

QUARTERLY ACTIVITIES REPORT

FOR QUARTER ENDED 31 March 2016

HIGHLIGHTS

EXPLORATION

- Seven first order targets in the Tin Camp Creek and Beatrice project areas, identified from uranium decay isotope sampling and geophysical surveys in 2015, will be the focus of exploration in 2016
- Follow-up sandstone sampling for uranium decay isotope analyses is planned on BT2, BT12 and BT8 targets in the second quarter
- The focus remains on defining targets to drill test which have the potential to host deposits containing more than 100Mlbs of U3O8
- The Company withdrew from the Mamadawerre Farm-in and Joint Venture and is relinquishing the Mamadawerre East tenement in order to focus on the Beatrice and Tin Camp Creek projects

CORPORATE

- A Research & Development tax offset claim amounting to \$604,574 was received during the quarter
- The ATO accepted the Company's application to participate in the Exploration Development Incentive scheme with 100% of eligible expenditure being available for distribution. The tax credit is expected to be \$1,855 for every one million shares
- Subsequent to quarter end the Board approved the Record Date for distribution of \$667,650 in exploration credits as 26 May 2016 with the exploration credits being issued on 27 June 2016

Alligator Energy

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ASX Code: AGE

Number of Shares:
359.9M Ordinary Shares
5.9M 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)

EXPLORATION

The months of January through to April comprise the wet season in Northern Australia and have been used for planning and preparation for the forthcoming exploration season on the Tin Camp Creek and Beatrice project areas.

Utilising the extensive data received from field work completed in the 2014 and 2015 exploration programs, along with the further development of R&D geochemical and geophysical screening methods, seven priority targets (Figure 1) have been identified for immediate field work. Preparation and submission of relevant approval and compliance documents in this regard have now been completed.

Field work is expected to commence in May 2016 and will involve the re-establishment of access tracks and re-opening of Myra camp. Further uranium decay isotope sampling and geological mapping is planned for the priority targets for June 2016 to establish the merits of further geophysical surveys or drill testing. Alligator remains focused on developing targets to drill test which have favourable geochemical, lithological and spatial characteristics for hosting >100Mlb uranium deposits. Figures 2 and 3 show the details and planned sampling for the two targets BT2 and BT12.

