



QUARTERLY ACTIVITIES REPORT

FOR QUARTER ENDED 30 June 2016

HIGHLIGHTS

EXPLORATION

- Province-scale uranium zone identified across the Tin Camp Creek and Beatrice Project areas
- Alligator to increase interest In Beatrice Project (currently 51%) by sole funding the Phase 1 JV approved work program
- 2016 field exploration preparations complete and program commenced in the second half of June 2016
- Surface sampling at BT2 completed with assays results expected early to mid August

CORPORATE

- Exploration Credits totalling \$667,650 (at the 30% tax rate) were distributed at the end of the quarter to shareholders registered on 26 May 2016
- Issue of 2,454,545 ordinary shares to directors or their nominees under the terms of the Directors' Fee Plan reducing cash outflows by \$34,364 with a further \$39,625 in applications subject to shareholder approval at the AGM
- Issue of 2,544,600 zero strike priced options under the Employee Share Option Plan (STI and LTI Performance Options) for the 2016 field season

Alligator Energy

ABN 79140575604

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ASX Code: AGE

Number of Shares:
359.9M Ordinary Shares
8.4M 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

Overview

A “province-scale” zone of uranium mineralization, anomalism and pathfinder elements was defined stretching 40 kilometres across the company’s Beatrice and Tin Camp Creek tenements.

The field season commenced in June 2016 with the reopening of tracks and surface sampling completed at BT2 with a total of 233 samples collected.

Annual consultations with the Traditional Owners for Alligator’s project areas, facilitated by the Northern Land Council (NLC), occurred in April 2016. Alligator considers the outcomes of these meetings to be positive and constructive.

Identification of province-scale uranium zone

During the last two quarters Alligator has compiled and reviewed all exploration data collected on the Tin Camp Creek and Beatrice tenements. This included not just its own data but all available data collected by other exploration companies and government agencies since uranium exploration began in the Alligator Rivers Uranium Province in the late 1960’s.

The principal data sets used in the review included:

- Rock chip and drill-hole sample analyses and radiometric survey results to identify uranium mineralization and occurrences greater than 200ppm U3O8;
- Results of sampling and analysis of sandstone cover rocks and spring waters escaping from within or at the base of the sandstone cover rocks for uranium radiogenic decay isotopes (pathfinder elements). This technique is being developed by Alligator to identify uranium mineralisation in the basement rocks beneath the sandstone cover;
- Geophysical data; including magnetic, electromagnetic and sub-audio magnetic (SAM) survey results. These assist in the identification of alteration, structures and stratigraphy interpreted as favourable for uranium mineralization; and
- Geological maps to trace stratigraphic units, lithotypes, structures and alteration interpreted to be favourable for hosting or controlling uranium deposits

This work showed that most of the uranium mineralisation, anomalism and pathfinder elements within the two tenements are confined to a large, curvilinear zone stretching over 40 kilometres.

The zone begins near the Violet prospect close to the western boundary of the Beatrice tenements and extends to the spring waters containing highly anomalous pathfinder elements emerging from beneath the sandstone at Orion North near the northern boundary of the Tin Camp Creek tenement.

This province-scale feature trends across exposed basement as well as covering sandstone and is interpreted to reflect mineralisation within and extending laterally away from the Beatrice Fault Zone and its splays. It has been named the “**Violet-Orion Zone**”. It provides a clear focus for future exploration and gives great confidence that the pathfinder anomalies selected for further testing in 2016 represent real targets.

Attachment 1 shows the location of the “**Violet-Orion Zone**” and that few of the pathfinder element and sandstone covered targets within it have been drill tested. All of the 2016 exploration targets are within this zone (See ASX announcement of 15 December 2015).

Beatrice Project

A three phase exploration work program has been agreed by the Beatrice Joint Venture Management Committee for the 2016 field season. This work program commenced in the second half of June 2016.

