



# 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 Announcement

### CEO Remuneration

13 July 2015

In accordance with ASX Listing Rule 3.1, the Directors of Alligator Energy Ltd (ASX:AGE) (**Alligator** or **Company**) provide the following disclosures in respect of the employment agreement entered into with the Chief Executive Officer, Mr Robert Sowerby (**Agreement**).

Mr Sowerby, Chief Executive Officer, has entered into a new employment agreement with the Company effective from 1 July 2015. The agreement specifies the duties and obligations to be fulfilled by Mr Sowerby in his role as Chief Executive Officer of the Company. The term of the Agreement is 18 months.

Alligator Chairman, John Main, Chairman commented, "The Company is pleased to be able to extend the current CEO arrangements with Rob. His knowledge and understanding of the Alligator Rivers Uranium Province and cultural aspects of operating in Arnhem Land are very important in achieving the Company's strategic objectives"

#### ***Pay and benefits***

The remuneration payable to Mr Sowerby under the Agreement is \$150,000 per annum exclusive of statutory superannuation (**Base Pay**) together with the payment of employment related benefits (**Benefits**) for car parking, mobile telephone and laptop. No further benefits are payable for duties performed as a director of the Company or its subsidiaries.

#### ***Performance incentives***

Mr Sowerby is also entitled to incentive payments which are based on both short term and long term performance hurdles aligned to the Company's corporate strategy. Subject to approval by shareholders, it is proposed that the long-term incentive be settled by the grant of zero strike priced options under the terms of the approved Employee Share Option Plan. These zero strike priced options will only vest if the performance hurdles are achieved.

The short term incentive will constitute a cash payment of up to 25% of the Base Pay and will be determined by the Board at the end of January 2016 and 2017, based upon performance for the respective field seasons. Performance hurdles for the short term incentive include elements covering targeting process and target quality, completion of the approved annual

exploration plan, management of the operational budget, community relations and environmental impact management.

The long term incentive (settled by the grant of performance based options) constitutes 75% of the Base Pay and will only vest when resource definition drilling commences upon a uranium deposit with the potential to contain 100 million pounds of uranium, or if a uranium deposit with a defined resource of no less than 100 million pounds of recoverable U3O8 is acquired or if there is a change of shareholding control (> 51%) of AGE. The zero strike priced options for the long term incentive will have a three year life.

***Termination***

The Agreement is terminable by the Company giving 3 months written notice and 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. The payment for termination without cause by the Company is 6 months of the annual Base Pay less any payment in lieu of notice.

Mr Sowerby may terminate the Agreement by giving 1 month 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 Sowerby.

***Other***

The Agreement contains provisions standard for an agreement of employment including confidentiality.

Yours faithfully

A handwritten signature in black ink on a light beige background. The signature is stylized and appears to read 'M. Meintjes'.

Mike Meintjes  
Company Secretary