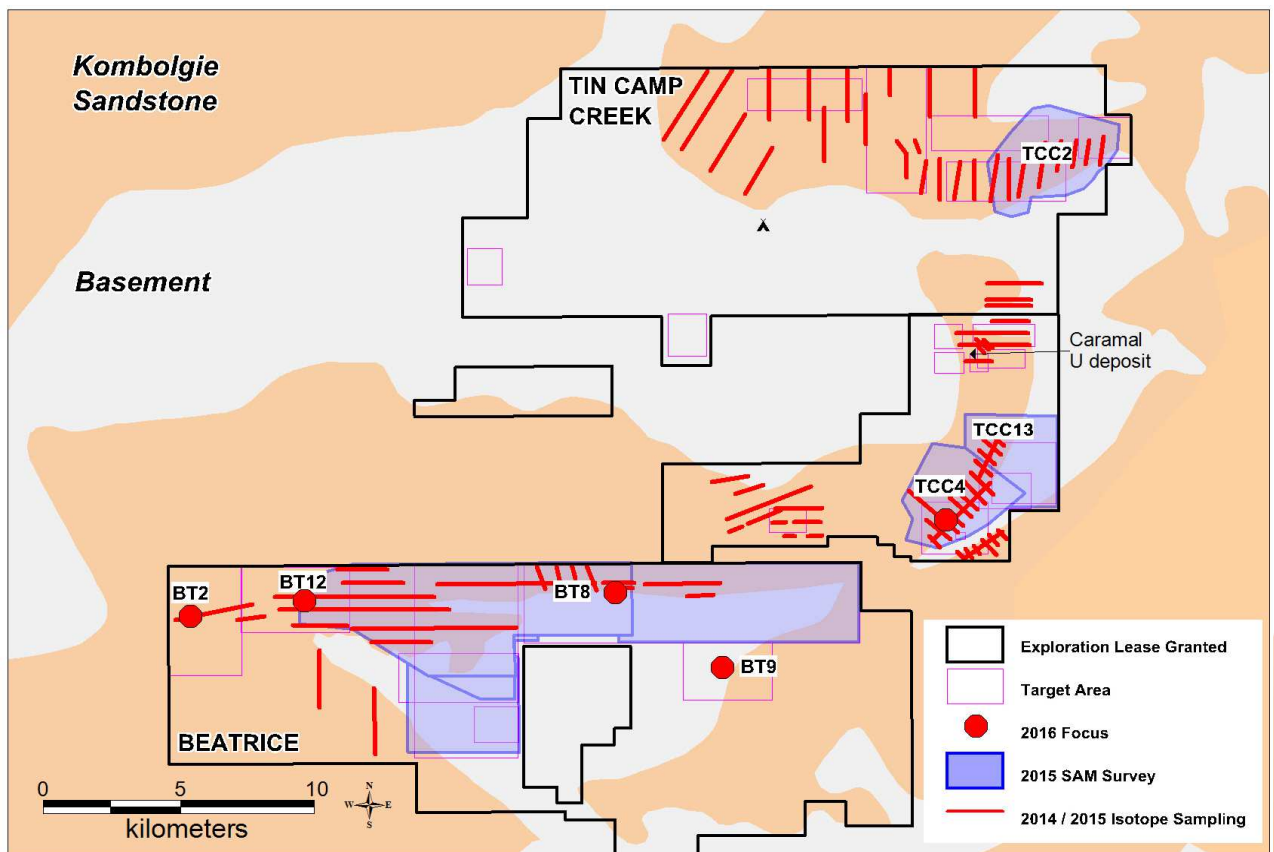


Figure 1: Priority targets

Beatrice Project

Four targets that Alligator rank as high priority are located on the Beatrice project. These are BT2, BT8, BT9 and BT12 (see Figure 1). Targets have been prioritised from interpreted favourable geological stratigraphy, fertile structural setting and strong uranium isotope decay anomalism.

An outline of the basis for identifying each Beatrice target as a priority is set out below:

- BT2 is a sandstone covered target that was identified by Cameco in 2010. It is characterised by strong radiogenic isotope anomalism in sandstone at surface, along with uranium anomalism. Six drill holes completed by Cameco returned values of 21 metres at 412ppm U₃O₈ in BTD0280 (refer ASX announcement 19th December 2014 – Alligator and Cameco execute Beatrice JV agreement). Alligator interpretation puts favourable Cahill stratigraphy proximal to the area which remains untested.