Phase 1 of the program has commenced and will entail further sampling of the sandstone cover rocks and analysis of these for uranium pathfinder elements; plus geological mapping. Sampling at BT2 was completed as shown in figure 1. Additionally, resampling for Pb isotope and multi-element analysis of the historic drilling completed at the BT2 prospect will be undertaken. This is aimed at further defining previously identified anomalies in preparation for geophysical surveys. Results from this phase are expected early to mid-August.

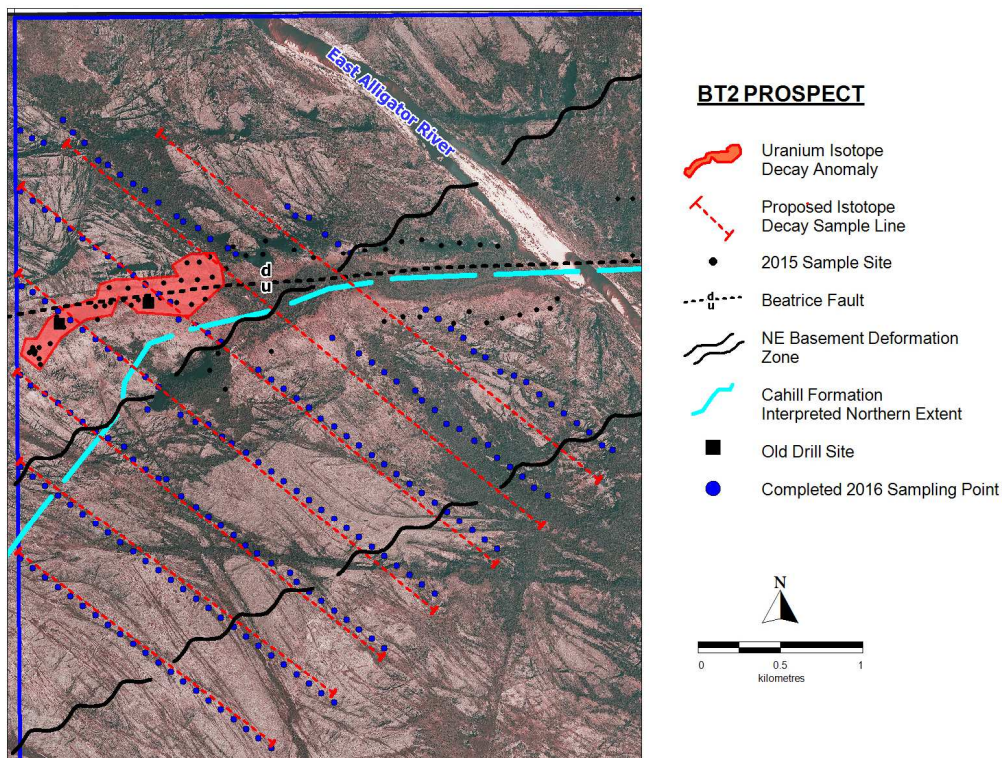


Figure 1 – Sampling completed at BT2 in June Quarter

Phase 2 will proceed only if the outcomes of the sampling programs are encouraging. It will entail high resolution, prospect scale geophysics to define targets for drill testing.

Phase 3 will be contingent on results from phases 1 and 2 providing sufficient definition and confidence that the targets could contain the 100 million pounds of U₃O₈ resource sought to warrant drill testing. A total of approximately 1000 metres of drilling is proposed to drill high quality targets defined through Phases 1 and 2.

Following Alligator earning a 51% interest in the Beatrice Joint Venture, Cameco has elected not to contribute to Phase 1 of the 2016 exploration program. Alligator has elected to increase its interest in the Joint Venture by solely funding the work program. Cameco may choose to recommence funding of its reduced interest at the commencement of future phases of the work program. A Phase 1 budget of \$639,000 has been approved by the JV Management Committee and is expected to result in an increased AGE interest in the underlying Beatrice tenements from the current 51%

holding.

