unless otherwise indicated. Any additional funds raised through the Loyalty Option offer will feed into these work programs.

Upcoming Activity

We have added to our geology teams for both Samphire and Exploration, with an experienced fulltime geologist joining for Samphire (adding to existing contract geology teams), and addition of a very experienced contract senior uranium geologist with experience in ARUP and other uranium project areas around Australia into our exploration team. Recruitment in required key expertise areas is continuing.

Alligator's immediate upcoming work programs includes the following:

- **Samphire**
  - Indigenous work area clearance for the initial drilling now in place, firmed up a drilling crew, have added to our geology field team, establishing site infrastructure required for drilling, and await only Departmental approval of the drilling program, which we believe is imminent.
  - With sonic core drilling to be undertaken first, ANSTO testing to commence this year, and extend into 1H 2022 as needed, with updated Blackbush JORC compliant resource statement and Scoping Study 1H 2022
- **ARUP** – Targets adjacent to the high grade U40 prospect; Work program approval received from Traditional Owners, MMP for the work lodged with NT Mines Department, currently on wait list for IP geophysics survey crews, initial drilling in 1H 2022
- **Big Lake** – Technical review of EM geophysics results continuing, indigenous agreement finalisation continuing, with likely aircore drilling now next year due in some part to rig and geology team availability.

- Continuation of **Piedmont** strategic partner discussions with a site visit being undertaken by one potential partner during October 2021, and a site visit by a UK geophysics company to plan ground EM lines for next year. Alligator's Italian technical team are hosting the visits while undertaking updated community discussions and undertaking some targeted geochemical sampling.

- Ongoing evaluation of further advanced uranium opportunities, and business development opportunities in particular with our Traxys partner.

This announcement has been authorised for release by the CEO and Board.

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

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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