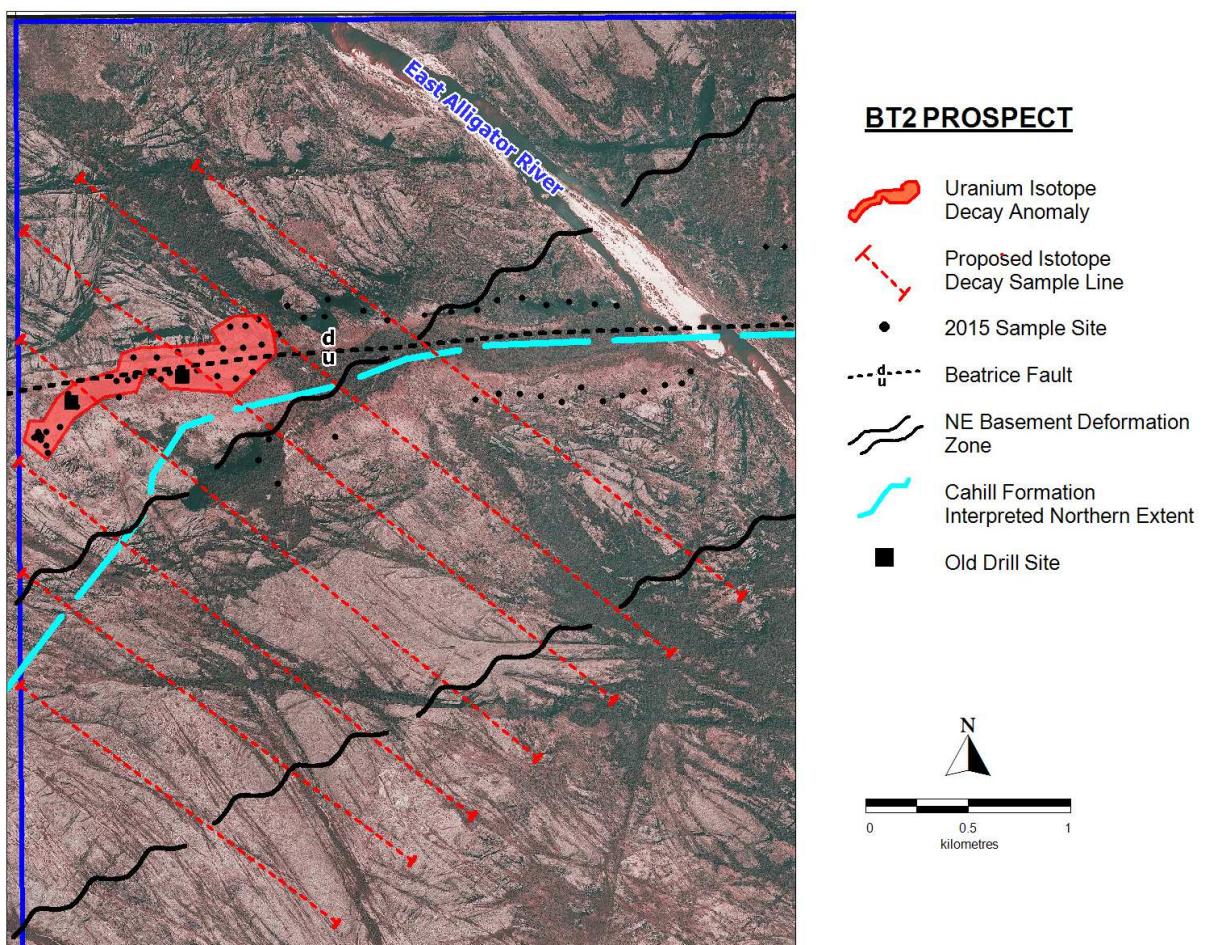


Figure 2 - Proposed work at BT2 Prospect

- BT8 is a sandstone covered target proximal to the major Beatrice fault that has never been drilled. It is characterised by strong radiogenic isotope anomalism in sandstone and a deep basement SAM (Sub Audio Magnetics) feature. Additionally it is a possible source for radiogenic springs located in the broader BT1 target area.
- BT9 located south east from BT1 was identified during the 2015 field. First pass reconnaissance drilling was undertaken with assays returning up to 134ppm U₃O₈ and very high values of uranium decay elements in schistose host rocks of the Cahill Formation. These

are very encouraging results. The uranium decay element target remains unclosed and has not been covered by a SAM survey (refer ASX announcement 15th December 2015 - Beatrice Project 2015 Drilling Results)

- BT12 is a sandstone covered target proximal to the major Beatrice fault that has never been drilled. It is characterised by strong radiogenic isotope anomalism in sandstone at surface. Additionally it is a possible source for radiogenic springs located in the broader BT1 target area.