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. These targets are characterized by strong uranium path finder element anomalism, geophysical features interpreted as the response from alteration associated with uranium mineralization, interpreted favourable host rocks and a fertile structural setting.

Fieldwork is proposed at TCC4 during the forthcoming quarter in order to establish access options for drilling.

Research and Development

Alligator, in collaboration with a ranger group formed by the Traditional Owners to protect and manage their country, completed a weed management program at the Tin Camp Creek and Beatrice project areas. A collaborative effort involving Alligator, Traditional Owners and CSIRO to develop and apply alternative and improved methods to control mimosa infestations in the project areas has also commenced.

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 focused on new and better methods for processing SAM/TFEM geophysical data to define basement conductors associated with large uranium occurrences.

CORPORATE

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.

Eligible Exploration Development Incentive expenditure incurred during the 2015 income tax year, as set out in the tax return, amounted to \$2,225,499. On 28 April 2016, the Board approved the distribution of \$667,650 (at the 30% tax rate) in exploration credits to shareholders with a Record Date of 26 May 2016. The credit amounts to \$1,855 per one million shares and Notices were issued to eligible shareholders on 27 June 2016.

Issue of Short and Long Term Performance Options for 2016 field season

On 24 June 2016 the Company issued 2,544,600 zero strike priced options under the Employee Share Option Plan approved by shareholders on 21 November 2014. These options were granted to key personnel and only vest if the KPIs established as part of a short and long term incentive plans for the 2016 field season are met. The KPI assessment for the short term incentive and the resultant vesting and conversion must occur before 31 January 2017. Any options related to the short term incentive (1,272,300 in total) that do not vest will automatically expire at that date. The options associated with the long term incentive plan have a life of three years. The number of options granted for both the short and long term incentive plans were based on 15% of the estimated annual cost for these personnel and an assumed floor price of 4 cents per share.

Director Fee Plan Shares

On 18 April 2016, the Company issued 2,454,545 ordinary shares to the directors or their nominees at \$0.014 per share under the terms of the Directors' Fee Plan approved by shareholders on 20 November 2015.

At 30 June 2016 the Company had reached the ceiling approved by shareholders for issue of Fee Plan shares, being 4,500,000 ordinary shares in the twelve month period commencing on 20 November 2015. The directors have therefore resolved, subject to shareholder approval to be obtained at the AGM, to continue the election to receive Fee Plan shares in lieu of receiving cash payments. Applications subject to shareholder approval comprise 634,740 shares at \$0.014 per share in lieu of \$8,886 cash payments for the March 2016 quarter and 990,625 shares at \$0.04 per share in lieu of \$39,625 cash payments for the June 2016 quarter. If approval is not obtained the amounts will be paid in cash.

In addition to avoid excessive dilution of existing shareholders through issue of large numbers of Fee Plan shares to the directors in lieu cash payments of fees, while the company's shares are less than four cents each, the directors also resolved to set a future floor price of 4 cents for the election and issue of further Fee Plan shares.

For clarification if a director was entitled to a quarterly fee of \$10,000 and received shares rather than cash then at the floor price of four cents/share that director would be granted 250,000 shares. However if the 30 day VWAP of the company's shares was just two cents at the end of the relevant quarter the director would have only received shares valued at \$5,000.

With shareholder approval, to be sought at the AGM, it is proposed that the director would be "made whole" either by payment of cash or additional shares at the end of December, 2016.

