



12 February 2016

ASX Announcement

## Alligator Energy Completes Beatrice Project Sole Funding Requirements

### Highlights

- In August 2015, Alligator earned a 51% of the Beatrice Joint Venture uranium project after completing exploration expenditure of \$250,000. To retain that interest Alligator had to expend a further \$1,750,000 by 1 December 2017
- The Company completed the Stage 2 sole funding requirement of \$1,750,000 in December 2015 and this has now been confirmed by Cameco Australia
- Alligator now has a 51% beneficial interest in and is manager of the Beatrice Joint Venture. Cameco Australia retains a 49% interest
- A Joint Venture Management Committee is being formed comprising representatives from both companies which Alligator will chair
- A 2016 Beatrice exploration plan and budget is in the process of being prepared by Alligator for consideration by the Joint Venture Management Committee. The parties' voting rights are in proportion to their interest
- Within 14 days of adoption by the Joint Venture Management Committee of the plan and budget, the parties to the Joint Venture must elect to either contribute their share of the planned budget or not to contribute their share and be diluted

### Alligator completes the Stage 2 sole funding period

Alligator Energy Ltd (ASX: AGE) has completed its Stage 2 expenditure obligations in order to retain its 51% of the Beatrice uranium project JV (Project). The company has received confirmation from Cameco Australia Pty Ltd (Cameco) that the obligations under the agreement have been satisfied.

In 2015 (ASX Announcement 20 August 2015) the Company achieved the Stage 1 expenditure obligation and earned a 51% interest in the Project through expending \$250,000. A further \$1,750,000 was required to be spent in Stage 2 in order to retain this interest.

The Beatrice project is comprised of ELs24291 and 26796 and ELAs 26793, 26794, 26795 and is located south of the Tin Camp Creek project area (refer Figure 1).

Alligator Energy Ltd

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ASX Code: AGE

Number of Shares:

355.9M Ordinary  
Shares  
7.9M Unlisted  
Options

Board of Directors:

Mr John Main (Exec  
Chairman)

Mr Paul Dickson  
(Non Exec. Director)

Mr Peter McIntyre  
(Non Exec. Director)

Mr Andrew Vigar  
(Non Exec. Director)

Mr Greg Hall  
(Non Exec. Director)

Alligator Energy executed the Beatrice Farm-in & JV Agreement in order to farm-in to Cameco's **Beatrice Project** in the Alligator Rivers Uranium Province (ASX Announcement 19 December 2014). These tenements form a contiguous land holding with the Tin Camp Creek project area that allows AGE to pursue prospective structures and mineralised trends identified by exploration on the adjacent Tin Camp Creek project area.

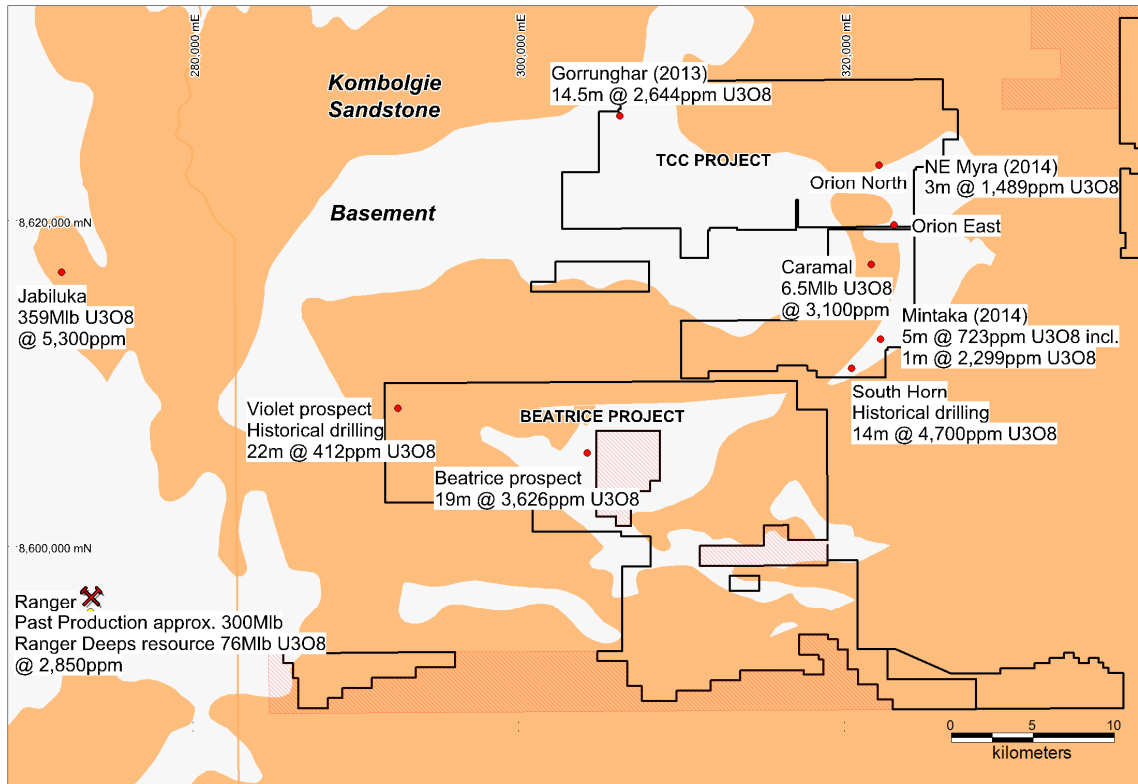
### **Key Terms of Agreement**

The key terms of the Beatrice Farm-in and Joint Venture are as follows:

- Alligator may earn a Stage 1 interest of 51% of the project by exploration expenditure of \$250,000 prior to 2 July 2016.
- Alligator may maintain its Stage 1 interest by sole funding to a total of \$2.0 million for exploration activities prior to 1 December 2017 (Stage 2).
- Following completion of Stage 2, Cameco may elect to fund continuing exploration on a pro-rata basis to maintain a 49% interest or dilute its interest. The election to be diluted must be provided within 14 days of the JV Management Committee approving the Annual Exploration Program and Budget.
- If AGE fails to meet its expenditure commitments up to the end of Stage 2, AGE will forfeit its interest in the Beatrice project.
- On definition of a resource of 75Mlb U3O8 resource (inferred+indicated+measured), the JV must commence a NI43-101 compliant Prefeasibility Study (PFS) within 12 months of identifying a qualifying resource.
- Cameco may elect to manage and operate during the PFS stage and fund 51% of the PFS following a payment of \$2 million to AGE, provided Cameco has maintained a 49% interest.
- Following completion of the PFS, Cameco may acquire an additional 2% of the Beatrice project (for a total of 51%) by paying AGE:
  - For a total resource of less than 100Mlb U3O8, an amount equal to 2% x Total Resource (lbs U3O8) x \$5/lb U3O8 less the initial PFS payment (\$2 million).
  - For a total resource of greater than 100Mlb U3O8, an amount equal to 2% x Total Resource (lbs U3O8) x \$6/lb U3O8 less the initial PFS payment (\$2 million).

### **Planning the 2016 Beatrice Exploration Plan and Budget:**

The principal exploration target remains the discovery of a fully preserved uranium resource containing no less than 100 million pounds of uranium beneath the covering Kombolgie Sandstone. AGE is reviewing all results from its 2015 Beatrice exploration program, in particular the uranium decay isotope and SAM geophysical data, with the intention of finalising an exploration plan and budget by the end of March 2016.

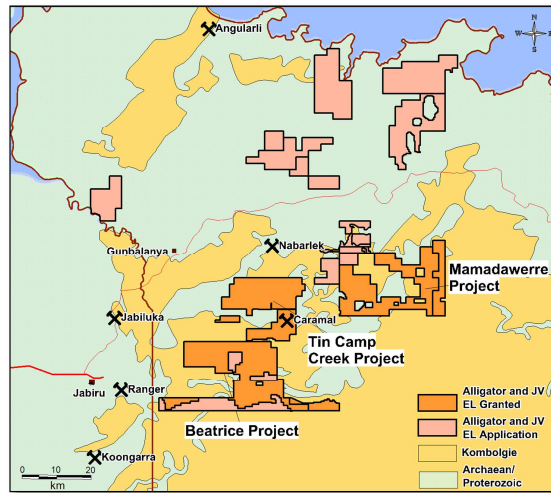
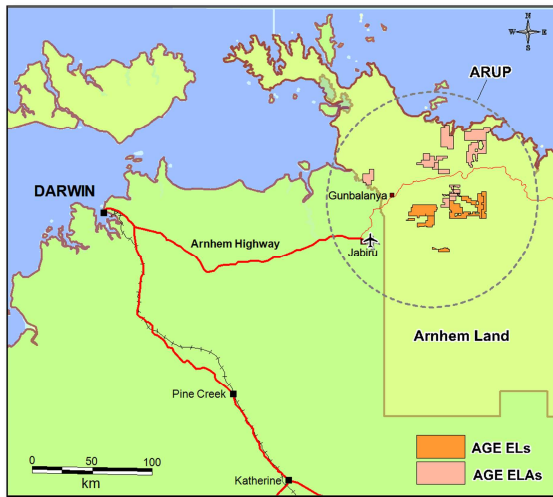


**Figure 1: Beatrice JV and TCC Project Areas**

## About Alligator Energy

Alligator Energy Ltd is an Australian, ASX listed, exploration company with uranium exploration tenements in the world class Alligator Rivers Uranium Province in Arnhem Land, Northern Territory. The Alligator Rivers Uranium Province hosts nearly 1 billion pounds of high grade uranium resources and past production, including the Ranger Mine and Jabiluka. The company's flagship project is the Tin Camp Creek Project. Since listing in February 2011, the company has completed in excess of 15,000m of drilling, defined a maiden high grade, JORC compliant resource at Caramal (6.5Mlb U3O8 at 3100ppm U3O8) and discovered new mineralization at Mintaka and Orion East. High Grade mineralization also occurs at the historic South Horn and Gorrunghar prospect which remain only partially tested.

The company has in excess of 1000km<sup>2</sup> of Exploration Licence applications and is also in Joint Venture with Cameco Australia Pty Ltd for the Beatrice and Mamadawerre Projects, also within the Alligator Rivers Uranium Province.



*Project Location Diagrams*

**FOR FURTHER INFORMATION, PLEASE CONTACT**

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