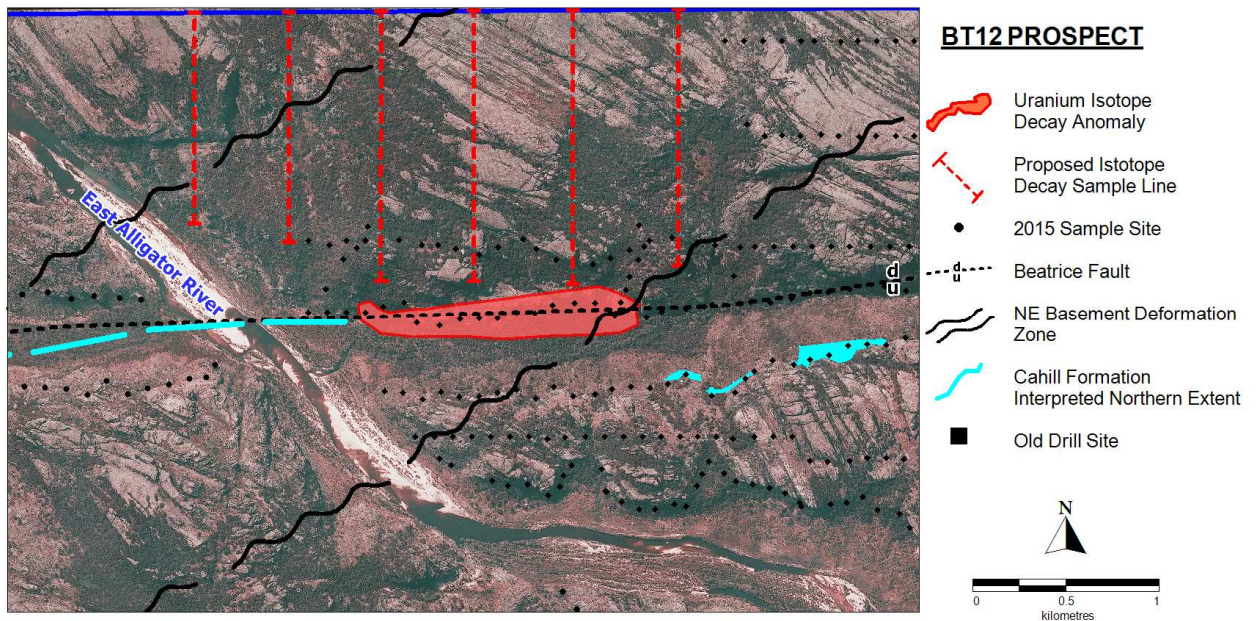


Figure 3 – Proposed work at BT12 prospect.

Tin Camp Creek Project

Three targets ranked as high priority are located on the Tin Camp Creek project. These are TCC2, TCC4 and TCC 13 (see Figure 1). Targets have been selected on the presence of interpreted favourable geological stratigraphy, fertile structural setting, strong uranium isotope decay anomalism and alteration interpreted from geophysical features.

An outline of the basis for identifying each Tin Camp Creek target as a priority is set out below:

- TCC 2 is a sandstone covered target that has never been drilled. It is characterised by radiogenic isotope anomalism in sandstone and deep basement SAM features. It is also identified as a possible source for the regionally significant radiogenic springs observed at Orion North.
- TCC4 is located in the escarpment country west of the South Horn prospect and is coincident with strong extensive surface radiogenic isotope anomalism and coherent basement SAM features. Two holes were drilled in TCC4 in 2014 returning strong downhole isotope anomalism and intense chlorite alteration in Cahill formation beneath the sandstone (refer ASX Announcement 20th November 2014 - Alligator Completes 2014 Drilling Campaign.).
- TCC13 is characterised by an extremely complex structural setting, chlorite altered schists of the Cahill formation and known uranium mineralisation (refer ASX Announcement 21st October 2014 - Mintaka prospect 1m@2299 ppm U3O8.).

Research and Development

Alligator's R&D program is focused on developing innovative techniques for identifying and targeting covered and fully-preserved unconformity uranium deposits beneath the covering Kombolgie Sandstone. In particular, investigation and experimentation is being undertaken on innovative applications of radiogenic isotope geochemical testing and Sub Audio Magnetics (SAM) geophysical techniques.

During the quarter interpretation and modelling of radiogenic isotope results from aggregated sandstone and groundwater samples collected over the 2014 and 2015 seasons yielded a better understanding of the three dimensional distribution and attenuation rate for these isotopes around known uranium occurrences and the unconformity. Investigations were also focussed on new and better methods for processing SAM/TFEM geophysical data to define basement conductors associated with large uranium occurrences.

The Company is also collaborating with CSIRO, Warddeken Land Management and Njajma Rangers to develop weed control methods on the Company's tenements and in the Alligator Rivers terrain.

CORPORATE

Research & Development Tax Offset

During the quarter the Company advised (ASX Announcement: 30 March 2016) that the 2015 tax return had been processed by the Australian Taxation Office (ATO) and the R&D tax offset claim, in relation to the Company's R&D program, totalling \$604,574 had been received.