Competent Person's Statement

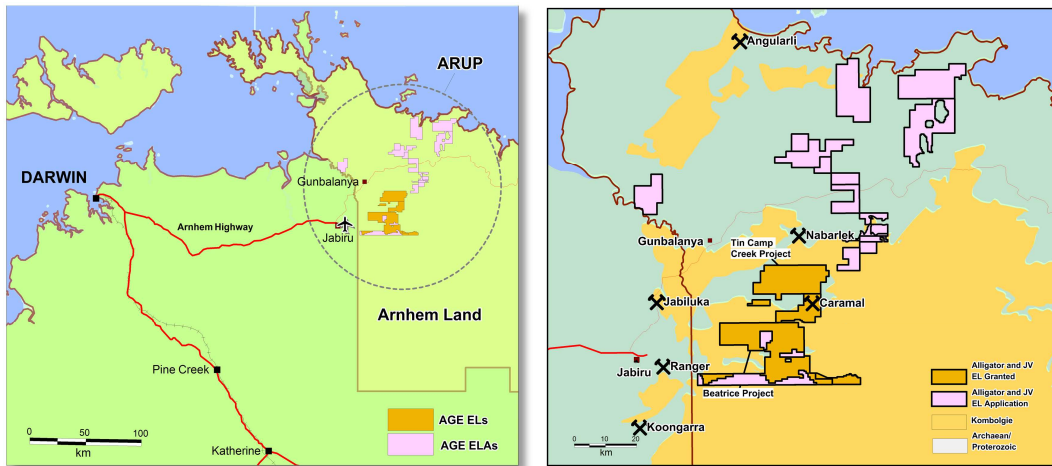
Information in this report is based on current and historic Exploration Results compiled by Mr Andrew Peter Moorhouse who is a Member of the Australasian Institute of Geoscientists. Mr Moorhouse is an employee of Alligator Energy Limited, and has sufficient experience which is relevant to the style of 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 Moorhouse consents to the inclusion in this release of the matters based on his 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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0407 822 319