Exploration Credits

On 29 February 2016, Alligator advised the market that the Australian Taxation Office (ATO) had accepted its application to participate in the Exploration Development Incentive scheme (Scheme). One hundred percent of the Company's 2015 exploration expenditure was deemed eligible to participate in the Scheme.

Australian resident shareholders that are issued with exploration credits will generally be entitled to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies). Non-residents receiving credits will not be able to use them.

Eligible Exploration Development Incentive expenditure incurred during the 2015 income tax year, as set out in the tax return, amounted to \$2,225,499. Consequently the board is now in a position to approve the distribution of up to \$667,650 (at the 30% tax rate) in exploration credits to shareholders. The credit amounts to \$1,855 per one million shares

Subsequent to quarter end the matter was tabled for approval at the board meeting on 28 April 2016. The relevant cut-off time to determine the number of shares that each eligible shareholder holds would be (Record Date) 26 May 2016 with exploration credits issued on 27 June 2016.

Mamadawerre Joint Venture withdrawal

During the quarter the Company advised Cameco Australia Pty Ltd (Cameco) that it planned to withdraw from the Mamadawerre Farm-in and Joint Venture (JVA).

The JVA required a staged expenditure contribution in order to acquire a registered interest in the underlying tenement. Alligator spent \$500,000 on eligible exploration during the Initial Obligation Period and in December 2014 notified Cameco that it would proceed with the next stage (Stage 1) of the farm-in agreement. Stage 1 required eligible expenditure of a further \$2million to be spent before 31 December 2015, in order for Alligator Energy to acquire a 40% registered interest in EL 24992. This deadline was mutually extended to 29 February 2016 as the Company had not met its obligations under the agreement. This extension was requested in order to consider and discuss alternatives for restructuring the agreement.

After due consideration and discussion with Cameco, a decision was taken by the Board to allow the JVA to terminate. This decision was based upon a prospectivity assessment of the Company's three project areas and the need to focus the Company's exploration efforts.

The capitalised exploration and evaluation expenditure related to the Mamadawerre JV Project totalling \$699,072 was impaired when preparing the 31 December 2015 Half-Year Financial Report (ASX Release 22 February 2016).

Subsequent to the end of the quarter the Company decided to proceed with relinquishing the Mamadawerre East tenement (EL 27251) which has a common boundary with the Mamadawerre JV Project area.

Vesting of Short Term Performance Options for 2015 field season

On 27 April 2015 the Company issued 2,035,647 Zero Strike Priced Options (Performance Options) to employees and contractors as short term incentives for the 2015 field season. The vesting of these options was based on achievement by employees and contractors of prescribed performance related KPIs. The performance assessment was conducted at the completion of the field season and on 22 February 2016 the Board approved the vesting of 1,526,736 options which converted into ordinary shares. The remaining 508,911 Zero Strike Priced Options lapsed.

Competent Person's Statement

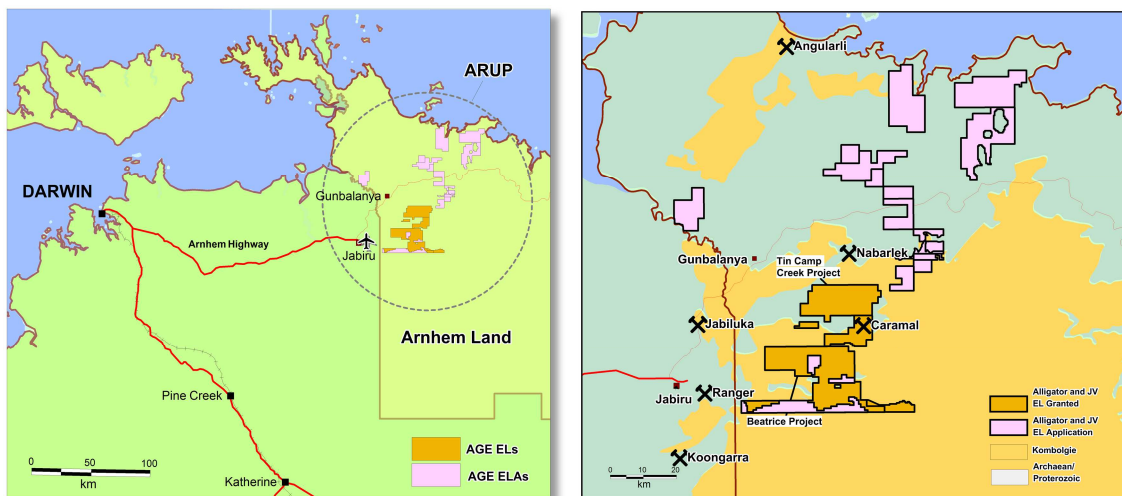
Information in this report is based on current and historic Exploration Results compiled under the supervision of Mr Andrew J Vigar who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Vigar is a director of Alligator Energy Limited, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Vigar consents to the inclusion in this release of the matters based on the information in the form and context in which it appears.