ATTACHMENT 1

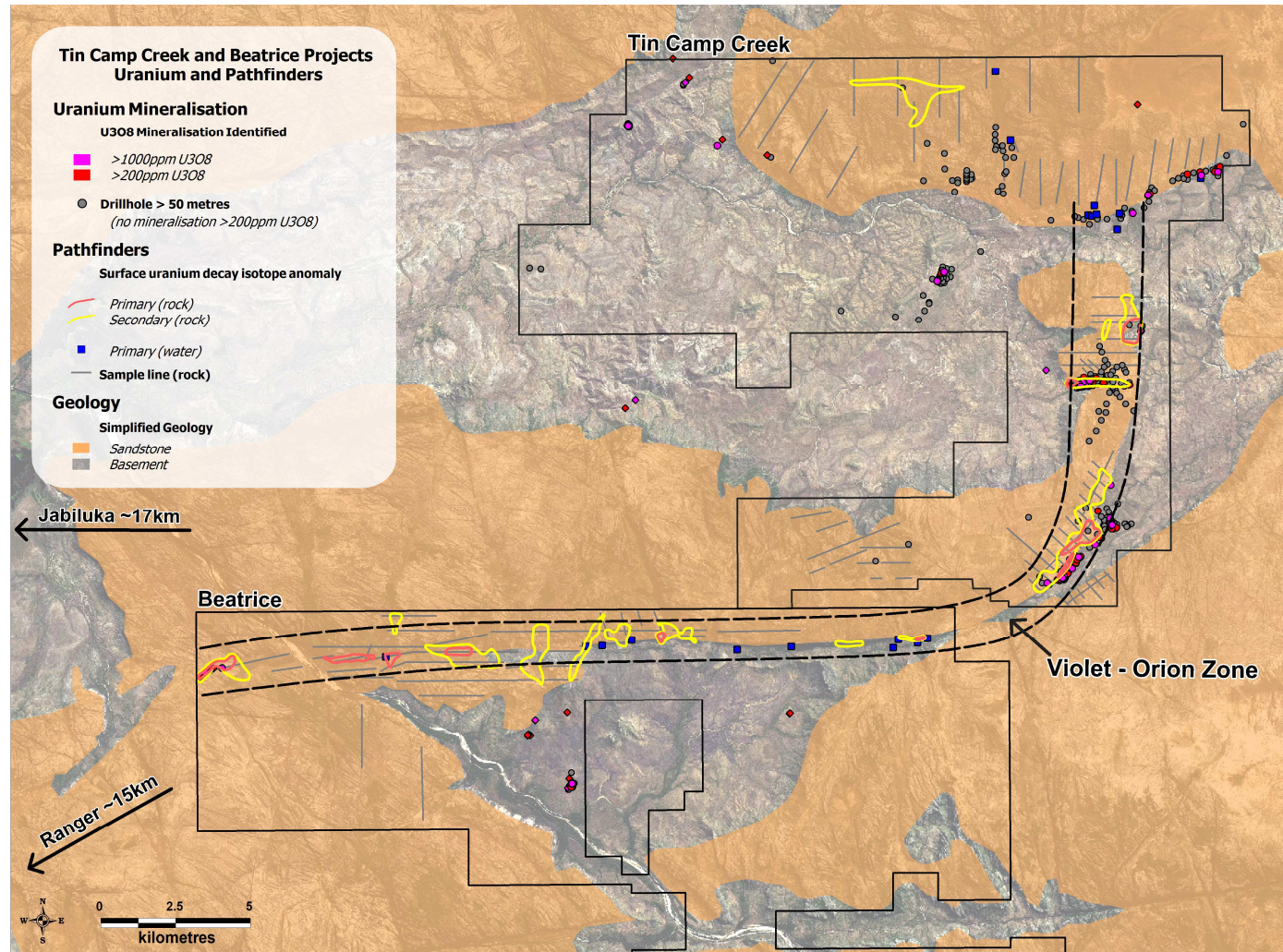


Figure 1- Known uranium deposits, mineralisation and occurrences plus uranium pathfinder elements define the Violet-Orion Zone.

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")

30 June 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	(371)	(2,912)
(b) development	-	-
(c) production	-	-
(d) administration	(176)	(805)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	26
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid)/ received- R&D Offset	-	604
1.7 Other (cost associated with R&D Offset)	-	(44)
	(543)	(3,131)
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
	-	(35)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(543)	(3,166)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(543)	(3,166)
	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	(543)	(1,499)
1.20	Cash at beginning of quarter/year to date	1,407	2,363
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	864	864

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	33
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 \$33k.

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

Shareholders have approved a Director's Fee Plan where directors can subscribe for ordinary shares in lieu of fees payable in cash.

During March 2016 the Company reached the ceiling approved by shareholders for issue of Director Fee Plan shares, being 4,500,000 ordinary shares in the twelve month period commencing on 20 November 2015. In March 2016 the directors elected to receive 634,740 shares at \$0.014 per share in lieu of \$8,886 cash payments and in June 2016 the directors elected to receive 990,625 shares at \$0.04 per share in lieu of \$39,625 cash payments, subject to shareholder approval. If approval is not obtained the amounts will be paid in cash.

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	388
4.2 Development	-
4.3 Production	-
4.4 Administration	174
Total	562

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	214	577
5.2 Deposits at call	650	830
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	864	1,407

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 27251	Mamadawerre East Exploration Licence	100%	Nil
6.2 Interests in mining tenements acquired or increased	NIL*			

*- the Company is solely funding Phase 1 expenditure at the Beatrice Project (EL 24291 and EL 26796). This funding, when confirmed at the end of the field season, will result in an increase in Alligator's current 51% interest in the Joint Venture.

+ 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 <i>(description)</i>	NIL	NIL		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	359,936,109	359,936,109		
7.4 Changes during quarter (a) Increases through issues: Directors Fee Plan (b) Decreases through returns of capital, buy-backs	2,454,545 -	2,454,545 -	1.4 cents	1.4 cents
7.5 +Convertible debt securities <i>(description)</i>	NIL	NIL		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<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
	1,272,300	-	\$0.00	31 Jan 2017
	1,272,300	-	\$0.00	7 June 2019
7.8 Issued during quarter	1,272,300 1,272,300	- -	\$0.00 \$0.00	31 Jan 2017 7 June 2019
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	NIL	NIL		
7.12 Unsecured notes <i>(totals only)</i>	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
25 July 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.