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 contains nearly 1 billion pounds of high grade uranium resources, including past production from the Ranger Mine and the undeveloped Jabiluka deposit. The company's Tin Camp Creek and Beatrice tenements form the focus of its exploration but the company also assesses other opportunities as they arise. The exploration target is a deposit containing no less than 100 million pounds of uranium preserved beneath covering sandstone.

The company is researching and developing novel uranium decay isotope geochemical techniques and has modified and is applying airborne geophysical techniques with the objective of detecting such concealed targets. From its 2014 and 2015 field work the company has identified new targets which are being analysed ahead of a decision to drill test. The previously drilled Caramal (6.5Mlb U₃O₈ at 3100ppm U₃O₈) and Beatrice deposits represent eroded remnants of once much larger deposits.

The company has in excess of 1000km² of Exploration Licence applications awaiting grant within the Alligator Rivers Uranium Province.



Project Location Diagrams and Exploration Licences

FOR FURTHER INFORMATION, PLEASE CONTACT

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Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

ALLIGATOR ENERGY LTD

ABN

79 140 575 604

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(46)	(2,541)
(b) development	-	-
(c) production	-	-
(d) administration	(154)	(629)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7	22
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid)/ received- R&D Offset	604	604
1.7 Other (cost associated with R&D Offset)	(44)	(44)
	367	(2,588)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(38)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Security Deposits	3	3
	3	(35)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	370	(2,623)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	370	(2,623)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	1,708
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - Capital Raising Costs	-	(41)
	Net financing cash flows	-	1,667
	Net increase (decrease) in cash held	370	(956)
1.20	Cash at beginning of quarter/year to date	1,037	2,363
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,407	1,407

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	16
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Directors' fees, salaries and superannuation paid during the quarter totalled \$16k.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

In lieu of amounts payable in cash as remuneration, directors subscribed for ordinary shares in the Company (under the Directors' Fee Plan approved at the AGM on 20 November 2015) totalling \$45k during the quarter.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	497
4.2 Development	-
4.3 Production	-
4.4 Administration	135
Total	632

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	577	137
5.2 Deposits at call	830	900
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,407	1,037

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL 24992	Farm-in and Joint Venture- Mamadawerre project	Earning a 40% interest	Nil
6.2 Interests in mining tenements acquired or increased	NIL			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	NIL	NIL		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	357,481,564	357,481,564		
7.4 Changes during quarter (a) Increases through issues: Directors Fee Plan S-Term Perform Incentives (b) Decreases through returns of capital, buy-backs	2,045,455 1,526,736 -	2,045,455 1,526,736 -	2.2 cents o cents	2.2 cents o cents
7.5 +Convertible debt securities (description)	NIL	NIL		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	700,000	-	\$0.15	7 Mar 2017
	1,000,000	-	\$0.00	2 May 2017
	2,205,882	-	\$0.00	26 Nov 2017
	2,035,648	-	\$0.00	21 April 2018
7.8 Issued during quarter	- -	- -		
7.9 Exercised during quarter	1,526,736	-		
7.10 Expired during quarter	508,911	-		
7.11 Debentures (totals only)	NIL	NIL		
7.12 Unsecured notes (totals only)	NIL	NIL		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Mike Meintjes
Company Secretary
29 April 2016

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.